Book Review: Financial Success in Mental Health Practice

Contributed by Mila Ruiz Tecala

Review of Financial Success in Mental Health Practice
Financial Success in Mental Health Practice: Essential Tools and Strategies for Practitioners. Written by Steven Walfish, Ph.D. and Jeffrey E. Barnett, Psy. D. Published by American Psychological Association, Washington D.C., 2008, 266 pages (including references), hard cover, $59.95 ($49.95 for APA members).

When I graduated from the MSW program, my curriculum did not include a course in starting a private practice. Current curricula in schools of social work do not include courses in the business of private practice, either. Of course, I graduated in 1966, and in those days, social workers did not go into private practice. When I started private practice in 1979, there were a handful of us specializing in this field. Running a small business was mostly hit or miss, mostly miss. Now we have a book that guides us to be successful in the business of private practice. This book is ideal for the practitioner who is just starting or for a seasoned one.

The book operates on the premise that the person who is going into private practice is clinically competent and has the appropriate license where he or she is practicing. The authors also believe that private practice is not for everyone. The book starts with the 20 principles of private practice. These principles are deftly woven through the whole book. Let me list a few of the principles: Principle #1—you need to resolve the conflict between altruism and being a business owner. In one chapter, the subtitle is “being a caring professional and earning a living are not mutually exclusive.” Many social workers are caught in this first principle. Principle #3—the mental health professional with the spirit of the entrepreneur is most successful in private practice. This means a private practitioner is a business owner and all that entails, including marketing. Principle #11—if collections are less than 90% of fees charged, you should take a hard look at your fee setting and collection process.

The book is divided into four parts. The first part of the volume is related to the practitioner’s attitude about money and being a small business owner. The second part focuses on the “nuts and bolts” of private practice, such as deciding the model of practice, billing and collecting fees, keeping track of your earnings, paying the appropriate taxes, and so forth and so on. The third part is related to issues of practicing (or not practicing) within a managed care system and other income opportunities that are available to the private practitioner. The final part of this volume addresses financial management and retirement planning.

My favorite parts of this book are the ones called “Exhibits.” These exhibits range from sample letters to a physician to practicing out of your home. My favorite is Exhibit 10.1—non-managed care activities.

This book is so comprehensive that they even teach you how to complete the CMS 1500—that’s the universal billing form for insurance. I am a seasoned private practitioner, and I found this book helpful.

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