

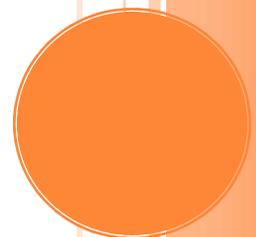
BASELINE YOUR DENTISTRY

A key ingredient for success

Midmark conducted a landmark study on launching dentistry programs and found that base lining, benchmarking and tracking dental performance were critical components of continuous improvement that proved to be a key factor of success. However, knowing what to measure and how to get accurate data can be challenging, and the process can be time consuming.

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Midmark approached the owners and staff of the five veterinary hospitals who participated in our study and asked how they were doing in the dentistry department of their practice. To a person, the responses spoke favorably of their dental case load, the number of cases they were doing daily and weekly. In fact, some exclaimed they were “booked out” for weeks. In order to accurately measure the impact of the improvements we were making as part of our proposed program, we asked for specifics: exactly how many dental procedures did you perform last year? What was your dental revenue? How did it compare to practice revenue? They could not answer the question in the moment, which meant they were not already tracking dentistry performance in the practice. This provided one of the first teachable moments of our study. If we were going to measure the impact of the program we would help implement, we first needed to determine the starting point. A common theme emerged: veterinary practice owners and managers are not measuring their dentistry performance.

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The size of the prize

Studies by the AVMA suggest that 70-80% of cats and dogs over the age of three have periodontal disease. That means that in the average small animal veterinary practice, about half the patients seen every day would benefit from a proper dentistry procedure to assess and treat periodontal disease.

This is why we believe that dentistry remains the largest opportunity for patient care and practice revenue in most companion animal clinics. In an average practice that has 3,000 active patients, there are approximately 1,500 cats and dogs suffering with periodontal disease. According to AAHA¹, the average dental case before oral surgery is just over \$425, which translates to more than \$600,000 in annual dental opportunity. The first step you need to take is to baseline your dentistry so you know exactly where you stand, and so you can set realistic goals for improvement and growth. When we did this at our study clinics, their performance lagged their optimistic projections significantly, and the opportunity was enormous.

What should be included in dental revenue?

When we embarked on our study, we consulted various industry sources so that we could benchmark the clinics and get an idea of how they stacked up to the norm. From AAHA publications, we looked at Financial & Productivity Pulse Points and The Veterinary Fee Reference. We also referred to Benchmarks, the Study of Well Managed Practices by Wutchiett Tumblin & Associates. What we found made sense: we should track all the revenue associated with dentistry, which without the dental procedure would not have been earned. Mostly, that meant tracking down the dental invoice and including not only the charges for “Dental Scaling & Polishing” (or the 100 other titles given to

¹ The Veterinary Fee Reference Eight Edition, ©2013, AAHA Press, Table 6.16 p. 115

just teeth cleaning itself), but also the blood work, anesthesia, fluids, monitoring, dental X-rays, surgical extractions, hospitalization, antibiotics, pain meds, etc.

We would further argue that in addition to the revenue associated with the dental procedure, dental-related home care product revenue should also be tracked. Some experts like to say that 70% of a pet's oral health is managed at home. Once a practice makes a commitment to dentistry, they begin recommending and selling a variety of dental products, from toothbrushes and dental diets, to chews, rinses and water additives. Tracking this will help gauge how well your client education and home care messages are being delivered (and received), and will allow you to set goals and measure compliance. One of the hospitals in our study drove their product sales to thousands per month simply because they had developed a product sampling kit and promoted it with every patient who received an oral exam.

The rub: PMS (Practice Management Software)

We find that most hospitals have difficulty extracting and summarizing this information from their practice management software. This is partly because they haven't done this before and need more training or experience navigating the reporting function of their software. Most hospitals have not adopted a uniform system of dental codes, so it is difficult for them to separate anesthesia revenue that is attributed to dental cases, for instance. Some software packages are better than others in this department, so a call to their technical support may help. You may also find that the features you need to run these reports require add-ons or updates to more recent versions.

The other challenge is that many times there are non-dental charges that appear on the same invoice, including vaccines, ear swabs, nail clips, mass removals and other miscellaneous items that accrued to that particular visit. We found that about 10% of the items on the dental invoices we analyzed were non-dental related. On the other hand, the associated lab work is done days or weeks before, so getting a clear picture on the revenue a practice is generating from dentistry can be a very challenging, manual basis. The first time this is done for a hospital may take a significant amount of time to produce a full year of data, but it is absolutely worth it. Going forward, it may take no more than an hour to produce the report, even if done manually, so long as it is done on a regular monthly basis.

Midmark Dental Success Tracker™ Powered by SikkaSoft™

We discovered a powerful new software platform that is transforming how veterinarians are managing their practices. Sikka Software Corporation has developed a reporting engine that will interface with the top brands of practice management software programs to deliver dashboards and reports outlining key performance indicators and trends. With hundreds of practices connected across the country, their utility is so powerful and accurate that the leading industry organizations, including Vet Economics and DVM360, are now using their industry trend reports to monitor the health of the nation's veterinary practices.

Midmark has partnered with Sikka Software to develop a special dentistry reporting module, called the Dental Success Tracker™ that will sync-up with your data going back 24 months to produce accurate dental progress reports. Once the Sikka Software utility is downloaded, it will run a monthly dental report in the background that gives you a complete look at your dental performance.

Following is a sample report based on the first year performance of one of the participating hospitals in the Midmark study. Note that “ATP” (Assessment, Treatment, and Prevention) is one of many acronyms used to refer to a professional dental procedure, and just happened to fit as a column header.



Dental Success Tracker



Powered by Sikka Software Corporation

Selected Practice: XYZ Animal Hospital

From 8/1/2014-7/31/2015

Month	#ATP	#ATP Prior Yr	\$Dental	\$Dental Xray	\$Dental Products	Total Dentistry	Dentistry Prior Yr	Practice Revenue	#Wellness Exams	ATP/Wellness	\$Dental/\$Total	\$/ATP	#ATP vs. pY	\$Dental vs. pY
Aug-2014	29	0	\$10,911	\$686	\$195	\$11,792	\$0	\$96,192	140	21%	12%	\$400	29	\$11,792
Sep-2014	17	5	\$7,230	\$483	\$336	\$8,049	\$1,733	\$87,315	128	13%	9%	\$454	12	\$6,316
Oct-2014	14	2	\$6,218	\$536	\$250	\$7,004	\$764	\$85,006	128	11%	8%	\$482	12	\$6,240
Nov-2014	11	3	\$4,723	\$337	\$297	\$5,357	\$903	\$82,857	115	10%	6%	\$460	8	\$4,454
Dec-2014	20	9	\$9,570	\$1,095	\$341	\$11,006	\$2,640	\$81,700	80	25%	13%	\$533	11	\$8,366
Jan-2015	19	8	\$9,034	\$669	\$326	\$10,029	\$2,469	\$94,826	111	17%	11%	\$511	11	\$7,560
Feb-2015	23	12	\$10,413	\$603	\$250	\$11,266	\$4,516	\$93,932	130	18%	12%	\$479	11	\$6,750
Mar-2015	25	21	\$11,404	\$336	\$359	\$12,099	\$6,579	\$114,727	154	16%	11%	\$470	4	\$5,520
Apr-2015	19	16	\$7,459	\$527	\$277	\$8,263	\$5,404	\$110,791	164	12%	7%	\$420	3	\$2,859
May-2015	24	12	\$12,152	\$976	\$151	\$13,279	\$3,835	\$119,614	174	14%	11%	\$547	12	\$9,444
Jun-2015	23	5	\$11,411	\$611	\$399	\$12,421	\$2,102	\$119,259	180	13%	10%	\$523	18	\$10,319
Jul-2015	24	12	\$12,657	\$875	\$306	\$13,838	\$5,188	\$105,691	174	14%	13%	\$564	12	\$8,650
Total	248	105	\$113,182	\$7,734	\$3,487	\$124,403	\$36,133	\$1,191,910	1,678	15%	10%	\$488	143	\$88,270

The sooner you get started, the sooner you will have a handle on exactly how you are performing in dentistry. Then you and your team will be able to set goals to help grow and improve. Visit www.MidmarkAcademy.com or call 800-360-2186 to learn more about the Dental Success Tracker™, and all of Midmark’s training and tools to help jumpstart your dentistry

Andrew Schultz, Jr. is currently the Director of Business Development for Midmark Animal Health and directed the Midmark dental study. Danielle Heberle is Dental Clinical Manager for Midmark Animal Health and leads their clinical training and education service called Midmark Academy.