

BULLETIN

January 2019
Exclusively to Clients and Friends
of Advanced Practice Management

2018 DENTAL DOW:

For the mature practices sampled, Practice Production was up 4.4%. Collections were up 3.5%. Patient Exams (patient flow) increased 2.3%. New Patients were up 2.2%. Crown & Bridge was up 2%. Production per Patient Exam was up 2% (about the same as fees).

Production Increase Percentages

2010	2011	2012	2013	2014	2015	2016	2017	2018
1.4%	2.5%	3.3%	3.3%	4.2%	6.0%	4.1%	6.1%	4.4%

Collection Increase Percentages

2010	2011	2012	2013	2014	2015	2016	2017	2018
0.4%	1.6%	3.5%	2.2%	3.1%	4.8%	3.3%	4.3%	3.5%

THE TOP TEN DENTISTS' FANTASIES OF ALL TIME:

I was looking through some old files and found this from over 15 years ago. Still worth a chuckle. –Bill

10. Knowing you just got back from a seminar, the staff all get together and beg to try some more good ideas.
9. Insurance companies start using real math so the "UCR" are actual average fees.
8. Your denture patient, Mrs. Crabtree, calls you just to tell you how good everything feels.
7. Your hygienist says, "Hi, Big Boy!" to you one morning so you sue her for sexual harassment and win \$2,000,000!
6. Breathlessly, your spouse awaits.
5. Scientists discover there is indeed a Bermuda Triangle on your desk.
4. Your lab guy accepts all the blame unconditionally and forever.
3. Your staff all get together and decide they don't want a raise this year because they understand your situation completely.
2. Through a warp in the space/time/probability continuum, you actually net more than you produce.
1. The next time a patient tells you, "No offense, but I hate dentists," you say, "I do take offense and now I am going to kill you."

What's Inside:

- 2018 Dental Dow
- The Payoff is Not Just the Price!
- The Top 10 Dentists' Fantasies
- Your Office Manager at Large
- Make A Good Impression Even When You're Not There
- Does Direct Mail Work?

APM PRACTICE TRANSITIONS



Matt Lahn

SELLING YOUR DENTAL PRACTICE? The Payoff is not Just the Price!

Obviously when it comes to finally selling one of your largest assets, you want to feel assured you are receiving a fair price. However, price is only one of many variables that make up the total "sum of the sale." Most practice sales are written up with an APA or asset purchase agreement. This assigns value to

tangible assets like equipment, supplies, computers, etc., and **non-tangible** assets like Goodwill (patient records). This is where thousands of dollars can be lost or, worst yet, given to the IRS unnecessarily!

In most cases, goodwill (blue sky) makes up the majority of the total sales price. This is taxed at a lower rate (capital gains) than the remaining tangible assets, which are generally taxed at ordinary income rates. So, depending on income and sales prices, getting this part right is critical to rounding out the deal.

Moreover, if the selling Doctor plans on working for the buyer after the sale, negotiating a good compensation formula or other favorable working conditions can sweeten the deal and can be considered in the "sum of the sale"!

If the seller owns the practice facility and can get a fair sales price and/or an attractive lease agreement, this can also enhance the payoff.

Last but certainly not least: with the right deal and successor, you know that the patients you have known and served for years will have excellent ongoing care and your legacy and reputation will be preserved.

We Believe In You!

We believe that Independent Private Practice is the best way to deliver dentistry. It is best for the patients, the doctors and the staff. Private practices can be more selective with their continuing education and technology. They can also be more adaptable and efficient. **Most importantly, the people who make decisions about patients' dental care are the ones in direct contact with them.** We also believe that professional management support helps **good practices be better** and thrive in a competitive environment.



CREATING A GOOD IMPRESSION – EVEN WHEN YOU ARE NOT THERE!

As Aaron says, 30% of calls to dental offices are missed. We did a quick survey of our clients at random and only 26% were not answered, so our clients are doing a little better.

Since we call dental offices all the time, we've heard a lot of answering machine messages. We have been surprised how often we hear poor audio recordings.

Common Problems: Poor audio quality, overly long messages, cliché messages – “Your call is important to us, blah, blah, blah...” and for after hours, not repeating the Doctor's cell phone number.

If you change your answering message when you open or close, we suggest the following two messages:

“Thank you for calling Smith Family Dental. The office is now open but we are unable to take your call. Please leave a message and we will get right back to you.”

“Thank you for calling Smith Family Dental. The office is now closed. Please leave a message after the tone. If you are having a dental emergency, you may call Dr. Smith on his cell at 222-333-3333. Again, that is 222-333-3333. Thanks for calling.”

If you just have one message: *“Thank you for calling Smith Family Dental. We are open Monday through Thursday from 8:00am-6:00pm and Fridays from 8:00am-12:00pm. Please leave a message and we will get right back to you. If it is after hours and you are having a dental emergency, please call Dr. Smith on his cell at 222-333-3333. Again, that is 222-333-3333. Thanks for calling.”*

It's remarkable how often you listen to a long message and the number is only given once and then it's not that easy to hear. That could be very frustrating to a patient.

Doctor, what is your cell phone answering message? More than 60% of Dentists in our sample have a message that just says, “*You have reached 222-333-3333.*” We feel that can be unsettling to a patient (or potential new patient) because the caller cannot not be sure if they've reached the right number. Moreover, they don't know if and when you'll be checking your messages.

The message we suggest for a Doctor's cell phone is, “*You have reached Dr. Smith's cell phone at 222-333-3333. This is my confidential voicemail. In a dental emergency, please leave a message. I do check my phones regularly.*”

OTHER THOUGHTS:

If a call is missed during business hours and you have Caller ID, suggest to the staff that they call that number right back and say, “*Hi, this is Dr. Smith's Dental Office. Did you want to schedule an appointment?*”

It doesn't cost anything to try this. Aaron's tracking says that fewer than 10% of potential new patients will leave a message.

It's not that much trouble and costs nothing to change your messages. It's all part of creating a good impression – even when you're not there!



**Aaron Boone,
MVP
Mailhouse**

Aaron says, “DIRECT MAIL WORKS”

How do I know?

We tracked the stats and analytics of over 150,000 incoming marketing calls to dental practices from all types of marketing. From TV, radio, billboard, PPC, or Facebook, to a dentist's sign at the little league baseball field, we have seen it all...and, by far, direct mail has the highest predictability of success. That is why we focus on it.

The size of the card, the day of the week to hit homes, seasonality, images, offers, homes to target, and so on, all play a part in determining success. In addition, here are a few interesting facts that we have found can be very valuable to your practice regardless of what type of marketing you are using:

70% of new movers will choose a dentist within the first 6 months of moving into a new area. 83% will use the first vendor to contact them (from Zillow). Direct mail is one of the very few ways to get in front of this audience at the right time with the right message.

33% of new patient incoming calls are missed by offices. If you don't consistently answer the phone, no marketing can be successful.

37% of those missed calls come when typically nobody is at the front desk: weekends, nights, and lunch hour. BUT, with a few minor schedule adjustments, you can reduce that number to just 15%. Simply stagger your lunch hour so someone has the phones during lunch. Secondly, have a front desk representative get there a little early in the morning and someone stay until at least 6:00 p.m. 16% of new patient phone calls come between 5:00-8:00 p.m.

(and most of them between 5:00-6:00 p.m.)

Results: On average 12-24 new patients per 10,000 mailed (plus the peripheral benefit of family members and friends referred).

Costs: \$175 to \$350 per new patient generated, plus value of any promotional offers.

Average Production per New Patient in first year is \$500 to \$1,000. Your consultant can help you do the math for your office.

Aaron Boone: 877-410-2887 aaron@mvpmailhouse.com

Aaron grew up milking goats on his family's small farm, played pro football for 9 years, organized large-scale global humanitarian projects, and for the last 7 years, pioneered analytics-based dental direct mail. Aaron has tracked and analyzed millions of dental postcards and added tens of thousands of patients to dental practices across the country.



HAVE SOMEONE ELSE HANDLE YOUR ADMINISTRATIVE HEADACHES:

Tired of administrative headaches and not ready to pay \$60,000+ per year for a full-time office manager? As your “Office Manager at Large,” I can help deal with things like HR details, staff training, systems accountability and many other

*“Have Briefcase,
Will Travel!”*

tasks that you don't have time for.” **CALL ME** and we will line up the right plan for you. 952-921-3360!



**Heidi Benson,
“Manager at
Large”**



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OUR TEAM IS ON YOUR TEAM!

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