**Cost-Saving Ideas to Reduce Practice Overhead**

When it comes to saving money on your practice overhead, what makes the most sense? You don't want to cut corners if doing so cuts the quality of patient care. What are the most efficient ways to save costs and reduce overhead while also maintaining the integrity of your practice?

by [Mike Whitmer](https://www.ncmic.com/authors/mike-whitmer-a1/) in [Money Management](https://www.ncmic.com/learning-center/articles/money-credit/money-management/) on Tuesday, July 02, 2019

First, consider some of your largest expenses. What size space are you leasing? Typically, a lease is one of the largest (if not *the* largest) expenses a practice incurs. However, moving to a new location is not likely an ideal option, either. Patients come to a practice for a variety of reasons, but convenience of location is an important factor. If you move offices, you may lose patients and would have to get re-established in the new location. Also, the actual cost of moving—changing phone and internet services, reprinting materials that have your old address, signage, moving people—can add up significantly. However, if moving is a way to save significant overhead and would allow your practice to survive, it should be considered. In most cases, it should be considered as a last resort.

Other expenses that can get costly are X-rays and office furniture. If you are looking into furnishing your office, consider what you want versus what you need. Furniture costs can add up quickly, and you don’t need top-of-the-line pieces for your waiting area. Consider where you truly need to invest, which is in quality diagnostic and treatment equipment for your patients.

To save on the costs of office equipment and X-rays, you could consider outsourcing. Rather than investing in your own X-ray equipment, outsourcing allows you to have state-of-the-art digital imaging at no cost to you, since the patient is paying for the cost of the imaging. Bonus: This also provides an opportunity to develop a referral source with an imaging center or hospital radiology department. Possible negative: Patients may not want to have to go to multiple facilities.

Another option to consider for cost savings is to look at where you invest your time. While this may not be a direct expense, how you spend your time can pay dividends if you choose wisely. For example, valuable ways to spend time would be on developing and implementing office processes, marketing your practice or attending networking events. Don’t feel like you need to say yes to every networking opportunity, as [**personal time is important for balance**](https://www.ncmic.com/learning-center/articles/patient-experience/practice-procedures/selfcare-for-healthcare-professionals-/), but when you consider the potential referrals and opportunities for growth, taking the time to get to know others in the community and promote your practice will pay off in the long run. When it comes to your time, take note of how you’re choosing to spend it and see where there may be more potential to grow your practice.

While it may seem obvious, the best way to reduce overhead is to try not to incur it in the first place. The decisions you make when setting up your office have long-range consequences, whether you are leasing too much space in a prime location, overspending on equipment or office furnishings. When you keep overhead low from the beginning, breaking even and finding profitability will be even easier to achieve. If it is too late for that, look at any recurring monthly expenses—such as phone services, equipment maintenance (like copiers) or cleaning services—and make sure you are getting the most for your money.

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