

When Evaluating Insurances DO This:

- **Think of Each Procedure as a Separate Product:**
 - It Costs Every Practice a Different Amount to Make Each Product
 - Therefore, Every Practice's Profit Will Differ (From Each Product and Overall)
- **Think of Insurances as Separate Customers:**
 - Many Will Pay You a Different Amount for Each Product
- Use Your Practice's Specific Overhead (Expenses) and Income (Gross)
- Calculate Profitability Using the Weighted Average of Products Produced
 - This is Crucial: Every Dentist Has a Different Mix of Procedures

When Evaluating Insurances *DON'T* Do This:

- Pick Up or Drop an Insurance After Only Calculating the Write-Off Percentages

Here's Why:

- Insurance Fee Schedules Often Vary by Area (Zip Codes)
- Each Dentist's Costs (Overhead) are Different
- Many Dentist's Fees are Different
- Each Dentist Procedural Mix is Different (weighted averages)

RESULT: Net Profit (Take Home) for Each Dentist From Each Insurance is Different!

Dental Insurance Musings:

- **Some Insurances Pay Close to 100% of Dentist Fees, Some as Low as 8%**
- Your Practices Costs May Make it Impossible to Make Money With Some Insurances And You May be Losing Money on Some Procedures
- **Fee Schedules in Different Cities Can Vary**
- Looking at Fee Schedules Will Not Tell You Whether it is Good for Your Practice
- **Often Insurances Pay Differently for Many Procedures**
 - Some Pay Nothing, Others Pay 100% of Your Fees
- It Pays to Diversify the Insurances You Carry - Think of the Stock Market
 - Companies May Drop Your Best Insurance - They Switch Often
- **Often Insurances Will Pay More Than You Charge on Some Procedures**
- If You Have Open Chair Time, Look at the Income per Hour Generated by Each Insurance - You Could Make Something vs Nothing
- **It May Pay to Contract With a Poor Paying Insurance For Awhile - It's Patients May Refer Better Paying Insurances**
- Monitoring and Reevaluating Any Changes you Make is an Important Factor in Your Practices Profitability
- **Your Own Practice's "Dental Office Plan" Could Help Bring in Some of the Uninsured (~40% of the Population)**
- **Negotiating for Higher Fees is Not as Painful as it Might Seem**