

November 2018  
Exclusively to Clients and Friends  
of Advanced Practice Management

## BULLETIN



Bill Rossi

### DENTAL DOW: Third Quarter 2018:

A little shine has come off the momentum from earlier this year when practice production was up 4.7% and collections were up 3.3% (at the half way mark this year).

Through the third quarter, practice production is **up 4.3%** and collections are **up 2.6%** compared to the January through September 2017 averages.

**Patient flow is up 2.2%** and the production per patient is up 2.2%. New patients are up about .5%. 70% of the mature practices in our “Dental Dow” show **production growth** this year but less than 50% experienced collections growth. Insurance write-offs continue to dig in.

In 2017, practice production was up 6.1% and collections were up 4.5%. Let’s hope we catch up with a strong fourth quarter!



Shelly Ryan

### HOW FAR DO YOU GO TO ESTIMATE PATIENTS’ INSURANCE BENEFITS?

Some offices go to great lengths to estimate insurance coverage for their patients. They run pre-determinations for almost all (insurance patients) crowns. Or, they get on the phone, or they use computer software to figure out as close as they can, how much the patient’s portion will be. They might also check out dental benefit sets for fluoride, x-rays, etc. as patients return through hygiene.

Other offices rarely do pre-determinations. Instead of using the insurance estimator or running pre-determinations or getting on the phones with the insurance company, they take a different approach. **That is, they’ll use semantics and an approach that focuses on getting the patients in to get the treatment done, not estimating insurance coverage to the penny.**

### What’s Inside:

- Dental Dow—Third Quarter
- How Far Do You Go to Estimate Patients’ Insurance Benefits?
- Survey Highlights

It is worth examining these approaches because we know that dealing with patients’ insurance can be time-consuming and stressful for the office.

Part of the reason offices go to great lengths to estimate insurance coverage is they don’t want to get patients “mad” at them. We have found that in most cases, treatment is covered. So we don’t feel the amount of time spent by the staff is worth the one or two denials per year. We have found that if you do detailed research, you can still have upset patients even if you are off by only a few dollars.

#### We suggest the following:

1. Staff training with the right semantics and the right approach works better and takes far less time than bureaucratic or technical methods to determine insurance coverage or benefits.
2. Contacting insurance for x-ray frequency is also questionable in our opinion. It wastes the hygiene treatment time and the reality is that without having the x-rays available at the time of service, the Doctor cannot properly do the exam (you can’t diagnose without x-rays and it shouldn’t be optional). So, take them anyway (especially on new patients) and adjust the cost if the patient complains.
3. Pre-determinations often delay or derail the treatment. If you are going to do pre-determinations, it’s very important that the patient be **committed** to their appointment (allowing enough time for the pre-determination to come back). Otherwise, your staff has to chase them down later and, inevitably, many of those patients will not complete their treatment.
4. There are occasions **when pre-determinations or checking on benefits** are advisable:



## 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.

- It is appropriate to contact insurance for “Eligibility” with **new patients** and a **benefit breakdown** on specific areas for new patients (or patients with new insurance) such as waiting periods, alternate benefits and number of prophies allowed per year.
- If a patient requests it (be sure it is not the team suggesting it by saying things like, *“We can run a pre-determination and go from there.”*).
- Replacing removable or fixed prosthetics (crowns).

Some practices have multiple PPOs and adjustments are different from every plan, so the team feels it’s difficult to “estimate.” In these cases, consider a set amount as a deposit for all patients – example: \$450 deposit for all crowns, \$20 per surface for fillings, etc.

If you’re used to doing detailed insurance benefits research, it can seem like heresy to suggest not doing so. Again, staff training and semantics are critical. Don’t let insurance dictate your recommendation and don’t create a lot of work for yourselves. If you do choose to continue to do pre-determinations, well, that’s your choice but, please consider at least reducing them. Call me if you’d like to discuss how this might work.

**HIGHLIGHTS FROM THIS YEAR’S SURVEYS:**

We recently completed our 38<sup>th</sup> annual practice survey of Upper Midwest dentists. This year, we added a “Benefit Survey” in addition to our usual Wage Survey. These surveys are now available online at our [AdvancedPracticeManagement.com](http://AdvancedPracticeManagement.com) website.

**Metro area and Outstate Fees** were up about **1.7%**.

- 65% of dentists still charge at the Prep despite Delta and others encouraging them to charge at the Seating appointment.
- **35%** of offices now report having an **“In-House Membership Plan.”** Generally, these plans create more revenue, even net of discounts, for patients without insurance. We can help you set up this type of plan if you wish.
- Dentists’ priorities have changed. **Insurance PPO/Third Party Write Offs** are still the major concern. However, **“Finding**

**Staff”** has replaced “Attracting New Patients” as the 2nd most important issue. Attracting New Patients now ranks 5th after the above and “Staff Issues, Motivation, Teamwork, Costs” and “Production Growth.”

- **8%** of offices reported dropping a PPO in the last 12 months. **10%** plan on **leaving a PPO** in the next 12 months. However, **8% also joined a PPO** in the last 12 months. If you are considering leaving or joining a PPO, please seek our counsel.
- **56%** of respondents use or have used **Management Consulting**. Advanced Practice Management earned the highest satisfaction rating (8.4 out of 10) and has a market share more than double all cited firms combined.
- **Digital Communications** (RevenueWell, Demand Force, Lighthouse, etc.): **57%** of offices now use this. It comes in handy but most aren’t taking advantage of all the features of their system. Lighthouse, RevenueWell and Solution Reach are the leaders in our area.

**GOALSETTING:**

It’s that time again: It’s our annual tradition to send you our “Goalsetting Outline.” Many of our clients have found this helpful. Take **5-10 minutes now** to greatly increase your chance of success next year. If you wish, share your goals with us.

Year after year, we see that clients that set goals and keep them in mind, do better. They don’t necessarily hit all of the goals all of the time, but they achieve most of them.

It’s our job to help you set and reach your goals.

**THANK YOU!**

We have the privilege to work with more area Dentists than all other Practice Management firms (local or national) combined. Thank you for your business and your referrals. It is an honor to be part of your practice.

**HAPPY  
HOLIDAYS!**



**Matt Shelly R. Wendy Heidi Shelly M. Sheila Julia Bill**

## **YOUR 2019 GOALS AND PROJECTS WORKSHEET**

Dr. \_\_\_\_\_  
(Send us a copy too if you wish)

- 1) What did you feel best about accomplishing in 2018?
  
- 2) What issues and concerns are you currently facing in your practice?
  
- 3) What would you like to see happen in 2019 to make your practice even **better for your patients, your staff** and as a **business**? Be as specific as possible.
  
- 4) Statistically, what are your practice goals (Production, Collections, New Patients, Overhead, Net Income, Savings, etc.)?
  
- 5) List other Improvements and Projects (Continuing Ed, Additional Services, Facility Improvements, Staffing, Staff Training, Technology, etc.)

**VISUALIZE! See yourself accomplishing your objectives and enjoying the benefits of your labors! See it and chances are it will come to pass!**

**BELIEFS -> VALUES -> MISSION -> GOALS -> STRATEGY -> TACTICS**