

The Profitable Dentist

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There IS a Way Out.

How Successful Dentists Eliminate Debt, Long Hours and Sleepless Nights.

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NEXTLEVEL
PRACTICE

Almost all of the practices that I have had the privilege of working with over the past 14 years do not support the lifestyles that dentists and their teams deserve.

The smart, caring and dedicated men and women of dentistry no longer have to suffer from the ongoing, reoccurring challenges that exist in everyday practice. It is amazing to hear spouses sharing how hard their partners are working and yet they sit on a pile of debt and live paycheck to paycheck. And sometimes they're not even able to cash the paycheck at all.

How can this be? You are highly educated. You are in one of the highest paying career categories. You gross over a million dollars. Where the heck does it all go?

You got into dentistry to live a great lifestyle – provide for your family, send your kids to the best school while having the time to hunt, fish, golf and travel. Oh yeah, save for the day you hang your loops for the last time. I used to think the statistic that only four percent of all dentists retire financially free was over exaggerated but after several years of looking at dental financial statements I believe it.

It doesn't have to be this way. I have countless clients who had gotten sick and tired of it and found themselves faced with a choice.

Now is your time. Let's go. Your someday has come. Suffering in dentistry is optional, not necessary.

When you think about it, you were not set up to win. You walked out of dental school to a six figure debt load. Then you added another six figure debt to set up and open your doors.

Let's talk about getting you into the black and in a powerful financial position.

You are sitting on an oil well. You just need to know how to drill down and capture the wealth. It is not as hard as you may have been making it out to be. Most of the time, it is right in front of you. You just need to know how to get it.

There are three primary ways to grow a practice – acquiring new patients, patient retention and increasing annual dollar value of each patient.

Let's do some quick numbers. Say you have 2,000 patients. Your practice management consultant should be able to get you to 80% patient retention (most of our clients start out at a 42% average). This means you have 1,600 active patients to work with. Let's say you get \$75 per prophylaxis and average two hygiene visits per year. That's a total of \$150 for hygiene and with a team case acceptance system in place you can easily average one crown per patient per year, charging \$850. The average annual value of a patient is \$1,000 and when multiplying this number by 1,600 patients you have the conservative potential of a \$1.6 million dollar practice.

This will take care of that debt, the home theater, a few semesters at Princeton and that trip your spouse so deserves.

There's something magical that happens to your profitability when you increase your practice by \$30, \$40 or \$50k a month with similar fixed costs. This is where the rubber meets the road. The rung above your current production is where your stress melts, your mailbox gets filled with vultures offering you credit, your team is happy because you can afford to pay them more (and you are not so grouchy), and you and your family are living the lifestyle you had once envisioned.

Stop spending so much time stepping over dollars to get to pennies. Focus your attention on retention and annual value of a patient. You can control those. At NextLevel Practice most of our established clients only need one new patient per day to balance natural attrition. Build a solid infrastructure. Stop blaming your team – 90% of team members have the right intention. They really care. They just have an inefficient business model with which to work. Imagine having to work with a broken handpiece. You're a great dentist, but if you do not have the right tools your job is a nightmare.

Now let's handle the debt trap. There is a phenomenon that happens with money – ever notice that your expenses rise to meet your increased income? If you do not set up an automated plan to pay off your debt, you will be stuck on the debt treadmill with no off switch.

Here is my debt elimination game plan. This is of course after you have implemented your patient retention and team case acceptance systems resulting in at least a \$30k plus increase per month. The profit on that \$30k plus increase is upwards of 70%. That's approximately \$21,000 per month to build up a three-month cash flow cushion, pay off debt and set aside cash into a wealth acceleration account for fun, retirement and schooling.

The key to this is monitoring and disbursing your money on a monthly basis. Set an appointment with your accountant the first week of every month to review and disburse your money. Invite your significant other so he/she knows what's happening.

We are in the diamond age of dentistry. There are countless ways to build your net worth. It all starts with your self worth. If you truly believe in yourself and your abilities, the only missing element is to understand how to max-out your biggest asset – your practice. Stop investing in things that are out of your control – like the stock market and start investing in You, Inc.

You deserve to have it all in practice and life. It really is just a matter of choice. The world is an abundant place and there are plenty of unhealthy mouths that need your attention. If you are sick and tired of where you are, there is a way out.