

## 2014 in Review *Christopher Powers, PT, PhD, FAPTA, CPTA President*



2014 was a very productive year for CPTA on many fronts. First and foremost, 2014 marked the beginning of the new law allowing direct access for physical therapists in California. The passing of this landmark legislation now allows physical therapists to see patients directly without a diagnosis. With the new law however, there was uncertainty and confusion regarding its implementation. Using webinars, online publications, and face-to-face seminars, CPTA was active throughout the year educating members on the nuances of consumer direct access (billing, documentation, etc.) to ensure all would benefit to the full extent of the law.

The Payment Policy Committee also had a very busy year in 2014. Importantly, CPTA was instrumental working with payers in California to remove the requirement for a referral to allow payment for physical therapist services. In addition, CPTA's Payment Policy Committee shared its strong concerns with ASH/Cigna's proposed payment methodology, provider network contract language, and unsubstantiated provider rates. The committee launched a major grassroots push which resulted in Cigna postponing its ASH transition to January 1, 2015.

Given our success in securing direct access the year prior, 2014 marked a significant change in the allocation of chapter resources from legislative activities to public

relations. In particular, our initiatives related to public identity were given highest priority in 2014. CPTA worked diligently to educate consumers of the benefits of direct access to physical therapist services. This included a statewide radio and print ad campaign. Furthermore, the Membership and Communications Committee conducted two consumer focus group meetings to test branding messages to consumers with the hope of changing public awareness of the profession and promote a strong identity for physical therapy. A product of these focus group meetings was the branding message "Physical Therapists Improve the Way You Move," which was approved by the CPTA Board in December of 2014.

Another area of attention in 2014 was the restructuring of district operations. Last year the Governance Review Task Force was busy compiling feedback and suggestions from the districts on how to streamline operations to reduce the demands on volunteer leaders. In July 2014, district representatives met with CPTA board and staff to discuss possibilities for a new district organizational structure. Several of the restructuring recommendations that came out of this meeting will be heard at this year's Assembly of Representatives for adoption.

In summary, CPTA accomplished a lot in 2014. Our organization continues to be fiscally sound. Importantly, we have laid a strong foundation to move forward in the years to come to achieve our strategic goals and initiatives.

## Financial Overview *Dennis Langton, PT, CPTA Finance Officer*



2014 was another strong year for CPTA as we continued to demonstrate sound financial performance. With overall income showing a mild 1.6% increase over 2013 and expenses right in line with 2013, CPTA showed an overall year end variance of (\$24,105) when including income from our investment activity. This net loss was nearly \$8,000 less than had been budgeted.

CPTA showed a minimal 0.75% drop in dues revenue mostly due to CPTA's participation in APTA's pilot Career Starter Dues Program, which offers new graduates a scaled reduction in national and chapter dues for the first four years after graduation. In the area of its investments, while 2014 was a rather variable year with good financial management, CPTA was able to post a \$54,509 unrealized gain. With the increased efforts in the areas of public outreach, practice and payment activities, CPTA increased its outside services budget by 12% over 2013, which included a 32% increase to public outreach. With these changes, however, CPTA was able to keep the total 2014 expenses nearly \$10,000 below 2013. While there was a net loss, CPTA ended 2014 with a reserve ratio of 38% which continues to be optimal. We have again achieved the goal of the finance committee to perform at or better than our approved budget. In keeping with CPTA's strategic goal

and its areas of focus the three largest percentage of our expenditures were allocated to public relations, practice and payment advocacy. The finance committee and CPTA Board are supported in their fiduciary responsibilities by a very financially responsible staff led by Executive Director, Stacy DeFoe and Associate of Finance, Jennifer Guico.

The Finance Committee has the responsibility of overseeing and making recommendations to the Board of Directors on our investment portfolio. In 2014 our overall returns showed a gain of 3.9% and a trailing three year average of 9.5%. CPTA adheres to a board approved asset allocation formula which diversifies our portfolio between stocks, bonds, real estate and cash. We examine the performance of each of our investment programs and make changes when we feel that there is underperformance in the market or there is an area of particular growth opportunity. Our mix of investments is designed to allow for a substantial upside when the market performs well while at the same time providing protection to minimize our downside during market drops.

CPTA's 2015 Finance Committee is composed of Finance Officer, Dennis Langton, Rick Katz, Mike Otahal, Stuart Katzman and Roland Lucas. I would like to thank my fellow committee members along with CPTA staff for their time and outstanding efforts on behalf of the members of CPTA.

CAL-PT-PAC raised \$14,975 for National PT Month. A CAL-PT-PAC "Day of Giving" was held on October 1 to kick off the month and \$4,718 was raised on that day.

Radio advertisements aired in the San Francisco Bay Area, Redding, San Diego, Sacramento and in Los Angeles in both English and Spanish

CPTA experts assisted numerous providers with answering practice inquiries

Presented Annual Conference in Oakland with more than 1,000 registrants

Held PT Legislative Day in Sacramento with 110 registrants and Student Legislative Day with 225 students

Sixty bus advertisements ran in San Diego and Fresno

Social media ads were purchased on Google and Facebook resulting in over 1,336,100 impressions and over 6,200 clicks to the MoveCalifornia website

The Centers of Excellence Resource recognition program and practice consulting program were heavily marketed to encourage evidence-based practice

ACCOMPLISHMENTS

## 2014 PROGRAM INCOME

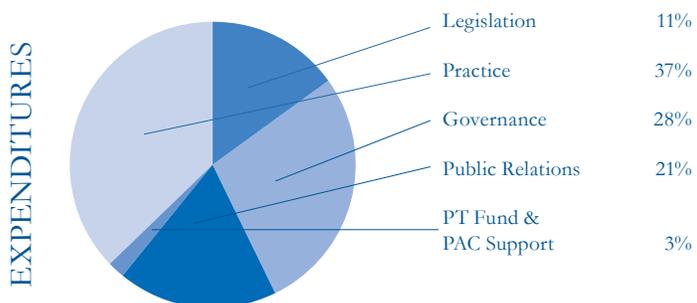
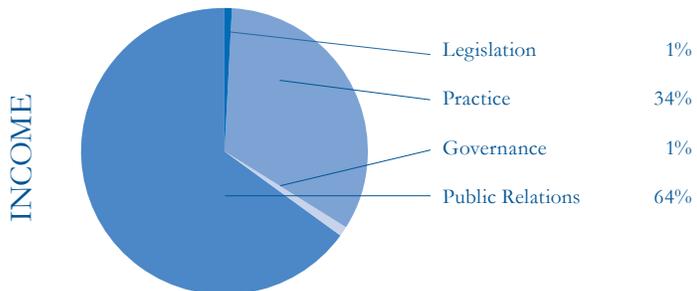
<b>Legislation</b>	<b>1 %</b>
PT Legislative Day	2,800.00
Student Legislative Day	1,100.00
<b>Total</b>	<b>3,900.00</b>

<b>Practice</b>	<b>34 %</b>
CPTA Annual Conference & Inst Courses	244,625.10
CPTA Exhibits	88,070.00
CPTA CAC Printed Program	10,855.00
Continuing Education Courses	207,454.00
Centers of Excellence Recognition Program	1460.00
Professional Affairs Consulting Service	1,212.50
Continuing Education Application Approvals	87,895.00
<b>Total</b>	<b>641,571.60</b>

<b>Governance</b>	<b>1 %</b>
Interest Income	20,766.63
Services (labels)	3,383.38
Miscellaneous	189.60
<b>Total</b>	<b>24,339.61</b>

<b>Public Relations</b>	<b>64 %</b>
Membership Dues	1,107,711.94
Website & Newsletter and PT Notes Advertising	87,568.61
Business Partners of Physical Therapy	14,400.00
Shared Services	5,632.34
Miscellaneous	360.00
<b>Total</b>	<b>1,215,672.89</b>

<b>Total Program Income</b>	<b>1,885,484.10</b>
<b>2014 Unrealized Gain on Investments</b>	<b>54,509.31</b>
<b>Total 2014 Income</b>	<b>\$1,939,993.41</b>



## 2014 PROGRAM EXPENDITURES

<b>Legislation</b>	<b>11 %</b>
Government Relations	30,496.82
Lobbying	114,331.05
PT Legislative Day	10,538.20
Student Legislative Day	4,278.19
Committees: Government Affairs, CAL-PT-PAC	6,382.40
General & Administrative Expenses	58,083.90
<b>Total</b>	<b>224,110.56</b>

<b>Practice</b>	<b>37 %</b>
CPTA Annual Conference & Inst Courses	197,469.44
CPTA Exhibits	34,299.49
Continuing Education Courses	142,302.87
Continuing Education Program Approvals	1,820.36
Practice Expenses	5,607.83
Centers of Excellence Recognition Program	476.50
CPTA CAC Printed Program	6,096.62
Professional Affairs Consulting Service	562.81
Committees: Ethics, Payment Policy, Quality	
Practice, Awards, Education, RFP Task Force	16,050.92
General & Administrative Expenses	315,284.99
<b>Total</b>	<b>719,971.83</b>

<b>Governance</b>	<b>28 %</b>
Assembly of Representatives	20,163.62
House of Delegates	47,289.06
Chapter Board	37,825.40
District/SIGs	47,315.19
Services (labels)	175.10
Committees: Finance, Tellers, Nominating,	
Reference, Orientation	19,240.13
General & Administrative Expenses	377,474.07
<b>Total</b>	<b>549,482.57</b>

<b>Public Relations</b>	<b>21 %</b>
Website & Newsletter	53,001.96
Membership Development & Retention	15,370.73
Public Outreach	155,188.16
Business Partners of Physical Therapy	540.56
Committees: Communications	3,354.50
General & Administrative Expenses	187,665.27
<b>Total</b>	<b>415,121.18</b>

<b>PT Fund &amp; PAC Support</b>	<b>3 %</b>
<b>Total</b>	<b>55,411.95</b>

<b>Total 2014 Expenditures</b>	<b>1,964,098.09</b>
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