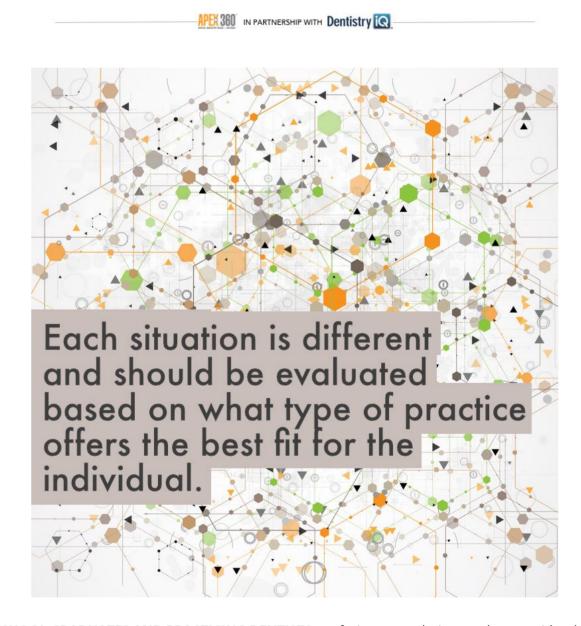


What to consider before joining a corporate dental practice

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DENTAL SCHOOL GRADUATES AND PRACTICING DENTISTS are facing more choices as they consider the kind of practice in which they want to work.

Many consider joining or opening dental practices operated by one to a few practitioners. Others consider joining a branch office of a <u>corporate</u> <u>dental practice</u> employing a larger roster of practitioners.

Each situation is different and should be evaluated based on what type of practice offers the best fit for the individual. However, many corporate dental practices have common advantages and disadvantages.

Advantages of joining a corporate dental practice

- **Help with administrative tasks:** A management company handles administrative tasks such as compliance, accounting, billing, payroll, HR, recruiting, marketing, and patient scheduling, allowing the dentist to focus on the practice of dentistry. The administrative tasks in a solo practice can account for a third or more of a dentist's time each day.
- Consistent pay and benefits: Typically, corporate practices provide a consistent paycheck, along with a higher initial salary, benefits, and a bonus package.
- Consistent work schedule: Regular business hours of corporate practices can allow for a healthy work-life balance.
- Less risk: There is limited risk of loss if the practice fails. The dentist does not sign loan guarantees.
- **Managing overhead:** A management company provides support for the purchase of supplies, equipment, and technology. The company also handles property management and maintenance, insurance, and the negotiation and payment of laboratory services.
- More technology and marketing: Corporate practices have larger technology and marketing budgets and can be willing to spend more on upgrading technology and on marketing to attract more patients.
- Advantages of scale: Larger corporate entities have more leverage to negotiate lower costs for supplies, insurance and services, and higher reimbursement rates from insurance providers and third-party payers.
- More insurance coverage: Corporate practices may qualify for more types of insurers and covered services than smaller practices, increasing the pool of potential patients.
- Access to peer network: Corporate practices have an established collection of similarly situated professionals for education and case discussion.
- Benefit of a recognized brand: Practitioners may benefit from brand recognition and the goodwill of the corporate entity.

Disadvantages of joining a corporate dental practice

- **Tighter schedules:** A corporate practice can be more oriented toward the bottom line, leading to overscheduled workdays with a high volume of patients. Time to spend with each patient to consider treatments or recommendations may be reduced.
- Less freedom: In corporate practices, dentists work for a third party and might have less control over individual scheduling.
- Quotas to be met: Dentists might have daily, weekly, or monthly production or sales quotas for patients or procedures, such as exams, crowns, or root canals.
- Narrower practice: Dentists might have less flexibility to take on different procedures or specialties based on company treatment policies.
- Limits on referrals: A corporate practice might emphasize referrals to related company specialists.
- Corporate ownership: Dentists might not have access to patient records after leaving the practice.
- Not your own boss: When a dentist is an employee, he or she is not learning how to run a small business or gaining the skills to become independent.
- **No choice on vendors:** In corporate practices, dentists might not be able to choose providers and suppliers, such as lab services and equipment providers, which may be selected for the lowest bid rather than for quality.
- Stigma of corporate practice: Corporate dentistry practices may be perceived as prioritizing profit over providing quality care.

• No practice equity: Typically, dentists in corporate practices are employees, so there is no opportunity for profit from the success of the practice.

In deciding whether a corporate dental practice opportunity is a good fit, ask questions and gather as much information as you can by talking with office employees. Don't be reticent to ask who creates and changes treatment plans, who is responsible for treatment plans, and what authority you possess to disagree with or change the treatment plan.

A few other questions to consider asking about day-to-day processes

How are patients and types of treatments assigned among practitioners? How are on-call and after-hours duties assigned and handled? What does the practice consider in evaluating your work, and how often are evaluations and feedback provided? Who will make staffing decisions, what are the protocols for these decisions, and what input will you have, if any? What are expectations regarding productivity, patient volume, and revenue? What formulas are used for dentist compensation, and how does production affect compensation?

Ask about vendors and suppliers to the practice. Who chooses vendors and suppliers, and are there limitations on supplies? Similarly, ask about dental laboratories used by the practice. Who chooses the labs, and are there limitations on lab usage? How are lab costs accounted for and allocated? Ask whether patient records or copies may be available to you in the event your employment ends. Make sure that you understand any noncompete or nonsolicitation provisions you may have in your employment contract.

Finally, you should learn everything you can about the owner of the business and professional entity and governance structure. Consult with other dentists, attorneys, and/or accountants. Think about what career you are seeking—for now and for the future—and whether you are comfortable with third-party control over your treatment decisions. You are the professional dentist, so ultimately you are responsible for the treatment and ethical decisions you make.

Once you have made a choice, be confident in your analysis and decision and move forward. Remember, you are not perpetually bound to either corporate dentistry or to an independent practice if your first choice does not work out as well as you hope.



Editor's note: This article first appeared in the <u>Apex360</u> e-newsletter. Apex360 is a <u>DentistryIQ</u> partner publication for dental practitioners and members of the dental industry. Its goal is to provide timely dental information and present it in meaningful context, empowering those in the dental space to make better business decisions. Subscribe to the <u>Apex360</u> e-newsletter <u>here</u>.



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