

Focus on Dentistry, Not Financing Debt

By Teresa Duncan, M.S.



One in five people do not understand their benefits, according to a 2013 Metlife publication "Elevating the Value of Dental Benefits Through Employee Communications." If they're not sure what's in the policy, you can bet they're not sure about their maximum or deductible or when they apply. If they are unsure of their benefits, then they're even more unsure about their out-of-pocket responsibilities. Luckily, we have electronic (translation: quick!) methods of finding out benefit levels and expected copayments.

When we give patients an estimate for payment, it can sometimes be overwhelming. It's not easy to hear about an unexpected bill. That's why you need to be prepared with payment options. You will need them not only for unexpected copayments but also for patients who visit a specialist's office. Third party financing is a tremendous help for these patients.

A common dilemma occurs when a patient chooses an office after they've visited another practice. Many times their maximum is exhausted or very close to depletion. Proper treatment planning and fee presentation skills are essential to assist the patient in choosing a personalized financing option that works. Every situation is different.

For example, take Mark and Carrie's unique circumstances. They both need help financing their treatment and cannot depend on insurance coverage to ease their financial burden.

CASE 1: Mark recently moved to the area from across the country. Tooth #14 was treated endodontically earlier this year. Mark has delayed moving forward with a crown because he thought his life was too hectic to proceed with treatment.

Mark's endodontic evaluation and treatment has consumed over \$1100 of his \$1500 maximum. Your crown fee is \$1300. Let's talk to him about his options.

TREATMENT COORDINATOR (TC): *"Mark, I'm happy you've chosen us. I know you had your choice of offices and we're glad you landed in ours. Your root canal therapy used up all but \$400 of your maximum. The fee for the crown is \$1500. We're going to estimate that your portion will be \$1100. How do you plan to take care of that?"*

MARK: "I knew this day was coming. To be honest, I really haven't saved for it at all."

TC: *"Mark, that's okay. Are you interested in breaking up the amount into smaller payments?"*

MARK: "Can I do that? I can pay \$100 a month; would that be okay?"

TC: *"Definitely. We partner with a financing company that allows you to pay off the balance over time. The application is right here. Take a few minutes to fill it out and I'll submit it for approval."*

Mark is happy because he can afford an extra \$100 a month but not \$1100 at one time. You've enabled him to quickly receive treatment and pay for it as his own pace. He will remember how easy it was to make arrangements. Happy patients will send more patients.

CASE 2: Carrie is busy planning her October wedding. The doctor and Carrie have agreed to a comprehensive course of action that includes bleaching, replacement of fillings, and new anterior crowns and veneers to give her a beautiful wedding day smile. She is now ready to begin the third phase but has just realized she may be over budget for her wedding. Your receptionist tips you off that both bride and groom expect a large number of wedding gifts and are confident the balance can be settled after the "big day." She knows this because Carrie likes to chat with her before appointments.

Carrie's payment history has been stellar, so you are not concerned with her ability to repay; however, your office's financial guidelines do not provide for payment after treatment has been rendered. This conversation is necessary not because she needs an affordable monthly payment; Carrie needs an alternate funding source and, in your small business, you simply cannot afford to fill that job. Your conversation may take this tone:

TC: *"The big day is coming up! Your smile is going to be beautiful in your pictures. Jean tells me that your budget is going crazy. Tell me how I can help you."*

CARRIE: "Well, the flowers cost more than I expected and we've had to expand the guest list. I know I'm going to receive some large cash gifts so I know I'll be able to pay you. Can I write you a check after I get back from the honeymoon?"

TC: *"It sounds like you need to delay the full payment for two months. Is that right?"*

CARRIE: "Yes, you know I'm good for it."

TC: *"Of course, we've worked together long enough to know that. I can help you to obtain the financing to pay your portion and then after the wedding you can either pay them back in full or make monthly payments. After the wedding and honeymoon, that option may come in handy. It won't take me long at all to obtain approval with your good payment history. Would you like to complete an application?"*

CARRIE: "If that means we can get started with the crowns and veneers, let's do it."

TC: *"Fantastic! And I hope you'll remember to send us a postcard from your honeymoon!"*

Both patients needed additional funding but for very different reasons. A third party financing company provides options to your patients that are just not feasible for a small business to offer. The ease and convenience of the application and approval processes far outweigh the risks of carrying potentially delinquent debt. Reduce your risk and increase your collections ratio by offering options for financing. Leave debt to the experts in financing; that's not your focus!



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