



Mary H. Osborne, Resources

PRACTICE RENEWAL

A Leadership Guide for Dentists

Dollar Value

Talking about values can get pretty complex, but I don't think it has to. I'd like to propose my definition of a value:

"To value is to be willing to pay a price."

Sometimes the price is money, and we'll talk more about that shortly. But basically, if you value something you are willing to pay a price for it. If you really value integrity, you will probably pay a price for that. If you value independence, you pay a price. Family — there's a price to be paid. Travel — a price.

There are some things you place no value in, such as, "You couldn't pay me to go sky diving." There are other things we might like if someone were giving it away, as in, "Sure, I'll take a free coupon for that new yogurt." There are some things for which we're willing to pay a small price, such as, "I'll go see my sister if I can get a good airfare." And then there are those things we place a high value on, as in, "I'd do anything for Mariners Playoff tickets!" (Well, almost anything, if they ever get in the playoffs!)

For the most part when we talk about values, we are talking about *the degree to which* we are willing to pay a price. The question is not do we value that thing, but how much do we value it? How high a price *will* we pay? There are very few people who would say that they do not

value health, but *the degree to which they value health has to do with the price they are willing to pay for it*. And very few people ever consciously ask themselves that question. Very few people even know how to ask that question.

Values Clarification

Values clarification is nothing more than asking the question, "This is important to me, what price am I willing to pay for it?" It seems simple and it is, but it's not a linear process that has a beginning and an end. We all participate in values clarification daily. We ask ourselves, "What do I want, and what price will I pay?" We ask it at the grocery store, when we plan a trip, when we plan our work schedule, or when we form relationships. We ask it about virtually every decision we make about our lives.

Once we make a choice, we get to ask the questions in other ways:

- ♦ Am I getting the value I had hoped for, considering the price I am paying?
- ♦ I have what I want, is it worth the price?
- ♦ Am I willing to continue to pay this price?

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Those are useful questions to ask when you write payroll checks, when you invest time and energy in continuing education or team meetings, and when you decide to treat a case that is particularly challenging for one reason or another.

And those are the same questions your patients are asking themselves about choices they have in dentistry — about treatment options, home care, staying in your practice, insurance plans. They are in a continual process of values clarification, of weighing the value with the price.

When the price is time, energy, or discomfort, the questions are challenging. But when we start talking about money, the whole situation seems to become even more complicated by our own personal issues and our patients' personal issues about money.

Judgments About Money

We all have biases and judgments about money that influence our attitudes and therefore our communication. We have beliefs about money that we learned as children that may not even enter our conscious thinking but play a part in our lives as adults. If you want to have a moving and powerful team meeting, spend some time talking about your earliest recollections about money.

- ♦ What messages, spoken or unspoken, did you get from your mother? From your father?
- ♦ What did you learn about having money?
- ♦ About making money?
- ♦ About how much money was enough?
- ♦ How much money was too much?
- ♦ How do those messages affect your attitudes today?
- ♦ What do you feel good about spending money on?
- ♦ What do you resent spending money on?
- ♦ Or feel guilty spending money on?
- ♦ What judgments do you have about how others spend money?

Those questions are important to you as a team, because your patients struggle with some of the same issues. The better you understand your own issues, the better you will understand and support them with theirs.

Professionalism in Dentistry

In dentistry in particular there is an element of discomfort when we talk about money in many practices. I hear questions about professionalism, as if there is a conflict between being professional and being profitable. That strikes me as particularly interesting since one definition of *professional* is “engaged in a certain activity as a source of livelihood.” Another definition in-

Mary H. Osborne's *Practice Renewal* is published by Mary H. Osborne, *Resources*. This leadership guide is designed to challenge, inspire, and support dentists and their teams.

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volves “requiring advanced study in a specialized field.” So we could say that dental professionals have advanced study in a specialized field and engage in dentistry *as a source of livelihood*.

Why then is there so much talk in the profession about how much we should charge? And how much we should expect people to pay for their dentistry? About what we are responsible for in regard to helping people get out of pain whether or not they can afford to pay? And about how profitable a practice should be?

There are no right or wrong answers to these questions. You must decide those issues for your practice. The answers for you will be determined by your personal belief systems and priorities. No one else can set those standards for you.

But the simple truth is that if you work in private practice dentistry, you are in a business. You chose that mode of practice because you want to make a living through your work in dentistry. Not only the dentist, but everyone on the team must have a clear understanding of that concept.

You are in business, and businesses that are not profitable do not survive. You might have chosen a different path: to do dentistry as a hobby, to volunteer at a free clinic, or as a missionary with only subsistence as your goal. But that is not what you have chosen, and so your practice **must** be profitable.

Saying that your practice must be profitable may sound like stating the obvious. I say it because only when you and your entire team really own that concept, can you develop a focus on profitability that is congruent with professional responsibilities. ***You have a right to be profitable and your patients have a right to expect the highest professional standards. That is a healthy way to run a dental practice.***

What do your patients have a right to expect from you as a health care professional? In my mind the essence of professionalism is this: if there is ever a conflict between your needs and the well-being of a patient you have chosen to treat, it is expected that you will put the well-

being of the patient first. That is one of the things that distinguishes professionals from non-professionals. We expect General Motors to put the well being of the *company* first. We expect insurance companies to do that as well.

But we expect professionals to answer to a different standard. Professionals are expected to use their gifts, talents, and knowledge for the good of their community *as well as* for their own personal gain. The two should not be in conflict, but when they are, we expect professionals to have as their **primary** responsibility the good of the client.

In our culture we tend to be more accepting of a Teamsters' strike than of a teachers' strike. We even feel disappointed when professional athletes don't put the needs of the game and their fans first. That's part of what we see as a responsibility of professionals.

I'm often asked how I feel about dentists selling products such as mouth washes, toothbrushes, or vitamins. My response to that is the same as if I were asked how I feel about a dentist recommending a crown. *What is your primary motive in making that recommendation for that person?*

You have every right to make a profit on a product or service if the patients' well-being is *primary* and your personal gain is an outcome of that. ***If your recommendation is based primarily on personal gain, I believe it is unprofessional to sell mouthwash, crowns, TMD treatment, or anything else.***

Given that responsibility, it is essential that you make clear choices about who you will treat and how. You can't treat everyone. You must make choices, and you do. You choose to work in a certain location, on certain days of the year, for certain fees, providing certain services. All of those choices limit who you will treat. Each one screens out certain people. That is as it should be because the element of choice is as critical for you as it is for your patients. You have significant responsibilities to those you choose to serve.

What do we owe our patients as dental profes-

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sionals? I believe our patients have a right to expect:

- ♦ **Honesty and Integrity:** Both are integral to healthy relationships:
- ♦ **Physical Safety:** We will treat them carefully in a sterile environment.
- ♦ **Emotional Safety:** Acceptance, respect, and compassion. They have a right to expect we will listen to understand what is important to them.
- ♦ **Information:** Information about *what is*, the existing conditions in their mouths. We do **not** have the right to hold back information about what we observe in their mouths.
- ♦ **Perspective:** Perspective about *what can be*. We have a responsibility to help our patients see possibilities they cannot see for themselves. We know more about dental health than they do and can offer a broader perspective.
- ♦ **Opinions:** Opinions based on our knowledge and experience. They have a right to know what we would do for ourselves in a similar situation and why.
- ♦ **Quality:** Good quality dentistry in an environment of mutual trust and respect. The best clinical and behavioral care we are capable of providing.

Patients have a right to expect that we will help them become healthier. Simple, huh? Simple but not easy. There are some things our patients may expect of us that they do not have a right to expect.

It is not reasonable to expect that we:

- ♦ **Will Take Responsibility for Their Problems:** We didn't create them, we're there to help
- ♦ **Will Have All the Answers for Them:** There are some things that are not knowable.
- ♦ **Know What's Best for Them:** You have legitimate dental opinions, but their lives are

too complex for you to know what is best for them.

- ♦ **Can Guarantee Results:** When we're dealing with a living organism there are too many variables.
- ♦ **Will Tolerate Abuse or Rudeness:** We sometimes have to draw lines to make this clear to some people.
- ♦ **Will Finance Their Treatment:** We may choose to do that, but it is not part of any dental code of ethics.
- ♦ **Will Work for Free:** I hope you will do that with generosity and grace when you do it, but your patients have no right to expect it.

Again, this may seem self-evident. But I encourage you to go over both lists carefully. Hold yourself accountable to the first list. And ask yourself what have you taken responsibility for that does not fall under reasonable expectations of a professional in the second list.

You can *choose* to do any of the things in the second list, but they are not obligations. If you choose to take on added responsibility and feel good about it, I support that. But taking it on because you think you have to — and resenting it — doesn't serve you or your patients well.

Boundaries

Your boundaries must be clear. You must understand who owns what problems. If a patient says he didn't pay your bill because he had other medical bills to pay, then he is asking you to finance his other medical care (or his new roof, car repairs, etc.). You can jump in and assume that responsibility. Or you might ask him what he is asking of you in regard to the agreement he has had with you. ***It may be appropriate for him to ask you to change that agreement, but it is not appropriate for him to assume you will.***

"Mr. Black, I'm so sorry to hear about your losing your job. That must be very

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difficult for you and your family. In regard to this outstanding balance for the work we completed, what are you asking of us at this time?"

Paying attention to your own language in situations such as this can help you clarify who owns the problem. Once you know who owns the problem, you are free to choose how you will respond to the situation. Just because someone says they have a problem does not mean you have to fix it. ***And if you choose to take on your patients' problems, then you can't blame them for asking.*** Sometimes not saying anything can be the best communication.

If someone who owes you money tells you about her financial problems, just empathizing and allowing her to look for solutions to her own problems can be very empowering. For example, if you call someone and tell her you're calling in regard to her past due balance, and she says, "Oh, I have been in the hospital, and my doctor's bills are huge." You might simply respond with,

"Oh, I'm so sorry to hear that." And then wait.

She has not yet asked you to do anything. It is premature to suggest payment plans or other arrangements.

I raise these issues not to suggest that you deny your patients the compassion they deserve in difficult times, but to help you stay clear about your role in their problems. ***You can choose to write off the bill if you want to. I'm just asking you to make sure it is a choice that you feel good about, rather than an obligation you might resent.***

Value of Your Services

Your challenge is to help your patients value your services *enough* to justify the cost. So how do you help them value what you have to offer? Well, first let's talk about what the product is. If you look at the product you are trying to sell as units of crown and bridge, root planning,

or braces, that's a tough sell. Your patients will never fully understand the value of a fine margin, a smooth root surface, or perfectly placed brackets.

Your services have no intrinsic value in and of themselves to your patients. ***They won't likely pay for your care, skill, and judgment, but they will pay for what your care, skill, and judgment can do for them.*** That may seem like a fine point, but it is an important one. We may be tempted to think that we deserve to be paid for our education or abilities. But it's important to remember that no one wants to pay for that unless they can see clearly how our knowledge or skill can help them get what they want.

What your patients want is dental health. They probably don't have a clear picture of what that looks like. Their picture may be different from yours. They may be limited by lack of understanding, lack of knowledge, lack of perspective, but on some level that is why they come to you.

I'd like to suggest that all the people who sit in your dental chair value dental health. They value it enough to pay a price — the price of sitting in your chair. Unless you are dragging them in from the street, they made a choice to come to you for treatment. Your challenge is to help them ask themselves the *how much* questions.

- ◆ How much health do they want?
- ◆ How much do they want it?
- ◆ How much are they willing to pay for it?

Outcomes

For some people who sit in your chair, dental health may mean no pain. For some, it may mean just keeping their teeth. For others, it may mean adequate function or perhaps odor-free breath. Some of your patients will see good dental health as the absence of disease, while for others it will be an optimally restored dentition. The outcomes your patients identify help you describe your product in terms they can relate to.

It is premature to talk about price without a clear picture of the outcome. A team I worked with

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talked about a woman who had significant perio disease and wanted a prescription for an antibiotic. When I asked the team what the outcome was that the patient thought the prescription would give her, they said she probably thought it would cure her disease. That may be what she thought, but we don't know because they hadn't asked her.

If the patient did think the antibiotic would cure her perio disease, I'd want to know what led her to believe that and what she meant by "cured." Perhaps she had taken antibiotics in the past and believed they cured her disease, like when someone has strep throat. Now we have an opportunity for a deeper, and more helpful conversation.

How does she believe her gums became infected? How would the antibiotic affect those causative factors and for how long? Now you can help her understand the nature of the disease and its long term consequences. Now you have an opportunity to talk with her about *your concerns for her* about not treating the cause of disease. There is so much more to know about her health goals before we can help her make healthy choices.

Selling Health

When you help your patients understand and own what is present in their mouths, the choices they've made that contributed to creating what is present in their mouths, and the price they are paying for the choices they have made, then you can help them make new choices.

Wherever each patient is, is the place to begin selling health. Ultimately that is the product you sell and the product they have come to buy. You might not have said it that way and neither have they. ***But health is your product. That is what your care skill and judgment can do for your patients.***

I recall a story about Bob Barkley, a dentist who clearly understood the concept that the product he was selling was health. He would sometimes talk with his patients who needed treatment in this way:

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"If I had taken x-rays of your teeth every six months since you were a child and stacked all those x-rays on top of each other and fanned through them as you would to animate a cartoon, we would create a movie of the history of the health of your teeth. What we would see over the last forty years or so would be gradual breakdown of your teeth and supporting structures. There is nothing we can do about that movie because it has already been made. But you can make the movie starting now of how you want your mouth to look forty years from now. We can stop the progress of disease, begin the process of rebuilding, and move toward health instead of deterioration."

I think that is a wonderful way of describing the realities of our work. There is no judgment or blame. No pity or rescuing. It addresses accountability, mutual responsibility, and hope.

It sometimes seems difficult to place a dollar value on health. It's intangible. It's qualitative not quantitative. It's precious. You may choose to break it down into procedures that have an insurance code. But don't let those codes get in your way of seeing your product clearly.

You are in the business of selling health and that is the product on which you must evaluate your effectiveness. That is the product on which you must place a dollar value. Your challenge is to set fees which do two things: (1) support the economic commitment of the practice, and (2) reflect the quality of the service provided.

Economic Commitments

Your fees must support the economic commitment of the practice because that will ultimately determine your ability to survive as a business. The economic commitment of your practice is highly personal. There are certain essential elements which are unique to your prac-

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tice such as debt service and fixed overhead expenses. And there are quality of life issues which are unique to you and your values, such as:

- ◆ How much you want to earn.
- ◆ How much you want to pay others.
- ◆ How many people your business will employ.
- ◆ How you will invest in their growth as well as your own.
- ◆ How many patients you want to see.
- ◆ How you choose to give back to the community.
- ◆ How many days you will work.
- ◆ How much you want the business to grow and the price you are willing to pay for that.

All of those factors and more form the economic commitment of the practice.

Quality of Service

Your fees must also reflect the quality of the service provided. The quality of care you provide is also very personal and unique to your practice. Not just the quality of your dentistry but the quality of care you provide overall.

Only you can decide where you want to “place yourself in the marketplace,” if you will. There will probably always be people who will choose a dentist based on the cheapest price, and there will always be people who are willing to pay more if they get more. Only you can decide what you are willing to give and what you will ask people to pay.

If you decide not to be the cheapest dentist in town, ask yourself what you believe is unique enough about your service that makes it worth more than the cheapest dentist. Keep asking yourself that question until you have a very clear picture of the nature of the service you are willing to provide.

- ◆ How good are you clinically?
- ◆ How comprehensive are your diagnoses?
- ◆ How good are you at helping your patients truly own their diseases?

- ◆ How gentle are you?
- ◆ How effective are you at creating an atmosphere of mutual respect and accountability?
- ◆ How good are you at helping people make healthy choices? *If your product is health, how good are you at helping the people you see become healthier?*
- ◆ How effective are you?
- ◆ What are you willing to do to improve your abilities in any or all of those areas?

Once you have determined the level of service you will provide and set your fees, you must do two things: communicate them with confidence, and ask people to pay them.

Communicate Your Fees with Confidence

If you believe in your product, you should be proud of your fees. I often tell the story of checking into a Hilton® Hotel in New Jersey several years ago. It's an exceptionally nice hotel, and I had stayed there a number of times before when visiting a practice in the area. This day they showed me the room rate at check in I noticed it had gone up since the last time I was there. I mentioned that to the desk clerk. She asked me how long it had been since I'd stayed there, and I said it had probably been about a year. “Oh, my yes, our rates have gone up since then,” she said. “And we'll do everything we can to make sure you feel good about our new rates.” I've never forgotten that young woman's enthusiasm and confidence about their rates.

I contrast that with the almost apologetic way in which I sometimes hear people in dentistry talk about their fees. I know we're not as much fun as four star hotels, but we provide a far more important service that requires tremendous knowledge, skill, experience, judgment, and finesse. I'd like to see more pride and enthusiasm in that. Can you picture yourself responding to your patient who notices you've raised your hygiene fees in this way?

“Why, yes, we have raised our fees! We've been improving our services so

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much in hygiene, we probably should have raised them sooner. But now we really feel they reflect the quality of the service our hygienists provide. I hope you'll feel as good about it as we do."

By the way, don't say that if it isn't true. If you are not providing a better service in hygiene today than you were last year, I'm not sure you deserve a higher fee.

Ask People to Pay Your Fees

You need to communicate your fees with enthusiasm and confidence, and then ask people to pay them. Here is the paradox that I see in those two statements: you have a right to set your fees and be proud of them, but to have people pay them, you must ask.

What you are really saying is, "Here is the fee I would feel good about receiving. How do you feel about paying it?" With new patients you are asking them to trust you to provide a service worthy of your fee. When you raise your fees, you are changing an unwritten agreement you had with existing patients.

I'm not suggesting you should grovel and beg, but I think it is important to adopt an attitude that reflects an understanding that your patients don't have any obligation to pay your fees; they can choose to leave. My guess is you'd like some to stay, so *asking* is an important attitude to have. You have every right to decide what you think your services are worth, and your patients have every right to agree or disagree with you.

Help Your Patients See the Value for Them

If too many of your patients are choosing to leave your practice because of fees, that is diagnostic. It says you have not helped them to see the value of your services *for them*. If they

believe they can get something better some place else or if they believe they can get the same thing you provide for less someplace else, why wouldn't they leave?

Your service is unique to them only as it meets their needs and wants. ***Offering services without helping your patients identify their needs and wants is a good way to demonstrate that you are pretty much like everyone else and think they are pretty much like everyone else.***

Values-based dental patients will want to find a way to stay in your practice and have their work done by you if you help them clarify the outcome *they* want. If you understand and are supportive of the difficulties they may face to do that. If you demonstrate that you don't take their financial commitment lightly. If you treat them with respect no matter what choices they make at any given time. They want to trust you, and they want you to trust them.

Create an Environment of Openness

The only way to accomplish all that is to create an environment of openness around money in your practice. Make it a place where people feel they can talk about their questions, doubts, and concerns. Provide a forum in your practice for them to talk about your fees, or they will find some place else to talk about money.

Invite feedback from your patients. If you get no response from a patient when you quote a fee, ask how she feels about it.

"The fee for everything we've talked about will be around \$18,000.00, Mrs. Green. How does that sound to you?"

"How does it sound? It sounds expensive!"

"Is that more than you had anticipated it would be? What had you thought it might cost to restore your mouth in the way we have been discussing?"

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She may not have any idea, but she may begin to think about why that fee seems high to her. If she did have a figure in mind, you might ask her what led her to think that would be an appropriate fee. My experience is that if we provide people with a supportive environment to sort through their expectations, they often end up convincing themselves that they're getting a bargain. In any case, they come to grips with the cost of doing what *they* want to do.

Whatever your patients' expectations, at some point the question of how they feel about spending that amount of money to restore their mouth must be addressed.

"I think I understand how surprised you are by cost of this work, Mrs. Green. It sounds like it does seem like a lot of money to you. So I'm wondering how you feel about investing that much money in restoring your mouth?"

If her response is that the fee seems fair, but she doesn't know how she can afford it, you've moved on to the next step.

What Is the Perceived Value?

If the question they go to is about how much their insurance will pay, I'd want to help them own the decision to go forward, to consider how much they value the service. Insurance is related to how they will pay for the service; it is important to keep the *how they will pay* separate from the *value perceived*.

"Mr. Brown, I'm happy to help you find out how much your insurance plan will contribute to the dentistry we've discussed. But before we get into that I'm wondering how you feel about investing this amount in your treatment. Is this something you want to do if we can find a way to make it affordable to you?"

This is where we have to check in with our own feelings about our fees and how they relate to

how we see ourselves. If we are not confident about our worth, we may shy away from this discussion. I believe that to do that is to deny our patients a rich opportunity to clarify what they want and the price they are willing to pay for it. It doesn't have to be a lengthy discussion, but it is an important step.

They can use the opportunity to think out loud, to problem solve, or even to convince themselves that they are worth it. That may be an important process for them to think through if they have to talk with a spouse about what we are proposing or if they are unsure of it themselves.

Pushing people too quickly to "yes" does not serve them well, and it does not serve us well. Because if they come to realize somewhere down the road that they don't feel good about the fee, they usually find a way to let us know. They may do it through broken appointments, not referring to us, or by not paying their bill. *They may not even do it consciously, but they will find a way to express their resentment.*

Whether they are paying all of the fee directly or some portion of it, they must embrace the whole fee. Those disagreements about how "their portion" will be paid or how much the insurance company was supposed to pay are really about a failure to deal with the full cost of the treatment. *No matter how many times you put language on a bill that says they are responsible for the full amount, your patients won't grasp that concept if they've only based their decision on "their portion."*

How Will They Pay for It?

Once that step feels complete you can move on to the next step which has to do with *how they will pay the fee*.

Insurance

Dental insurance is one of the ways by which people can pay for treatment. It is easy to allow

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the question of how much the insurance company will pay to cloud the issue of what people want for themselves. It can be used as a way to avoid making difficult decisions. It can be used to delay treatment patients don't feel ready to have. It can be used as a way of rejecting treatment patients feel they are being pressured into.

There's a lot of complaining in dentistry about patients being "insurance dependent." I think it is important to look at the part we have played and continue to play in creating that dependency. Every time we encourage a pre-authorization as a way of getting people on the schedule, we foster that dependency. Every time we tell people they should have their teeth cleaned or a fluoride treatment or whatever because "they should take advantage of their benefits," we encourage it. As a profession we have used dental insurance to our benefit when it has suited us, and we are paying a price for that.

It's easy when a patient seems hesitant to agree to treatment to offer to send in a pre-auth rather than dealing with his reservations about the treatment. It gets us off the hook too. For that day we don't have to deal with facilitating our patient through a process of clarification.

We think that if the money issue is decided he'll agree to schedule. Or that he'll sort out his concerns on his own, and we won't have to deal with them. I know I've felt that way. I've used the pre-auth as a way to get on with my day and delay having to deal with tough issues. The problem is that eventually we get to deal with the issues and frequently we find ourselves doing values clarification on the phone as a result. Not an ideal situation.

If a patient asks how much her insurance company will pay, that is a great opportunity to learn more about how that information will affect her decision-making process and what her expectations are. What will she do if she doesn't get help from her insurance company? It's helpful for us to know the answers to those questions. But more important, is that asking them helps the patient to start thinking about them. It gives both of us an opportunity to explore several options rather than depending on insurance to take care of every-

thing. We can help patients look at other sources for financing their treatment, at other options for treatment, or perhaps at payment plans. We can help them go to the next step in their clarification process.

For example, if Mrs. White asked me how much her insurance company would pay for treatment I was recommending, I might say,

"I'm not really sure how much they will pay, but we can probably help you get that information. What are your expectations about how much they will pay, Mrs. White?"

If she says one hundred percent, I don't need a pre-auth to tell her that's not likely.

"I'm fairly certain your insurance company will not pay the entire amount, Mrs. White. How will that affect your ability to go ahead with the work?"

If she says she can afford to pay a couple of hundred dollars, and I know we are not even close, I can tell her that:

"I don't know of any policy that is likely to support you to that degree, Mrs. White. My sense is that the most you can expect will be less than half of the full fee."

I'd want to give her time to digest that since it sounds like it would be new information for her. If she said she didn't know what to do, I'd want to let her know I understood that this was difficult for her. I want her to know I was there to help her work it out and find a way to get what she wants.

If she said she could not have the work done, I'd want to stay in the process with her and ask what she *will* do, how she *will* handle the situation we've identified. Whatever conditions we've discovered and planned to do something about are not likely to go away on their own. We may talk about other options, but that might not be appropriate based on the outcome she identified she wanted for herself.

Whether she is prepared to act now on what we been talking about or sometime in the future, she

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probably will have to act at some point. It's important for her to start thinking. I'd want her to know that I was in the process with her for the long haul, not just trying to sell her something today.

I'd want to know her expectations for how we will support her now and in future visits, and a sense of where we will go from here. (By the way, I'd want all that information in her record so the next team member who talks with her will be prepared to advance the relationship, not start over again.)

Payment Plans

Part of your conversation may deal with suggesting offsite credit arrangements or offering to extend credit in your practice. Each practice must decide to what degree you want to play the part of banker for your patients. We've established that it is not a responsibility, so you have the opportunity to look at why you would be *willing* to provide financing.

- ◆ How much of your energy and your team's energy do you want to invest in banking?
- ◆ What specific arrangements are you willing to make and what are you not?

In most large cases two payments with payment in full by completion would be acceptable; five dollars a week for ten years would not. There is a wide range between those two points, and only you can decide where you want your practice to be on that continuum.

There are some obvious advantages to allowing payment plans for your patients. There are also some significant disadvantages. Owing money can become a barrier to a good relationship. Sometimes people don't like people they owe money to. Most people don't enjoy paying for something they already have.

They can come to regret their decision to have the treatment and resent you for doing it. They may come to feel overburdened with debt, which can contribute to their stress level which is not very healthy. They may delay additional treat-

ment or maintenance of the work they've already had done because of embarrassment over an unpaid balance. All of these factors can occur in the best of relationships, so I encourage you to keep financial arrangements to a minimum. Use them sparingly and recognize that you put the long-term relationship at risk every time you do.

Make sure you are clear about what circumstances warrant financial arrangements and which ones do not. Some people who make those arrangements in practices talk have a feel for when it is right. That's an intuitive sense that is important, and I also think it is important to have standards that you can agree to as a practice.

Factors to consider in agreeing to a payment plan are:

- ◆ ***You are satisfied that cash flow is the only unresolved issue your patient has about her treatment.***
- ◆ ***You want to.*** Not when you feel you should because someone can't afford it. Not when you feel you have to because the patient might not like you or may leave the practice.
- ◆ ***The expectations for payment are clear.*** No matter how well you know someone, clear expectations form the basis for good relationships. Deal with the details in the beginning, so you won't embarrass yourself and your patient later.
- ◆ ***The patient has demonstrated a significant commitment to the agreement.*** A substantial payment before you begin helps your patient feel invested in the success of the treatment.
- ◆ ***The arrangements are equitable.*** The terms are developed to serve the patient and the practice well.

When is it not appropriate to offer financing of your treatment?

- ◆ When you feel pressured or intimidated.
- ◆ When you want to avoid the real issue.
- ◆ When you are compelled to rescue and are kidding yourself that you will eventually get paid.

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- ◆ When you are taking all the risk and responsibility.
- ◆ When the patient has shown no demonstration of commitment.

Check in with yourself on those points when you enter into a financial agreement.

Keep It Simple

You probably know by now that I enjoy paradox. Another paradox that occurs to me in closing is this: when it comes to money matters, recognize the complexity of the issues, and keep it simple. Money is important in our lives, but is not the only important thing in our lives.

- ◆ Put money in perspective.
- ◆ Make values clarification simple and relevant in your practice.
- ◆ Integrate professionalism and profitability.
- ◆ Identify your product: health.
- ◆ Clarify expectations and responsibilities.
- ◆ Develop specific language to help your patients make healthy choices.

Please use this as an opportunity to talk with your team, your patients, and maybe even your family about values and dollars, and what they each mean to you. I'll leave you with a quote from Thoreau who said, "The cost of a thing is the amount of what I call life which is required to be exchanged for it, immediately or in the future." I wish you life!

Classic & Current Resources

My work is influenced and informed by the wisdom of past as well as emerging new thinking. The following is a list of some of the sources I referred to while writing this issue of *Practice Renewal*:

American Heritage Dictionary.

***Successful Preventative Dental Practices* by Bob Barkley.**

***A Philosophy of the Practice of Dentistry* by L.D. Pankey.**



Mary H. Osborne, Resources

PRACTICE RENEWAL

Meeting Planner

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Dollar Value

1. Growing up, what messages did you receive from your parents, grandparents, and others about money? How are those ideas still impacting you today?
2. How do you feel when a patient with financial problems and a delinquent account calls? Do you rush in to make alternative financial arrangements? Do you feel obligated to help? Obligated to save the person from paying your fees? If you do so, do you resent it later? How might you handle this situation differently in your practice in the future to avoid feeling obligation and resentment?
3. What factors do you currently take into account when setting your fees? How might your fees be different if you take into account the economic commitments of the practice and the quality of service you offer?
4. Role play scenarios of helping your patients to own the entire fee for your services, not just “their portion.” Practice not rushing in to “rescue” your patients with insurance and/or payment options. The more you role play and practice allowing your patients to own their own problems, the more skilled you will be and the more comfortable you will feel.
5. Are you willing to provide financing to your patients? If so, *why* are you willing to do so? How much of your energy and your team’s energy do you want to invest in banking? What specific arrangements are you willing to make? Under what specific conditions? What financial arrangements are you *not* willing to make?