

# ADVANCED

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 Exclusively to Clients and Friends  
 of Advanced Practice Management

## BULLETIN

### THE DENTAL DOW:

For the mature area practices sampled, practice production was down **9.4%** and Collections were down **.1%** compared to the first quarter in 2019.



Bill Rossi

Patient Flow was down 13%. New Patients were down 14%.

### WHAT HAPPENED TO DENTAL PRACTICES IN THE LAST RECESSION?

I looked back at our data from the great recession that started in 2008.

|                | 2007 | 2008 | 2009 | 2010  | 2011 | 2012 |
|----------------|------|------|------|-------|------|------|
| Prod. Increase | 5.1% | 3.5% | .5%  | 1.4 % | 2.5% | 3.3% |
| Coll. Increase | 4.3% | 3.6% | .4%  | 0.4%  | 1.6% | 3.5% |

As you can see, there was little or no growth in dental offices for two years and then things started improving. The positive thing to note here, unlike many other businesses (retail, construction, etc.), Dentistry did not tank. They weren't good growth years, but most practices chugged along. That's encouraging as we make plans to pull out of this crisis.

Of course, not only is there a recession (hopefully, a short one), but there will also be the additional "fear factor."

**Doctors, please ask your staff to keep the numbers coming to us.** Through the collective experience of the 400 or so Doctors we work with, we will have valuable information to help guide you and your team. Plus, most of our clients tell us that they appreciate the reliable

#### What's Inside:

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frame of reference as to "What's really going on out there?"

### RESTARTING YOUR PRACTICE:

In some states the process has already begun while in others it's still a waiting game. Anecdotally, in my conversations with dentists as they are making plans to more fully reopen, a surprising number (to me) of the staff are reluctant to return, citing safety concerns. Minnesota team members making under about \$30/hr. before the COVID crisis, are making more with Unemployment, so this is no doubt a factor too.

Also, based on my conversations with dentists and their administrative staff, it seems that many patients are wanting to return for treatment. Of course, we expect that general practice dentists will have a backlog to work through at first. It's encouraging to hear that many patients are eager to return to the practice for their check-ups (not just "emergent care").

We are starting to get many questions about staffing and, of course, some of that ties into working toward the PPP loan forgiveness. Any dollar that you can receive from the Government can be especially sweet and will help mitigate the hit that, no doubt, every practice owner will be experiencing this year.

However, it's important to restaff based on what your practice's operations need, not just for the "Forgiveness."

## 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.



The object of the game is to be able to take care of the patients, your team and have an efficient and profitable practice. Just like you would not buy a piece of equipment that you didn't really need just to get a tax break, likewise you don't want to over hire or do other things that aren't really good for your practice, just to get the forgiveness dollars.

Nonetheless, you will be facing major decisions on just how to go about this. It's fair to assume having your office doors closed for two months has created a large backlog. You can get a pretty good idea of how large this backlog is by simply counting the number of exams that were not done due to the closure. For the average sized practice, this could easily be 400+ exams. At \$500 per exam that represents a lot of treatment.

Assuming you're mostly up and running by June, theoretically you'd have roughly six more months to chip away at the backlog if your ultimate goal is to finish the year somewhat close to 2019 patient flow levels.

**We are generally advising dentists to bring back everyone they can usefully employ and at the same time, make it clear to the staff that there will be real variability in hours going forward.** At first, "All hands-on deck" and maybe extra long days or extra days to catch up on the back log and "spin up" the practice. Important! But there is likely to be slower time this Fall due to the echo of the vacant March and April hygiene schedules.

So, we advise doctors to let the staff know that everyone will "share the pain" during slower times. If there is need to decrease capacity, all staff people will have their hours reduced more or less equally as sensible.

**So, no more "set and forget" as far as office and staff hours for the rest of the year.** The best way for a doctor to control expenses and keep team members employed, is by actively managing their hours. To make good decisions, you have to have good data. That's why the numbers are more important now than ever.

As for the staff that held off returning, they must understand that there is no guarantee of a job being held open for them.



### **DON'T MAKE DECISIONS BASED ON THE NEWSPAPERS!**

You will get much more relevant data from looking at *your* stats and *listening* to *your* patients. For example, as you are planning your "ramp up" ask your administrator to contact 100 or so hygiene patients and keep track of

how many are gladly scheduling, how many say they will schedule but are not scheduling now and how many are pushing back because of financial concerns or the "fear factor."

**Look at your data to see how many check-up visits you are "behind" compared to the previous year at this time.** That's what you have to catch up on to bring the practice back up to its previous levels.

All of this information is much more useful to you than anything you read in the papers or see online.

### **IT IS TIME FOR US TO DISCUSS THE DETAILS OF REOPENING YOUR PRACTICE:**

In lieu of on-site visits, we can schedule a ZOOM meeting or simply a telephone conference. We are your sounding board and we'll help guide you through what will be important decisions regarding staffing, hours, services, scheduling, the PPP loan and so on.

### **YOUR MESSAGE(S) TO PATIENTS:**

The ADA has put together a pretty good packet of materials to help offices. They included a letter that you can send to patients that, of course, should be adapted for your use.

This can be sent but you can notify patients by mail or, of course, digital communications (e.g., Lighthouse or RevenueWell) but first, we recommend that you communicate with them personally (see above). Hear what your patients are saying and are concerned about. In that way, you'll write better announcements.

### **OTHER MESSAGES TO PATIENTS:**

- At least 1 out of 3 dental practice websites are out of date. If you have some extra time now, use it to update your website.
- Of course, your website should offer patients some information and reassurance on the measures you are now taking for their safety. You'll also want to let the patients know about your new procedures as they return to the office (prescreening, distancing, etc.).
- Get everyone on your team on the same page. Your message to patients has to be consistent and will be weaved into every conversation:
  - ◇ Scheduling due and past due Continuing Care Appointments
  - ◇ Welcoming New Patients
  - ◇ Greeting Patients as they arrive for treatment
  - ◇ Addressing Patients as they reappoint out
  - ◇ What is said during hygiene visit



## IS TELEDENTISTRY FOR REAL?

Every GP I've talked to has spent quite a bit of time on the phone in the last month helping sort out which patients need to be referred to Specialists, who can wait, who needs to be treated now and, in general, offer reassurance. Sometimes this involves taking a picture of the tooth. Doctors, in these situations, it is okay to charge the patient for a "Limited Exam." Use the Exam Code D0140 and also the Code 9995—"Teledentistry – Synchronous; real-time encounter."

It's early but we are seeing insurance companies pay for this – the same as they do for an in-person Limited Exam.

You certainly won't get rich doing these, but the extra dollars can't hurt (will help pay for that extra PPE you are buying!). But there is another more important reason. Teledentistry and Telemedicine are here to stay. At my medical clinic, and probably yours, they are now doing med-checks and many other things by telephone, which saves the patient a visit and the clinics now get reimbursed for. Health Partners has gone from 0 to 70,000 telehealth visits in one month!

Dentists, it's likely we will see practical uses expand in Dentistry too. One that is commonly brought up now is prescreening new patients over the phone for their medical screening for COVID-19. FaceTime visual might be more friendly to the new patients. Some of you will be using your parking lot as the reception area and call people one at a time as they need to come in.

## CONSIDER PUTTING SOMETHING LIKE THIS ON YOUR WEBSITE:

### **If You Have a Dental Problem, We Do Teledentistry!**

In this time of COVID-19, we are still committed to taking care of our patients with urgent needs.

If you are experiencing the following, please call our office:

- Pain
- Bleeding
- Broken Tooth
- Swelling
- Loose Filling
- Sensitive Teeth

We may be able to handle your initial diagnosis by Teledentistry. Then, we will arrange for the appropriate follow-up care.

## PPP LOANS AND FORGIVENESS:

The advice from us and others is that if you can get the money, get it. 1% interest (and that's delayed for 6 months) is mighty handy to have around in any case.

The Government has already issued at least two "Interim Final Guidelines." Details are still being filled in. There are nuances for Doctors here that are best dealt with individually.



**Matt Lahn**  
APM Practice Transitions

## PRACTICE TRANSITIONS:

While the pandemic has done a number on dental practices at large, it's also beginning to effect practice sales and purchases. Some banks have begun to scrutinize loan applications more closely. Even previously approved loans. Some are imposing a 25% attrition rate to cash flow projections while others are requiring offices to start up and get back to 80% of previous production levels (giving us an insight into the financial institutions' early predictions). There may be a pause in activity this year but in any case, Dentists will likely still continue to retire sooner or later!

## **OUR TEAM IS YOUR TEAM!**



**Bill, Julia, Wendy, Shannon, Heidi, Shelly, Matt**

## **Advanced Practice**

## **MANAGEMENT and TRANSITIONS**