

Dental PRODUCT SHOPPER

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for Product Evaluations and Information

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DENTSPLY SIRONA CLARITY & CONTROL

*Dr. Conte enjoys enhanced
diagnostics and greater
treatment acceptance with
the Schick 33 sensor.*



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More choices,
streamlined
workflow

**ITERO ELEMENT 2 &
ITERO ELEMENT FLEX**

ALIGN TECHNOLOGY

P.14



Easily identify
contact points

SPOTIT

DIRECTA DENTAL

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Protection,
comfort, & less
hand fatigue

**ELASTEX 2 NYTRILE
GLOVES**

GLOVE CLUB

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Exceptional
esthetics &
sculptability

TPH SPECTRA ST

DENTSPLY SIRONA
RESTORATIVE

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Are You Unknowingly Delaying Retirement?



While most practicing dentists plan to eventually retire, many may be unaware of the everyday business practices that can work against their well-thought-out plans. As a practice owner, it's imperative to pay attention to your agreements and relationships with third-party service providers, whose practices can quickly reduce your bottom line and postpone your retirement.

Noncompetitive Financial Services Fees

One of the costliest financial setbacks a practice can face are the exorbitant fees charged by financial service firms. While credit card processing fees are the most prevalent—with approximately 93% of dentists overpaying for credit card processing without knowing it—checking accounts, deposits, payroll, equipment financing or leasing, and practice-related loans are also susceptible to high charges. When it comes to transaction processing, the primary issue is a lack of competitive options. For example, if your practice management system offers limited to no processing options, you're most likely in a noncompetitive relationship.

Another problem is with transparency. Only one type of processing plan—interchange cost plus—allows dental practices to see the true markup in their processing costs. With this model, the markup percentage does not change regardless of how you process the transaction or which type of card is used. Although this type of arrangement can save dental practices 30% to 35% per year, fewer than 10% of companies are on these plans. This means that significant potential savings are being lost.

Automatic Renewal Provisions

So, you're fully aware that you're under a 3-year contract with a service provider, but what about the renewal process? Some agreements include automatic renewal provisions that require cancellation notices within a limited window of time. They tell you, "You can't cancel now, but

you must let us know not more than 90 days prior to the end of your agreement, and not less than 60 days." How many practices have calendars with checklists on who they need to notify and when to cancel their agreement?

Fee Change Notices and Termination Fees

If you read the fine print in some contracts, the provider reserves the right to change the fee with only 30 days' written notice. As you can imagine, this fee change is typically an increase, and they are easy to miss because they're often only listed in the small print on your monthly statement.

Another disturbing problem is with early termination fees (ETFs). Wouldn't it be fair if the amount of your ETF varied based on how far into the term you were when trying to leave? Unfortunately, that's usually not the case. For example, a customer who wants to cancel a 36-month contract after 34 months of service would probably owe the same amount as someone canceling after 2 months.

The Bottom Line

Dental practitioners need to pay attention to their agreements and relationships with third-party service providers, which can be surprisingly unfair and inequitable—especially when ETFs are involved. Without close attention, your practice might be forced into the difficult situation of either putting up with high pricing and poor service or paying a ridiculous opt-out fee. That certainly doesn't bode well for retirement.

Alex Sadusky is the CEO of Dental Card Services Alliance, LLC, which he co-founded in 2009. He previously served in various roles at Dentsply Sirona, responsible for corporate strategy and business development, specialty markets such as dental support organizations, and strategic projects. He also has 15 years of experience working in investment banking, venture capital, private equity, and management consulting. Visit dentalcardservices.com.