

**CLEARGAGE**

# The Ultimate Guide to Increasing **Dental Practice Revenue**



For a dental practice, your top priorities are delivering optimal patient care and providing a positive patient experience.

These goals are centered on a patient's oral health, but what often gets lost is the equal importance of a dental practice's financial health. The reality is that your practice is just like any other private business. Leveraging resources to maximize revenue, along with a strong focus on patient care, will ultimately help a practice achieve long-term financial success.

Unfortunately, it's all too common to experience challenges when collecting revenue owed for the care provided. As a result, you and your staff are burdened by thin margins without much financial freedom.

This happens for a variety of reasons, such as:

- **Failing to inform patients of financial responsibility**
- **Using manual processes**
- **Not capturing patient information**
- **Lack of a consistent workflow**

Whatever the cause, it's evident that revenue cycle management (RCM) is a persistent and significant issue for dentists.



## THE REVENUE CYCLE MANAGEMENT PROBLEM

Far too often, you provide care to patients and generate revenue for the practice, but then the money never actually reaches the business due to a breakdown in the patient collection portion of the RCM process.

This is true for every branch of the healthcare industry — RCM issues have been exacerbated by the rise in patient financial responsibility. The increase in responsibility is directly connected to the rise in high-deductible health plans (HDHP) as well. With health insurance providers reporting nearly 22 million enrollees in HDHPs as of January 2017, patient healthcare costs — including both deductibles and out-of-pocket maximum payments — have **increased by almost 30 percent**.

This doesn't directly affect dentists (who are typically not covered by HDHPs), but for patients already saddled with the growing costs of medical care, oral health becomes less of a priority. In fact, patients often see dental care as optional (compared to medical treatment).

Despite the common understanding that cleanings should take occur biannually, only **58% of Americans visit the dentist even once per year**, according to **The Adult's Oral Health & Wellbeing Survey**. The most commonly cited reason for this **is cost**.

In other words, insurance doesn't seem to be working well for patients or dentists. It's complicated, pricey, and often frustrating for all parties involved.

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## UNDERPAID OR LATE PAYMENTS CAN BE ESPECIALLY DAMAGING TO A DENTAL ORGANIZATION'S FINANCIAL HEALTH

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The growing weight of this financial burden on patients has led to more bills going unpaid.

Underpaid or late payments can be especially damaging to a dental organization's financial health. It significantly slows revenue cycles for practices and even puts them at increased risk of never receiving the money at all. It's a drain on their finances and on their staff's time — since additional resources are taken up when contacting and collecting from patients who have overdue balances.

To make matters worse, **high dentist burnout rates** and **full appointment schedules** can potentially keep you and your staff from focusing on tasks outside of patient care, such as RCM and the components that go into it.

As a result, it's difficult for your practice to hold effective financial conversations with patients on the front-end, leaving your practice vulnerable to lost revenue. It's not unusual for a dental practice to be left only with the initial copay and a balance that's outstanding for months at a time.

If you fail to properly engage patients about financials on the front-end and then struggle to communicate their financial responsibilities, you can expect large amounts of unpaid balances and an unclear financial future.

# TECHNOLOGY'S ROLE IN OPTIMIZING RCM & INCREASING REVENUE

Increasing revenue and optimizing RCM processes is imperative to a dental organization's long-term success. Traditional workflows, however, rely heavily on manual processes in order for a practice to receive timely payments from patients.

Unfortunately, manual processes combined with today's dental revenue cycles only make the issue worse and create significant gaps. Practices have trouble keeping up due to busy schedules and overdue payments from patients. As a result, you're missing out on a significant portion of earned revenue.

Replacing redundant manual processes with technology can make a big difference. It's not enough for a practice to simply insert any technological solution, though. In order for it to truly impact the financial health of your practice and increase revenue, it must be the right technology that helps a practice improve in three different areas.





## EFFICIENCY

One of the most effective ways to increase revenue is to improve overall efficiency. From clinical efficiency to administrative efficiency to billing efficiency, a practice that's efficient in all of the pertinent areas of the office is best positioned for success.

- **DENTAL PROFESSIONALS:** A lack of practice efficiency drives burnout and professional unfulfillment. An efficient practice leads dentists to feel happier and more fulfilled at work.
- **PATIENTS:** An efficient practice delivers higher quality patient care. With more time to spend during exams, patient relationships improve and patients enjoy a more positive experience while in the office. Without chaos and pressing timelines, dentists can better attend to patient needs and address their concerns.
- **BUSINESS:** Practice efficiency will benefit the organization by increasing revenue. Practices that don't make efficiency a priority have overheads take up 60 percent of revenue costs. Additionally, an inefficient practice wastes time in its RCM processes, and as a result, is forced to wait even longer to receive patient payments.

Efficiency is key in financing, too. Dental organizations of all sizes must achieve revenue cycle efficiency to ensure providers get paid promptly and accurately. There are several proven technologies that can facilitate greater practice efficiency.

### Mobile payment capabilities

Smartphones and tablets are being used by virtually everyone and bringing more convenience to accomplishing everyday tasks, such as paying bills. Therefore, it's not a surprise that patients also expect the same level of convenience when it comes to paying their dental bills.

Mobile payment technology allows an organization to engage the patient in a simple, convenient and secure way. It allows practices to be more proactive in their patient communications, whether it's through a customized text or email message.

By presenting patients with the option to set up a payment plan or make payments from their mobile device or tablet, you are better able to meet patients where they are, offering a convenient method to connect with patients on the move. As a result, you'll receive more revenue in a timely manner.

## Interactive voice response

Automating payments using interactive voice response (IVR) is another technology that can dramatically improve efficiency and lower overall customer service costs.

Implementing a self-service IVR within a practice helps expand payment options for patients without requiring an added time burden on the practice staff. It also extends the time window for patients to make payments to the practice since IVR is operational around the clock.

Instead of having to use precious business hours to follow up with patients on outstanding balances, the practice can now receive money from patients effortlessly.

In the end, it's a cost-effective way to expand payment options, while adding real value and a high return on investment.







## AUTOMATION

Implementing technology means incorporating more automation into important workflows. A variety of everyday tasks can be automated, such as appointment reminders, patient surveys, intake forms, and more.

In RCM, specifically, embracing automation at key points throughout the revenue cycle will help practices avoid wasting time on redundant tasks like phone call follow-ups and mailing out statements. Ultimately, it speeds up the revenue cycle.

The reliance on manual processes for patient collections tends to cause the most damage. Automating collections with the right technology can revolutionize the way you conduct business. Seamlessly shift from submitting claims and billing to capturing patient financials for a more streamlined RCM cycle.

### Automated patient payments and balance settlements

Patient payment technologies that focus on automation will be extremely valuable to any dental practice.

Automated solutions benefit both consumers and staff. By capturing patient payment information before any service is rendered, a practice can automatically schedule payments, notify patients of upcoming payments, and leverage the card on file.

By implementing automated patient payments, practices receive patient payments in a matter of days—as opposed to months, or never receiving payment at all.

Not only is this approach proven to remove the burden of waiting months for patient payments, but the automation saves time for the practice and increases cash flow in the following months.

### Automated patient engagement

Most dental offices lack the resources and infrastructure to interact with their patients for the effective management of self-pay receivables.

Intelligent and automated communication tools provide targeted engagements (i.e., a practice may segment communications based on age group, gender, balance tier, etc.) to patients. Practices can even automate messages through a patient's preferred method of communication.

Or segment communications based on age group, gender, balance tier, etc. This is an effective way of sending patients on the prescribed communication journey that converts receivables into payments for the practice.

From driving down costs to improving cash flow, automated technology has a positive and permanent impact on a practice's overall financial health.



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## FINANCING

It's not a secret that one of the keys to running a productive and profitable practice is increasing case acceptance. One sure and simple way to accomplish this is to offer affordable financing options.

A recent survey found that **41 percent of working-age Americans** — or 72 million people — have medical bill problems or are paying off medical debt, up from 34 percent in 2005. Many in this struggling group cannot afford to prioritize dental care.

Therefore, offices that implement intelligent patient financing offerings aren't just simplifying the collections process for both patients and practice — they're meeting patients where they are, providing them with affordable payment options that ultimately generate more revenue.

There are several advantages to offering additional financing options in a dental practice:

- **INCREASED TREATMENT CONVERSION RATES:** When given the option to pay for dental treatment with affordable monthly payments, it's easier for patients to accept the care, rather than procrastinate it due to the large out-of-pocket costs. As a result, patients receive the care they need and achieve better outcomes.
- **IMPROVED CASH FLOW:** Multiple financing options allow practices the opportunity to get paid at the start of treatment, rather than just several months afterward. This can reduce risk of bad debt and uncollected A/R.
- **A GREAT MARKETING TOOL:** Patient-friendly financing options are a great way to get patients in the door of the practice, increasing the patient base, and ultimately, practice revenue.

These patient financing offerings, in particular, are targeted options that will resonate more with your patients and be of greater value to them — and therefore to your practice.

## Electronic billing

Electronic billing or online bill pay is a continuing trend as the dental industry innovates ways to expedite patient payments. In fact, **online bill pay comprises more than 60 percent of patient payments.**

Patients highly value payment convenience. Therefore, offering patients an online billing portal that enables them to pay their bills electronically will improve patient satisfaction and help you get paid quicker.

It's important that your online bill pay portal also enables patients to choose from multiple payment options, as well as enroll in payment or financing plans that best fit their needs. Additionally, it should allow patients to view recent payments, billing statements, and balances, or to change payment methods at their convenience.

All of this enables patients to take a proactive approach to paying their bills which will benefit practices in the long run.

## Estimates

Studies suggest nearly 60 percent of patients will choose to go to a certain healthcare provider if it means spending less on their patient care.

A great way to meet this need and encourage more patients to receive care from the practice is to provide upfront estimates regarding cost of care. This allows practices to maintain high levels of cost transparency while also being proactive in communicating a patient's level of financial responsibility.

Given that patients highly value transparency in their providers, this is an easy yet effective way of accommodating them.

Patients are increasingly consumer-like in their preferences. In this digital age, **we expect all of our services to be fast, easy, and digital.** Simply put, by offering more financing options to your patients, you're making it much easier and more convenient for them to pay.

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MORE THAN 60 PERCENT OF  
PATIENT PAYMENTS.**

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## EMBRACING TECHNOLOGY FOR A BRIGHTER FINANCIAL FUTURE

Missing out on revenue has been a consistent issue for dental organizations due to higher rates of patient financial responsibility. This trend is forcing many practices to wait 90 – 120 days to receive payment, if at all, as dental bills are often going unpaid or underpaid.

That's not how it has to be for your dental practice.

Patient payment technologies empower practices to overcome RCM challenges by improving efficiency, automating workflows, and offering multiple patient financing options. By embracing technology, you can alleviate the significant financial burdens plaguing both your business and patients, while also best positioning the practice for long-term financial success.



# CLEARGAGE

Our mission is to enhance the consumer's quality of life by providing flexible and ethical payment solutions that enable them to receive and pay for the healthcare products or services they need or want.

Healthcare payment solutions for Everyone.  
Everywhere. Everyway.™

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