

Achieving 10% Growth in Your Dental Office

Imagen Dental Partners – Guide to a Successful Dental Office

Introduction

Achieving 10% growth in a dental office is a challenging yet attainable goal that requires strategic planning, effective marketing, exceptional patient care, and operational efficiency. The Imagen portfolio of practice partnerships, now exceeding 100 offices, achieved an average growth rate of 10% across all practices in 2023.

While this may seem impressive, it is even more impressive that practices that were in their first year of partnership with Imagen had growth rates ranging from 17-35%.

How are practices that partner with Imagen Dental Partners able to achieve such tremendous growth? Many factors come into play, primarily due to Imagen's unique partnership model.

First, Imagen invests in the organization's infrastructure, anticipating the addition of new partners each year. Since 2020, Imagen Dental Partners has operated a centralized support center that provides administrative services to its partner practices. Despite growing to more than 100 partner offices in just 3.5 years, the company had already invested in headcount and infrastructure well in advance of adding any partners. Currently, over 100 support center employees offer various services, including HR, revenue cycle management (billing and insurance), accounts receivable and payable, tax planning, and more. This centralized support enables partner doctors to focus on patient care while the support center team manages the business side of the practice.

For example, partner offices receive front-desk training to increase time-of-service collections, reducing the time it takes for the office to get paid from over 25 days to just 2. This results in collection rates of over 98% for services provided, which significantly boosts overall revenue for all partner offices.

Additionally, Imagen Dental Partners is not backed by private equity (PE) funding, allowing for appropriate long-term investments that benefit partner practices. Both the organization and its partners are committed to a long-term growth plan. One of the most unique aspects of Imagen's model is that partners not only own their individual practices but also collectively own all practices through equity in the parent company. Imagen is majority-owned by its partner doctors, which fosters a collective commitment to the organization's growth.

This understanding of the economic model of Imagen Dental Partners highlights the competitive and institutional advantages the organization offers. This foundational infrastructure is crucial to its success.

The remainder of this paper outlines actionable steps doctors can take to drive growth in their own practices, even if they are not Imagen partners. By following these steps, you can cultivate a winning culture that drives success in your practice.

Assessing Current Performance. Leverage Data-Driven Decision Making

Imagen emphasizes the use of data analytics to monitor patient trends, operational efficiency, and financial performance. Independent practices can also benefit by adopting dental management software to gather insights that inform better decision-making.

The Imagen onboarding team conducts a comprehensive analysis of each office and helps establish key baselines. It's essential to assess the current state of the practice by evaluating critical growth areas such as access to care, case acceptance, hygiene fundamentals, patient retention, and collections. These are just a few areas where the partnership can focus its efforts.

Practices should also perform both cultural and financial analyses to identify potential opportunities for growth.

Financial Analysis: Review current financial statements, revenue streams, and expenses.

List baseline metrics that offices can benchmark against- Imagen benchmarks. Some industry examples are listed below. How does your office compare to the metrics below:

Key Performance Indicator	Industry Standard

Hygiene Production (of total revenue)	30-35%
Perio Treatment (of total hygiene)	30-40%
Hygiene Efficiency	25%
Hygiene Recare effectiveness:	85-90% patient retention in hygiene
Case Acceptance Perio:	80%

This provides you with a baseline to measure progress. Reporting metrics is essential. While you could measure countless variables, the goal is to identify the key metrics that matter most for your practice and remain consistent in tracking them. Avoid frequently changing what you measure.

Imagen tracks 25 key metrics, and these metrics remain consistent month after month. We do not alter them, ensuring that the same areas are measured consistently every single month.

Your goal should be to identify the metrics that are most important for your office. Track them regularly and consistently.

Patient Demographics: A Analyze patient data to better understand your target audience. Doctors often assume that increasing revenue requires marketing to attract new patients, when in reality, many practices already have sufficient patient flow. The issue is not necessarily a lack of new patients, but rather the need to reduce the outflow of existing patients and improve retention. Before embarking on any marketing efforts, it's essential to maximize patient retention. Here are some steps you can take to evaluate patient demographics:

- Conduct a survey of your existing patient base

- Ask for referrals
- Ensure that your office meets your patients' needs. For example, are you open during convenient hours and days? Should you adjust your hours—such as opening early mornings or staying open later on certain days—to accommodate patients?

**Note: Determine office retention rate. If it is below industry standard, does it make sense to spend money on marketing or focus on retaining your existing patients/new patients?*

- **Service Utilization:** Evaluate the utilization rates of the various dental services your practice offers. Assess which procedures are being performed in-house and which are being referred out. Create a detailed list of all procedures that were referred out over the past 12 months.
 - Endo
 - Implants
 - Ortho/Clear Aligner cases
 - Hygiene perio %

Calculate the total revenue lost from the procedures that were referred out. Next, assess what education or training your team needs to keep more of these procedures in-house. Alternatively, consider whether you need to bring in a partner, specialist, or associate who can manage those procedures internally. Imagen regularly evaluates its service mix and uses a combination of education, training, and the addition of appropriately trained providers to offer more procedures in-house.

Setting Clear Goals

Specific Objectives: Clearly define what 10% growth means for your practice, whether in terms of patient numbers, revenue or other key metrics.

- Identify what specific changes or improvements are necessary to achieve this 10% growth
- Is 10% realistic? Ensure your target is measurable, attainable & within a set timeframe

Time frames: Establish short-term and long-term milestones to track progress. Use the data from the previous step to determine the procedure or service mix needed to achieve the 10% growth rate. Set clear deadlines—goals should have a defined end date, such as the end of the calendar year.

Identify the specific actions the office will take to drive growth and assign responsibility for each task. Designate a responsible party for each agenda item, ensuring accountability. There should be no "passing the buck" or claiming, "this wasn't my responsibility."

- For example, your lead hygienist could be tasked with increasing the team's hourly production from \$90/hour to \$98/hour by August 1. This goal is specific, measurable, has a defined timeline, and assigns accountability to one individual for the outcome.

You can track progress by monitoring hourly production figures on a weekly basis. If the targets aren't being met, corrective actions can be implemented before the deadline.

- Avoid trying to do too much at once—focus on 1 or 2 changes at a time rather than overhauling the entire office.
- Set measurable, specific metrics with a clear timeline. Avoid setting unrealistic goals; instead, make sure they are attainable and can be tracked.
 - Example would be – we are currently doing 2 implants per month
 - Our goal in next 60 days is to do 6 implants per month
 - Person X is responsible for implementation of the plan to get to 6 implants per month
 - Here are the steps we are going to take
 - Train team on verbiage
 - Align on financing options
 - Order in-house marketing materials, etc.
 - Once a goal is set- check back regularly to see if you are on track or if modifications to the plan are needed

Imagen does exactly this with their ROMs – Regional Operational Managers – who work with each office manager to assign and track goals and create accountability. Make the process transparent so there is no doubt who is in charge of a particular initiative. This is not to cast blame – but so there is one individual who can be accountable to take the appropriate steps to create results.

Monitor and Optimize Financial Health- Imagen practices are well-managed financially, with attention to key metrics like profit margins, overhead, and revenue per patient. Independent dentists can implement similar financial systems, focusing on cash flow management, expense control, and profitability.

Invest in Continuing Education - Specifically education tied to growth plans. Many doctors will invest in CE that will not impact the growth of the office. Imagen encourages its dentists to stay up-to-date with industry trends and advancements through regular training. First and foremost, any education offered at Imagen should result in improvement of patient care. That is the primary objective of learning- take better care of the patients. In addition, education at Imagen should also help offices grow through improving quality and efficiency. Procedure mix is evaluated and education is designed to help enhance procedure mix offered in the office. Independent dentists should invest in their own and their team's professional development through workshops, conferences, and online courses. However, take caution that the education is actually beneficial to the improvement of patient care as well as to address the growth goals of the practice.

Adopt Modern Technology and Equipment - Imagen invests in state-of-the-art dental technology, such as digital radiography, CAD/CAM, and intraoral scanners. Independent dentists can invest in or lease modern equipment to provide high-quality care, improve patient outcomes, and stay competitive.

Many offices have the false perception that purchasing technology not result in a positive return on investment. Nothing could be further from the truth. From digital scanning and chairside milling, offices can significantly reduce overhead through the use of technology. An example is chairside milling. Utilizing the CEREC technology for example results in a reduction of the monthly lab percentage. According to industry sources, the average laboratory spend can be in the 8-10% range of revenues. Some of the best performing Imagen practices through the use of technology have reduced their laboratory percentages down to the 3% range resulting in significant savings.

Marketing and Outreach - Implement a Comprehensive Marketing Strategy**

Imagen invests in digital marketing, local SEO, and patient referral programs to attract new patients. Independent dentists can similarly optimize their online presence, engage in local community outreach, and encourage positive patient reviews. As discussed earlier, Prior to any marketing efforts- make sure your house is in order

- Is the new patient experience ideal?
- Is the hygiene department running optimally?

- Is recall effective?
- Are you minimizing the number of patients leaving the office?

Once all the items have been corrected, at that point consider doing external marketing to attract new patients. Here are some of the examples to help improve the marketing efforts that the Imagen in house marketing team offers to all partner offices. Ensure the marketing company you are working with is able to offer all these services as well.

- **Online Presence:** Optimize your website for search engines and ensure it is user-friendly.
- **Social media:** Utilize social media platforms to engage with current and potential patients.
- **Community Involvement:** Participate in community events and offer educational sessions.
- **Online Patient Reviews:** Imagen has a marketing team that helps to track the individual results of the marketing efforts. They will implement all the marketing needs for the practice after ensuring that the customer service experience is ideal and not causing patients to leave

Remember, there is no point in marketing for new patients if existing patients are leaving through the back door. All marketing efforts should be done after the back door to the practice is closed.

Expand Clinical Offerings - Imagen Dental Partners offers a variety of dental services, from general dentistry to specialty care. Independent dentists can consider expanding their service offerings (e.g., orthodontics, implants) to meet a wider range of patient needs.

- **New Treatments:** Introduce new dental services and treatments to attract a broader patient base.
- **Special Offers:** Provide promotions and discounts for new patients or specific treatments.
- **Loyalty Programs:** Develop programs to reward repeat patients.

Operational Efficiency - Optimize Operations for Efficiency

By streamlining scheduling, improving supply management, and automating administrative tasks, Imagen enhances its operational efficiency. Independent dentists can adopt these operational best practices to reduce downtime, manage inventory better, and enhance overall productivity. Some examples of operational efficiency are listed below:

Appointment Scheduling: Optimize appointment scheduling to reduce wait times and increase patient throughput. Imagen helps to create an ideal schedule using block scheduling for balanced days. This ensures that schedule and all chair utilization is optimized and production is constant. The ROM (Regional Office Managers) along with the office manager for the office work together to ensure an efficient and well oiled machine with regards to the schedule.

Financial Management - Offer Flexible Financial Solutions-

Providing various payment options, including financing and memberships, can increase treatment acceptance. Imagen uses a multitude of initiatives to minimize financial barriers for patients including 3rd party financing options. Independent practices can set up similar programs to ease patient concerns about costs.

Billing and Collections: Ensure efficient billing processes and follow-up on collections.

- Focus on time-of-service collection - Increase the baseline threshold for service collection times to enhance cash flow.
- Imagen has successfully improved collection times by over 170% as this has a material impact on cash flow and revenue
- Raise collection rates from 95% to 98%. Achieving a 3% increase on a \$1 million practice can add \$30,000 to the bottom line. Some of the steps you can take to improve collection rates are the following
 - Establish a process for following up on outstanding claims and patient balances.
 - Escalate overdue patient accounts to collections after multiple attempts and statements.
 - Provide third-party financing options instead of in-house payment plans.
- Digital patient statements
 - Allow patients to make payments when they are away from the office

Regardless of the services offered, each office should ensure they are doing all they can to help improve time of service collections. By increasing time of service collections, not only is cash flow improved, but aging balances are minimized.

Patient Retention - Focus on Patient Experience**

Imagen ensures a seamless patient experience through modernized systems and patient-focused care. Independent dentists can enhance patient satisfaction with online booking,

reminder systems, and personalized follow-ups. To help improve patient retention, some of the steps the offices and the Imagen marketing team take include the following:

- **Follow-Up:** Implement a system for regular follow-up with patients to ensure ongoing care.
- **Engagement:** Keep patients engaged through newsletters, reminders, and educational content.
- **Referrals:** Encourage satisfied patients to refer friends and family. It is much more effective to have your existing patients refer to other patients than spend an inordinate amount of time and money on external marketing.

Holistic Team Approach - Aligning the entire team's messaging around comprehensive patient care can drive more revenue. Happier, healthier patients lead to a more satisfied team and improved financial performance.

- **Accountability and Responsibility:** Each team member should clearly understand their role and its impact on patient care and overall revenue
- **Investment in Partners, and Associate Doctors:** By investing in our doctors, we can add additional services. Understanding their clinical autonomy, passions, and goals allows us to offer CE, hands-on experience, and mentorship. This supports the growth initiative and enhances our clinical skill set year after year and supports retention.

Conclusion

Imagen fosters a culture of collaboration and continuous education for its teams. Independent dentists can also enhance practice efficiency and morale by focusing on team-building initiatives, leadership development, and ongoing staff training.

Achieving 10% growth in a dental office requires a multi-faceted approach that includes strategic planning, patient care, marketing, and operational efficiency. By concentrating on these key areas, you can set your practice on a path toward sustainable growth and success.

Imagen Dental Partners has spent years refining its model to ensure that all partner practices benefit from collective expertise and resources. Achieving an average of 10% growth is no accident; it is the result of deliberate planning and strategic investments in the right areas to ensure financial success for partner practices.

If you would like to learn more about Imagen's unique business model, which creates the most economically aligned group in dentistry, please visit www.imagendentalpartners.com.