



SEE FAR into the Numbers To Manage Patients and Maximize Profitability

Vijay Sikka
Founder and CEO

INTRODUCTION

Two major influencers on our survival in today's retail healthcare environment are 1) how we manage to attract and retain patients and 2) how we refine our processes to maximize our profitability. Sikka has over 28,000 dental practice installations and over 7,000 more across animal health, optometry, chiropractic and others. We have been studying how to achieve proficiency in both of the above-mentioned influencers for many years. This article speaks about those influencers and also where there is opportunity and growth.

I have spoken at several meetings in both USA and Canada based on our experience with the aforementioned more than 35,000 total installations. This paper will share with you what you can do remove obstacles and clear line of sight to patients and profitability.

We refer to these as “SEE FAR” principles:



“SEE FAR” PRINCIPLES



Streamline your connections with your patients

Enhance your patient loyalty

Empower your team with information tools to improve service

Focus on profitability with your patients

Accelerate return on investment in people, products and processes

Reduce cost of doing business through better benchmarking

1

STREAMLINE YOUR CONNECTIONS WITH YOUR PATIENTS

From the time a patient calls your office – or even earlier, when they see your ad or look you up on a search page or hear about you from a friend – you have started communicating with them. You should manage and improve this connection through what we call “meaningful interaction.”

Meaningful interaction is not just about scheduling an appointment. It goes into reviewing treatment plans, statements, insurance claim payments and balances, and viewing their health history or x-rays online. Let's face it, how many of your customers want to do this using Facebook? Would you be willing to put your confidential information on a social network? My answer, if you haven't guessed it, is a forceful NO!

So when it comes to maybe scheduling an appointment, they may send a request using a social network or a patient communication application and maybe they will click on your advertisement, but when it comes to meaningfully being connected to you, the best solution is a patient portal like the one provided by sikkasoft.com/PatientHomePage. This service seamlessly integrates with your practice management system and securely connects your patients to you. What do you have to do to maintain this connection? Nothing, really!! Since the connection with your practice management system is automatic, you just control with one click what information should be visible to them and the rest is done for you. Research studies by Athenahealth and others have indicated that, on average, an office may end up saving over \$2,800 per month by harnessing patient portal capabilities.

2

ENHANCE YOUR PATIENT LOYALTY

Why does a patient leave your practice? There are 3 major reasons a patient leaves your practice and doesn't come back.

- A. They have passed away.
- B. They have moved.
- C. They were not happy with the last visit they had in your office.

Maybe it was an interaction with your team member or the environment or something related to billing. A fourth reason is that the insurance company changed and you are not a registered provider of that insurance company. However, this is a smaller reason. You could also use tools that reward your patients for continuing to visit your practice for their periodic exam or hygiene appointments. Enhancing patient loyalty is a very detailed topic and we are happy to provide you with tools and more information if you are interested.

3

EMPOWER YOUR TEAM WITH INFORMATION TOOLS TO IMPROVE SERVICE

Through the use of technology and effective tools, including your practice management system or Practice Optimizer® by Sikka, start managing by numbers and give control to your team members so they can help you improve your customer service and profitability. Effective control mechanisms include morning meetings and profit/loss tracking, along with utilizing clinical and business dashboards and benchmarks. You also should know how other dentists in your peer group are handling their business and their clinical standard of care. What if you had all this information available to you in realtime?

Visit sikkasoft.com to get free realtime benchmarking results.

4

FOCUS ON PROFITABILITY WITH YOUR PATIENTS

Get a zip code-level comparison metric for other dentists in your area. Remember, it is your profitability that has to be maximized – not your fees. So it is not about putting your fees to the 95th percentile or adding fixed dollars to your fees. It is about understanding how your fees are contributing to your profitability. If you just take a raw graph of how much production you have for each procedure, you are looking at only a partial picture. Sikka offers fee schedules for over 42,000 zip codes at the following site: sikkasoft.com/FeeSurveyforDentistry. Furthermore, the pandemic of 2020 has changed everything, not least of all fee schedules. This has a "domino effect" on profitability, in turn, so we highly recommend that our dentist customers and team members update their fees without delay.

5

ACCELERATE RETURN ON INVESTMENT IN PEOPLE, PRODUCTS, AND PROCESSES

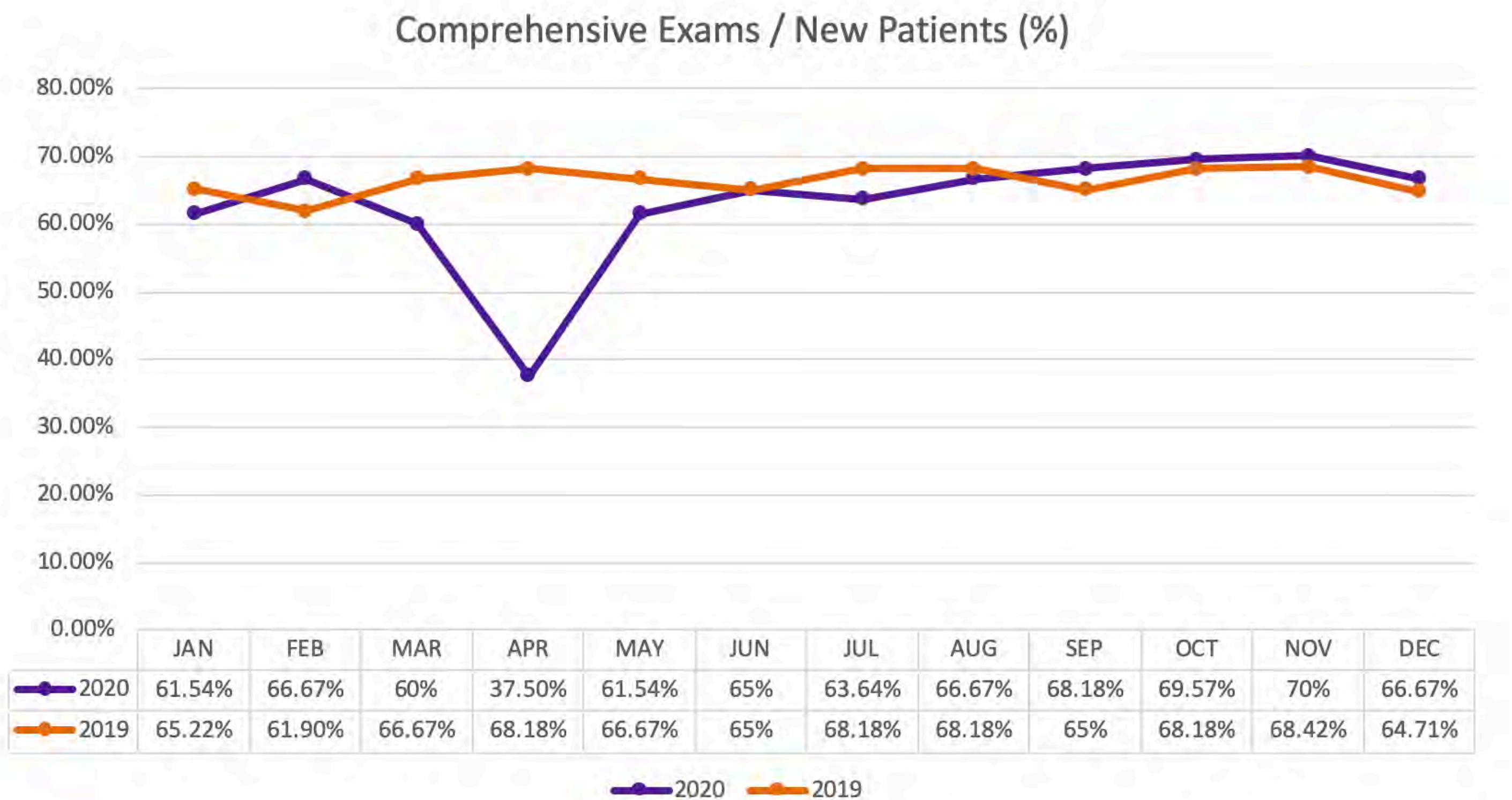
Return on Investment (ROI) is one of the most exploited phrases in the dental industry today. Let me first share the definition of ROI. This is from my 2005 book “**Maximizing ROI on Software Development**,” [available on Amazon](#) and other retailers and as a Kindle eBook. ROI is the (production – cost) / cost x 100. ROI is measured in percentage and should be applied to procedures, marketing and forecasting calculations. Let's take an example: if you run a Google Ads campaign, whenever a patient comes to your practice as a result of that campaign, you should make sure that your team members enter that information into the practice management system as “referred by.” Also make sure that you record the cost of the campaign into your financial system such as Quickbooks or Simply Accounting or Peachtree, etc. Next you can use a tool such as Practice Optimizer® to give you an actual ROI based on dynamic time periods and any range vis-à-vis production and costs.

This powerful analysis can uncover good marketing vehicles for your practice and also help your team improve their tracking.

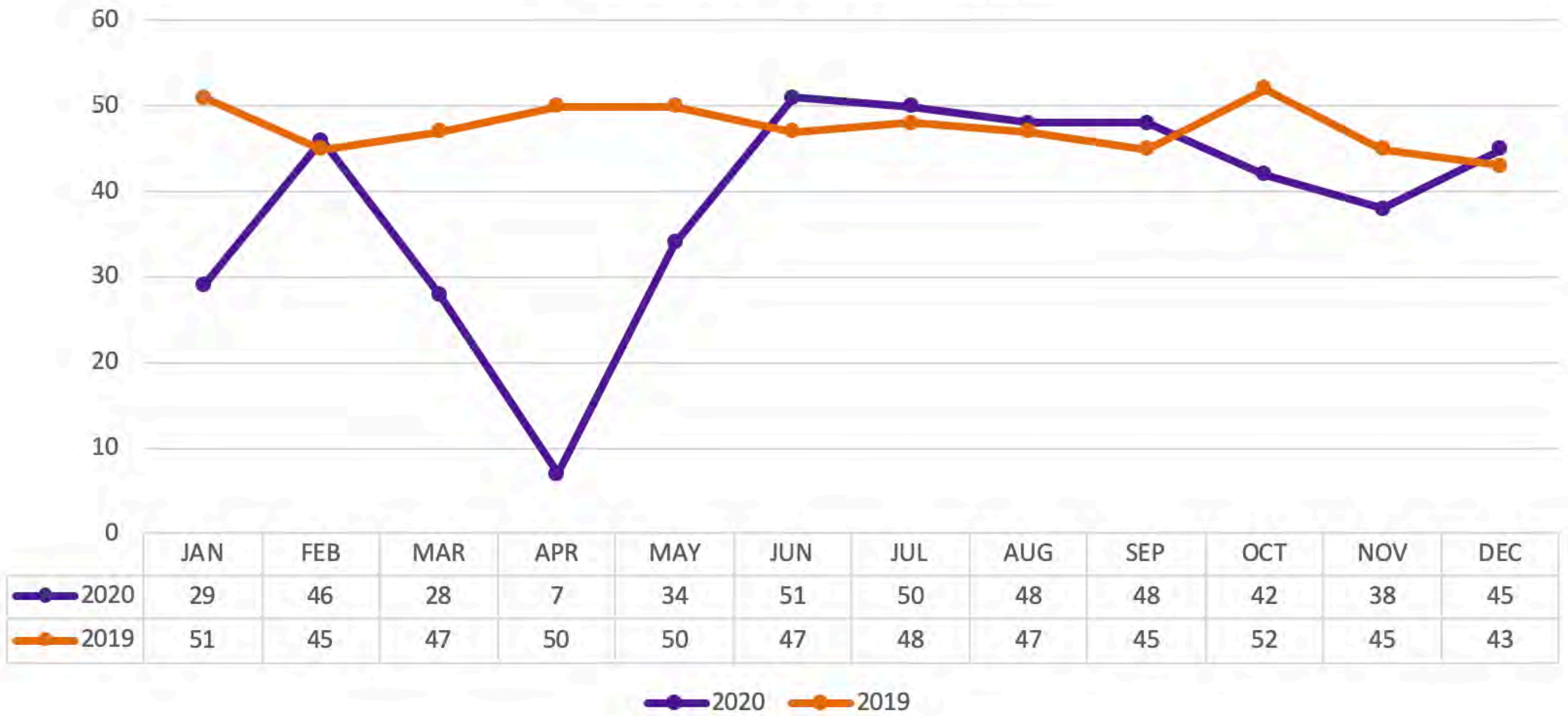
REDUCE COST OF DOING BUSINESS THROUGH BETTER BENCHMARKING

Clinical benchmarking and business benchmarking are essential tools for dentists and teams who usually work in isolation and do not have comparisons available to help them improve performance. Reducing costs using better benchmarking is possible by identifying areas of improvement and opportunity. As an example, if your hygienist is paid based on a ratio of production or collection that is great, but if he is paid fixed salary based on an 8 hour day, you could benchmark him with his peer group and see where he is tracking on production. If he is at 25% of his peer group on production, then you should discuss this with him as an improvement and cost-reduction area.

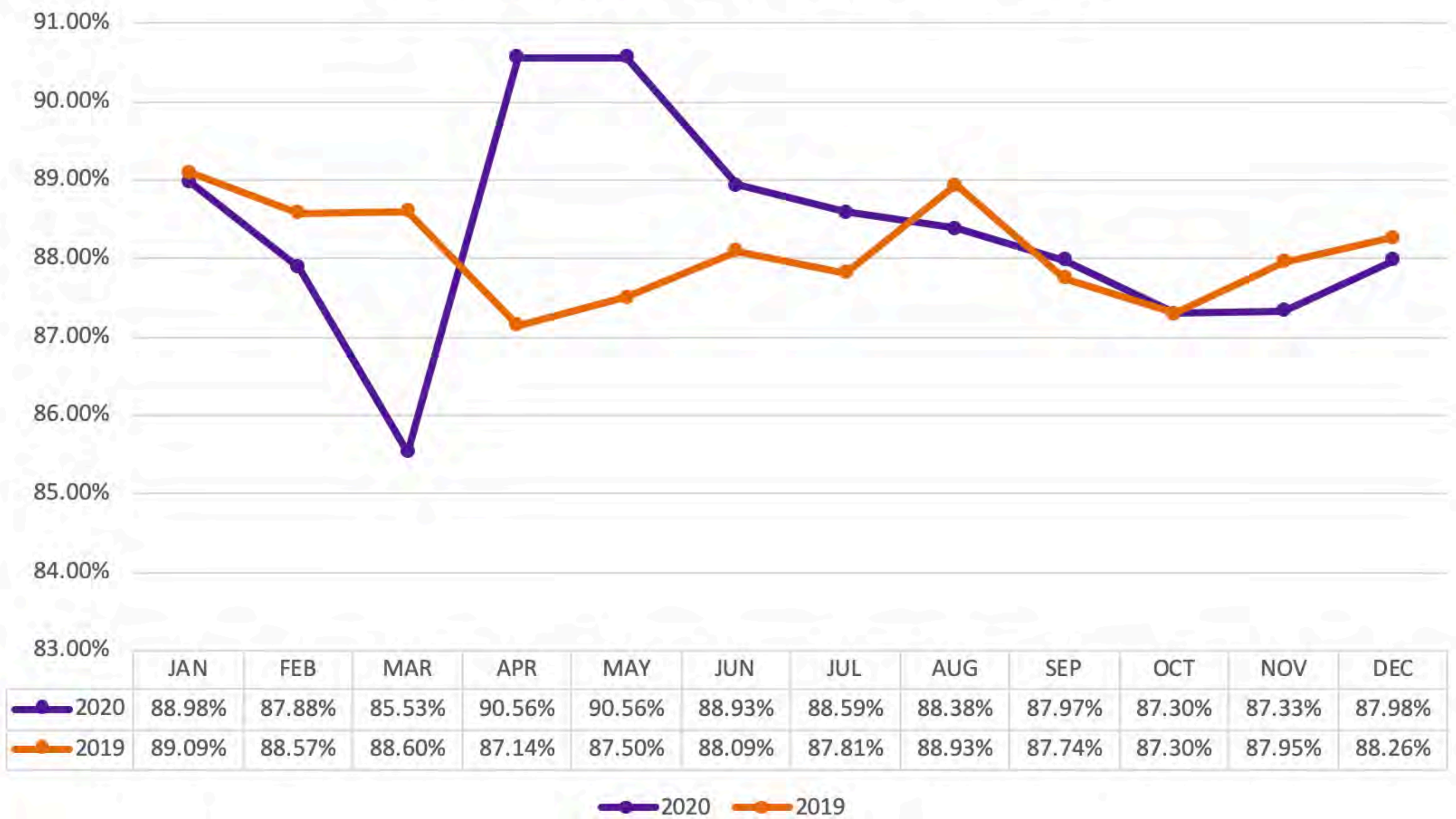
Let's look at some clinical and business benchmarking trends for the full years of 2020 and 2019. Comprehensive exams to new patients (expressed as a percentage) was trending downwards in December of 2020. Considering the hard drop in March of 2020 due to practices being closed for a six-week period, it is a blessing that the industry has recovered very nicely. Hygiene reappointments had dropped sharply in October and November of 2020 but recovered in December 2020. That is another silver lining in the future schedule and production opportunities for dental practices.



Hygiene Reappointments (#)



Doctors Net Production to Gross Production (%)





Vijay Sikka
Founder and CEO
Sikka

Vijay Sikka is the Founder, Chairman and Chief Executive Officer of Sikka Software Corporation. Under his leadership, Sikka Software has grown from a start-up to have over 35,000 practice installations and 120m patients on its platform for healthcare on the demand side and over 50 companies which have built applications on the supply side. Prior to Sikka Software, Vijay has worked in Artificial Intelligence and decision systems for more than 25 years of experience with large scale projects at Intel Corporation, National Institutes of Health, Glaxo Smith Kline, Roche and UCSF affiliates. In 1996, Vijay founded IBrain Software, Inc. that used to compete with Informatica, Hyperion and Cognos and served as its CEO until its acquisition in 1998 by Entigen Corporation, a healthcare information company that later became part of Roche. After that Vijay co-founded Bodha.com that was acquired by Peregrine Systems/Remedy that later became part of BMC Software. Vijay holds an M.S. degree in EE and AI from Syracuse University, New York, pursued doctoral studies in neurosciences at Stanford University (incomplete Ph.D), and is a Registered Continuing Education Provider in California. He is a frequent speaker at big data, AI, healthcare, technology and quality meetings. Vijay's book on Maximizing ROI on Software Development was published by Taylor and Francis International and earns him a proud royalty check every few months.

Vijay was invited keynote speaker at the Digital Health World Conferences in 2019 and 2020, AI Global Forum 2020 and Biohacking Congress in London in 2020. He has published and presented in many artificial intelligence and neural network meetings and conferences including the International Joint Conference on Neural Networks, SPIE, IEEE, AAI and CHMT, and the precursor of NeurIPS.