dentistry’s future
feature

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I graduated from dental school in 1988. It seems like yesterday, but denial of the passage of time isn't working for me. After dental school, I spent three years in the Navy. My first job in the civilian world was in a corporate dental practice that catered primarily to patients with managed care dental plans. I spent about a year there. After that, I associated in a private care practice for two years. Then I started my own private care practice from scratch.

There's a Blue Light Special in Option #2

Nearly twenty-six years ago, rather than encouraging us about the future of dentistry, the illustrious dental school professors at my school painted a rather bleak picture. The “golden days” of dentistry were in the past. The future was “Sears Dental.” And, the future was breathing down our necks. Sure enough, a few Sears Dental offices opened inside some of the retail giant’s stores. A Google search reveals there are some Sears Dental offices still around. But, they haven't proliferated.

One could argue that the retail dental concept has proliferated… under various names and companies. Today, there are corporate dental offices that number in the hundreds (if not more). They are aggressively marketed to the public via nearly all marketing media. What does it mean to traditional solo private practitioners?
practice? That’s the $64,000 question. I don’t claim to be an expert in macro or microeconomics. I can only give my opinion based on 25 years of experience and observation. In a nutshell, I’m not worried.

The End is Near!

I’ve been hearing the prognostications of doom for private care dental practices my entire career. I am also reminded of the “warnings” about a caries vaccine decimating the business of dentistry. It’s a good thing I didn’t hold my breath. That “vaccine” has been coming for decades, as well.

I don’t see corporate dentistry as a threat to my practice any more than McDonalds being a threat to traditional sit-down restaurants. They each serve the purpose of market stratification. There are obviously many people who happily patronize McDonalds. Likewise, there are many who scoff at the mere notion of eating at McDonalds. “I would never (let my children) eat that crap.” I submit that the two factions are not divided by socio-economic status. It’s simply personal preference based on a variety of factors including perceptions of health, quality, taste and service.

The same is true for dental care. While many people see dentistry as a commodity, others see it as a very personal service. For some patients, a crown is a crown is a crown. And, it’s a tall order to convince them otherwise. For them, low price, convenience and fast service are the most important features of dentistry. They likely can’t name the dentist that saw them last. And, that’s OK! It works for them.

Let’s Get Personal… Personal...

It’s been long argued that dentistry will go the way of optometry and pharmacy. I disagree. Those fields are not comparable to dentistry. I contend (and many patients will surely agree) that dentistry is arguably one of the most personalized services in the human experience. We (dentists) are quite literally “in their faces.” We’re actually inside their faces. And, they’re awake for it! The mouth is one of the most intimate areas of our bodies. Consider how a person will react if you touch them on the shoulder versus the mouth. You can bet that merely touching someone on the mouth without invitation, even with light force and an open hand, will elicit a very different response than if you slap him or her on the shoulder.

The mouth is personal… in many ways. The mouth is the most emotively expressive part of our face. We also use it to talk, eat, kiss and even breathe. The mouth is critical to human existence. Poking at it with sharp instruments, loud drills and our hands is not something most people enjoy. And, many will have to place a lot of trust in the person who is doing the poking and probing. For those patients, I submit that a “corporate” entity is not going to cut it (pun intended).

“I Ain’t Got Time for That!”

A private care practice has the opportunity to cultivate relationships with patients. I believe that such relationships are not likely to occur in the corporate dentistry setting. Again, I’m speaking from my own experience. The corporate dental practice I worked in was a fast-paced setting. We didn’t have time to chat up our patients. The rule of the day was, “Get in. Get out.” Some patients were not bothered by it. Others were. I was. And, that’s why I didn’t last long in that setting. It just wasn’t for me.

I enjoy getting to know my patients. It helps me help them. They seem to enjoy it, too. I’ve had patients leave my practice because their plan changed such that they felt they had to see an “in-network” dentist. In my area, it seems a preponderance of “in-network” dentists happen to work in corporate dental practices. Oftentimes, those patients come running back. The experience is simply very different, and they’re anxious to tell me all about it.

What Ever Will We Do?

I see a lot of hand-wringing by dentists about the bleak future of private care dentistry. I believe they are mistaken to assume that all or most patients will jump ship and go to the cheaper corporate dental practice. Some will. Some have! I say, “so what?” Rather than being my competition, I see the resulting market stratification as a way to make my practice stand out even more. If more dentists bail out of private care practice, I will have less competition. I see the potential scarcity of private care practices as a boon to those of us who stay the course. As the “sit-down restaurant” patients are disenchanted with the corporate experience, they will seek out practices like mine and be willing to pay for it. I’m not suggesting that every patient will be disenchanted. No doubt, there is a market for corporate dentistry. My point is that I don’t believe private care dentists have to compete with them. We can coexist just as fast food and sit-down restaurants coexist.

Do you want to work for yourself? Do you enjoy being an entrepreneur? Or, would you rather be a worker-bee for a corporate entity and not have to deal with the business side of it?
Stand Up! Stand Out!

I believe the key to survival and success in private care dentistry is to provide a personalized service with attention to detail and the total experience. Your entire staff needs to be onboard, of course. Furthermore, I think today’s private care dentist has to continually develop his or her clinical skills. Dentistry is changing at an ever-increasing pace, and continuing education is your ticket to keeping up and staying ahead of the curve. Offering services beyond the “drill, fill and bill” menu is a great way to distinguish your practice as something more than the commoditized dentistry offered in the corporate realm.

Adding services such as: short-term cosmetic orthodontics, implants, cosmetic smile makeovers, full-mouth rehabs, botox and fillers, laser periodontal treatment, deep bleaching and other elective services can go a long way toward success in the private care world. But, I dare say you better have the “chops” to do it well. Patients who seek these services do their homework. They often conduct research online before choosing a dentist. Show Me. Don’t Tell Me.

A great thing about these elective services is that they are very marketable. One of the best ways to prove your “chops” is with a great website. If you provide cosmetic services for example, show them to prospective patients searching on the web. If you have a well-optimized website, prospective patients searching for these services will find you.

Another very powerful website marketing tool is patient testimonials. They can be written (paired with before and after photos), or they can be done by video embedded on your website. Real testimonials with real stories are marketing gold. Online review sites, such as Google Reviews, have become increasingly influential in my experience. Just this week, I had two new patients attribute their decision to come to my practice upon my online reviews.

But, it takes more than advanced clinical skills. It takes relationship-building skills, too. That means running on time. It means knowing and calling your patients by name when they walk in the door. It means “we care” calls after treatment.

Be the (Wo)Man with the Plan.

Another way to stand out is to recognize that 60 percent of Americans do not have a dental plan. They believe the only way they can obtain dental treatment is by having an “insurance” plan or going to a practice they perceive as less expensive. Corporate dental practices often use lower cost as a marketing enticement. An in-house dental savings plan is very much welcomed and appreciated by that 60 percent. Furthermore, the in-house dental savings plan is another way to market and differentiate your practice as one that caters to the individual patient.

It’s Your Move.

In conclusion, my position is one that advocates “hitting them where they ain’t.” Trying to compete with corporate dentistry on their terms and their turf is a sure way to get frustrated and dig yourself into a hole. Where will dentistry be in 20 years? I dare not try to predict that, given the way the political winds are blowing. I won’t even pretend to know where dentistry will be next year.

Ultimately, each dentist must decide where he or she wants to be next year, five years forward, or 20 years down the road. Do you want to work for yourself? Do you enjoy being an entrepreneur? Or, would you rather be a worker-bee for a corporate entity and not have to deal with the business side of it? There is nothing wrong with any of the choices. However, I refuse to believe that the future is pre-ordained, determined by forces outside of dentistry, or that the extinction of private care dentistry is inevitable. The times… they may be a-changin’. But, the choice remains yours.

Bio

Dr. Michael Barr is a general dentist with a private care, fee-for-service practice in Boynton Beach, Florida. He is a voracious consumer of dental continuing education (more than 2,000 hours) and has a keen interest in cosmetic dentistry. His other passion in dentistry is marketing, specifically website marketing. To that end, he wrote a book, “The Complete Website Owner’s Manual for Dentists,” which is soon to be released as a second edition. Mike has been an active member on Dentaltown.com since its inception and is closing in on 30,000 posts.
In the next 20 years, it is my belief that half of all dentists will be affiliated with a DSO-supported practice—the companies often mislabeled as “corporate” dentistry. If that belief does come true, I do not think the cause will be dental support organizations (DSOs) “taking over” private practices to gain control over the dental industry. My belief is that DSOs simply recognize the current face(s) of dentistry and are responding to the realities of the marketplace. I think DSOs are a valuable model for modern times.

Modern dentists are encountering a multitude of challenges, including keeping up with technology, increased costs, slowing number of patient visits, government regulation, legal issues, third-party payment changes, $300k+ in student loan debt, implementing cutting-edge marketing techniques and more. It seems most of these aspects have been largely discounted or ignored by folks who are invested in the hope that the future of dentistry will continue to repeat the past. The free market ultimately decides what comes to pass. It will not be organized dentistry deciding, nor DSOs deciding. Dentists will decide what is best for their personal situation. Many dentists will continue to desire the independence of solo practice. I predict an equal number will recognize the positive realities of how various DSO models meet or exceed their personal and professional needs.

DSOs are responding to a marketplace where dentists want out of debt, want work/life balance and freedom to relocate. Most dentists don’t really want to deal with business responsibilities. The economic problems we’ve seen in the country have established a new reality in our industry — many dentists are unable to sell or share their offices with associate dentists, and young dentists with a large amount of student loans can’t finance a new office or startup on their own. This has led to a doubling of the number of quality dentists searching for a means to succeed. DSOs can offer them that.

Settling differences between organized dentistry and DSO-supported dentists is still a challenge, but I think the majority of dentists share common ground. Those supported with DSOs have professional support, but still lead their offices and make decisions regarding their patients and teams. In that regard, there’s really no difference between a DSO-supported office and a non-supported office, except for the extra support and training DSOs offer.

Simply put, DSOs have identified what dentists are looking for in these modern times. In doing so, these organizations are able to support dentists from all career levels in advancing themselves and overcoming industry challenges. New dentists are offered the chance to start their careers out on the right foot. Experienced dentists can achieve a work-life balance and control their career on their terms. That’s why I believe DSOs will continue to see significant growth over the next 20 years.

From the Corporate Perspective…

Bio

Dr. Rick Workman, is founder and chief executive officer of Heartland Dental. While practicing full-time, Dr. Rick Workman created Heartland Dental, a world-class dental support organization offering affiliated dentists non-clinical, administrative support. Heartland Dental has more than 550 affiliated dental offices in 26 states. Dr. Workman has received many awards and honors. Most notable is his receipt of the Ernst & Young Entrepreneur of the Year Award, Masters Category. Dr. Workman may be reached at rworkman@heartland.com.
First, I must say that there is no such thing as “corporate dentistry.” Only dentists practice dentistry. That said, dental support organizations (DSOs) are a growing segment within dentistry because they bring tremendous value to dentists and their patients. DSOs enable dentists to expand access to care, improve efficiency of office administration, reduce the procurement cost of dental care supplies, and deploy advanced technologies that improve patient care and safety while, in some DSO-supported offices, enabling same-day dentistry.

It has been estimated that more than 40 million Americans have little or no access to affordable dental services. DSOs help address this crisis by enabling dentists to devote more time to treating patients who need care and less time to non-clinical paperwork and other aspects of running a business. Many DSO-supported dentists also serve communities where residents often lack access to convenient, affordable quality dental care.

The key advantages that DSOs offer the dentists they support are enhanced capacity, access and consistent care. Dentists who partner with DSO-supported group practices focus almost exclusively on patient care, therefore enhancing capacity. In helping to address the access to care issue, lower overhead costs enable DSO-supported dentists to accept all payer types and have helped open states to managed care plans. Lastly, group practices support best practice sharing, peer-to-peer interactions, evidence-based treatment protocols, access to new technology, training, mentorship and formal compliance programs, resulting in consistent care for patients.

DSO-supported dental practices are often in convenient locations, engaged in community marketing, improving the number of patients activated to seek oral healthcare. The patient may seek care at the DSO-supported office or another office, the important component is the contribution to increased number of people deciding to visit the dentist. PDS-supported dental offices, specifically, are community-based with a focus on the local neighborhood. The owner dentist is highly integrated in the community and works at the dental office each day to build long-term relationships with patients.

Dentists also benefit from using the business support services of DSOs for tasks including facility maintenance, supply procurement and other administrative support. In addition, DSO-supported dentists enjoy the benefits of being part of a college of affiliated dentists. Dentists are able to expand access to dental care by devoting more time to the delivery of high-quality, cost-effective care to patients and less time to administrative duties.

I believe that by 2050, large dental group practices will be critical components of an integrated healthcare system where people can get exceptional, comprehensive oral care at affordable prices throughout the United States.

Stephen Thorne, founded Pacific Dental Services in 1994 when he entered into his first dental business support services contract in Costa Mesa, California. Steve received his BA from UCLA and his Master’s in Health Administration from Chapman University. For more information, visit pacificdentalservices.com.
Although corporate dentistry will continue to grow over the next few years, we do not believe that it will take over dentistry in 20 years.

Current estimates are that corporate dentistry is the fastest growing segment of the market, but still less than 10 percent of the overall dental volume. The actual market share for “corporate dentistry” is difficult to calculate because there are several different definitions of corporate dentistry. According to the new ADA report *A Profession in Transition*, released last year, “approximately 6.4 percent of dentists across the nation report that their practice is part of a larger entity that delivers dental care at more than one location, up from 5.4 percent in 2008.” Regardless of the definition, corporate dentistry has grown substantially over the past few years, and will continue to grow.

However, the forces that drove the corporate takeover of pharmacists or optometrists just aren’t present in dentistry. The financial results for both of those markets are driven largely by buying power, because in both markets much of the profitability lies in buying products better and then reselling them to consumers, so consolidation makes sense. More units means more product buying power, which means more profitability. Add in the fact that it’s hard to differentiate between service providers (can one pharmacist be “better” than another?), and you’ll see how consolidation played a key part in the growth and development of both markets.

Dentistry, though, is fundamentally different. Most of the value added to patients lies in the work, craftsmanship and skills of the dentist. As a result, the individual dentist is well compensated for his or her work, relative to pharmacists or optometrists. Certainly, there are some benefits to consolidation in dentistry. Some dentists would rather be employees of larger corporations than individual business owners, and larger organizations means better branding/marketing (i.e., Aspen Dental), but those benefits are small relative to those from consolidation in pharmacy or optometry. And the benefits are offset by higher staff turnover in a corporate dental environment.

There’s a reason why we’ve only had a handful of corporate dental chains succeed in the eyes of Wall Street. Most have failed as long-term publicly traded companies because they haven’t shown consistent growth in sales or profitability.

We believe that the dental provider scene in 2025 will look similar to today: The majority of dentistry will be delivered by a lot of successful entrepreneurial dental offices, though we may see more group practices as dentists see the benefits of banding together in small groups outweigh the costs and stress. Corporate dentistry will become a more significant, though far-from-dominant, player. And one other segment will grow quickly, maybe faster than corporate dentistry: Community Health Centers (also known as Patient-Centered Medical Homes, or PCMHs) – non-profit organizations designed to provide dentistry to lower-income families and individuals.
Solo practices are shifting rapidly to a two-to-three multi-doctor model, just as medicine did in its earlier phases. The cost of technology, facility and labor are driving this trend, along with inefficiency plus low-fee PPO reimbursements, which cut profits. Though we often try, we cannot avoid change. Dentistry is not immune to change. The growth and expansion of corporate dentistry is one of those changes. What will “corporate dentistry” do for our patients, the health care of the nation and access to care? And how will it ultimately shape the traditional practice of dentistry? No one knows for sure, but if you’ll allow me to share my thoughts, time will tell if my “crystal ball” is correct or flawed.

Access to care continues to be an issue of concern today and corporate dentistry is touted as a potential solution to part of the access challenge. There has been widespread and sometimes-heated debate about what can be done to address the access to care issue. One solution is to increase the number of practicing dentists. It appears many states and dental schools agree that an increase in the number of dentists or mid-level providers will increase the access to care. This increase is being realized in three ways:

1. **Increasing class size:** Several dental schools have increased class sizes. Producing more dentists to replace those who are leaving the practice of dentistry is believed to be the answer to providing better access to dental care.

2. **Increasing the number of dental schools:** Many recall between 1986 and 2001 when seven private, not-for-profit dental schools closed their doors. That reduction in the number of graduates was short lived. Since that last closure in 2001, 10 dental schools (eight private and two state-supported) have opened. There are at least two new dental schools that have begun the process of organization.

3. **The introduction of mid-level providers:** Mid-level providers purportedly solve access to care issues and a few states have them (Alaska and Minnesota). Approximately 10 other states are considering them.

The recent increase in dental school graduates highlights how things can change quite rapidly in dentistry. Choices are limited with the associateship opportunities as traditional practices fight busyness issues, particularly those out of network. So, what do corporate dentistry and these new dental graduates have in common and how can this help the access to care issue? Simple, one meets the need of the other… employment and appointments.

These new graduates are walking out of dental school with a great deal of pressure to repay the gargantuan debt they’ve accrued during their eight years of higher education. With hundreds of thousands of debt on board, these new graduates are reluctant to increase risk and go deeper into debt to buy an existing practice or to build a new practice from scratch. For many of these new graduates, corporate practice offers a way for them...
to begin to pay back those student loans and do it with little or no investment.

In addition, many corporations provide flexible scheduling that is especially attractive to those dentists who need more time with family or other interests. Corporate practice associations oftentimes takes the management responsibilities off the shoulders of the doctor and is delegated to the corporation. The dentist can focus on patient care and not be burdened by the stresses of day-to-day practice management. There is also a significant opportunity for the new dentist to be mentored and trained by a more experienced practitioner in the corporate environment. Most new graduates need help and support to become proficient in all areas of general dentistry. The corporate environment allows for more opportunities to learn and grow while being aided by a more seasoned doctor. This “hand holding” is seen as a positive to many of the new dental graduates who are concerned about their ability to hit the ground running.

What is the ultimate effect of corporate “drawing” new graduates away from traditional practice and into the bigger cities and more desirable locations? In many areas where corporations are plentiful, the value of the traditional practices that have busyness issues has dropped. Before, a doctor looking to transition out of practice by bringing on an associate with the intention of that associate becoming a partner or buying the practice outright was the norm. Trends show that these types of transitions are occurring with less regularity, in part because traditional practices don’t have adequate busyness. Some doctors who are looking for associates are having greater difficulty identifying a willing candidate to become a part of that solo or small group practice. That solo or small group practice doesn’t offer the same employment package and significant perks that corporate dental practices can offer these graduating dentists (who must produce or they are out). What does this mean for the doctor who needs or wants to sell his or her practice? The process may take longer than anticipated and the selling price may be lower than desired (or in rural areas, no sale).

What’s in it for patients when a corporate chain opens in their area? Because corporations tend to focus on productivity and efficiency, the consumer may benefit by paying somewhat lower prices and enjoying the benefits of receiving care from a participating provider. Corporate dental practices are participating in most PPO plans and offer in-house discount plans as a part of their business model. Many corporations offer discounts and specials that reduce the costs associated with a new patient visit. This type of promotion can have the effect of drawing new and established patients away from the traditional practice. In addition, corporations offer more flexible appointment schedules and financing options for their patients. Many corporate practices are open six days a week, offering early morning and late evening hours, making it easier for their patients to arrange more convenient appointments. In short, these expanded hours increase access to care and drive busyness. In addition, the corporate practices are able to provide more flexible financial arrangements as well. More convenient hours and more payment options address the two most common objections to accepting care: time and money.

What effect does the corporate practice business model have on the practicing dentist? The established practice must compete with the corporate “machine” oftentimes without the necessary training, infrastructure and systems that allow the practice to compete on a level playing field. The solo mindset is to place the dentist first (himself or herself), not necessarily the practice. For instance, the solo doctor is in a tug of war to either keep the dollar personally, or spend it on the practice if he or she sees value. Less than half of all dentists even have an up-to-date coding
Corporations capitalize first, buying all necessary equipment, installing best practices and then withdrawing profits.

In the past, dentists have been successful in spite of the fact that they lack business skills and have no particular interest in running the practice. With the increased competition and pressure from the well-trained, well-run and well-maintained corporate practice, the solo practice must become proficient in the business of dentistry and focus on the practice. If the solo practice wants to compete with the group or corporate practice, or any other practice in the area for that matter, the choice is really quite simple: determine what the patient wants and needs and offer a solution better than anybody else and the practice will thrive. But, often it means a merger of several dentists to thrive. With more than one dentist under one roof, the odds of at least one of them being an excellent businessman goes up – increasing the odds for a well-run practice. Multi-doctor also offers some multi-specialization of procedures.

What’s the ugly side of corporate dentistry? When the practice ignores the best interests of the patient and begins to focus on what’s in the best interest of the corporation and its shareholders. When the bottom line becomes the motivating force behind the treatment decisions made, that’s when there’s potential for abuse.

Many traditional dentists say corporations have questionable ethics, routinely over-treat, perform shoddy work and suck out profits. But, don’t a percentage of traditional dentists have these same qualities? What about the under-treatment of periodontal disease? Who is guilty of that? Corporations are superior to the traditional dentist who commonly under-diagnoses and under-treats periodontal disease.

Is there a greater chance that the focus of that practice can shift from patient care to a focus on revenues generated and the bottom line when owned by a business entity, rather than a dentist? I think so, but time and the court system will ultimately decide this one.

Are corporations here to stay? Yes.

Will corporations continue to grow? Absolutely, until the market will no longer support their expansion and their profitable operation or legislation prohibits them.

Are dental corporations bad for the public? Not necessarily.

What’s the bottom line? If the focus of any doctor (employed by a corporation or self-employed) remains primarily focused on the patient and what’s in the best interest of the patient, there’s room out there for everybody. A little competition never hurt anybody, and it just might encourage the profession as a whole to improve. Mark my words: We are going from solo to multi-doctor, and a significant percentage will be dental corporations. Corporations have already taken over most businesses from optical to hardware stores, from fast food to hospitals, from drugstores to funeral homes, etc. So, who’s left standing besides dentistry? Not many.

Time will tell if these things come to pass and we are able to find dentistry’s “new normal,” with corporate dentistry a significant part of the mix. Now my forecast: Corporations will be 20 percent of the market in 10 years. Well-run, local, two to three multi-dentist offices can compete, for the most part, with corporate-owned practices. If they don’t, my 20 percent estimate will be low! As we move forward, remember what’s important and the patient and the profession will benefit.