How has the economy affected your orthodontic practice?

By Roger P. Levin, DDS

In this economy it is easy to be pessimistic. But forget the gloom and doom. Orthodontists are well positioned to grow now and down the road as the economy improves.

Where does your ortho practice stand? To get the most accurate snapshot of your practice in the midst of the current economy, it is necessary to examine your 2008 numbers against those from 2007.

What is happening in your practice?

Levin Group has encountered many ortho practices with declines of 5 percent, 10 percent or more when comparing 2008 to 2007 production numbers. Some practices are flat, and their owners consider themselves lucky.

While the economy is clearly a factor in these disappointing numbers, it’s not the only factor. In a good economy, many ortho practices can get by with outdated systems because, despite bottlenecks and high stress, the office continues to grow. However, a slow economy takes a particularly high toll on practices with outdated systems. Often, production declines further than necessary and overhead increases as well, simply due to ineffective systems.

Remarkably, offices that have excellent systems in place can actually grow. Practices enrolled in Levin Group’s Total Ortho Success™ management and marketing programs are among those increasing production at this very moment.

How are your starts?

If you are like most practices, your 2008 starts went down from 2007. Your treatment closure rates probably declined as well. According to the “2009 Levin Group Ortho Trends Advisor,” GP production is down because hygiene appointments are being cancelled by patients looking to cut back on spending. GPs who normally would be more than happy to refer ortho patients are doing more ortho treatment as a way to make up for lost production.

In a down economy, many practices are encountering an increasing number of patients/parents who are resisting ortho treatment. For these patients, there is a prevailing attitude of, “I’ll wait until things get better before I agree to treatment.”

How can you combat the issue of fewer starts? Levin Group recommends:

• Quantify your referral marketing efforts.
• Strengthen relationships with referring GPs.
• Develop new case presentation techniques for your treatment coordinator.
• Offer flexible payment options with a 99 percent collection rate.

Know your referrals?

Have referrals decreased across the board from 2007 to 2008 in your practice? In truth, many orthodontists would have difficulty giving a firm answer to this question.

Too many orthodontists have only a vague sense of who refers to them and in what numbers. In a down economy, you have to know a great deal about your referring doctors. To achieve this, Levin Group’s Science of Referral Marketing” teaches clients the necessity of segmenting referring doctors. Segmenting your referral base requires that doctors are designated as follows:

• “A” doctors — top referral sources: Never lose an “A” doctor. One “A” doctor can bring in $100,000 a year or more.

Dr. Roger P. Levin is founder and chief executive officer of Levin Group, Inc., the leading orthodontic practice management firm. Levin Group provides Total Ortho Success™, the premier comprehensive consulting solution for lifetime success to orthodontists in the United States and around the world. A third-generation dentist, Dr. Levin is one of the profession’s most sought-after speakers, bringing his Total Ortho Success Seminars to thousands of orthodontists and ortho professionals each year. For more than two decades, Dr. Levin and Levin Group have been dedicated to improving the lives of orthodontists. Levin Group may be reached at (888) 975-0000 and customerservice@levingroup.com.