

INSURANCE-FREE?

Why Insurance-Free? Freedom!

As I travel the country speaking to dentists regarding a variety of subjects, from Cosmetic Dentistry to developing aspects of, or establishing a “Niche” cosmetic practice, the predominant issue dentists remark to me is that they are concerned with insurance. Specifically, how to become “insurance-free.”

According to the NADP (National Association Of Dental Plans), 160 million patients enjoy dental benefits amounting to over 64% of all dental dollars, and according to Roger Levin, a practice management consultant for over 900 medical and dental professionals, this figure is growing. Insurance is not going away, and is of great importance to dental professionals and patients.

Having been “free” of insurance since 1999, and the poster child for Dental Practice Report’s Mar/Apr 2000 “Insurance Free” issue, insurance has been a non-issue in my practice. So I sometimes forget the great consternation we experienced when planning this monstrous task. Assuming the risk, we embarked on our journey and began executing our plan to become “insurance-free.” As I am writing this story, I am conjuring up the same somatic feelings I had when we began to experience the pain and fallout resulting from our decision, before eventual freedom was won. I have alluded to this being a battle, and it is. Traditional dental practices are waging a constant battle with insurers and patients over benefits and allowances, with the dental practice absorbing much of the fallout.

Allow me to emphasize that freedom is what we all seek throughout life in one way or another.

In just about anything we do, we are seeking freedom. Freedom from illness, freedom from repression and government, freedom to enjoy our liberties. It is no different for dentists. At that point in our lives when we came to that “eureka” moment to become dentists, we decided to achieve the “freedom” awarded to that identity known as “dentist.” We wanted the freedom to have the education, income, skills, values, and lifestyle of that identity we suspected dentists enjoyed. Being “insurance-free,” is one professional freedom many desire, few achieve.

For a great many dentists, it seems insurance has been *The* largest obstacle to profitability, treatment acceptance, and professional satisfaction. Liberating ourselves from the “shackles of bondage” insurance appears to have on dentistry is a daunting, seemingly insurmountable task. Yet, many benefits await the practice willing to make this difficult decision and wage the battle. The goal of more freedom awaits the practitioner who can withstand the trials to become “insurance-free.”

What is Insurance-Free? What Freedoms?

I’ve discovered that “insurance-free” can mean different things to different dentists.

I was recently reminded just how “free” our practice is when visiting a podiatrist for our daughter. We signed in on the clipboard behind the glass windows and

waited for someone to acknowledge our arrival. When the receptionist arrived at her post, she greeted us with the famous words “may I have your insurance card?” Absent from this experience was the personable, caring, patient-centered service patients now enjoy in our office.

The podiatrist experience reminded me that our decision toward removing the insurance culture from our office was one that would allow me the freedom to provide a better total experience for patients. In the traditional insurance-indemnified general dental practice, we sometimes do not realize how pervasive the insurance culture is in our practices, and so the definition of “insurance-free” can vary by the degree of insurance freedom enjoyed by the practice. Perhaps a better term for this is “insurance-independence.”

Sending statements to patients for their non-insurable dental expense might be freedom from insurance for some practices. Some would believe that “insurance-free” means that a practice is not bound by the fee structures of many third-party payers and are free to bill their normal fees. Yet, they might continue to submit and receive billing from insurers. Others might bill and submit statements to insurers for diagnostic and preventive appointments, as well as the normal coverage limitations, but will not submit once benefits are exhausted for further treatment. Still other dentists suggest that they will not bill insurers, nor accept payments from insurers, but they might discuss benefits with patients and submit pre-authorizations and E.O.B.’s (Explanation of Benefit statements) so patients can financially plan their proposed treatment.

One cannot evaluate for another what degree of freedom this means. I can only tell you what it has meant for us in my search for complete freedom, rather than merely “insurance-independence,” where no insurance culture exists in our practice.

It means that we don't ask patients if they have insurance. It doesn't come up in our communication with our patients on the phone or in consultations. We don't bring up the subject, period. It is not a part of our culture.

It means we don't collect insurance cards or ask for insurance information from patients. We don't receive payments or send billing to or from insurers or other 3rd party payers. The patient pays us. We don't send statements. We don't collect co-payments. We don't send pre-authorizations or pre-estimates. We must offer patients a statement of services if they so request, but even this is infrequent. All dental treatment is cosmetic, paid for with elective and discretionary dollars. Treatment is not a need-based or insurance based decision.

Occasionally, if it comes up with a patient, we use one simple 3 word phrase that says it all. “I don't know!” One doctor I met has an even simpler answer that is more efficient than ours...”no!” And when we give this answer we pause. There is no need to say anything further. No need to rationalize or justify or defend our position. Therefore when the above mentioned doctor answers “no,” the patient immediately understands it is out-of-pocket, and that's it.

It also says much more. This answer also says to the patient, that it is of no concern to us, and shouldn't be to them, whether insurance pays for what they

want to get or not! It increases the value for our services to an elective service rather than a "must." "How?" You might ask? Because Americans spend more on what they want than what they need! We purchase clothing, T.V.'s, and automobiles that we don't need, and spend more than we need to, without insurance, because we want to look and feel our best. This is the value I like to place on my profession. I like seeing dentists as important contributors in their communities. We can better do this by elevating the value for our services.

Likewise, with issues of UCR, or higher fees. It is a non-issue to us. We do not have the need to defend, justify or discuss it. The less said to a patient on these issues, the more that is understood.

In our practice, this is now easy because we have already built our image as a cosmetic practice. When we were transitioning, it was more difficult, and we would defend our fees by saying "not all doctors are created equal!" Today our best answer is non-verbal. It was a nod. This nod says volumes. It says "yes, we are higher," with the understanding, and air of confidence that we know and deserve to be higher. We just carry ourselves with the conviction that we are more expensive for good reason.

If patients asked us "why?" We used to use the Sandler answer: "why do you suppose?" And Sandler was right! Patients would actually give you the answers..."you have a nicer, more expensive office." Or, "you have gotten some expensive training and need to recoup your costs." Or "you bought a new home and car and need to pay for that." Sandler teaches you what to say in these situations, and we were uncomfortable with it at first, but it worked like a charm. Now, we don't have to even answer questions like this anymore...it's understood.

We've built this thing now where the insurance issue doesn't even come up, and if it rarely does, when we answer, you can just see that patients understand it fully, and almost hit themselves in the head as if to say, "of course, I knew that."

Now, for the last two sentences. You get it! Some will. Some won't. That wealthy lady does not value dentistry. Perhaps you are not in position to be that drastic, and may have to build it for a while before you can sustain yourself on patients that appreciate and value you and not your office, staff, cleanings, and insurance. That might take time. BUT, it's never the location!!!

Richmond is no different than anywhere. Your patients are "hooked" on insurance, just as most patients in the U.S. are. Understand there are dentists all over the country in every type of neighborhood and economic faction, that have done this. You can too. There are patients in Richmond that will pay you cash, upfront, for your services. You just need some "balls," tools, experience, training, and confidence. There are many places to obtain this training. Only you have the

“balls.” Remember, these same patients you think cannot afford dentistry without insurance, purchase cars, TV’s, vacations, and all sorts of conveniences and consumables without insurance. Dentistry is elective, and if it’s a high enough priority, even people who are stretched financially, can find room for average dentistry. And if you want cash paying dentistry, you should realize you are an elective expenditure. Patients don’t need you. Patients choose you. So make yourself a better choice. Takes time. You will need a business plan. Perhaps some help to achieve this.

Would be happy to help you any way possible. Regards, Ivan If it comes up with a patient, we use one simple 3 word phrase that says it all. Though one doctor says one 2-letter word that is probably even more efficient than ours...”no!”

At some point in our lives we came to that “eureka” moment when we decided to be dentists. We then embarked on our journey filled with aspirations and expectations of all the great things we could accomplish in our personal and professional lives. My hope as a dentist was, and still is today, to be the “master of my own universe!” To determine my own destiny, my goals, my own failures as well as accomplishments. For me, this was best expressed in owning and operating my dental practice.

As my practice grew, hygiene and employees expanded. Management experts told me my practice was healthy. We grew to eleven employees, 8.5 hygiene days and 2.5 hygienists. Productivity grew steadily, but my share did not keep pace. Professional satisfaction waned with the reduced time I had to perform the quality of dentistry I extensively invested in. The management infrastructure to support this growth, especially in hygiene, was becoming a monster. We realized that with recall, scheduling, insurance, staffing, and statements, the resources expended for the hygiene visit was far greater than for the most productive part of my practice...dental treatment. Ironically, it was the growth in hygiene that made me realize how poorly patients’ value dentistry.

My daily challenge was to examine and diagnose recare patients and find the extensive treatment they needed, and I was skilled to provide. But that was exactly the problem. I realized that the very patients that routinely participate in hygiene, are the very patients that “need” our skills the least.

In my affluent community, I see how my patients enjoy a wonderful lifestyle. I see the cars they drive, the homes they live in, and the luxuries of life they choose to spend their elective dollars on. I found that these same people did not place a very high value in dentistry.

The economics of dental practice opened my eyes. Our surveys demonstrated that only 15% of patients, nationally, participate in routine recare programs. We also discovered that these are the healthiest patients, and feel they can maintain health with minimal insurance expenditures and relatively no out-of-pocket expense. Less than 5% of recall patients purchase elective services that average less than \$500.00. So all the case presentation skills I had learned really didn’t help with this group of patients. I discovered the perception by patients around the country, is

that most dentists could take care of their needs. I surmised that the value of an individual dentist then, is not very high.

The winds of change were in the air. I decided to increase my value as a dentist to my patients and create a demand for my skills and training in Cosmetic Dentistry. How? By becoming a “Niche” practice.

THE “NICHE” PRACTICE DEFINED

I did not have a name for it at the time, but I decided to create the “ideal” practice, what is now becoming known as the “Niche Practice.” One where my skills and my practice were highly valued. Where patients seek me for my talent and skill in Cosmetic Dentistry. I knew there were dentists with addresses in Beverly Hills, or Manhattan that practiced this way. I wondered why I couldn’t do it too?

“Narrowing the focus” and “practicing what you want,” is what Brad Durham, DDS, of Savannah, Georgia teaches at the Las Vegas Institute in his course, The Niche Practice

Dr. Durham estimates that maybe 2% of practices nationwide could be characterized as a “niche” practice, where dentists have focused their practices in areas of dentistry they want and love. Some might perform implant surgeries. Others might focus on orthodontics. Dr. Durham acknowledges that every dentist practices dentistry individually, and that every dental practice could be a “niche” practice. But he says there are enough similarities in general practice that are common to the majority, that the “niche” practice narrows the definition to practices that have really focused on one or two areas of dentistry.

According to Dr. Durham, examinations, radiographs, recare appointments, insurance, billing and statements, are part of most dental practices. As are fillings, root canal treatments, crowns and bridges, and removeable prosthetics. Implant dentistry is becoming a mainstay in many practices, as well. TMJ/TMD niche practices are still few, but are growing.

The popularity of “Extreme Makeover” probably caused a significant growth in Cosmetic Dentistry. According to Dr. Bill Blatchford, of Blatchford Solutions, a coaching and consulting firm for dentists, 50% of all dentists are now using adhesive or “cosmetic” fillings routinely. Three years ago, there were a little over 5000 member dentists in the 20 year old, AACD (Academy of Cosmetic Dentistry). Today the Executive Director, Bob Hall claims membership has grown to 8000, possibly due, in part, to the popularity of “reality” shows raising awareness for the benefits of Cosmetic Dentistry.

Soon after matriculating dental school nearly twenty years ago, I realized that cosmetic materials were going to be the focus of my interest, and learning these techniques. I did not realize my practice would become a “niche” cosmetic practice, however, until 2001. Interestingly, it is hygiene, and the way hygiene is practiced in general dentistry, that began my journey to the cosmetic, “niche” practice.

MY “NICHE” PRACTICE

September 1, 2001 I began my “niche” practice. I decided to “cut the cord,” and create the practice that was in my mind, ideal. Come hell or high water, succeed or

fail, I wanted to know if there were patients that valued me and my abilities. I began to design my “ideal” practice.

Fear of changing a paradigm can be daunting, but since the inception of my practice, I have always made changes I thought were logical. High cancellations on evenings and Saturdays, for example, frustrated me, so I stopped working them. I felt amalgams were a poor and poorly esthetic restoration and removed them from my practice. I instituted a patient policy of prepayment for two missed appointments. Employees with poor work ethics were not tolerated. Colleagues thought I was foolish and couldn’t keep employees. But an interesting thing happened with each change. My practice and practice environment improved. I attracted quality employees. Professional satisfaction improved, as well as the bottom line. Tolerance of risk and fear of change abated. By 2001, I was completely ready to become a “Niche Practice.”

Still questions abound: I knew I would lose patients, but I didn’t know how many. Who actually valued me, for my expertise? Though I was insurance independent (*see insert on DPR cover*), could I be insurance free? Would patients pay me for this visit and submit their own forms? Would patients keep their appointments if I didn’t confirm or send postcards? Would patients accept comprehensive treatment rather than single crowns or direct fillings? Would patients pay me in advance to reserve appointments? Would my limited schedule be a deterrent? Could I reduce dependency on hygiene and still find dentistry to perform? Would patients come to me for my skills? Would patients buy elective dentistry, dentistry they wanted, rather than needed? Quality and quantity are normally mutually exclusive. Frankly, I was concerned if I could survive!

The answer is wholeheartedly, YES!

Of course there was pain. Soon after 9/11, and for the next two years, I pondered reversing my decision many times. I discovered just how many patients really appreciated me when we eliminated insurance!

As with all my risks and changes, however, the rewards are many. I enjoy a 3.5 work week, 3-4 patients a day, performing elective dentistry that enhances people’s lives more than any filling ever did. I have fewer, but highly qualified employees, that participate in the productivity of the practice, and enjoy our elevated quality. Today we enjoy relationships with fewer, pampered patients, now called “guests.”

My questions went from basic survival questions, to asking whether patients knew I could improve their appearance and confidence, and how Cosmetic Dentistry can enhance lives? Now I was more concerned with letting patients know I was available to help create the dramatic benefits cosmetic dentistry can provide. Indeed, patients will seek me out and desire my skills and talents.

I can better afford the expensive courses that have taught me to take my talent to a higher level of skill. I’ve learned to perform cosmetic dentistry that improves the appearance of the teeth, facial profile and harmony, as well as restore youthfulness, in a strong, healthy, and beautiful way!

Americans can live a good life. We understand what makes the quality of our lives better. Dentistry should be a part of that, no different from the other services we frequent. From clothing, grooming, cars and homes, businesses in all areas of

our lives succeed because we want these conveniences, luxuries, and services that positively impact our lives.

The “Niche” practice is one way enhance our value to patients, as well as our own lives. It has enhanced my life.

Ivan Valcarengi, DDS

Dr Ivan’s “niche” cosmetic practice is in Elmhurst, Illinois, near beautiful Oak Brook Center Mall. Dr Ivan is cofounder of the prestigious Advanced Dental Study Group of Chicagoland, and Elmhurst Masterminds. He is a certified Toastmaster and is available to speak to groups regarding his practice. Please address your questions and comments to drivan@toothbiz.com.