

ADVANCED

July 2024

Exclusively to Clients and Friends
of Advanced Practice Management

BULLETIN



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DENTAL DOW SECOND QUARTER

Still Going Strong:

The mature area practices sampled showed practice production up **7.5%** and collections up **6%**.

Total patient flow is up **2%**. New patients were up **5%**. Production per exam was up **5%**. Doctor and hygiene hourly production were up **7% and 6%**, respectively.

STATISTICAL SNAPSHOT (From Our Dental Dow Database)

	Avg	95th %tile	5th %tile
Doctor Prod/Hr	\$874	\$1,237	\$641
Hygiene Prod/Hr	\$189	\$239	\$129

WHAT PATIENTS COMPLAIN ABOUT ONLINE From Google Reviews This Year (In Descending Order)

- Long Wait Times:** Patients frequently expressed frustration over long wait times for appointments, both in the waiting room and for procedures.
- Rude or Unprofessional Staff:** Complaints about the demeanor and professionalism of the dental staff, including dentists, hygienists, administrative personnel are common.
- Billing Issues:** Patients often report problems related to billing, such as unexpected charges, difficulty understanding bills, issues with insurance claims.

What's Inside?

- Dental Dow Second Quarter
- Statistical Snapshot

- What Patients Complain About Online
- How Does Your Overhead Compare?
- PPO Transitions
- Fee & Wage Survey Online This Year

- Pain Management:** Concerns about inadequate pain management during and after dental procedures are frequently mentioned.
- Quality of Care:** Complaints about the perceived quality of care, including misdiagnosis, inadequate treatment, and lack of thoroughness in examinations and cleanings are prevalent.
- Cleanliness and Hygiene:** Reviews frequently mention concerns about their cleanliness of dental facilities, including treatment rooms and waiting areas.
- Communication Issues:** Lack of clear and timely communication from dental providers about treatment plans, procedures, and follow-up care is a significant concern.
- Appointment Scheduling:** Difficulty in scheduling appointments, including long lead times for available slots and challenges with the rescheduling or cancellation, are noted.
- Cost of Treatment:** Some patients often highlight the high cost of dental treatment and a lack of transparency in pricing.
- Facility Conditions:** Patients mention outdated or poorly maintained facilities including uncomfortable waiting areas and a lack of modern dental equipment.

This content was generated through **Chatbot AI**. We had done similar research years ago by painstakingly combing the web. That took days. This took less than 2 minutes.

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.



HOW DOES YOUR OVER-HEAD COMPARE?

Courtesy of The McGill Advisory- Newsletters, Seminars and other services: Web: McGillHillGroup.com Phone: 877-306-9780

The McGill Advisory, May 2024

HISTORICAL COMPARISON	General Dentistry	Orthodontics	Endodontics	Periodontics	Pediatric Dentistry	Oral Surgery	Prosthodontics
Current year, along with 1, 5, and 10-year comparisons <small>(Explanation of Expense Categories on next page)</small>							
2023							
Expense in %:							
Occupancy	8.8%	8.5%	10.9%	8.7%	7.7%	4.9%	
Clerical Wages	9.3%	10.2%	7.4%	12.8%	11.4%	11.2%	
Non-Op. Sup. & Exp.	12.8%	16.8%	10.6%	10.9%	11.6%	13.9%	
Clinical Wages	17.9%	10.8%	8.8%	11.7%	16.1%	10.0%	
Prof. Sup. & Exp.	12.1%	14.3%	8.3%	11.9%	7.0%	12.8%	
Total Expenses	60.9%	60.5%	46.0%	56.0%	53.7%	52.8%	
Total Profit	39.1%	39.5%	54.0%	44.0%	46.3%	47.2%	
CPI Dec. 2023 (306.73)							

INFORMATION NOT AVAILABLE

Explanation Of Expense Categories

Occupancy: The total cost of the practice facility, including rent, utilities (heat, light, power, water), repairs, maintenance, depreciation of equipment, amortization of leasehold improvements, rental cost of equipment (if equipment is leased).

Clerical Wages: Wages, payroll taxes, medical insurance, medical reimbursement, and other fringe benefits (does not include retirement plan contributions, which are considered as profit).

Non-Operating Supplies and Expenses: Advertising and promotion, marketing, office supplies, office expenses, dues and subscriptions, auto expenses, general taxes, general practice insurance, telephone, interest, travel, meals, entertainment, legal and accounting, continuing education, collection expenses, other miscellaneous expenses.

Clinical Wages: Same expenses as for clerical wages, but for clinical staff (assistants and hygienists).

Professional Supplies: All supplies used in treatment of patients, laboratory fees, wages for internal laboratory employees (plus lab employee benefits), other costs of operating internal laboratory.

Total Expenses: A total of the above costs.

PPO TRANSITIONS Patient Attrition, Replacement and Gains:

No matter how well you prepare in any PPO transition there *will* be a loss of patients. So, what happens after that?

Let's say a practice is producing \$100,000 of which \$10,000 is with XYZ PPO. At that \$10,000 per month, the practice is collecting just \$6,000 because there is a 40% PPO write-off. Let's assume they lost a fairly pessimistic 40% of the patients due to the PPO transition, so that practice would still be collecting \$6,000 per month (usually the retention is better). However, they now have opened some unused capacity. Let's say that fills in and they bring back another \$4,000 per month in production – and this might be other PPO patients as well so let's assume there's a 40% discount on the **replacement** production (just like the PPO they dropped) – even so, the practice ends up \$28,000 a year ahead. Of course, if the practice is not saturated with PPOs, the “replacement collections” will be better than 50%. If we assume 80%, this practice will be over \$38,000 ahead, the equivalent of about another month of income right to the bottom line (with no more work on the doctor and staff's part).

Generally, we do not recommend the practice drop a PPO unless there is good **replacement** potential and/or they are at or beyond capacity.

Of course, the goal is to *minimize* the loss of patients, but this points out there is another very important tactical point – slowing down the loss. This gives the practice time to “heal up” or replace lost patients.

That is why when dropping PPO/Delta we do not recommend sending letters unless the PPO is sending letters. No matter

how well written the letter, letters can cause disruption to the practice, can accelerate the loss, and can overload the administrative team.

ADD THOUSANDS TO YOUR BOTTOM LINE

If your practice has good momentum, you can drop PPOs that are 20% or less than your practice production and usually heal-up quite quickly over that loss as illustrated above. However, you can't just leave PPO participation; you have to be working toward something. These transitions can be a great time to create a “Practice Renaissance” where you rejuvenate your practice mission, business systems and messaging.

FEE & WAGE SURVEY ONLINE THIS YEAR!

We are thrilled to announce the launch of our survey going online, exclusively available to participants in the Midwest region.

Why Participate?

Convenience: Doctor's can complete the survey anytime, anywhere.

Impact: Your feedback directly influences your future business growth.

Incentives: Participants will receive results; APM's Market-place Trends 2024 Report.

Mark your calendars - our annual survey is scheduled to launch online mid-September.

Contact us with your email and be included in our distribution list today.

- Send **Email** to: APM@AdvancedPracticeManagement.com
- **Call Us:** (952) 921-3360
- Contact us by **Website:**
<https://advancedpracticemanagement.com/contact-us-2/>

Please note, this survey is exclusively available to practices located in the Midwest region. If you are a dentist in this area, we eagerly look forward to your valuable input.

