

Front Office Focus – Pump It Up!

Practice Leadership Center



"The higher the octane, the better the performance." Photo ©2007 James Warren

Dental Teams drive the success of the dental practice; much like a high precision racing team depends on the ability of each team member to make a contribution to the entire goal. As the front office team, you are responsible for the fuel to keep that high performance machine running. Just as it doesn't matter how fast your car can lap the track if it doesn't have the fuel to make it go, it doesn't matter how productive your clinicians are if you're not just

as efficient in collecting for the services rendered.

As a part of this high precision team, there are three areas to master to ensure a win for the practice:

Area 1:

Determine your fuel source. Most general practitioner offices have more than one source making up the collections for the practice. In an automobile, the higher the octane, the better the performance. In a

practice the higher the number of cash paying patients, the stronger the practice.

Get a rundown of dental benefits for each account and collect the patient balance at the time of service. A sample script could sound like this: "Mrs. Jones, we anticipate your benefit plan to cover approximately 70% of your treatment today, leaving your estimated co-pay to be \$255.00. Will you take care of that with cash,

check or a credit card?" The most important part of this approach is delivering it as a choice. Rather than asking her if she'd like to pay today; you are asking her how she'll be paying today.

The national average of collections coming from dental insurance companies is 65% in the private practice sector. Therefore, the fee for service patients and co-pays make up 35%. If you have a larger retiree patient base or are doing more discretionary treatment, your percentage of cash paying patients will be higher. Running your Collection Analysis Report will determine this percentage in your practice. With this percentage identified, you now have your over-the-counter collections goal. By keeping in mind this percentage daily, your practice's fuel efficiency will increase.

Area 2:

Keep account receivables to one month's production. Collecting patient estimated co-pay at the time of service will assist you in accomplishing this goal. Assess your aging accounts on a weekly basis and run your Insurance Pending Reports to verify that all

Deliver choices. Photo ©2007 Gabi Garcia



outstanding insurance is being properly managed and followed up on. Making the appropriate collection calls to either the insurance company or directly to the patient will also assure your high performance engine is running at maximum capacity.

A possible script for a collection call could sound like this:

Team Member: Hello, Mr. Smith. This is Carol from Dr. Burnett's office. I'm calling about the balance on your account.

Patient: Really! What balance?

Team Member: Let me explain how and when the balance occurred. From your recent visit with us, your benefit provided by your employer paid \$150 of the total fee of \$250. That left a balance of \$100 on your account. I would like to help you clear this up. For your convenience, we accept credit cards over the phone.

Patient: Oh, I maxed out my credit cards. I really can't pay you right now.

Team Member: I understand. So that your account with us doesn't become a problem for you, let's set up a new financial agreement that is comfortable for you. Let's see, Mr. Smith, today is Friday. How much time will you need to get us that \$100?

Patient: I get paid on Fridays. I'll drop off a payment for \$50 this week and \$50 next week.

Team Member: Thank you, Mr. Smith, for working with us. Let me review our agreement to make sure we both have the same understanding. We can expect to receive your payment of \$50 this Friday and \$50 next Friday. This payment will clear your account with us. Are you comfortable with this agreement?

Patient: Yes, that's no problem.

Team Member: I will make a note of our discussion in your file, and I'll send you a copy in the mail today.

Please note, if you ask the patient how much he or she think they can pay per month, you are more likely to get a commitment to a smaller amount, for example \$10 per month (which would take 10 months for the patient to pay off). By asking, instead, how much time the patient needs to pay off the amount, the patient is more likely to give a shorter amount of time than ten months, so the odds of collecting the balance sooner increase.

Area 3:

Utilize outside funding sources to accommodate your patient's needs. We all know as consumers, if we want something enough, we will finance the purchase. We have to adopt that same understanding in the dental office. Make sure you position yourself as the patient's advocate to help make this happen for them. A possible script could go like this: "Lori, if I could arrange monthly payments that fit your personal budget, would that help you?" We would recommend offering three outside funding resources in your practice to help ensure you can meet a majority of your patients' needs.

Even though our consumer spending slowed this past summer, for every dollar Americans earned, they spent \$1.22 – an all-time record. Help your valued patients maximize their dental benefit plans, receive the dental treatment and smiles they've always wanted, and make it affordable for them. The result is not only happy patients, but a high performing winning team.