

A Reason to Smile!

News and Ideas For General Dentists

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DENTAL LAB

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Practice Ideas: *The Patient's Point of View*

One of the most important elements of good writing is to consider the character's Point of View, or POV. In E.B. White's *Charlottes' Web*, the story played out dramatically differently when viewed from the pig Wilbur's POV rather than the farmer's.

We had a dentist client who was located close to an auto manufacturing factory, and accepted their in-house insurance plan. Reimbursement rates were among the lowest he accepted, and he dreaded "those patients." From his POV, these cheap patients, and their horrible insurance, were a necessary evil he was forced to take to keep the lights on.

However, from the patient's POV, they had GREAT insurance! It didn't cost them a cent, and they got to go to this wonderful dentist who was in their network. They had no idea they were already labeled "cheap" before they even sat in the chair.

What the dentist forgot to consider was that most of these "factory workers" had annual incomes of nearly \$100,000. When viewed from that perspective, maybe they weren't such bad patients after all.

He began looking at them as high-income earners, not cheap insurance patients, and

proposed treatment plans accordingly. The new month turned into a record, and hasn't slowed.

So, when deciding on a treatment plan for your patient, don't pre-judge their willingness or ability to pay just because they have free dental insurance from their high-paying employer. Present the dentistry they need, have convenient financing options available, and let them decide. It kept Wilbur upbeat, alive and made him a star!



The Bottom Line: What is an Investment?

Dentistry is chock full of great time-saving techniques, gadgets and expensive pieces of equipment. Almost always, they're presented with a testimonial from a dentist whose practice was saved within months, and the implication (but no guarantee) that yours will be too!

Dentistry is also full of horror stories about good dentists who spent their hard-earned money on these magic beans, only to find themselves deeper in debt and even less able to pay the bills.

One way to avoid this trap is view any change in your business operation as an "investment." By its very nature, an "investment" requires two things; capital and a return.

Capital is the money you need to come up with originally, and the return is what's left over

after ALL expenses and costs are calculated. Ideally, any investment will have a positive return, or will result in more money saved or earned than is invested.

Amazingly, while this is a simple concept, many times costs such as interest, taxes and consumables are never considered when the salesperson is presenting the Return on Investment (ROI), and dentists never ask.

Moreover, if an investment is being made in an effort to reduce existing costs, only those costs or expenses that will be reduced with absolute certainty should be considered. Conversely, if the investment is to drive new revenue, then you must adjust your revenue goals to cover the new expense, which will occur every month whether the new patients or procedures materialize or not.

Dental Stocks ⁵² Low ⁵² High

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|-----------------------------|------------|-------|-------|
| Colgate Symbol | 77.34 CL | 63.75 | 81.00 |
| Patterson Symbol | 33.10 PDCO | 28.32 | 40.08 |
| Amer Dental Partners Symbol | 9.39 ADPI | 9.39 | 29.50 |
| Dentsply Symbol | 43.72 XRAY | 42.57 | 43.45 |
| Hnry Schein Symbol | 59.27 HSIC | 57.92 | 59.33 |
| Nat Dentex Symbol | 16.13 NADX | 13.01 | 20.95 |

Hot Off The Press

Dental practice

84.4% of new active private practitioners reported general practice as their practice, research or administration area for 2005.



Source: ADA Survey Center

The Quote "Well done is better than Well Said" Benjamin Franklin