The current economy is having a negative impact on nearly every industry and profession, including orthodontics. Starts are down for nearly three out of five orthodontists (59 percent), according to a recent study by the American Association of Orthodontists.1 Other troubling trends include:

- Nearly half of surveyed orthodontists said collections declined.
- Net income decreased for 55 percent of responding doctors.
- 43 percent have postponed the purchase of significant equipment or technology.
- 31 percent said they had pushed back retirement to later than originally planned.

Fortunately, not all is doom and gloom. Some orthodontists (21 percent) are seeing increased starts since January 2008, and 25 percent are experiencing an upswing in income. Even in a difficult economic environment, these orthodontists’ offices are finding a way to grow.

**Overcoming the ‘shopper’ mentality**

In today’s consumer society, orthodontics is often viewed as a commodity, differentiated more on price than on value. To parents in this frame of mind, orthodontic practices are more or less interchangeable. Parents will often seek out the least expensive orthodontic care to achieve what they think will be the same result as the pricier options. Due to this mentality, orthodontic care is now being differentiated by one criterion alone — cost.

In this economy, orthodontists must recognize that practice success depends on offering the right financial options. The majority of orthodontic practices rely on some variation of an in-house payment plan as the main financial option. As the economy continues to sputter along, many parents/patients may have difficulty coming up with the initial down payment (usually around 25 percent) of the projected treatment cost. Levin Group recommends that orthodontic practices offer several financial options, including outside financing, so patients/parents can choose the one that best fits their needs.

**An option that works for patients and practices**

Patient financing is increasingly popular in general practices and other specialties. An outside financing company approves the parent or patient for a line of credit or a loan. These approvals can be achieved today within approximately five minutes by phone or through the Internet.

While orthodontic practices may not want to absorb the processing fee to provide patient financing, some patients cannot accept treatment otherwise. The true benefit to patients is that they do not have to come up with a down payment and can extend their payments beyond the actual treatment time, if needed. Levin Group’s orthodontic clients are finding increased success by offering outside financing to prospective patients.

**Conclusion**

Your orthodontic practice is the best investment you ever made. Maximize that investment by offering patients several financial options. That way more parents/patients can say “yes” to orthodontic treatment. In today’s debt- and credit-oriented world, orthodontic practices must begin to think along the lines of other businesses. Those that do will experience significant growth, higher production and increased profitability.

Ortho Tribune readers are entitled to receive a 20 percent courtesy on Dr. Roger Levin’s next Total Ortho Success™ Seminar being held Oct. 8-9 in Cambridge, Mass. To receive this courtesy, call (888) 973-0000 and mention “Ortho Tribune” or e-mail customerservice@levingroup.com with “Ortho Tribune Courtesy” in the subject line.

---