

ADVANCED

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Exclusively to Clients and Friends
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BULLETIN



DENTAL DOW First Quarter 2023:

For the mature area practices sampled, Practice **Production** was up **4.5%** and **Collections** were up **2.4%**. Patient Flow was up less than 1%. New Patients were down 12%, however, the Production per Patient Examined was up 6.3%. The Production per Exam is a function of Case Acceptance as well as fees. We know that most Dentists aggressively raised their fees in 2021 and 2022 to deal with increased staffing costs.

Bill Rossi

The Collection Percentage was down 2 points due, no doubt, to the fact that Dentists raised their fees but PPOs didn't! This is a continuation of a long-term trend.

In our work with clients, we find the issue that comes up most is the need for more **Hygiene Capacity**. We think that is restricting patient flow more than patient demand. It's not unusual to hear of practices where new patients have to wait *months* to get in. And although still a small minority, we're also hearing more than ever before of more practices not accepting new patients.

STATISTICAL SNAPSHOT:

The Dental Dow is a special sample from our database – successful mature practices from the Upper Midwest. It does not include younger practices, first year clients, and others undergoing big changes.

	<u>Low</u>	<u>Avg</u>	<u>High</u>
Doctor Production/Hour	\$522	\$890	\$2,359
Hygiene Production/Hour	\$136	\$179	\$230
Production/Patient Examined	\$433	\$683	\$2,750

What's Inside:

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- How Does The Silicon Valley Bank Collapse Effect Local Dental Practice Sales?
- One of the Most Simple Important Things Most Offices Aren't Doing!



Brooke Ackerman
MSDH

CAN VANITY BE A VIRTUE IN DENTISTRY?

Vanity: "An excessive pride in or admiration of one's own appearance or achievements."

While some people might sneer at vanity, I agree with Winston Churchill when he called it, "That vice that promotes so many virtues."

The National Research University Higher School of Economics found that people spend 1/6th of their lifetimes enhancing their appearance. Dental offices are in the business of creating longer, healthier and happier lives. Vanity is a motivator and is overlooked in the dental field. It's time to bring it forward.

After each hygiene visit, hand the patient a mirror and **show them** their clean, bright smile. Give them a moment to congratulate themselves on their dental care and appearance. Most people are visual learners – look at their smile together and listen to what they have to say! Also, take a shade reading once a year of all adult patients. Utilize motivational interviewing and listen to your patients' thoughts on the esthetics of their smile,

"How do you like your smile?"

This easily opens the conversation gate to orthodontics, whitening, and cosmetic restorative cases. You don't know unless you ask; it is important! I often ask dental team members, *"What is it that you enjoy most about your career in*

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.



dentistry?” and 9 of 10, will answer, *“Helping patients be healthy.”* The research is clear- A beautiful smile is linked to happiness, confidence and success. We are all “so vain.” Use that to motivate your patient to better health.



HOW DOES THE SILICON VALLEY BANK COLLAPSE AFFECT LOCAL DENTAL PRACTICE SALES?

Matt Lahn On Friday, March 10, 2023, Silicon Valley Bank failed after a Bank Run, marking the second largest bank failure in history and the largest since the 2007-2008 financial crisis. It was one of three U.S. banks that failed in March 2023.

The abrupt collapse of SVB and Signature Bank threw the entire banking industry into turmoil and exposed fissures in the financial foundations of some smaller banks. Just over a month later, the nation’s largest banks are still raking in billions and are likely to keep doing so even if the economy softens.

Regional banks provide the bulk of loans to the commercial real estate market and small businesses including Dentistry. A combination of office vacancies and a coming wave of refinancing at sharply higher interest rates, has forced many banks to set aside more money to shield against defaults. This factor has an effect on available money. It certainly has an effect on the local market.

We’ve seen cases where banks that previously would have lent the full amount for a practice purchase are now only lending about 80%. Interest rates are fluctuating more than before. It pays to shop around. Chances are that any serious buyer will have to look at more than one bank to get the kind of deal they want.

So, if you aren’t getting the news you want from the larger lending institutions, check out the local lenders. Thankfully, in our area, we have many good options to choose from.



ONE OF THE MOST SIMPLE IMPORTANT THINGS MOST OFFICES AREN'T DOING!

Robyn Theisen Every patient who visits your office sees several team members. Hand offs can really enhance office communication as well as the patient’s experience.

We all know of situations where patients “wander” from the clinical area to the front desk and perhaps out the door. Opportunities are then lost to reinforce the value of the treatment they received, go over the next appointment, finances, updating addresses and generally wrapping up the patient’s experience with a fond farewell.

Likewise, when patients enter the clinical area, they often are not introduced. Even though you know what’s going on, most patients don’t. It really helps to help every patient understand what is going to be done today, why, and that they are in good hands. A compliment should go with each hand off,

“Mrs. Smith, everyone has questions about fees and insurance. Linda at the front desk is great at helping our patients with this.”

“Mr. Johnson, this is your hygienist, Nancy. She will take good care of you.”

“Fred, this is Dr. Lang’s assistant, Meredith, she will be sure that you are comfortable.”

“Linda, Dr. Lang has recommended that we do an all-porcelain crown on tooth #4. Could you go over the details with Mrs. Johnson?”

“Linda, Mr. Smith had a great check-up today. We provided a Fluoride treatment, and I told him that you would take care of that payment plus get him set up for the next appointment.”

In busy (and even not busy offices), the most common concern I hear of is lack of communication. Changes are made in the practice, decisions are made, and not everyone is informed. Sometimes patients feel the same way when they leave their appointment.

Although important, good hand offs can start to fade. Most often we hear there is “no time” to do handoffs. My feeling is that you don’t have time *not* to. The time it saves in clarity and the value it gives the patient is worth it.

It’s been said that it takes patients hearing something 7 times in 7 different ways to truly understand what is said. Hand offs are a way for us to build trust, help patients feel understood and reassure them they are in the right place. We have the opportunity to clarify the treatment and why it’s needed several times throughout their appointment. This allows them to perceive the value of the services they received and for those services that they are recommended to return for.

Good hand offs can make everyone’s day better. Commit to them.



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