

May/June 2011

BULLETIN

- THE DENTAL DOW JONES
- AREA TRENDS
- MYSTERY SHOPPERS

THE DENTAL DOW JONES:

Looking at the statistics for January through April 2011, compared to the same period in 2010, we find production up 1.5% and collections up .2%. Patient flow as measured by exams is down 1.5% with new patients being down 5%. Crown and bridge production is up 2.5%. Perio production is up 7.7%. Open time in both the Doctors' and Hygienists' schedules has increased. Hygiene productivity per patient visit is up 4.3%. Doctor production per hour is up 1.8%.

TRENDS:

Matt, Shelly, Robyn and myself make over 600 onsite visits per year. Here is an informal list of trends that we are observing:

- 1) Multiple location group practices (e.g., Midwest, Heartland). See our previous newsletters on this (they are online at www.AdvancedPracticeManagement.com under "Dental News.").
- 2) More GP's doing ortho. For example, about 22% of offices now offer Invisalign.

I remember my travels to Outstate MN over 20 years ago when lots of GP's did ortho but that faded. It's coming back now with the new technology and approaches.

- 3) Technology in the Operatories: Over 60% of Dentists have digital x-rays and in-operatory computer monitors. Add to that Laser Caries Detection (45%), Intra-Oral Cameras (65%), Patient Education Technology and Lasers.

This technology can easily run \$14,000+ per operatory and that's in addition to your clinical delivery equipment (chairs, dental units, etc.). So, you have to get "Result Control." See the article on this at www.AdvancedPracticeManagement.com.

- 4) More Delta Participation: In 2004, provider Delta Premier participation was down to about 81%. Nowadays, 87% of area practices are with Delta Premier. With Delta, continuing it's domination of the dental market, it can be quite challenging for Doctors to be

outside the network.

Another 31% of Dentists are with a "Delta within a Delta" (Delta PPO). In our opinion, many practices with Delta PPO do not need to be with Delta PPO... and it costs them thousands. Essentially, their Delta write-offs are almost doubled and there isn't enough gain (in our opinion) to make up for the write-offs. Likewise for Met Life.

Other PPO's such as the Premier Group, Health Partners, etc. pay fees more akin to regular Delta Premier and if an office is running efficiently, the bottom line can be fine.

- 5) The Internet as a Source of New Patients: I've seen several instances this year where the Internet had overtaken the Yellow Pages and other sources (e.g., Direct Mail) in the number of new patients brought into offices. This is not universal, in some places Yellow Pages are still pulling. Visibility (signage) remains a very major factor. Of course, so are patient referrals which still account for 50+% of most office's new patients.
- 6) Treatment Coordinators: A treatment coordinator is usually a hygienist or an assistant who presents treatment all the way from the x-rays through to the financial arrangements. The most ready model for this is orthodontic offices who have had treatment coordinators for years. The Doctor looks at the treatment plan, the treatment coordinator goes through it with the patients, hold their hands and works out the financial arrangements.

It's easy to hire a hygienist and plug them into your operations. Developing a treatment coordinator is a little more tricky. It is a less defined job description. It takes a unique set of skills (a good dental background with good communication skills) and can be hard to work into your routine if you are not used to it. However, when we see offices with treatment coordinators, they do well.

The above is by no means a comprehensive list but the trends mentioned are worth your attention.

HOWARD IS COMING TO TOWN!

Dr. Howard Farran, successful practitioner, lecturer and founder of Dentaltown, will be here September 9, 2011 as our guest.



*Howard Farran, DDS, MBA, MAGD
Founder of DentalTown
is coming here to Blow Your Mind!*

The reason why Dr. Howard Farran is easily one of the Top 10 lecturers in Dentistry is that he sees and describes the big picture like no one else! He eats, sleeps and breathes economics and the business of dentistry.

His presentation is not for the faint of heart. He doesn't have a politically correct bone in his body and he's guaranteed to offend everyone in the lecture hall at one point or another. However, he'll also enlighten you if you keep your mind open. He's rude, bombastic and a genius! Treat your staff to a world class presentation guaranteed to stimulate!

Special Fees for Clients

Before June 20th
\$178 First person
\$135 each additional

After June 20th
\$198 First person
\$155 each additional

7-10 Attendees \$1,000
11-15 Attendees \$1,400
16-20 Attendees \$1,800
21-25 Attendees \$2,300
26-30 Attendees \$2,800
31-40 Attendees \$3,260
41-50 Attendees \$4,140

7-10 Attendees \$1,200
11-15 Attendees \$1,600
16-20 Attendees \$2,300
21-25 Attendees \$2,800
26-30 Attendees \$3,408
31-40 Attendees \$3,960
41-50 Attendees \$4,900

Non-Client Fees

\$288 First person
\$188 each additional

7-10 Attendees \$1,320
11-15 Attendees \$1,980
16-20 Attendees \$2,770
21-25 Attendees \$3,388

REGISTER NOW!
CALL (952-921-3360)

HAS A MYSTERY SHOPPER CALLED YOU YET?

We're getting reports from many clients that they've been called by the "Scheduling Institute", Jay Geier's group. Mystery Shoppers will call posing as a patient. The patient is usually asking for a fee on a crown, or saying they just moved to town looking for a Doctor, or want to know if the practice takes kids, etc.

This is the Scheduling Institute's way of finding prospects.

"The Scheduling Institute" has a detailed and extensive program focused on the initial patient phone contact with the office. Surprise! Almost every office they call earns a "0" on a scale of 0 to 5 for handling calls effectively. Therefore, Dentists are told that they stand much to gain by subscribing to their program...that new patients can go up by 30% or more with thorough staff training.

There is much that the Scheduling Institute recommends that we agree with, but not all. We've been doing "Mystery Shoppers" ourselves for over 25 years. We agree with Jay Geier on this...doing things right can add to your new patient flow. Like The Scheduling Institute, we find that most often the initial phone contact with patients is a matter of **screening, warning and indoctrination**. For example, there is often way too much focus on insurance and x-rays. Even very competent, well-meaning front desk people can present a bureaucratic and cold presence. However, before you sign up for a \$5,000 program, let me assure you that we can help you and your staff with this. In some cases, we feel that the Scheduling Institute is too aggressive, maybe not "Midwesternly" enough. So, if you got "0 stars" call us and we'll help. If you don't know what your rating is and want a "Mystery Shopper", we're happy to do it for you. Just call and we'll make arrangements to ensure patients' and shoppers' first contact with your office is first class.

We want the "Mystery Shopper" not to be the Secret Police though. We want to work with your staff...not to catch them doing it wrong but catch them doing it right!

Have a great summer!

Sincerely,

President



Bill Rossi Shelly Ryan Robyn Kain Matt Lahn



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