



MEDICAL PRACTICES: HOLIDAY BONUSES – THE ANNUAL QUANDRY



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As we approach the holiday season, many of our healthcare clients ask about the practice of giving holiday bonuses to their employees.

This is always a difficult decision, especially if you have given bonuses in the past. Employees tend to look upon these bonuses as a “given” instead of a gift; stopping the tradition may be met with anger and the feeling that they are losing a benefit from their employment. Holiday bonuses in some organizations have gotten out of hand and are sometimes as much as 10% of annual compensation.

We recommend that bonuses be tied to exceptional, measurable performance and not to a specific holiday or holiday season.

All employees in a medical practice have the opportunity to impact the practice’s profitability as well as the ability to maintain patient satisfaction. Bonus programs can be developed which recognize the contribution of all staff members to the success of the practice. These programs will generate excitement in the practice and a feeling of camaraderie as everyone strives to reach common goals.

For front-desk staff, the goals may include phone-answering criteria and obtaining error-free demographic information. For nurses and medical assistants, the goals may include development of preventive care protocols and ensuring that all charges are captured. Billing staff can always be incentivized on management of accounts receivable. Individual recognition can be given to those staff members who find ways to reduce costs or develop a new process or procedure for the practice.

During these precarious economic times, practices should strive to keep all their staff employed and not decrease benefits in order to save money. Creating an incentive or bonus program that encourages everyone to give 110% can be a win-win for physicians and staff.

As one of the leading accounting and consulting firms for physician practices, Cowan, Guteski & Co., P.A. understands how bonuses and employee benefits can affect your practice. To discuss your particular situation, contact Deborah Mathis, CPA, CHBC, Director – Healthcare Services Group at 732-349-6880 extension 114 or dmathis@cowanguteski.com.

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