



Allied Health Financial Metrics

A Practical KPI Guide for Sustainable Clinics

2026

About Us



Slate Accounts is your outsourced finance team managing everything from daily bookkeeping to strategic planning so you can focus on your business.

Our mission is to help Australian businesses ease the burden of managing their finance function with the latest tech and brightest people.

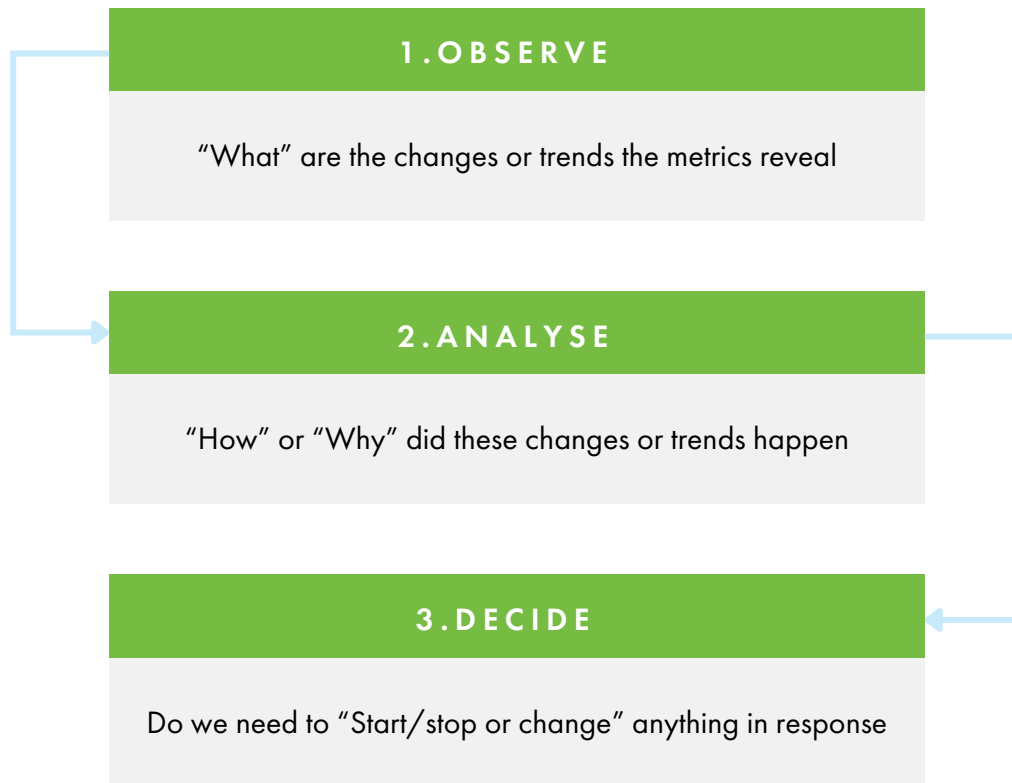
We currently manage the finances for 24 allied health clinics across Australia.

Most allied health clinic owners can tell you how much revenue came in last month. But the most successful owners we see are looking a little deeper to find revenue growth and cost reduction opportunities and which levers to pull if something starts to drift.

This guide brings together a set of 11 high-impact financial and operational KPIs designed specifically for allied health clinics.

These KPIs are not about micromanaging staff or chasing benchmarks for the sake of it. In addition to reviewing standard financial reports, we're confident any business will improve its financial performance if its leaders follow the simple monthly process of reviewing them with staff to understand the reasons behind any changes or trends they observe.

The primary key is the monthly discipline. Everything else (insights / better decisions / better performance etc) will naturally follow if leaders merely maintain the discipline of looking at the metrics and doing the following:



How to use this document

We recommend that all KPIs in this guide be calculated and charted monthly, with at least 12 months of history, and against at least one comparison, ideally the budget, or possibly the same month in the prior year.

Trends matter more than single numbers. Benchmarks are helpful for occasional validation or target setting, but your own historical performance is usually the most useful comparison. For most metrics, it will also help to calculate a rolling average, or year-to-date figure that irons out the month-to-month variations, and also compare that to a historical period or target (such as the budget).

How to count part-time staff (FTE quick guide)

Practitioner and staffing KPIs use Full-Time Equivalent (FTE) numbers, rather than a count of employees, so KPIs are comparable.

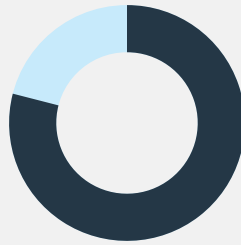
$$\text{FTE (for a period)} = \frac{\text{Total hours worked in the period (all staff)}}{\text{Full-time hours worked in the period by 1 full-time employee}}$$

In most Australian workplaces, 1 FTE = 38 hours / week, but FTE hours / month will vary from month to month depending on public holidays.

Examples:



38 hours per week =
1.0 FTE



30 hours per week =
0.79 FTE



19 hours per week = 0.5 FTE



To calculate the full-time hours worked in a calendar month by 1 FTE, use working days (usually: calendar days - weekends - public holidays) x working hours per day (usually $38 / 5 = 7.6$)

Contractors and KPIs

It's common, especially for smaller practices, to work with independent practitioners, often paying a share of billings for the use of space and facilities. In most cases, clinics consider these independent practitioners, often just referred to as "contractors", an important part of their overall offering and critical to meeting service standards of the practice.

Under typical contractor arrangements, clinics forgo billings, while reducing the risks of hiring staff. These arrangements change the relative importance and calculation of some KPIs. Where relevant, this is noted as a variant option for the relevant KPI.

Staff Performance KPIs

Revenue per Practitioner

Measures the total revenue generated by each practitioner.

Formula:

$$\frac{\text{Revenue in the month}}{\text{Practitioner FTE in the month}}$$

Why it matters:

Clinics will typically have a target for this metric set for the practice, and will want to know if it's being hit. While others (below) provide more granular insights, this is a good high-level metric that, when met, will signal good overall financial performance for the period.

Variant:

Multi-disciplinary practices should calculate this separately for each discipline.

Consider whether to include the revenue and FTE count of independent practitioners. For comparability with staff practitioners, include independent practitioners' total billings as practice revenue.

Gross Profit % by Practitioner

Shows the net contribution of each practitioner after direct costs.

Formula:

$$\frac{(\text{Monthly practitioner revenue} - \text{Direct practitioner costs})}{\text{Monthly practitioner revenue}} \times 100$$

(Direct costs typically include wages and on-costs.)

Why it matters:

Labour is the highest cost to any practice, so this KPI ensures that practitioners are meeting the gross margin required to support overheads and profit. It also helps leaders consider interesting questions comparing the relative value of junior and senior staff, employees and contractors (who might be on a fixed % contractor split), and gross profit % with \$ contribution.

Variant:

Gross Profit \$ should be calculated and compared with gross profit %, especially where practitioner costs vary significantly across the team.

Billable Utilisation Rate

Measures the proportion of paid time spent delivering billable services.

Formula:

$$\frac{\text{Monthly billed hours}}{\text{Available paid hours}} \times 100$$

Why it matters:

This KPI highlights practitioner productivity and operational efficiency. It helps identify underutilised capacity caused by cancellations, admin burden, or rostering inefficiencies. Improving utilisation can increase revenue without hiring or increasing marketing spend. Calculating this KPI can also help narrow down opportunities to improve Gross Profit % by Practitioner.

Variant:

can be calculated at a practice, practitioner or discipline level. If including independent practitioners, the denominator should include the hours a practice room is made available to them.

Labour Ratio

Measures the percentage of revenue spent on employee wages.

Formula:

$$\frac{\text{Monthly wages and on-costs}}{\text{Revenue}} \times 100$$

Why it matters:

Labour is the largest cost in most clinics. This KPI supports early detection of overstaffing, inefficient rostering, or revenue softness. The ATO typically reports this KPI for health clinics so it can be a good one to compare against those benchmarks.

Variant:

separate calculations for clinical and admin staff.
May include billings retained by independent practitioners on the numerator, and their total billings on the denominator.

Admin FTE to Practitioner FTE Ratio

Measures the balance between administrative support and clinical staff.

Formula:

$$\frac{\text{Monthly admin FTE}}{\text{Monthly practitioner FTE}}$$

Why it matters:

Too little admin support pushes clinicians into non-billable work and impacts patient experience. Too much admin increases fixed costs and reduces margins. The right balance supports efficiency and scalability.

Patient Rebook Rate

Measures the proportion of patients who are booking follow-up appointments.

Formula:

$$\frac{(\text{Total appointments} - \text{Patients without upcoming appointments})}{\text{Total appointments}} \times 100$$

Why it matters:

Retention is a strong indicator of patient satisfaction and treatment effectiveness. It is more cost-effective to retain patients than acquire new ones. A declining trend is often an early warning sign.

Variant:

Some clinic management software will report on “repeating patients” being those who have booked in a period who also have a prior appointment with a given time frame (often 12 months). Patient Visit Average is also sometimes calculated, being total attended appointments in a period ÷ Number of unique patients in the period.



These KPIs are not about micromanaging staff or chasing benchmarks for the sake of it. In addition to reviewing standard financial reports, we're confident any business will improve its financial performance if its leaders follow the simple monthly process of reviewing them with staff to understand the reasons behind any changes or trends they observe.

Clinic Performance KPIs

Revenue per Clinic or Location

Total revenue generated by each clinic location.

Formula:

Total monthly revenue
from each service at
each clinic

Why it matters:

Provides visibility into which clinic locations and service offerings are driving business growth. Identifies underperforming locations where targeted marketing, staffing adjustments, or service changes may be needed.

Variant:

Revenue can be broken down by discipline.

Total Completed Appointments

The total number of billable sessions delivered each month

Formula:

Count of completed billable
appointments in the month.

Why it matters:

It helps identify seasonal trends and forecast future demand. When linked with revenue, this KPI helps track whether revenue increases are due to higher patient volume or changes in pricing. Can be used as a lead indicator for clinicians (e.g., aiming for a certain number of appointments to hit a revenue goal).

Variant:

Bookings, which when compared with completed appointments, might highlight cancellation or staffing problems.

Total Expense Ratio

Measures the proportion of revenue spent on operating costs.

Formula:
$$\frac{\text{Monthly total expenses}}{\text{Revenue}} \times 100$$
Why it matters:

The ATO publishes this KPI as a benchmark, making it a good one to calculate and keep an overall eye on. Unfortunately, because total expenses include wages and rent (the two largest costs), it's generally too broad to learn much about specific expense trends.

Rent Ratio

Measures occupancy costs relative to revenue.

Formula:

$$\frac{\text{Monthly rent and occupancy costs}}{\text{Revenue}} \times 100$$

Why it matters:

Assesses the cost of your premises relative to the income it generates. If rent costs are disproportionately high, you may need to negotiate your lease, adjust your service mix, or reconsider your clinic location to ensure your property costs do not erode profitability.

The ATO also publishes this metric as a benchmark for comparison purposes.



Net Profit %

The percentage of revenue retained after all expenses.

Formula:

$$\frac{\text{Monthly net profit}}{\text{Revenue}} \times 100$$

Why it matters:

Indicates how efficiently the clinic is operating after paying staff, rent, supplies, and other overhead costs. Helps guide strategic financial decisions for businesses.

Where independent practitioners are considered an integral part of the practice, their billings, appointments, sessions and expenses can be included in the KPIs above. In many cases, clinics are considering the right balance of independent practitioners to staff. To better enable comparability between the two, for the purposes of these KPIs only (rather than financial reporting) it might be helpful to include independent practitioner total billings as "revenue" of the clinic, and the share kept by the practitioner as a clinic "expense".

This is likely quite different to accounting records which would normally only report the practitioner's contribution for rent and overheads as revenue.

2022-2023 benchmarks

Key benchmarks for physiotherapy services for 2022-2023

Annual turnover range	\$75,000 - \$240,000	\$240,001 - \$600,000	More than \$600,000
'Total expenses' divided by 'annual turnover'	31% to 53%	54% to 73%	73% to 84%
Average total expenses	42%	64%	78%

Other benchmarks for 2022-2023

Not all expenses are reported by every business. Only use this information as a guide if it applies to your business.

Annual turnover range	\$75,000 - \$240,000	\$240,001 - \$600,000	More than \$600,000
'Labour' divided by 'Annual turnover'	25% to 44%	29% to 45%	41% to 52%
'Rent' divided by 'Annual turnover'	10% to 17%	9% to 13%	7% to 10%
'Motor vehicle expenses' divided by 'Annual turnover'	3% to 5%	2% to 3%	1%

For benchmarks for previous years; see [Small Business Benchmarks](#) 

SLATE ACCOUNTS

Stay connected with Slate Accounts for more insights and guidance to help you stay in control of your finances as your business grows.



Slate Accounts
11 Wilson Street
South Yarra Vic 3141



hello@slateaccounts.com.au



1300 660 129



www.slateaccounts.com.au



Slate Accounts