



## 2016 “USUAL, CUSTOMARY AND REASONABLE (UCR)” FEES

The term “Usual, Customary and Reasonable,” as it relates to any fee schedule, can be confusing. At The Neck and Back Clinics, we take the topic seriously by periodically verifying that our fees for services meet the definition of UCR and making adjustments, as necessary. The Neck & Back Clinics strives to be the leader of our industry in every way, including the determination of usual, customary and reasonable fees. We appreciate the opportunity to work with patients and provide them with high quality healthcare as they work toward recovery, and we want our patients and any referring colleagues to be confident that our patients receive high value for services that are fairly priced in the marketplace. The following bullet points explain the process of how we set our fees.

- ✓ To ensure “Usual, Customary and Reasonable” fees, The Neck & Back Clinics continues to utilize two nationally recognized publications.
  - First, the 22nd edition of *Medical Fees*, published in 2016 by Practice Management Information Corporation. As stated in the book’s foreword, “The UCR fees listed in this publication are derived from an analysis of over 600 million actual charges.”
  - Second, the 33rd edition of *Physicians’ Fee Reference*, published in 2016 by Yale Wasserman, DMD Medical Publishers Ltd.
- ✓ Within these two publications, one will find the nationally averaged 50th, 75th, and 90th percentile fees for all CPT codes. The two publications do not list identical fees for each CPT code, but the amounts are similar. (See below for definition of CPT code.)
- ✓ Both publications list “Geographic Adjustment Factors” meant to help providers “fine tune” their fees based on work, practice, and malpractice expenses specific to a geographic region.
- ✓ **The fee for each CPT code used at The Neck & Back Clinics is set at the 67th percentile, adjusted for Clark County, Nevada, and averaged between both publications.**

On the reverse side you will see an example of the formula used by The Neck & Back Clinics to determine our fees. Please feel free to contact us with any questions or for further explanation.

CPT is a registered trademark of the American Medical Association. CPT stands for “Current Procedural Terminology.” A CPT code is a five digit numeric code that is used to describe healthcare related procedures provided by physicians, hospitals, and other health care providers. Every procedure has an accompanying code.

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**Rehabilitation and Recovery Starts Here<sup>SM</sup>**

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Chiropractic Physicians

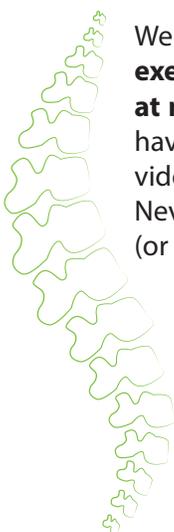
# FEE CALCULATION EXAMPLE

CPT Code 97110–Therapeutic Exercise | The Neck & Back Clinics’ Fee: \$63 per unit

Publication #1: Medical Fees 2016	Non-adjusted 50th % Geographic Adjustment Factor Adjusted 50th %	\$55 x1.024 \$56.32	
Publication #2: Physicians’ Fee Reference 2016	Non-adjusted 50th % Geographic Adjustment Factor Adjusted 50th %	\$51 x1.034 \$52.734	
50th % fee averaged between both publications			\$54.527

Publication #1: Medical Fees 2016	Non-adjusted 75th % Geographic Adjustment Factor Adjusted 75th %	\$68 x1.024 \$69.632	
Publication #2: Physicians’ Fee Reference 2016	Non-adjusted 75th % Geographic Adjustment Factor Adjusted 75th %	\$63 x1.034 \$65.142	
75th % fee averaged between both publications			\$67.387

Price differential between the averaged and adjusted 75th % and 50th %	(\$67.387 – \$54.527)	\$12.86
Increment differential between the 75th % and 50th %	(75 – 50)	25
Price per increment (Price differential divided by increment differential)	(\$12.86 / 25)	\$0.5144
Dollar value for a 17 increment increase	(\$0.5144 x 17)	\$8.7448
67th % amount (50th % amount + 17 increment increase amount)	(\$54.527 + \$8.7448)	\$63.2718
\$63.2718 rounded to the nearest dollar		\$63



We provide much more than just spinal manipulation and minimal therapy modalities. **Active therapeutic exercise treatment is a valuable and significant part of our approach to patient care, but is not offered at most other clinics.** Additionally, patients are seen by licensed chiropractic physicians on every visit. We have as many as 8 different forms of therapy modalities that can be utilized on a case-by-case basis to provide maximum benefit for specific injuries. All services provided at The Neck & Back Clinics are performed by Nevada Licensed Chiropractors, Licensed Massage Therapists, and Nevada Licensed Chiropractor’s Assistants (or Chiropractor’s Assistants in training). In addition, fees for all services are usual, customary and reasonable.

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