Increase Practice Production & Reduce Stress at the Same Time



Course Author: Roger P. Levin, DDS CE Credits: 1 hours Intended Audience: Dentists, Dental Hygienists, Dental Assistants, Dental Students, Dental Hygiene Students, Dental Assisting Students, Office Managers Date Course Online: 03/15/2024 Last Revision Date: NA Course Expiration Date: 03/14/2027 Cost: Free Method: Self-instructional AGD Subject Code(s): 550

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- Participants must always be aware of the hazards of using limited knowledge in integrating new techniques or procedures into their practice. Only sound evidence-based dentistry should be used in patient therapy.

Conflict of Interest Disclosure Statement

• Dr. Levin reports no conflicts of interest associated with this course. He has no relevant financial relationships to disclose.

Short Description

Every business or industry has one metric that is more important than all others. In dentistry that metric is production. Production tells more about a practice than any other single statistic and is the major factor in overall practice success. Production is not simply one number on a spreadsheet. There are multiple aspects to the concept of dental practice production that are essential to understand and incredibly helpful when seeking to successfully manage a practice. This course will provide a new perspective on practice production.

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Overview

Every business or industry has one metric that is more important than all others. In dentistry that metric is production. Production tells more about a practice than any other single statistic and is the major factor in overall practice success. Production is not simply one number on a spreadsheet. There are multiple aspects to the concept of dental practice production that are essential to understand and incredibly helpful when seeking to successfully manage a practice. This course will provide a new perspective on practice production.

Learning Objectives

Upon completion of this course, the dental professional should be able to:

- Understand why production is the single most important metric in regard to dental practice performance. Moreover, be able to evaluate how to use production ratios to understand strengths, weaknesses, and opportunities in the practice.
- Learn production ratios and their direct implications about practice performance. Ratios include examples like production per day, production per hour, production per provider, production per patient and production per new patient. These are critical statistics that all practices need to track and monitor.
- Review numerous examples of opportunities to increase practice production, broken up into categories relative to production ratios. These strategies can be quickly implemented by practices to increase practice production and maintain overall practice financial success.

Introduction

Every business or industry has one metric that is more important than all others. In dentistry that metric is production. Production tells more about a practice than any other single statistic and is the major factor in overall practice success. It is important to understand that it is not just production alone. It is also production as a ratio of many other statistics that will be discussed below. The principal factor to consider as you work through this course is to gain an understanding of why production, and the ratio of production to a few other key statistics, is the most important metric in a dental practice and how it contributes to overall practice success and long-term sustainability.

The Truth About Production

The truth about production is simple. If practice production is at the right level, your practice will always be fine. There are many ways to define success for dental practices, but an increase in production every year will virtually guarantee a successful practice and career. Production is the driving force behind scheduling, patient volume, dental insurance participation, and many other factors. Understanding and achieving the right production levels ensures that these other areas are operating, efficiently, and effectively.

Production is dependent on many components. Let's take an example of two practices that are very geographically close to each other in the same community. These practices have the same number of staff and chairs and similar operating hours and insurance participation. This real-life scenario occurs frequently and in most circumstances one practice will have higher production than the other by 30% to 100%. The question becomes why one practice with a similar profile performs much better in production than another. How can one practice with a similar profile have significantly higher patient volume? Once again, the answer comes down to practice systems, operations, and efficiency. Production is not magical. It is based on the design of the day-to-day operations of the practice, the training of the team, and the ability of the team and doctor to conduct those operations. One practice can easily manage a much higher volume than a practice where the

systems and operations are not well-defined or well-understood.

Production and Related Factors

Since production is the most important metric in a dental practice, we urge every practice to establish an annual production goal prior to the beginning of a new year. It has been found that many practices are easily capable of increasing production by 30% - 50% over three years as they become more efficient, implement better systems and operations, and effectively train the team. Practices that have a goal of increasing practice production annually will remain healthy and enjoy long-term sustainability and success. Once you've set your annual production goal, it is also essential to develop an understanding of production that will help to inform your decision-making and strategic planning. Start by looking at the following production ratios:

Production Per Day

Every practice needs to have a daily production goal. This goal should be reviewed in the morning meeting to determine if the practice is on target to achieve that goal that day or not. If not, there are many steps that can be taken, such as identifying additional treatment from hygiene patients, bringing emergencies in that day, and even contacting elderly patients who may have more flexibility to come in that day instead of a week or two later. Every ratio of production has opportunities and solutions to improve performance and the daily goal or production per day is no exception. Focus each day on establishing the right scheduling protocols to achieve the daily production goal, have front desk staff check on that goal regularly throughout the day, and make any necessary adjustments to reach to goal.

Production Per Hour

Once you know the goals for production for the year and the production per day, the next step is to understand production per hour. It's important to understand how hourly production is occurring and if it is meeting the daily and annual production goal. This is where a practice can begin to evaluate levels of efficiency. It is hard to analyze efficiency when looking at the annual and daily goals, but when you understand production per hour, it creates an opportunity to evaluate and analyze the reasons for any shortfalls.

In the morning meeting, it is recommended that practices determine exactly what services are needed for each hygiene patient coming in that day. This is certainly in the best interest of the patient; however, it can also increase the production per hour. Dentists and hygienists can also participate in enhancing the average production per hour by adding new services and technologies, recommending and dispensing oral home care products and prioritizing daily emergencies.

Production Per Provider

We are not suggesting that every provider works at the maximum level or be equal to others, but it is good to know the facts. It is often found that there may be a provider who could benefit from additional support or training, or that the practice needs to understand the limitations of that provider. For example, a recent analysis of one practice found that the 71-year-old senior doctor was slowing down and expanding the length of his appointments. Practice production had recently declined slightly, and it was discovered that the decline was proportional to the longer appointments and lower patient volume by the senior doctor. This was completely acceptable to the practice: however, it also stimulated and motivated the two other doctors to increase their efficiency to make up for the production decline without asking the senior doctor to work any faster. This was an excellent solution, but one that would not have been considered, or thought about if production per provider had not been measured.

In other cases, practices will have to make other adjustments. Suggestions to enhance the production of doctors who are producing lower than their capability include better training for dental assistants to accept more delegation, enhancing technology, and, most importantly, revising the schedule. If the schedules are not periodically analyzed and revised, doctors will not be able to produce at higher levels. The best way to address your schedule is to perform procedural time studies. This involves timing each procedure 10 times to develop a composite average of how much time is usually needed. In most cases you will find that you need less time and by using less time, patient volume can increase without rushing. This will directly increase hourly, daily, and annual practice production. Only by analyzing the production per provider will the practice be able to understand what the potential is for each doctor and hygienist to help create the highest level of practice efficiency.¹

Production Per New Patient

New patients have an average production value to the practice that is 200% – 300% higher in the first 12 months, which is why it is encouraged to schedule new patients within 7 to 10 days if at all possible.²

Attracting new patients is often based on two key factors. The first is internal marketing that encourages patients to refer other patients to the practice. There are many excellent internal marketing strategies, such as letting patients know that the practice appreciates referrals, doctors personally calling patients to thank them for referrals, having a 30-day communication email that updates patients on the practice or dentistry, and offering free exam gift certificates to the families of new patients. These techniques are all inexpensive and highly effective.

The second factor for attracting new patients is having five-star customer service. Customer service is a system just like scheduling or hygiene productivity. Achieving five-star service is not easy and differentiates practices from others, but most of all it creates outstanding patient experiences that lead to referrals. People love to talk about great customer service experiences at stores and restaurants and dental offices are no different. Dental practices can use customer service techniques such as:

- Give every patient a big enthusiastic greeting. This is how patients know you're glad to see them. Scripting can include comments like "We are so happy to see you today." or "We love having you as a patient."
- Offer convenient appointment times. Patients appreciate it when you prioritize their convenience, and this will also reduce no-shows and last-minute cancellations.
- **Call patients at night.** This is a customer service opportunity that creates a real "wow" factor for patients. Simply call patients on the evening of their appointment or the next day to see how they are doing. Half of these calls will go to voicemail where you can leave a positive scripted message that will make patients feel good about your practice.
- **Run on time.** Being punctual as part of five-star customer service. Practices that run late send a message to patients that they do not respect their time. From a production standpoint, running late indicates poor scheduling methods, which means less efficiency and lower practice production.

Summary

The strategies discussed in this course are some of the most impactful and easiest to implement in terms of increasing practice production. It would not be a surprise to see a practice increase production by 18% per year over the next three years using these strategies alone. A strong focus on production and use of the production numbers listed above can provide a key analysis for how the practice is performing. Businesses that have higher production experience lower stress and have more fun.

Course Test Preview

To receive Continuing Education credit for this course, you must complete the online test. Please go to: <u>www.dentalcare.com/en-us/ce-courses/ce702/test</u>

1. What is the single most important metric to understand the performance of a dental

- practice?
- A. Overhead
- B. Supply cost
- C. Production
- D. Insurance reimbursements

2. Production can influence which of the following practice systems?

- A. Scheduling
- B. Staff vacation days
- C. When to file insurance claims
- D. How to talk to a new patient

3. Which of the following best completes this sentence "If practices are similar in many factors _____."

- A. Production will be exactly the same in both
- B. Production will always be double in one practice over the other
- C. Production can vary by 30% 100%
- D. Production doesn't really matter

4. Most practices have a production growth potential of _____?

- A. 2%-3% over 3 years
- B. Most practices cannot grow any further
- C. 30%-50% over 3 years
- D. 300%

5. In addition to setting an annual production goal, practices should also have goals for ____?

- A. Adding new staff asap
- B. Expanding the number of treatment rooms
- C. Production per decade
- D. Production per day

6. Hygiene production per hour can be increased by doing which of the following?

- A. Only scheduling nice patients
- B. Sending out post cards to schedule next appointments
- C. Offering to sell oral home care products
- D. Putting off X-rays and fluoride to reduce the patient bill

7. Which best describes the importance of production per provider?

- A. It identifies who is contributing to production and at what level
- B. It is not worth measuring
- C. Most practices measure this every day
- D. It tells you who to assign patients to

8. Which best describes the value of a new patient?

- A. Are a loss leader for the practice
- B. Don't matter if you already have enough active patients
- C. Are always unpredictable
- D. Have a 200%-300% higher production value in the first 12 months than existing patients

9. Which is NOT an example given for improving customer service in the practice?

- A. Call patients at night
- B. Discount fees by 30% for patients who voice a complaint
- C. Give every patient a big enthusiastic greeting
- D. Offer convenient appointment times

References

- 1. Levin R. Power Cell Scheduling, Baltimore, MD, Levin Group, Inc. 2009, page 47.
- 2. Dr. Roger P. Levin, 2024, 'Understanding practice production and why it really matters', drbicuspid.com, Feb 8, 2024.

Additional Resources

Levin Group

About the Author

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Dr. Roger P. Levin is the CEO of *Levin Group*, a leading dental management consulting firm. Founded in 1985, Levin Group has worked with over 30,000 dental practices. Dr. Levin is one of the most sought-after educators in dentistry and is a leading authority on dental practice success and sustainable growth.

Through extensive research and cutting-edge innovation, Dr. Levin is a recognized expert on propelling practices into the top 10%. He has authored 65 books and over 4,000 articles on dental practice management and marketing.

Dr. Levin sits on the editorial board of 5 prominent dental publications and has been named as one of the "Leaders in Dentistry" by Dentistry Today magazine for the last 15 years. He was recently named one of the "32 Most Influential People in Dentistry" by Incisal Edge magazine and voted Best Dental Consultant by the readers of Drbicuspid.com. He has been featured in the Wall Street Journal, New York Times, and Time magazine and is the creator of the Levin Group Tip of the Day which has over 30,000 subscribers.

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