

Top Five Issues Facing Dental Practices Today

While the economy is up in the air, still, and the long-term effects of the Gulf region oil spill are still undetermined, there are things in this world that dental practice leaders most certainly have control over. One of them is the success of their dental practices. Below is a cheat sheet of issues we commonly see in dental practices, and how to ensure your practice won't fall victim to these issues.

1. Don't blame the economy

While all of us are affected by the economic downturn, do not let such trends be an excuse for not performing. Dental practice owners should take charge of their practices and educate patients on the importance of immediately addressing small dental issues, which, if left untreated, can turn into expensive health threatening issues. Treatment plans evolve along with the maturing of the patients; by treating them early and educating them on preventative care, dental practices leave the door open for their patients to become advocates for additional services. Not only will they be happy, but what better way to market a practice than through such happy and healthy dental patients.

2. Address staff consistency and continuity

Are all staff members on the same page? If low morale is bringing down the office atmosphere, correct it. Considering that a dental office is a place that often causes anxiety for some patients, it's important that steps be taken to ensure a positive, "drama-free," calm environment. Patients are more likely to be at ease during their visit and willing to pay balances when they have a positive experience from the waiting room to the dental chair. Office productivity increases as morale increases. If a team is fragmented, patients sense this. To combat these issues, consider holding off-site team-building meetings — it's a great way to rekindle the fire in unmotivated staff.

3. Create and use an annual budget

While most dental practice principals have heard the term "budget," many have never attempted to prepare one. A budget can be started by simply looking at previous years' financial data and using key benchmarks to set goals for the current year. Don't just prepare one and put it on the back shelf. Today, with automated software programs such as QuickBooks, a budget can be prepared very easily and used as a tool to understand a practice's financial data. Don't fear the economics; embrace the data as a fact sheet about where the practice is heading and where it can go. Such measurements can help determine trends and indicate areas that need attention.

4. Review fee schedules

When was the last time fee schedules were updated? If a dental practice owner or billing staff can't remember, it's probably a good time to reevaluate fees. Even small changes to routine procedures can mean significant progress in a bottom line. Strong financial policies with clearly understood accepted treatment plans will only benefit a practice.

5. Review internal controls over cash and receivable adjustments

Even highly successful practices can become complacent, especially if cash flow is good. But don't overlook receivables. Are collections reasonable, or are an alarming number of patients paying 60 or 90 days late? Work with an accountant to create a policy for collections that is