

Maintaining and growing a dental plan base

Practice Plan's Nigel Jones explains how to maintain it and make it grow.

For those people seeking an overview of the financial dynamics of the dental industry in the UK, I can heartily recommend Laing and Buisson's Dentistry UK Market Report 2011. Written by someone with a genuine understanding of the market, this is more than a simple cut and paste of other people's research and contains a plethora of useful insights and statistics.



Of particular interest is the increase in demand of dental plans by 80% in the period 2004-2009 inclusive, as measured by the number of subscribers. However, another statistic that featured quite heavily in some of the headlines surrounding the release of the report, concerned the close to 3% reduction in overall patients registered on dental plans in the last two years of that period.

On the face of it, that of course makes sense. We were well in to a new NHS dental contract and in the middle of a major recession, of course more people would look to cancel their Direct Debits in times of economic hardship, wouldn't they? Well, actually, if the experience of Practice Plan is anything to go by, no.

Every month, there is always a level of cancellations from any plan as people change their circumstances by changing job, switching banks, moving house, etc... Nonetheless, Practice Plan's key performance indicators show that in respect of patients on maintenance plans, that overall level has remained completely unchanged in the past two years.

Of course, there can be localised exceptions to this, where a PCT has opened up a brand new NHS practice in close proximity to a practice with a high plan base. However, overall, the number of patients cancelling their dental plan Direct Debits each month has most definitely not increased for Practice Plan and probably not for other plan providers either.

Why should this be? Well, it's hard to be sure but it could well be connected to the idea that at times when money is stretched, the ability to spread the costs of examinations and hygienists, and to soften the impact of any treatment requirements, actually becomes more important not less. It could also be true to say that the typical monthly cost of a maintenance plan doesn't exactly leap out of a bank statement being reviewed for opportunities to save money.

But, that still leaves the question of how such statistics can be squared with the overall reduction in plan subscribers reported by Laing and Buisson?

For practices that have been through an NHS conversion and have largely stabilised, their main source of new plan patients to replace those cancelling for all the typical reasons given above, are completely new patients to the practice. The challenge for many private practices, not just those using dental plans, is their ability to persuade such patients to contact the practice and then to turn them into the kind of regular attendee that will be attracted to the idea of membership to the practice.

Consequently, much of the focus of the way Practice Plan works with practices, is to help them with sales and marketing initiatives to tackle the challenge of attracting more potential plan patients. Yes, that can involve looking at creative ways of raising awareness of the practice in the local area and generating more enquiries using a variety of methods, ranging from websites to referral cards. But it can also involve something much more mundane but nonetheless important – processes and their measurement.

The first step is often to map out the process through which a new patient starts off as an enquiry and is eventually offered the chance to become a member of the practice via a dental plan. It's not rocket science but the key stages could be considered to be the initial contact with the practice; the booking of an appointment, the keeping of that appointment, the take up of any proposed treatment plans and finally, the take up of the offer to join a membership plan.

Focus and energy are needed in adhering to this process religiously so as to imbed it in the practice's daily routine and make it habitual, not just a good idea that falls in to disrepair after a few days or weeks. If your objective is to maintain or even increase your plan patient base, you need to know with confidence that every new patient has been offered the chance to become a member of the practice, not just those to whom, by chance, the treatment coordinator or receptionist remembered to mention it.

Consistent application of the process can then be combined with measurement of the effectiveness of each stage. For a profession that often assesses its clinical performance in microns, measurement of core business processes is often very crude or non-existent. True, more and more practices are recording the sources of any enquiries to the practice but that's often where it stops.

To give a simplistic but very real example of the dangers this creates, I was recently working with a practice that seemed to be able to justify its presence in Yellow Pages through the very reasonable share of all new patient enquiries it prompted. The problem was that none of these enquiries turned in to paying patients, but the practice team hadn't tracked that so were misleading themselves about the value of Yellow Pages.

That probably seems an obvious error, but relatively few practices are able to answer questions about the monthly proportion of patient enquiries, by source, that go on to attend an appointment. Even fewer are able to easily identify treatment or membership plan acceptance rates by new patients. And yet without these measures, how can you tell whether a lack of potential new plan patients is down to insufficient initial enquiries requiring a marketing solution or an issue with the skills of your reception team at converting enquiries to appointments? How could you identify if the problem is that the plan offers insufficient value for money compared to pay-as-you-go fees, or simply that the correct process is not being followed such that the offer of membership is not being routinely made?

The benefits that come with membership plans of patient retention, regular patient attendance and the securing of cashflow remain undiminished and, if the number of private practices approaching Practice Plan is anything to go by, have perhaps grown in relevance in these difficult economic times. Maintaining or growing a dental plan base can, therefore, be an important part of a practice's business strategy and for many, the key can be less about worrying about cancellation rates and more about applying greater discipline to the adherence to and measurement of the processes for acquiring new patients.

