Dental Practice Management Companies: Management’s Perspectives & Dentists’ Perspectives

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Jenny Sun, DDS
Vicky Evangelidis-Sakellson, DDS, MPH

Conflict of Interest: None. Presenters have no affiliation presently or in the past with any of the DPMCs
Why Dental Practice Management Companies (DPMCs)

“dentistry is a (dentist’s) business”

“One million Americans per year visit the ER because of dental pain” (Dr. Catalanotto)

Caries rate doubles from 14% to 31% when a child is from a low income household (Kaiser)

“There is a big underserved part of the marketplace that has barriers to care. That’s where we come in.” Bob Fontaine - Aspen
# How many Dental Practice Management Companies exist?

<table>
<thead>
<tr>
<th>Practice Name</th>
<th># Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>OrthoSynetics</td>
<td>350</td>
</tr>
<tr>
<td><strong>Smile Brands (Monarch, Bright Now!, Castle)</strong></td>
<td>325</td>
</tr>
<tr>
<td>Heartland Dental Care</td>
<td>300</td>
</tr>
<tr>
<td>American Dental Partners, Inc.</td>
<td>275</td>
</tr>
<tr>
<td><strong>Aspen Dental</strong></td>
<td>240</td>
</tr>
<tr>
<td>Western Dental</td>
<td>200</td>
</tr>
<tr>
<td><strong>Pacific Dental Services</strong></td>
<td>200</td>
</tr>
<tr>
<td>Great Expressions</td>
<td>181</td>
</tr>
<tr>
<td>Dental Works</td>
<td>160</td>
</tr>
<tr>
<td>Affordable Care, Incorporated</td>
<td>150</td>
</tr>
<tr>
<td>DentalOne Partners</td>
<td>150</td>
</tr>
<tr>
<td>Dental Corporation</td>
<td>138</td>
</tr>
<tr>
<td>Interdent (Gentle Dental)</td>
<td>120</td>
</tr>
<tr>
<td>Kool smiles</td>
<td></td>
</tr>
</tbody>
</table>

**Total 3,489**

- Coast Dental 100
- Dental Care Alliance 80
- Midwest Dental 77
- Forba Holdings, LLC 68
- Birner Dental Management Services, Inc. 65
- Katsur Management Group 57
- Metro Dental Care 40
- Clear Choice Dental Implant Centers 34
- Altima Dental 30
- Towncare Dental 27
- Park Dental 23
- West Coast Dental 23
- The Allied Dental Practices 22
- Mini Implant Centers of America 17
- Family and Cosmetic Gentle Dentistry 12
- Dental Associates 8
- Emergency Dental Care USA 7
- The Smile Center 5
- Main Street Dental 5

The McGill Advisory, February 2011
Provided by John K. McGill and Company, Inc.

Columbia University
College of Dental Medicine
Current status of Dental Practice Management Companies

- Total practices run by dental practice management companies (DPMCs) now exceed 4,000 and is growing rapidly ("The Future of Dentistry", McGill Advisory Articles, 2012)
- 6% of dentists surveyed by ADA reported practice belonging to a DPMC (ADA survey, 2010)
- 15% of dentists practicing less than 10 yrs worked for a DPMC, while 4.5% of dentists practicing over 10 yrs worked for a DPMC (ADA survey, 2010)
Dental Practice Management Companies (DPMCs)

- Known by several names including
  - DSO → dental service organization
  - DMSO → Dental management service organization
  - GDO → Group dental organization
  - GPO → Group practice organization
What do Dental Practice Management Companies (DPMC) have in common

Direct decision making in the provision of care to management activities of the practice.
State Regulations

• State regulations determine:
  1. Who can own and operate dental practice
  2. What entities may employ a dentist
  3. What level of control non-dentist owners have over practice
State Regulations

- Depending on the laws, dental practices can exist as two separate entities, a professional one made up of dentists and a management corporation that provides the services to the practice.
State Regulations

- Six states – Arizona, Mississippi, New Mexico, North Dakota, Ohio and Utah – permit practice by business corporations, some form of ownership by non-licensees, or corporate employ

- Two states – Michigan and Nebraska – have no statutes or recent case law directly addressing corporate practice.

- Two others – Kentucky and Wisconsin – have conflicting or unclear statutory or common law regimes concerning current limits on corporate practice.

- All of these states, however, prohibit corporate and non-licensee interference with dentists’ independent performance and clinical judgment.

- All other states and the District of Columbia clearly prohibit corporate practice.

State Regulations

• New York - The unauthorized practice of dentistry is a felony in New York, NY EDUC. LAW §§ 6512(1), 6602, and state courts have held that business corporations commit unlicensed practice by employing dentists or doctors or sharing their fees.

ADA NDC meeting

• The ADA New Dentist Committee held meeting entitled “What are the Opportunities and Challenges of Corporate Dentistry for New Dentists Today” in January of 2012

• “New dentists are seeking employment opportunities with flexibility, mobility and practice management experience early in their careers, and this is a very fast growing option.”

~Dr. Danielle Ruskin, chair of the ADA New Dentist Committee
ADA NDC Meeting

Reasons why large group dental practices appeal to new dentists *(ADA NDC meeting, 2012)*

1. Student indebtedness creates barrier to early practice ownership

2. Due to recession, traditional practices are not hiring.

3. More dual profession families, and married professionals may require the mobility that practice ownership does not allow

4. Other lifestyle preferences: flexible work hours, work/life balance
Factors Behind Growth

Ten factors behind growth of dental management companies (Practice Management Industry Trends, McGill, Feb, 2011)

1. Large pool of venture capital available
   - Medicine looks less attractive as investment vehicles compared to dentistry
   - Venture capital firms looking for returns of 20-30% a year

2. Growing supply of low-cost professional labor (general and specialist)
   - Fewer opportunities for new graduates to purchase practices, or join a traditional practice as a new associate or partner.
   - High Student loans: average $180,557 for 2011
   - DPMCs have been successful luring dentists with compensation rate of only 25% of collections! (average for traditional is 33-35%)
Factors Behind Growth

Ten factors behind growth of dental management companies (Practice Management Industry Trends, McGill, Feb, 2011)

3. Availability of lower-price staff labor
   - Record-high unemployment rates for dental staff from prolonged recession
   - Larger pool of dental staff graduating from programs, enticed by historically high compensation rates

4. Expanding supply of practices for sale over next five years
   - Since stock market has recovered from 2009-2009 declines, more doctors financially ready to retire and will sell their practices in the next 3-5yrs. More sold to death or disability, since doctors are practicing later in life
Factors Behind Growth

Ten factors behind growth of dental management companies (Practice Management Industry Trends, McGill, Feb, 2011)

5. Capturing specialty services previously referred out
   - Employed dentists are provided CE especially in endodontics and orthodontics
   - Specialty procedures performed in-house by employed specialty dentists

6. Maximizing facility and staff utilization
   - Traditional dental practices operate 3-4 day clinical work week; DPMCs operate 6 days a week, with schedules of 10-12hrs a day
   - In most traditional dental practices, staff work 28-32 hrs a week; most DPMCs have full-time staff working 40hrs a week, resulting in lower unit labor costs
Factors Behind Growth

Ten factors behind growth of dental management companies (Practice Management Industry Trends, McGill, Feb, 2011)

7. Lower facility costs
   - DPMCs bargain for lower price per square foot space

8. Higher reimbursements under managed care plans
   - Many DPMCs rely on managed care participation to operate at maximum capacity
   - Some DPMCs negotiate higher reimbursement rates from managed care companies than solo practices

9. Aggressive external marketing
   - Realizing that 50% of U.S. population have a regular dentist, many DPMCs use “direct to the public” marketing approaches via newspaper, radio, TV, and direct mail
   - Traditional dental practices budget 2% of collections for practice marketing; DPMCs often spend up to 6-8% of collections on direct marketing
Factors Behind Growth


Last but not least…

10. Economies of scale

- Ability to negotiate significant discounts from lab and supply vendors
- Ability to engage in offshore purchasing to lower cost
ADA’s stand:

ADA attorney Wendy Wils:

“We neither encourage nor discourage dentists from signing on with practice-management firms. But it is important that dentists learn all they can about these new businesses to make an educated decision as to what is best for them.”
Corporations interviewed:

[Practice Name # Practices]
- OrthoSynetics 350
- Smile Brands (Monarch, Bright Now!, Castle) 325
- Heartland Dental Care 300
- American Dental Partners, Inc. 275
- Aspen Dental 240
- Western Dental 200
- Pacific Dental Services 200
- Great Expressions 181
- Dental Works 160
- Affordable Care, Incorporated 150
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- Interdent (Gentle Dental) 120
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Media reports:

Positive:
Dr. N (Aspen dentist, 2012)
- Full autonomy
- >20 years ago, critics opposed retail eye care industry
- Lower prices, increase access to care

Negative:
- Kool Smiles: given unnecessary treatments (Heath, 2012)
- Aspen: over charge (Heath, 2012)
- 2006-2010 1000 complaints about Aspen Dental

Published June, 2012

What management companies may offer dentists:

- Elimination of daily administrative headaches (12-15 hr/wk):
  - Real estate, human resources, accounting
- More profit: mass purchasing, marketing
- Increase patient volume
- Path to ownership
<table>
<thead>
<tr>
<th>Companies</th>
<th>Services</th>
<th>Location</th>
<th>Salary</th>
<th>Ownership</th>
</tr>
</thead>
</table>
| Aspen Dental                      | General Endodontics Oral surgery  | >300 offices 25 states: AZ, CT, FL, GA, IA, IL, IN, KY, MA, ME, MI, NE, NH, NY, OH, OK, OR, PA, RI, SC, TN, TX, VT, WA, WI | • Associate: 130K-150K  
• Clinical managing director: 170K-250K  
• Practice owner: 750K | Yes       |
| Great Expressions                 | General Endodontic Oral surgery   | >200 centers 9 states: CT, FL, GA, MA, MI, NJ, NY, OH, VA                | • Associate (1st yr): 100K  
• Associate (avg): 150K  
• Specialist: 300K | No        |
| Pacific Dental Services           | (Same as above)                   | >300 offices 8 states: CA, UT, OR, CO, AZ, NV, NM, TX                    | • Associate: 160K  
• Practice owner: 390K | Yes       |
| Smile Brands                      | (Same as above)                   | <400 offices 19 states: AZ, AK, CA, CO, FL, IN, MD, NJ, NM, OH, OK, OR, PA, TN, TX, UT, VA, WA | • Associate: 180K  
• Specialist: 315K | No        |
Questions We Asked:

- Quota
- Pressure to produce
- Autonomy
- What sets your company apart from the other DSOs
>300 offices; in 25 states: AZ, CT, FL, GA, IA, IL, IN, KY, MA, ME, MI, NE, NH, NY, OH, OK, OR, PA, RI, SC, TN, TX, VT, WA, WI
Dental Services:

- General Dentistry
- Oral Surgery
- Endodontics
Associate Dentists typical annual earnings

$130,000 - $150,000

Managing Clinical Directors typical annual earnings

$170,000 - $250,000+

Practice Owners typical annual earnings

$750,000+
Annual Earnings

The numbers speak for themselves.

- Traditional Private Practice Dentist*
  - $103,000

- Aspen Dental Associate Dentist
  - $140,000

- Aspen Dental Lead Dentist
  - $217,000

- Top 20% of Aspen Dental Lead Dentists
  - $300,000

- Traditional Private Practice Owner*
  - $175,000

- Aspen Dental Private Practice Owner**
  - $750,000

- Top 20% of Aspen Dental Private Practice Owners
  - $1,250,000

* Source: ADA  ** Based on 3 locations
Case Presentation

Workload

Clinical director: 15-20 patients/day
Associate dentist: 6-10 patients/day

Practice: 30-40 patients/day
Career path:

**Associate dentist:**
- Educate patient on treatment options
- Assess treatment options with patient, carry out treatment

**Clinical managing director:**
- All of associate dentist’s responsibilities
- Comprehensive exam, dx
- Assist in recruitment, training and management of staff
- Budget and finance of office

**Practice owner:**
- Practice Owners may spend less than two years with Aspen Dental prior to becoming an owner
- Demonstrate an understanding of Aspen Dental’s proven model combined with an entrepreneurial drive
Contracts

- NO termed contracts
- NO non-competition clauses
Patient population – the “forgotten middle”

- Insured: in area with no dentist (Secondary and tertiary locations)
- Medicaid
- Uninsured
Concerns

- Quota? NO
- Autonomy? YES
- Supervision? YES, initially by clinical director
- Pressure for speed? YES, from patient demands
- Quality care? YES
Corporation Leaders:

**Founder and CEO of Aspen Dental:**

- “Dentists own and control all of the practices... Dentists won’t do unnecessary treatments because it’s just not in their DNA.”

**Director of Recruitment:**

- “What we do is not for everybody. We see high need type of patients, who haven’t been to the dentist in years, need a lot of work... Aspen is about comprehensive treatment plan... If you’re patient, and want to hone your skill over time, Aspen is great for you, because we have a defined career path.”
- Patient centric
- Do not chase budget goal
Why do dentists leave Aspen? (Corporate’s perspective)

- Pressure to perform
- Difference in interests (Lack in cosmetic dentistry)
- Location
<table>
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• Practice owner: 750K  | Yes       |
| Great Expressions    | General Endodontic, Oral surgery, Orthodontics, Pedodontics, Periodontics | >200 centers 9 states: CT, FL, GA, MA, MI, NJ, NY, OH, VA | • Associate (1st yr): 100K  
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DPMC: Great Expressions
Let the dentist and hygienist do the dental care
Let the business people do the finances and administration
Fast growing, Michigan based
Owned by Ontario Retirement co
Career path

General practitioner:
- standard dentistry

Senior General practitioner:
- multiple disciplines, communication between dentists, scheduling, distribution of patients, managing staff and hygienist

Clinical director:
- training dentists within that region, economics success of the dentists, relationship within operational side of the business
Contracts:

With professional association in each of the states

Report to clinical director of the region

Must demonstrate ability to learn and progress in order for company to keep associate dentist

Most dentists leave after 3-5 yrs
Corporate leaders: Clinical & Regional Director

- Textbook dentistry: never complete crown if there’s a perio problem
- Disease driven
- No pressure to produce
- Pressure placed on dentists to educate patients and get them to return: recall, completing cases
- Performance evaluation: peer review process (2x/yr)
- Company is developing a retention plan for dentist (ownership)
DPMC: Pacific Dental Services
Patient Population

- Suburban locations
- Mostly PPO, not cash or HMO
- Middle to upper income (>75K)
Corporate Leader: Director of Recruitment

- Partnership with owner dentist: 51:49 split on profit
- PDS buys office, carries the debt until profit is seen, provides the marketing, human resources, etc
- Quota? NO
- Autonomy? YES
- Owner dentist will ask for associate dentist to have a good patient retention rate
DPMC: Smile Brands
Case Presentation

Clinical board of directors

Market General Director: region (10 offices)

Lead dentist

Senior Associate

Associate

Career Path
Contracts

Dentists are employed by professional corporation (owned by shareholders: dentist)

Smile Brands does not employ any dentists.
Case Presentation

Corporate leader: Senior Director

- Not every DSO is the same
- We have figured out the right model
- No production goal: ensure quality dentistry

- Autonomy: marketing director evaluates new dentist
- Patient advocacy model: ensure patient knows all options available to them
- G3: greet, guide, grateful
Case Presentation

- Partnership: 
  - Pacific Dental, Aspen
  - No ownership: Great Expressions, Smile Brands

- Pressure to produce? Corporate says NO
- Overtreatment? Corporate says NO

- Compromised care? Corporate says NO
- Pressure to produce? Corporate says NO
- Overtreatment? Corporate says NO

- Profit driven
- Higher patient volume
- Career progression
- No administrative stress
Dentist perspective

• Questionnaire emailed
  • Graduates from 2001~2011 (900 people)
  • Received: 191 responses (~22% response rate)

Purpose: to understand the perception of practice management organizations among recent CUCDM alumni
Questions asked

1. Demographics (grad year, training/specialization, gender)

2. Work experience (currently or previous experience in a dental practice management company)

3. Advantages to working in an DPMC

4. Disadvantages to working in an DPMC

5. Comments
## Respondents by graduation year

<table>
<thead>
<tr>
<th>#</th>
<th>Answer</th>
<th>Response</th>
<th>%</th>
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<tbody>
<tr>
<td>1</td>
<td>2000</td>
<td>19</td>
<td>10%</td>
</tr>
<tr>
<td>2</td>
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<td>2002</td>
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<td>15%</td>
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<tr>
<td>12</td>
<td>2011</td>
<td>18</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>191</td>
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Respondents by training/specialty

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<tr>
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<th>Answer</th>
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<td>AEGD/GPR</td>
<td>81</td>
<td>42%</td>
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<td>2</td>
<td>Cosmetic Dentistry</td>
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<td>2%</td>
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<tr>
<td>3</td>
<td>Endodontics</td>
<td>11</td>
<td>6%</td>
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<tr>
<td>4</td>
<td>Implant Dentistry</td>
<td>3</td>
<td>2%</td>
</tr>
<tr>
<td>5</td>
<td>Oral &amp; Maxillofacial Surgery</td>
<td>18</td>
<td>9%</td>
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<td>6</td>
<td>Oral Pathology</td>
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<td>1%</td>
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<td>7</td>
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<td>8</td>
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<td>9</td>
<td>Periodontics</td>
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<td>10</td>
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<td>4%</td>
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<td>11</td>
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<td>3%</td>
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<td>No residency/postgraduate training</td>
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<td>2%</td>
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**Respondent Postgraduate institutions**

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<th>Answer</th>
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<tr>
<td>1</td>
<td>Columbia/NYPH</td>
<td>66</td>
<td>36%</td>
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<td>2</td>
<td>Other Hospital or University (NYC)</td>
<td>54</td>
<td>30%</td>
</tr>
<tr>
<td>3</td>
<td>Other Hospital or University (outside NYC)</td>
<td>72</td>
<td>39%</td>
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</table>

Representing about 80 postgraduate institutions
Work experience in a DPMC

22% of recent graduates have worked for a dental practice management company (DPMC)

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<th>Response</th>
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<tbody>
<tr>
<td>1</td>
<td>Yes - I work for one now.</td>
<td>18</td>
<td>9%</td>
</tr>
<tr>
<td>2</td>
<td>Yes - In the past.</td>
<td>25</td>
<td>13%</td>
</tr>
<tr>
<td>3</td>
<td>No</td>
<td>148</td>
<td>77%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>191</td>
<td>100%</td>
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</table>

73% of those who worked for a DPMC worked <2yrs

<table>
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<tr>
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<th>Answer</th>
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<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Less than 1 year</td>
<td>17</td>
<td>41%</td>
</tr>
<tr>
<td>2</td>
<td>1-2 years</td>
<td>13</td>
<td>32%</td>
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<tr>
<td>3</td>
<td>2-5 years</td>
<td>7</td>
<td>17%</td>
</tr>
<tr>
<td>4</td>
<td>5-10 years</td>
<td>4</td>
<td>10%</td>
</tr>
<tr>
<td>5</td>
<td>More than 10 years</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>41</td>
<td>100%</td>
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</table>
Among those who did have experience

<table>
<thead>
<tr>
<th>Year</th>
<th>No</th>
<th>Yes - I work for one now.</th>
<th>Yes - In the past.</th>
</tr>
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<tbody>
<tr>
<td>2000</td>
<td>73.68%</td>
<td>5.26%</td>
<td>21.05%</td>
</tr>
<tr>
<td>2001</td>
<td>76.92%</td>
<td>7.69%</td>
<td>15.38%</td>
</tr>
<tr>
<td>2002</td>
<td>91.67%</td>
<td>0.00%</td>
<td>8.33%</td>
</tr>
<tr>
<td>2003</td>
<td>75.00%</td>
<td>8.33%</td>
<td>16.67%</td>
</tr>
<tr>
<td>2004</td>
<td>63.64%</td>
<td>9.09%</td>
<td>27.27%</td>
</tr>
<tr>
<td>2005</td>
<td>61.11%</td>
<td>11.11%</td>
<td>27.78%</td>
</tr>
<tr>
<td>2006</td>
<td>81.25%</td>
<td>6.25%</td>
<td>12.50%</td>
</tr>
<tr>
<td>2007</td>
<td>69.23%</td>
<td>7.69%</td>
<td>23.08%</td>
</tr>
<tr>
<td>2008</td>
<td>93.75%</td>
<td>6.25%</td>
<td>0.00%</td>
</tr>
<tr>
<td>2009</td>
<td>64.29%</td>
<td>28.57%</td>
<td>7.14%</td>
</tr>
<tr>
<td>2010</td>
<td>93.10%</td>
<td>3.45%</td>
<td>3.45%</td>
</tr>
<tr>
<td>2011</td>
<td>72.22%</td>
<td>22.22%</td>
<td>5.56%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>77.49%</td>
<td>9.42%</td>
<td>13.09%</td>
</tr>
</tbody>
</table>
Which of the following was/would be an incentive for working for a DPMC

1. Guaranteed salary
2. Student loans
3. Flexible schedule
4. Opportunities to acquire experience
5. Clout to negotiating with insurance companies
6. Freedom from worries of practice management
7. Equity shares/becoming a partner/associate
8. Bonuses for reaching production goals
9. Initial investment
10. other
### Possible incentives to working in a DPMC

8. Regardless of whether or not you have worked for a dental management company/corporate dental clinic, what do you think are some of the possible incentives to draw recent graduates to dental management companies/corporate dental clinics? (Check all that apply)

<table>
<thead>
<tr>
<th>#</th>
<th>Answer</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Initial investment</td>
<td>26</td>
<td>14%</td>
</tr>
<tr>
<td>2</td>
<td>Guaranteed salary</td>
<td>155</td>
<td>82%</td>
</tr>
<tr>
<td>3</td>
<td>Student loans</td>
<td>93</td>
<td>49%</td>
</tr>
<tr>
<td>4</td>
<td>Flexible schedule</td>
<td>55</td>
<td>29%</td>
</tr>
<tr>
<td>5</td>
<td>Opportunities to acquire experience and gain speed</td>
<td>127</td>
<td>67%</td>
</tr>
<tr>
<td>6</td>
<td>Clout in negotiating with insurance companies</td>
<td>23</td>
<td>12%</td>
</tr>
<tr>
<td>7</td>
<td>Freedom from the worries of practice management</td>
<td>131</td>
<td>69%</td>
</tr>
<tr>
<td>8</td>
<td>Equity and shares/ becoming a partner</td>
<td>39</td>
<td>21%</td>
</tr>
<tr>
<td>9</td>
<td>Bonuses for reaching production goals</td>
<td>69</td>
<td>36%</td>
</tr>
<tr>
<td>10</td>
<td>Other</td>
<td>12</td>
<td>6%</td>
</tr>
</tbody>
</table>
DPMC survey: incentives

What do you think are some of the possible incentives to draw recent graduates to dental management companies/corporate dental clinics? (check all that apply)

1. Bonuses for reaching production goals
   - Yes PM (n=43): 17%
   - No PM (n=148): 38%

2. Equity and shares/ becoming a partner
   - Yes PM (n=43): 11%
   - No PM (n=148): 23%

3. Freedom from the worries of practice
   - Yes PM (n=43): 6%
   - No PM (n=148): 11%

4. Clout in negotiating with insurance
   - Yes PM (n=43): 11%
   - No PM (n=148): 32%

5. Opportunities to acquire experience and gain
   - Yes PM (n=43): 56%
   - No PM (n=148): 67%

6. Flexible schedule
   - Yes PM (n=43): 11%
   - No PM (n=148): 50%

7. Student loans
   - Yes PM (n=43): 51%
   - No PM (n=148): 67%

8. Guaranteed salary*
   - Yes PM (n=43): 67%
   - No PM (n=148): 85%

9. Initial investment
   - Yes PM (n=43): 14%
   - No PM (n=148): 22%
Other “incentives”

- Hiring people without experience/ Ease of getting a job quickly
- Visa support
- Starting income is higher
- Lack of other opportunities/ Only place offer a job for recent grad
- Clout in negotiating fees for dental supplies
- Need for employment
- easy to get a job
- Difficulty of searching for quality initial employment
What might be the possible drawbacks for working at a DPMC-questions asked

1. Loss of autonomy in treatment planning
2. Reimbursement rates from dental insurance
3. Production pressure
4. Production Quotas
5. Inability to provide patient centered care
6. Competition with co-workers
7. Influence from corporate management toward more profitable procedures
8. Other
Possible drawbacks to working in a DPMC

9. Regardless of whether or not you have worked for a dental management company/corporate dental clinic, what do you think are some of the possible drawbacks to working in a corporate dental clinic chains? (check all that apply)

<table>
<thead>
<tr>
<th>#</th>
<th>Answer</th>
<th>Response</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Autonomy in treatment planning</td>
<td>116</td>
<td>61%</td>
</tr>
<tr>
<td>2</td>
<td>Reimbursement rates from dental insurance</td>
<td>62</td>
<td>33%</td>
</tr>
<tr>
<td>3</td>
<td>Production pressure</td>
<td>158</td>
<td>84%</td>
</tr>
<tr>
<td>4</td>
<td>Production quotas</td>
<td>122</td>
<td>65%</td>
</tr>
<tr>
<td>5</td>
<td>Inability to provide patient-centered care</td>
<td>131</td>
<td>69%</td>
</tr>
<tr>
<td>6</td>
<td>Competition with coworkers</td>
<td>48</td>
<td>25%</td>
</tr>
<tr>
<td>7</td>
<td>Influence from corporate management toward more profitable procedures</td>
<td>134</td>
<td>71%</td>
</tr>
<tr>
<td>8</td>
<td>Other</td>
<td>14</td>
<td>7%</td>
</tr>
</tbody>
</table>
DPMC survey: drawbacks

What do you think are some of the possible drawbacks to working in a corporate dental clinic chains? (check all that apply)

- Influence from corporate management toward more profitable procedures: 67% Yes PM (n=43), 71% No PM (n=148)
- Competition with coworkers*: 20% Yes PM, 42% No PM
- Inability to provide patient-centered care: 65% Yes PM, 70% No PM
- Production quotas*: 37% Yes PM, 72% No PM
- Production pressure: 80% Yes PM, 91% No PM
- Reimbursement rates from dental insurance: 31% Yes PM, 37% No PM
- Autonomy in treatment planning*: 35% Yes PM, 68% No PM
“other” drawbacks

- Inappropriate procedures or poor quality due to lack of time
- Dealing with too much red tape, too many managers
- Up-coding – overtreatment
- Compromised ethical standards *
- Corporate controlled armamentarium e.g. Supplies, equipment, etc.
- Lack of control over staff
- Other colleagues in their own practices look down on those dds' working for a dental chain
### Additional comments made by responders (who and what)

<table>
<thead>
<tr>
<th>Experience in DPMC</th>
<th>Number</th>
<th>Comment rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, now or in the past</td>
<td>43</td>
<td>49%</td>
</tr>
<tr>
<td>No, never</td>
<td>148</td>
<td>18%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nature of comment</th>
<th>Has worked in DPMC (%)</th>
<th>Has not worked in DPMC (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>33</td>
<td>0</td>
</tr>
<tr>
<td>Neutral</td>
<td>24</td>
<td>21</td>
</tr>
<tr>
<td>Negative</td>
<td>43</td>
<td>68</td>
</tr>
</tbody>
</table>
Commentaries: positive

• “It is a good first job, getting more experience before going to high-end private practice.” ~ 2 yrs DPMC

• “Having worked with a large group practice since completing my GPR, they definitely aren't all evil. I have gained speed and confidence through my experience, but having done so, I know that I can be successful as a solo practitioner. I am in the process of becoming one, now.” ~ 4yrs DPMC

• “Post graduate education and continuum courses are necessary to have options for higher level care. There is so much to learn, and regardless of the dental school, most graduates are not prepared for private practice. These provide an entry level experience.” ~ 2yrs DPMC

• “Because of the burden of student loans, I think these companies serve a purpose -- they allow recent graduates to pay down some of their loans and accumulate some capital to later start their own traditional private practice.” ~ 2yrs DPMC
Commentaries : positive

• “I moonlighted for Western Dental while I was in residency on Saturdays for about 18 months. I learned a lot. I was able to increase speed, learn patient management and learn new skills and learn skills that should not be done.” ~ 2yrs DPMC

• “I worked for a corporate dental clinic that saw mainly Medicaid patients for 3.5 years. I was hesitant at first, but it ended up being a valuable experience for me. I had a minimum guaranteed salary, and had an opportunity to gain experience in all facets of dentistry (lots of oral surgery, pediatrics, and removable). We were really the only large office in town accepting Medicaid, and if patients needed a specialist, the drive was too far or the wait was too long, so we ended up doing a lot of surgery and pediatrics ourselves out of necessity. The drawbacks were largely due to the time commitment, they only employed full time doctors, and full time ended up being 5-6 ten hour days per week. Most doctors only stayed 1-2 years. The compensation was excellent, but this was largely due to the sheer numbers we saw and long hours we worked.” ~ 3.5yrs DPMC
Commentaries : negative

• “Very few have any ethical standards; profits are main goals, a "good" doctor is only one who makes lots of production, regardless of patient satisfaction.” ~ 2yrs DPMC

• “Most of my concerns stem from no autonomy in managing the office. I would like it run a certain way, corporate runs it another. We need to share our office space with general. Budgets restrict what I am able to do.” ~ 3yrs DPMC

• “These institutions should be banned by the ADA. They are unethical in what they do and their services are below standard of care.” ~ 2yr DPMC

• “On the whole, dental corporations are very money oriented. I have witnessed many scenarios where the office managers without a dental degree dictated what treatments (usually the more expensive ones) were need by the patients.” ~ 1yr DPMC

• “I think they are entities more focused on making money rather than patient care. The practitioners I know including myself have only been able to work for these large companies for under a year due to the high stress and burn out rate.” ~ 2yr DPMC
Commentaries: negative

- “‘Practice Manager’ dictating treatments and not the treating dentist. / They never know when to refer and the quality of work, when I see it, is horrendous. These recent graduates are pressured into performing too many procedures and unnecessary work is often being performed and the patient care is substandard, in my opinion.” ~ 0yrs DPMC

- “They are destroying dental field.” ~ 0yrs DPMC

- “SPEED + COST CUTTING = BAD DENTISTRY.” ~ 0 yrs DPMC

- “Chains are ruining the quality of care patients deserve. They are mills to make a quick buck. Chains are ruining private solo practitioner practices.” ~ 0yrs DPMC

- “Though I have no real personal experience to draw from, I automatically assume a negative bias about dental management companies. I assume that quality of care will be compromised, I assume that production and profit will drive patient care and that I won't have control over my treatment planning.” ~ 0yrs DPMC
Conclusions (management):

DPMCs offer competitive compensation, clinical supervision, regular hours, and steady patient flow.

DPMCs may offer path to ownership.

DPMCs state that they have no quotas, give autonomy, focus on patient retention and comprehensive planning.
Conclusions: DPMC incentives

• Most popular incentives:
  1. Freedom from worries from practice management
  2. Opportunities to gain experience
  3. Guaranteed salary
Conclusions: DPMC drawbacks

• Most popular drawbacks:
  1. Production pressure (not production quota)
  2. Influence from management
  3. Inability to provide patient centered care
Thank you
References

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Case Presentation
