

*Except from June 2012 Cascade Newsletter*

In the May 2012 issue of JADA, there is an article titled "Analysis of Dentists Income 1996-2009". The article states that over the last 4 years, general dentist's income has dropped 12% from \$217,850 to \$192,680. The following factors are considered as possible causes.

- Recent economic recession and downturn
- Billing less per visit
- Collecting less
- People not visiting the dentist as often
- % of population visiting the dentist decreasing
- Population per dentist is decreasing
- Practice expenses are increasing

Their summary "The future prospects related to dentists' net income levels remain uncertain."

Overall the article is slightly depressing. However, we have a slightly different attitude towards the future. The opportunities before us have never been greater. We opened our business in January 2007 right as the recession began. While there are several challenges all around us, this current challenging atmosphere also opens many opportunities if we do the right things.

We have always believed that "If you do things as they have always been done than you will archive the same results as you have always attained." Well, we don't do things as they have always been done. Below is a list small list of things our team and network of offices do different in response to the list above.

Recent economic recession and downturn: Over the last three years, our offices have averaged 37% growth per year in production! This results from our unique focus on the patient, the quality of dentistry offered, and everything else so well encapsulated in our motto.

Billing less per visit: We bill 21% (\$176/225) more then the national average per visit. This stems from our many efficient process (cassettes, layout of office, appt scheduling, etc..) and our focus on patient education and custom precise treatment planning and estimates.

Collecting less: Our average collection rate is 99.1% compared to 93.3% for the nation. This results from: our detailed and accurate insurance verification processes, EOB processing, focus on patient education, and billing options and processes.

People not visiting the dentist as often: Our patients come to the dentist 2.14 times per year which is 12% higher then the national average. Where we still have so many new patients per month, this number is amazingly high compared to a mature practice with

less new patients. This is because we have a really good computerized recall system that requires much less effort than most offices devote to this effort and because we use hygienists to make these calls.

% of population visiting the dentist decreasing: We would not know. We have been growing more than 4x as fast as any other practice. Most offices hope to get 20 new patients a month; we have always ranged from 80-140 new patients a month for years now.

Population per dentist is decreasing: Maybe, but we have it better than everyone else. Our offices have 2,667 people per dentist. The national average is 2,245. The Utah average is 1,394. Our offices are set up in the best locations possible for our success and convenience for patients.

Practice expenses are increasing: Not for us. Our overhead has been as low as 51% compared to a national average of 65%. As we continue to grow, this number will only come down until each office reaches its capacity of 3 to 4 dentist per office.

Doctors pay: Our doctor's pay is not down 12% but ..... Up x% above National Average (x-192680)

Summary: Yes times are hard for a lot of people. However, by strategically running our offices different than any other, we have taken the current challenges and turned them into many advantages that others could only dream of. **It is up to each of us every day to recognize this and take full advantage of these blessings.** Again, thanks to our great teams and hard work, in time that truly are tough, **we are able to bless our, our team's, and our patient's families in so many ways then otherwise possible. I love my job and working with each of you!**



**Dr. Robert Baird**