THE BIG THING THAT COULD TAKE DOWN DSOs THAT NO ONE IS TALKING ABOUT

How the business needs of DSOs are changing

By Lauren Krzyzostaniak
How the business needs of DSOs are changing

The very nature of a dental service organization is to partner with a dental practice by providing business support. Having a partner on the business side who allows clinicians to focus on dentistry should be the key to maximizing the success of the practice. Unfortunately, many DSO owners tend to focus on the financials to demonstrate a return for their investors.

“The company that owns the DSO will focus on financials because most of them have investors,” says Roger Levin, DDS, founder and CEO of Levin Group, Inc., a dental practice consulting firm based out of Maryland. “If you have investors, they’re investing for a return, so they’re looking for growth and improvement and ultimately another sale to maximize the return on their investment. They will focus on financials.”

That doesn’t mean that they don’t focus on practice management. After all, DSOs can’t be lumped into one category, says Dr. Levin.

“Some are very well run on the practice management side of things, and some are not,” he says. “I think financials are a major focus for some of them, but some do have excellent practice management systems as well. The reason is because it’s all about return on investment. Those who own a DSO understand that they’re operating a business and it exists to create a profit.”

Lorne Lavine, DMD, CEO of The Digital Dentist, a dental technology consulting firm based out of Burbank, says that most people use 5 to 10
percent of their practice management software, the foundation for what makes it the “most underutilized power tool in the dental practice,” according to Dawn Christodoulou, president of the XLDent, a dental software solutions company.

“In my opinion, the practice management software is the most important decision and it’s the glue that holds everything together,” Dr. Lavine says. “Everything that’s going to happen in the practice — scheduling, billing, insurance, treatment planning — is related to the practice management software. I think it should be the first decision they make, not put on the back burner. I’ve worked with a few DSOs in the past where it wasn’t necessarily what they were doing: they tended to be more focused on business systems and personnel and employees and getting all of those ducks in a row. But you can’t run a modern practice without software.”

Those who do focus too much on the financials (things like lending, locations, and insurance reimbursements) and minimize the importance of practice management, are “dead in the water from the start,” Dr. Lavine says.

“Unless they are running the practices as separate entities, which doesn’t happen often, they’re going to run into issues,” he says. “How are they going to share information? What if a patient is seen at more than one location? Will you have separate accounts for them? How will you deal with that? What about reporting? If the DSO has shareholders, you need to be reporting production and collections. How do you combine that information when you have multiple software systems? That’s where they’ll run into issues.”

While DSOs might not completely fail because of a lack of effective practice management tools, they certainly won’t be as successful as they could be.

The challenges of a budding DSO

“Typically, a DSO is coming in and purchasing multiple existing practices in order to create one single entity,” Dr. Lavine says. “And those practices are going to have a mix of practice management software, hardware, networking, digital X-rays, more high-end stuff like cone beams, digital impressions, and CAD/CAM. The challenge that we
have in dentistry unlike in other fields is that there is no standardization. An office that has one practice management software isn’t going to be able to necessarily merge that data with another practice’s information. They’re incompatible, so you’re going to have all kinds of issues in conversion.

“Part of the other challenges, at least for a DSO, is that most practice management software systems are really designed to be run as a single-location entity. Now you have to deal with multiple locations where you’re going to need to do reporting from those locations combined. How do you accomplish that when you have different software systems in place? I think that’s probably the biggest challenge that a DSO would face.”

**An ideal PMS for a DSO**

“Every DSO is unique, so the ability to manage multiple locations and to work with the practice’s existing infrastructure in regards to computers and networking is the first thing to consider,” Dr. Lavine says. “Expandability is a huge concern for a lot of DSOs, so they should be sure that they can add multiple locations and not have to start from scratch. It should have the reporting features that they need. The software needs to meet the needs of the practice, not the other way around.”

When a private equity firm takes over a DSO, says Dr. Levin, the first thing to do is address the practice management software and make sure that it’s not only up to date, but that it provides the information the practice needs to grow their business.

There are three questions to ask from the start. “I would say number one is, is the software up to date, technologically?” Dr. Levin says. “Number two: does it give the necessary reporting so that decisions can be made? And number three: does it give the necessary information so that the daily decisions can take place at an efficient level?”

When it comes to practice management software, there are certain features that should be high on the list of priorities.

“Number one is reporting: you don’t want garbage in, garbage out — ‘GIGO,’” Dr. Levin says. “You’ve got to enter the right information and extract the right reporting.” He argues that it’s only through the proper
metrics that practice owners and operators can see what’s working well in the practice and where opportunities for improvement exist.

“Number two is daily operational performance, where the staff has access to the right information and the right prompting so they can carry out the most efficient and effective day-to-day operations,” he says.

**Accessibility from anywhere**

A good practice management system for multi-site practices has certain capabilities: first and foremost, it should allow multiple users to access the information from anywhere and on any device. That way, a treatment coordinator in one location and the office manager of another location can be looking at the same updated patient file while they talk to each other on the phone.

While there are two options that can do this — either a WAN- or cloud-based system — many experts believe that cloud-based is the way to go. WAN-based systems (which stands for wide-area network) are designed to work in multiple locations that are not necessarily close together, says Dr. Lavine. The downfall is that it falls on the DSO to maintain the system.

“You have multiple points of failure because each location has an internet connection,” Dr. Lavine says. “You’re going to need VPNs and special routers and firewalls at each location, and there is a lot that can go wrong with that.”

A cloud-based system comes with more peace of mind, he argues.

“With a cloud-based solution, as long as you have the internet, you have complete access,” Dr. Lavine says. “They handle a lot of the stuff for you. You don’t have to worry about backup and disaster recovery because the company is handling that for you. I think a cloud-based system is probably the easiest solution.”

Dr. Levin agrees. “I think the future is going to be in the cloud because it gives you much broader connectivity between offices in an organization,” Dr. Levin says. “These are organizations that are going to get bigger because DSOs are a part of dentistry and they’re growing. The cloud offers more capability of scope and size. It’s just that simple.
You have more options, more customization, but you also have more connectivity and information flow.”

**The benefits of Dentrix Ascend**

Dentrix Ascend is a reimagined practice management system: it integrated best practices and things customers want most to create what many users say is the most effective and versatile system on the market.

“The reason I chose Dentrix Ascend is because we had Dentrix for 20 years and we were happy with it,” says Dr. James Rockwell, owner of Smile Center of New Jersey, a practice serving between 800 and 1,000 patients a week at three locations. “We figured that it was the same company and it would be just as well, if not better. Plus, it was on the cloud. You just log in from your laptop, tablet, or phone and can make the appointment right away. ”

“We are able to talk to the people creating it and give them feedback,” says Cynthia Michaels, treatment plan coordinator at Smile Center of New Jersey. “Everything that you love, they increase, and everything that you don’t love, they’ll work to change with you.”

Here are a few key features that offices love:

**Perform common tasks in one system**

With Dentrix Ascend, you can schedule treatments, book appointments, file e-prescriptions, process insurance, do billing and accounting, track payments and Medicaid reimbursements and monitor continuing care from one system. It also easily integrates with other applications and offers user support in the way that works for your practice at that moment: either with email, or a phone call.

“Ascend is the only one that we felt truly embraced what the cloud is all about,” says Dr. Jonny Brennan, co-owner and dentist at Brennan Dental in Chandler, Arizona. “It really is built for modern devices and what we’re all used to doing on a daily basis.”

“Everything for the patient is all in one area,” says Ashley Thompson, office manager at Brennan Dental. “In the patient overview, there are sections on insurance, medical history, and notes. It’s really easy to navigate.”
Easily view business metrics
This is where the daily operational performance that Dr. Levin mentioned comes into play.

“Looking at everything from daily production, no-shows, case acceptance, scheduling: those are basic business systems that are essential for the daily performance of each DSO office,” he says. “There are two parts to it: the information has to be available from the software and the staff has to be trained to act on that information.”

Dr. Levin believes that there are three primary ways organizations benefit from tracking things like no-shows: to identify trend analysis and necessary responses, to understand lost chair time, and to bring no-shows back into the practice.

“You want to know how many no-shows there were because if that is an increasing trend, you need to change the approach you’re taking with your patients. No-shows represent lost chair time. [Practices] need to follow up on those no-shows to try to bring them back so they don’t lose them. That information becomes critical.”

Dentrix Ascend has built-in business intelligence in the software, providing organization-wide reporting, whenever you want it. That means having the ability to create custom reports for individual sites or for the practice as a whole whenever you want it.

“I’ve accessed it outside the practice, from home, or when I was on vacation,” Hilton says. “Anywhere that I am, I can access it.”

I hope you don’t need to view business and financial metrics from your lake house, but it’s there if you do.

Optimize practice operation
“The thing I like most about Dentrix Ascend is that it’s web-based and our patients don’t feel like they’re at four separate offices,” says Michelle Johnson, a dental assistant at Smile Center of New Jersey. “When they come in, we can see what everybody has done already and stick with the same treatment plans. It’s just a lot easier for us and our patients.”
With a centralized database and cloud accessibility, practices can simplify and standardize workflows at each location, enhancing practice efficiency.

“The thing that I like most about Dentrix Ascend is that it is cloud-based,” says Tracey Shillings, billing coordinator at Smile Center of New Jersey. “It’s easier to work. I can essentially work from one office instead of going to all of them. The old system was just too much of a hassle to go. I can do everything from my office here.”

Asia Lott is the software manager at Spring & Sprout Support Services, a DSO with 20 locations (so far). Her favorite benefits of Dentrix Ascend include line item accounting, custom reporting, patient features, and unresolved claims. With those tools, she can quickly determine how much patients owe, organize and view the data the way she wants, easily search and link patients in a family and see who owes what at a glance.

Meet clinical needs
Brennan Dental is operated by Dr. Jonny Brennan and his brother Dr. Elliot Brennan. They call their single-location practice a “start up” and plan to grow like one in the future. But today, they’re focused on what the software can do in their practice.

Dentrix Ascend includes customizable patient charting and real-cloud digital imaging. That means your clinical notes, treatment plans, image uploads and chart changes are the same in every location and can be viewed from anywhere.

“With our patient-centric focus, Dentrix Ascend has helped elevate that by keeping the patient at the focus no matter what view we’re in or what screen we’re looking at,” Dr. Jonny Brennan says. “It’s always about the patient.”

The Brennan brothers know that when the time comes, they’ll be able to expand their practice without having to start from scratch with their software, and that provides invaluable peace of mind.

Clinicians benefit from having templates that put the information they need front and center.
“It’s easy to get the perio charting, pull up images and take notes,” Chandler says. “The templates for notes are already in the system, but you can edit however you want to. What’s great for the doctor isn’t great for my exams. I’m able to have a specific hygiene area on the templates.”

**Grow when needed**

Adding a new location is more affordable with Dentrix Ascend. Because it is cloud-based and scalable, installation costs are minimal and no servers are needed. For a new startup, upfront costs can be paralyzing. That doesn’t even consider the need to eat those costs when change becomes necessary down the road. That’s why the Brennans chose Dentrix Ascend.

“The evolution of our practice was something that we considered at the outset,” Dr. Jonny Brennan says. “We didn’t want to start with something and then have to keep changing along the way.”

“Dentrix Ascend is different from other softwares,” Dr. Elliot Brennan says. “The reason we chose it is because it helps us get where we want to be. I can access it from the cloud so I can keep a beat on the practice when I’m not here.”

**Be productive from day one**

The natural user interface in Dentrix Ascend makes it easy to use, with little or no training needed. Built-in automation for repetitive tasks improves productivity for your whole team.

“Everything is self-explanatory,” Johnson says. “If I ever feel stuck, I can click around and it answers questions for me.”

**Take advantage of accessibility**

For the dental hygiene team at Brennan Dental, it’s about accessibility. “Being cloud-based is the best thing for me,” says Misty Chandler, RDH at Brennan Dental. “I like to go out into the community and going to community events, so if I can sign people up to come see me and to get their teeth cleaned and just to talk to them, that’s probably my favorite thing.”
Being able to see the activity of any office from any location with a cloud-based system makes managing multiple practices simple. When you can access the details of any practice location and any patient from any device, you enjoy the perfect balance of control and flexibility as the practice expands.

“I’ve used different softwares that claimed to be there for iPad and iPhone,” Dr. Elliot Brennan says. “Dentrix Ascend is the best I’ve seen of a cloud-based software that I can actually pull up on my phone if I’m out to dinner and wondering if I need to be in at 6 a.m. tomorrow.”

For Smile Center of New Jersey, it’s essential to have accessibility from anywhere — and that means anywhere.

“The best thing is, [my team] can get it from home,” Dr. Rockwell says. “If they need to do some work, they don’t have to come in on the weekends. If they have a couple of hours free, they can actually work from home and not have to travel to the office. I think they really love that part.”

Nicola Hilton, the practice manager at Smile Center of New Jersey, agrees. “The accessibility anywhere and the ease of the program helps us to link all of our offices together,” she says. “We can make appointments in other offices and see what’s going on in every office so it really has set us way apart from everybody else.”

Let your intuition guide you
A multi-site practice management system should also offer a natural user interface so your practice can be more productive from day one. With intuitive software, you can avoid an awkward transition period and utilize all of the system’s functionalities from day one. That makes the practice run more efficiently, saving time for everyone, from clinicians to patients and cutting down on the amount of training necessary in the practice.

“I love how Ascend seems to have been built for a finger-touch interface,” Dr. Jonny Brennan says. “I don’t have to search through multiple menus or dialogues or different icons.”
Improve the patient experience

“Dentrix Ascend has changed the patient experience by giving us a better view for the patients,” Michaels says. “They can see everything a lot better than other systems.”

Because each practice has the same information, patients can be seen at any practice and feel at home. The team knows which procedures have been done and can pick up from where the last practice left off without pause. Patients appreciate having a “home” dental office, no matter the practice location.

“It’s a very at-ease feeling when people come in here,” Thompson says. “It’s the small things that the doctors put detail in to make people feel comfortable.”

Software drives the practice

“The software is the tool that drives the organization,” says Dr. Levin. “It provides the information and from there, strategies can be developed to improve systems with continual measurements taking place. I think the software is going to become more and more important.”

While software becomes a key component in the dental practice, those who get the most out of it will feel the most prepared for the future.

“We’re very happy with it and have no intention of changing,” Dr. Elliot Brennan says. “It’s cutting edge and growing day by day to be perfect.”

“If someone is considering Dentrix Ascend, I would tell them to go for it,” Hilton says. “I love Dentrix Ascend.”

“We are extremely happy using Dentrix Ascend,” Dr. Rockwell says. “It makes our integration between the three offices easy.”

Get the perfect balance of control and flexibility as you expand your DSO. Visit http://www.dentrixascend.com/ or call 855.232.9493 for a free demo.