Modernize your collection system for maximum profit

By Keith Drayer

In today’s economy there are many dental professionals who are faced with the challenge of their accounts receivable. Uncollected receivables turn into pure losses. Yet embracing a systematic approach to collections can help practices collect more funds and on a more timely basis.

One mistake providers make is not recognizing the signs of early default. When a patient doesn’t pay a bill within 60 days, hasn’t set up or is slow in setting up a payment plan, the patient is telling you that he/she is not going to pay.

Should you use your staff’s time trying to collect these accounts? As a dental provider, you are implementing state-of-the-art methods to treat your patients’ dental needs. By not implementing the most up-to-date methods to keep your practice fiscally healthy.

In the past, collection agencies were the only “act on the block” and viewed as the last resort to collecting your money. They can be expensive and often care little about your relationship with your patients. You had no control over how they treated your patient and you never knew if they collected your money or not.

Often the collector, who is paid on a commission basis, “cherry picked” over your accounts and attempted to collect only the larger ones and did not work the smaller ones.

In addition, many of your accounts that were collectable were deemed too small to work. Thus, you lost money when you didn’t need to.

What is needed is a proactive, systematic business model that will work all of your delinquent accounts equally.

Providers must take an approach that will reduce losses as well as speed up cash flow from past due accounts. You need to work with your patients quickly and effectively.

Outsourcing your collection problems to a service bureau can be much more cost effective than working them in-house — and certainly more effective.

Utilizing a third-party collection method that will keep you in complete control of the collection process is a must.

The third-party system should be respectful but firm, and utilize every possible legal tool to collect your money.

The provider who utilizes a systematic third-party approach to collect his/her money will see an increase in the bottom line.

Recognize the signs of early default to increase collections.

Make sense of digital radiography

By Lorne Lavine, DMD

In my last article, we discussed the advantages of digital X-rays and looked at how to develop a positive return on investment, specifically focusing on improved diagnostics, efficiency, reduced exposure times and co-diagnosis.

While many dentists will spend a lot of time evaluating the pros and cons of sensors vs. phosphor plates and the resolution of various systems, many offices still fail to realize the importance of improving their infrastructure to be able to handle digital radiography.

A good digital system won’t do you much good if you’re struggling to make it work on outdated hardware and networks. Here are some key areas that should be addressed while you are also evaluating the digital X-ray systems.

The computer server

The server is the lifeblood of any network. Many dentists fail to understand that the storage needs for digital X-rays are exponentially higher for images than if you just have practice management software data.

The server must have enough memory to allow the server to multitask, should have fast hard drives to push the data out to the workstations quickly, should have an operating system that allows for control over the entire network and include a replacement part policy that delivers new parts in hours, not days.

I currently recommend a Dell T500 server with RAID 1 (mirrored) 500 GB hard drives, 4 GB of RAM, Windows Server 2003 or Server 2008 (if your dental software supports 2008) and a four-hour contract.

One thing to be wary of are new operating systems. For example, while Windows Server 2008 has been out for a year, many dental applications still do not work properly with it. Check with your software and hardware vendors for compatibility issues before you purchase new systems.

The network

Make sure that besides the server, you have proper network infrastructure throughout the office. Digital images are quite a bit larger than practice management data and you’ll need to be running at a speed of a gigabit (1,000 MB) per second.

Make sure all network cards are 10/100/1000 network cards, use a switch (a smarter version of a hub) that can handle the faster speed and use either Cat5e or Cat6 cabling. Cat6 cabling is recommended for new offices because it will be able to handle a faster speed once that becomes the industry standard.

Computers in the ops

These computers typically need to be faster than front desk computers. One area to focus on is the video card. Cheaper computers often ship with the video chip fused on to...
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Many dentists won’t even blink when spending $20,000 on digital X-rays, yet they try to save $100 by buying a cheap monitor.

I personally don’t see much difference between monitors that are 800:1 and, say, 1500:1, but some people claim they can diagnose better with these higher contrast ratio monitors.

Data backup

We’ve talked about this in previous articles, but once you make the decision to go digital with your X-rays, having a good backup protocol and business continuity systems are critical.

If your server goes down and you don’t have this, not only will you not be able to access patient information, you won’t even be able to take X-rays — this can be devastating for a practice.

I recommend a system like the DataProtect system we offer, which combines an emergency server in the office with an automated online backup. Most offices will spend less than $100 per month to have the peace of mind of a great backup without any worries.

In conclusion

Digital X-rays are a great option, but dentists need to make sure they take the time, and spend the money if necessary, to ensure a smooth transition by having proper hardware infrastructure.

The key statistic to evaluate is the contrast ratio, the difference between the whitest white and the blackest black. Ideally, look for a monitor that has a contrast ratio of at least 800:1.

Dr. Lorne Lavine, founder and president of Dental Technology Consultants (DTC), has more than 20 years invested in the dental and dental technology fields. A graduate of USC, he earned his DMD from Boston University and completed his residency at the Eastman Dental Center in Rochester, N.Y.

He received his specialty training at the University of Washington and went into private practice in Vermont until moving to California in 2002 to establish DTC, a company that focuses on the specialized technological needs of the dental community.

I have been involved with this new operating system.

Monitors

I consider this one of the most important decisions that needs to be made when it comes to digital X-rays, and often the most overlooked.

I see many dentists not even blink when spending $15,000 to $20,000 on digital X-rays, yet they try to save $100 on a cheap monitor.

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The recent NHS Dental Contract for the U.K. is a prime example where it can be argued that dentists have a loss of control of their own destinies. It also illustrates the importance of our involvement in the process of change for the best results to be achieved.

Today’s dental environment is not going to accommodate the individual. It’s the individual who needs to learn to accommodate to the environment if he or she does not want to pay the price of failure.

There is no doubt that all we need pressures and challenges in our lives to get us up in the morning and to keep us going. These can be positive, motivating and can give a ‘buzz’ and a sense of achievement, but it is worth paying attention to how we handle these.

The recent NHS Dental Contract for the U.K. is a prime example of a new operating system. I have been involved with this and have been involved with this for over 20 years.

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health and the inability to cope, it could be advisable to seek help.

Personality can also have a bearing on the dentist’s ability to cope with stressful situations. A study carried out by Professor Cary Cooper et al. suggested that dentists had a tendency to exhibit “Type A” behaviour. People with Type A personalities tend to be driven, highly ambitious, impatient, aggressive and intolerant.

They have high expectations of themselves and those around them. “Type B” personalities, although they may be equally ambitious and successful, are able to perform in a calmer and more relaxed manner. People can fluctuate between these two behaviours, which are said to be on a continuum.

A successful practice is one where effective stress management strategies are firmly in place. This contributes to the atmosphere of well being and competence within the practice. Its positive effect emanates throughout — the staff feels valued and motivated and the patients feel more relaxed and welcome, which is a “win-win” situation for all concerned.

Achieving this ideal situation does not come naturally to many practitioners who may require guidance. It may be necessary to consider what your goals and aspirations are in relation to both yourself and your practice. Hopefully, some of the coping strategies that follow will be of assistance.

Take a step back. In terms of individual stress, try to take a step back and assess where the stress is coming from. Writing a list of causes from the most stressful down to the least will help you gain some perspective on the problem and may inspire you to tackle some of the issues raised. It is even possible that you could be the cause of the stress.

You may need help in dealing with some of these issues. Try not to let pride stand in the way of getting the help you need.

It could also be useful to employ this technique with your staff by asking them to identify the sources of stress. “By airing and discussing grievances, concerns and new strategies, the various members will feel part of the dental team and provide mutual support in time of stress.”

Relaxation is vital. For the individual, relaxation techniques are also recommended. Although it is often thought that relaxation is not compatible with working in a dental surgery, with organisation and planning it is feasible. Some European countries manage successfully to incorporate this into their working day.

A prerequisite would have to be a competent receptionist who would not fill your appointment book so full that you do not have time to breathe; let alone try some deep breathing (which is excellent for calming you down). Take in a deep breath (don’t hold it) and count one, two, three as you exhale slowly.

In your everyday life, having a period of relaxation is vital. It could be as basic as taking breaks in the day or going out at lunchtime to listen to music or having a relaxing bath. The importance of relaxation is that it enables you to switch off and recharge your batteries.

Equally important is physical exercise. Exercise burns up the excess adrenaline resulting from stress, allowing the body to return to a steady state. It can also increase energy and efficiency. Do find an exercise that you enjoy and that will motivate you to continue doing it.

Balance your diet. Eat breakfast, drink sensibly and include lots of water to rehydrate the system. Include complex carbohydrates (whole meal bread, jacket potatoes without the skin on) in your diet, to counteract mood swings, and fruit and vegetables to provide vitamin C to support the immune system.

Manage your time (and yourself) efficiently. Again, taking a step back and reviewing your working practice is essential.

Do you have an allotted time for dealing with emergencies and administration? Are you constantly running behind schedule, causing your stress levels to escalate? Developing leadership and organisational skills will enable you to feel more in control of your working environment.

Ensure that your staff members are properly trained and aware of their individual roles and responsibilities. Encourage a culture of mutual support, whereby asking for help is not viewed as weakness.

Talking over your problems with someone you trust can be such a help. As mentioned previously, some dentists may be excellent practitioners but sadly lacking in interpersonal skills. An ability to listen is a gift. If you feel you need some training in communication, there are plenty of courses available.

By incorporating at least some of these strategies into your everyday life and your working life, you could create an environment that is stress-free and an environment in which it is a pleasure to work. It could make the difference between a good practice and an outstanding one. Who wouldn’t want that?

References are available from the publisher.

Ros Edlin is a freelance stress consultant from Hale, United Kingdom. She can be contacted at ros@stresswatch.co.uk.