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Many dentists practice the business of dentistry as if the “rules” are the same. They run their business much like they did 20+ years ago, and are suffering financially as a result. Your business can be very successful and profitable, but you must learn to run your business differently. Find another dentist who is successful. Find out what they are doing and copy them. If you do the same things, then you should get similar results.

My practice has grown far more after 2008 than it did prior to the recession. The key to success is change. You can't keep practicing the same way and expect a different result. Change is uncomfortable, but I would rather be uncomfortable and successful, than comfortable and broke.

How does your practice measure up with the practices in the top 1%? What are the benchmarks that you can use to see how you measure up?

Here are some of the vital statistics I use to measure how well I am practicing the business of dentistry.

- 1) **\$25,000 per month, per team member** – If you have 4 people on staff, then you should be producing \$100,000 per month. If you have 6 staff, then you should be producing around \$150,000 per month.
- 2) **\$25,000 - \$30,000 per month, per treatment room** – If you have 5 total treatment rooms (doctor and hygiene), then you should be producing around \$150,000 per month.
- 3) **70+ new patients per month per doctor** – Most dentists see 12 to 20 new patients per month, so 70 new patients per month may seem impossible to some. It's not. This is a healthy number of new patients.
- 4) **70-80% case acceptance rate** – The average case acceptance rate for dentists is 23%. This means that 7-8 out of 10 new patients do not follow through and do the dental treatment they need. You can change this when you and your team understand the psychology behind why patients say either “yes,” or “I'll check my schedule and call you back.”
- 5) **25+% of daily production in same day dentistry** – Many dentists struggle with this because they don't have the capacity in facility, staff and/or efficiency. Same day dentistry is more profitable than scheduled dentistry and patients love it. You also don't have cancellation or no-show problems with same day treatment.

Case average of \$2,500+ – Case average is the total revenue produced divided by the total number of

new patients. Case averages that are too low are an indication of not presenting treatment in a way that helps patients want the treatment they need.

- 6) **Less than 75% of one month's production in A/R** – Most of your accounts receivable should be in insurance claims. High A/R is an indication of poor financial arrangements, and/or poor collection systems, and/or the practice is acting like a bank.
- 7) **100% collections** – You should collect all that you produce.
- 8) **25-35% of total revenue in hygiene** – Your hygiene department should be profitable. It should not be a loss leader. This is done with a good recall system, commissioned hygiene, assisted hygiene and a good soft tissue program.
- 9) **Hygiene schedule not be full 2 weeks out** – You should have holes in your hygiene schedule 2 weeks out. If you are booked solid 2+ weeks out, then you have a capacity blockage that is costing you new patients. People will usually go to another dental office rather than waiting 2 more weeks to get their teeth cleaned.
- 10) **Understand marketing** – You need a 4:1 gross return on marketing costs in the first month. You also need at least a 75% phone call to new patient appointment conversion ratio. Remember that marketing only gets the phone to ring. The caller doesn't become a new patient unless the person answering the phone converts that call into an appointment.

Take control of your business and your financial future by learning to practice the business of dentistry for today. What worked just 10 years ago doesn't effectively work today. Get help from an expert. If you could do this yourself then you already would have!

Dr. Mike Kesner is a practicing dentist and founder and CEO of Quantum Leap Success in Dentistry, a consulting company that helps dentists build the practices of their dreams in 24 months or less... Guaranteed! You may contact Dr. Kesner at 480-282-8989 or drkesner@QLSuccess.com. His website is: www.QLSuccess.com.



FROM THE DESK OF GEORGE S. LEE, MD, DDS: OUR TEAM IS GROWING!

We want to take a moment and welcome our newest staff members. Tabitha has joined our surgical team, and Alicia is part of our administrative team. We look forward to all that they will be contributing to our team, and we are glad to have them.

CUMBERLAND SURGICAL ARTS AND APSU

We are pleased to announce that Cumberland Surgical Arts is now the Official Oral and Maxillofacial Surgeons of APSU Athletics! We are excited for this partnership, and we look forward to supporting APSU athletes!

To celebrate our partnership, we would like to invite you and your team to join us for a double header basketball game on Saturday January 28, 2017 at the APSU Dunn Center. The afternoon starts at 4pm with the women's game, and the men's game follows at 6:30pm against Southeast Missouri. Due to a limited number of tickets, please call Christy at 931-552-3292 to reserve you and your staff's tickets! We look forward to an evening of fellowship with our colleagues. Christy will be visiting your office soon with more information.



5 OR 5 FOOD DRIVE

Thank you to all of the offices that joined us in our second annual food drive to support Urban Ministries. The results are in, and our dental community donated 1,067 non-perishable items, and collected \$69.19. The winning office is Reflections Orthodontics for a second year with a total of 371 items! Second place goes to ABC Dental. Urban Ministries was very grateful for the large donation, and they send their thanks to everyone who donated.

We wish everyone a Happy New Year.
If we can do anything for you or your patients in the New Year, please contact us.

THANK YOU for everything that you do for our practice. Without you, we could not do what we love.



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DENTAL IMPLANTS: Making Patients Want Them - Part 1

by Dr. Jeffrey Haos³

All the training in the world will not give you a patient base to use your acquired skills. You can practice the most, study the hardest, learn from the best and have the greatest intentions, but without a patient to perform these wonderful professional services, you can not do dentistry. We are in a wonderful profession and practice one of the great healing arts. We have the unique ability to do something for patients that they cannot do themselves.

I have said for many years the success in private practice is assured when you have acquired a balance between the art, science and business of dentistry. We have to do beautiful dentistry, based on well researched methods and done in a timely manner, so that a business environment is created that provides for the expenses of the office and provides for the dentist's financial requirements.

BALANCING: The Art, Science & Business of Dentistry

It is very important that your staff understand your personal philosophy or your mission statement. If you do not have one, create one, or I give you permission to use mine.

"To provide the highest quality care for the most number of patients while maintaining a balance between our professional and personal lives."

With all the above said, how does this relate to getting to do dental implants in your office? Unless your staff understands your practice philosophy, you and your staff cannot communicate this philosophy to your patient base and they won't understand "what you are trying to do."

So philosophy is one thing - clinical application is another. We are going to focus on a clinical application that is based upon a practice philosophy that has served me well and I hope you can successfully integrate it into your practice.

Our patients present us with various problems and they turn to us to offer them solutions for the dental problems that plague them every day. When the patient calls our office, most of us have trained our front desk personnel to determine if this is an acute problem or a chronic problem. We all understand that tooth aches, broken teeth, and swellings are acute problems.

How would you characterize a denture sore or a loose denture? Not to be a sales person, but in my office that denture problem

is a chronic problem - especially if it is a new patient. This new denture patient is generally someone who has turned to their regular dentist to solve a long-standing problem and as we all know, the chronic problem of denture looseness and denture sores are problems that just seem not to go away.

We have all seen these patients return time and time again to our offices to the frustration of the doctor and the patient. So we have defined the problem; a denture patient whose chief complaint of looseness and/or soreness we cannot solve. What is the solution for these chronic patients? Implants have offered us a wonderful way to help patients and conventional root form implants are fabulous. They give our patients a great solution for these chronic problems. The answer is dental implants but patients usually do not come in saying: "I want dental implants." This is a very important issue. There are patients who have a high dental IQs or have been to another office and been educated about dental implants.

The implants are designed to work with a proper fitting denture and the most important aspect of that is the occlusion. If the implants are subject to improper occlusal forces, they will fail. Your dentures must fit correctly and the implants will offer additional stabilization and increased function.

When a patient comes in with an ill-fitting denture, you must recommend new, better fitting dentures before recommending implants. The way we manage this is by saying, "I am going to make you the best dentures that I can and if we find that you are still having problems with looseness or soreness, then we may have to go with implants. But before we can do that, the dentures have to be done. I have fallen into the trap of: "Doc, can we try the implants first? These teeth are only 5 years old." Sometimes the answer is no, and it is better to pass than to have placed implants that fail because you were trying to be a nice guy. When that happens, we usually turn out to be a "bad" dentist because the implants did not work.

It is really critical that you develop your denture methods to be able to fabricate the best denture that you possibly can for yourself and your patient. This is critical because you can not rely on dental implants to "cover up" bad denture methods.

However, this still does start the conversation about dental implants with your denture patients. When is the right time and when is the best time?



How's the Health of your Practice?

by Dr. Mike Kesner¹

The business of dentistry has changed dramatically over the last 30 years. A dentist used to be able to open a private practice and basically be guaranteed financial success if they practiced good dentistry and didn't hurt their patients.

The business of dentistry was easier and much less complicated than today. The dentist/business owner could do a lot of things wrong in the way they ran their business and still make a good living. Today there are many more challenges that require a different level of sophistication in the way you practice the business of dentistry.

Thirty years ago, when I started my first practice, my crown fee was \$650. Many PPO insurance fee schedules today have crowns fees at that same 1980s rate of \$650. The value of \$100 in 1980 is equal to \$264 today. If we kept up with inflation then our crown fees today should be around \$1,700. My guess is that you are not charging that much. Neither am I.

The dental insurance environment was also totally different 30 years ago than it is today. For years, my practice was fee-for-service only. I didn't even take insurance assignment. I also proclaimed that I would never sign up on a PPO insurance plan. Never say never... I am on several PPO plans today and they can be very profitable if done right. Today 8% of dentists are fee-for-service only providers, while 92% of dentists are on PPO plans.

Seventy-three percent of the population has dental insurance today. The majority of these are networked dental plans. Indemnity dental insurance is becoming extinct as

employers continue to find ways to reduce their employee costs. Dental insurance started in the late 1960s. The annual maximum reimbursement was around \$1,000, which is about the same today. The fee for a crown in the late 1960s was around \$200. This means that the annual maximum reimbursement would cover around five crowns a year. Today, the annual maximum will usually only cover one crown a year.

Inflation continues to increase our costs of running a business while our fees have not kept up with this inflation rate. This has resulted in a smaller profit margin. Also, our economy is weak and has been since 2008. This has left our patients with fewer dollars to spend on our services. I am not complaining. I am just stating the facts. The business of dentistry has dramatically changed over the last several years, yet I find that many dentists still practice like nothing has changed.

We must change the way we practice the business of dentistry in order to thrive in this new and changing environment. When the environment changes, we must change or be left behind. I hear so many dentists complain about the challenges we face and they hope that things will get back to the way they used to be. Complaining is a waste of time and hoping for the way things were is delusional.

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