

2014 UDA Convention

Squeezed From All Sides:
Dental Insurance Reimbursement, Corporate Dentistry, Dentists per Patient

Consider:

- Utah ranks as one of the highest states in the penetration of third party dental insurance
- Utah is in the bottom tier of dental insurance reimbursement in the U.S.
- It can be difficult and time consuming to know which dental plans are profitable for each practice
- Utah demographics allow dental insurances to legally reimburse at increasing lower rates
- Corporate dentistry accounts for approximately 10% of dentistry in the country & is projected to hit 11% by 2015

Since dental plan reimbursement accounts for up to 95% of a dentist's Take Home Pay it is crucial to know whether they are profitable (or not.) Most dentists are contracting with at least one dental plan that has a Negative Net Profit.

They are Literally working for Free and Paying for the privilege.

At the same time, most dentists realize Positive Net Profit from many plans.

The burning questions then are:

- **How can you tell which dental plans are profitable for your specific practice?**
- **How much does this *really* effect my Take Home Pay?**
- **Can it be done without taking up all my free time?**

While it is becoming more difficult to run an independent, professional & profitable practice in Utah, it is still certainly possible.

Take a look at the **two examples** (second page) from a dental practice in Utah, analyzed this year.

These net profit figures come from two dentists **In the Same Office, During the Same Period of Time.**

As a direct result of this information, changes are being made as we speak.

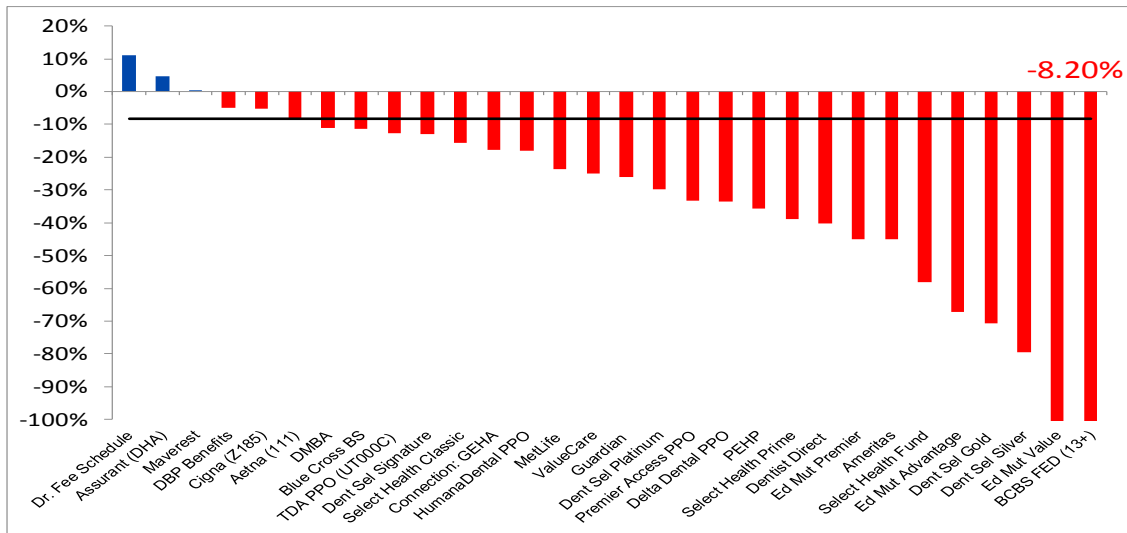
Knowing the Profitability (or loss) gives you the **Power Over** dental plans **For Your Specific Practice. Armed with this information you can add/drop/cap dental plans according to how well they work for you.**



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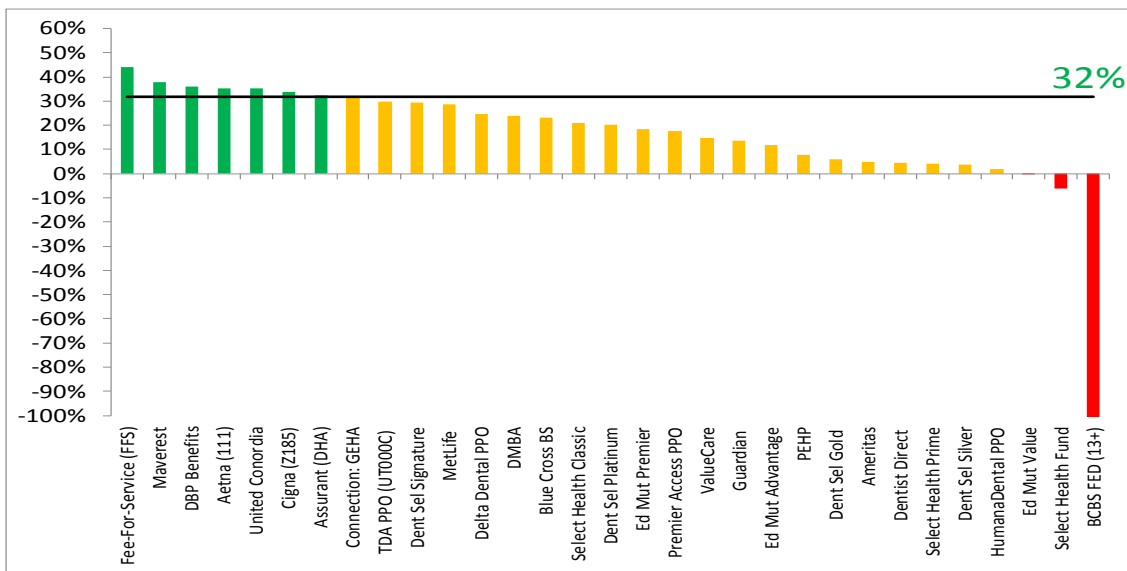
Below: Dental plan net profit for two dentists In the Same Office, During the Same Period of Time:

Net Profit Margin (weighted)



- Practice net profit per hour
- Insurance plans with net profit > practice net profit and > 0
- Insurance plans with net profit < practice net profit and positive margin and > 0
- Insurance plans with net profit < 0

Net Profit Margin (weighted)



- Practice net profit per hour
- Insurance plans with net profit > practice net profit
- Insurance plans with net profit < practice net profit and positive margin
- Insurance plans with net profit < practice net profit and negative margin



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