

April 2021

Exclusively to Clients and Friends  
of Advanced Practice Management

## BULLETIN

### What's Inside:

- Dental Dow: First Quarter 2021
- Practice Sale Trends
- Delta Lawsuit—Still in Progress
- Cyber Security and Attacks



### DENTAL DOW FIRST QUARTER 2021:

Compared to the first quarter of 2020, Production was up 24% and Collections were up 17% for the mature area practices sampled. Patient Flow was up 23% with New Patients up 17%. The increase in Production was pretty much tied to a relative increase in Doctor and Hygiene Hours worked because many practices had started throttling back last March.

Bill Rossi

As you may recall from a previous Bulletin, these practices were down 12% in Production and Collections for 2020 over 2019 and 18% in terms of Patient Flow. So, it looks like things have bounced back nicely and then some.

A recent Survey by the McGill Advisory\* indicated that 34% of practices were as busy as before with another 35% being almost as busy (90%-99%). 22% reported their Busyness at 80%-89% compared to pre-COVID.

\*The McGill Advisory newsletter is published by John K. McGill & Company—a member of McGill & Hill Group, which offers comprehensive financial and business services for dentists and specialists nationwide. Learn more at [www.mcgillhillgroup.com](http://www.mcgillhillgroup.com).



### PRACTICE SALES TRENDS:

Even with the uncertainty in 2020, practice sales have been cruising along.

Matt Lahn

Metro Area practices are in particular

demand. There are more potential buyers than sellers and most practices will sell within 6 months.

Outstate practices can always be a bit of a challenge to market. It's common to see an Outstate practice take a year or so to sell. So, of course, if you're a Doctor planning retirement and a transition, you want to plan accordingly. Even though it might take a while to sell an Outstate practice, the values are holding well. In fact, practice values have never been stronger.

### Visit Our Transitions Web Page:

<https://advancedpracticemanagement.com/transitions/>

### DELTA LAWSUIT—STILL IN PROGRESS:

We talked to Dave Goodwin of Gustafson Gluek, one of the firms that is involved in the class-action lawsuit against Delta Dental.

He says the national lawsuit has been consolidated in the Northern District of Illinois.

Delta filed for a motion to dismiss the case, but that motion was denied, so the lawsuit will continue along. They are now in the "Discovery Phase," where the parties exchange documents and information to develop the case. Class certification is scheduled to be fully briefed by March 2023. If the class certification motion is successful, Delta may then file a motion for summary judgment to have the case dismissed. If the plain-

## 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.



tiffs overcome that challenge, the case will likely reach settlement or go to trial. Any appeal along the way could add another 9-12 months to the process.

Gustafson Gluek has been involved in other large class-action lawsuits and it is pretty normal for these to take years to settle or adjudicate.

From a practitioner's viewpoint, Delta often behaves in what seems to be a high-handed manner. It would be nice to see them reigned in, but the calvary isn't coming anytime soon. So, each practice must deal with its Delta decisions on their own. Remember though, you have more power than you think.

### **CYBER SECURITY ATTACKS:**

I checked with Brad Aho of Erickson Dental Technologies to get updated on cyber-attacks and security in dental offices. Erickson works with over 900 dental offices in the Upper Midwest and nation-wide.



**Brad Aho**

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In 2017 and 2018, there were quite a few "ransomware" attacks. According to Mr. Aho, they would hear of one or two per week. Because of security measures since taken, successful ransomware attacks have been greatly reduced. They now hear of one or two per month. There are new variants of ransomware that are particularly nasty such as "Egregor". This malware not only encrypts your data but also siphons off your data and is used as an extortion threat to expose it online unless a ransom is paid. This is a real HIPAA nightmare! There are also a lot of phishing attacks aimed at getting your usernames and passwords for all kinds of nefarious activities.

If you haven't done so recently, have your I.T. company give you a "Cyber Security Check-Up." Erickson Dental Technologies can do this for you too for no charge and provide you with a thorough written report.

Top of the line security appliances and software isn't too costly. Less than \$1,500 per year for a smaller office - \$2,500 for a large office.

### **Should You Have Cyber Risk Insurance?**

Mr. Aho feels that it is worthwhile to have a true Cyber Risk policy. Many general insurance companies don't really have a handle on this. So, it's important that you have someone who can really help you in case of a breach – not just financially, but connect you with experts to help clean up any damage, notify patients, HIPAA stuff, etc.

He recommends **Dyste Williams (Nels Dyste – 952-843-4445 or [ndyste@dystewilliams.com](mailto:ndyste@dystewilliams.com))** or **Krause-Anderson ([www.kainsurance.com](http://www.kainsurance.com))**. You want to use a company fully familiar with data breaches and recovery.

Your time and your staff's time is very valuable. The last thing you need is to get slowed down by some avoidable computer virus attack. Make sure that your team knows what they should watch out for when opening up emails or visiting websites on your system. Of course, as cyber security improves, the phishing attacks are getting more and more sophisticated as well.

Don't be worried, be prepared! Up to date anti-virus software and cyber risk insurance will give you peace of mind and help you keep your practice cruising.

Yours truly,



**OUR TEAM IS YOUR TEAM!**

**Advanced Practice**

MANAGEMENT and TRANSITIONS