



ORTHO2

# Increasing Ortho Starts in the New Economy

Ortho practices have traditionally had an advantage over other specialties when it comes to case acceptance. In most ortho cases, parents were not asking if the child was going to have treatment or not, but rather where the child would have treatment performed.

Then came the recession and slow economic recovery. Seemingly overnight, the rules of ortho presentation changed.

## The New Ortho Landscape

Since 2008, the economy has wreaked havoc on orthodontics, a dental specialty that many regarded as recession proof at one time. As parents struggle with increasing levels of debt, shrunken assets, growing expenses, reduced income, and a less stable job market, they are becoming more concerned about expenditures.

Consequently, the mind-set of the consumer has evolved. Now, a very deliberate thought process takes place before every purchase. Need is carefully assessed and if a purchase can possibly be delayed, it will be.

This is a seismic shift in consumer psychology and behavior. Consumers are no longer making impulse purchases. This development has created downward pressure on treatment acceptance in ortho practices.

Because orthodontics is a relatively large expense for most families, more parents are shopping around for the best price. The Levin Group Data Center™ has determined that parents are often scheduling a consultation appointment after having already visited 2–4 other ortho practices.

Most dental specialties witness some level of patient shopping. For example, hygiene patients often use coupons to get a cleaning in general practices. In orthodontics, however, shopping occurs at a much higher level due to the fees involved. As a result, orthodontics is now often viewed as a commodity, differentiated more on price than on value. When parents adopt this mentality,

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ortho practices are seen as more or less interchangeable in their minds. Unless parents encounter something that strikes them as extraordinary about a particular office, they will often choose the least expensive ortho care, secure in the belief that their child will receive the exact same level of care. Due to this post-recession consumer mentality, ortho offices are often differentiated by one factor only—cost.

Ortho practices also report that some parents are beginning to put off orthodontic care for their children, hoping that their financial situations will eventually improve. Of this group, an increasing number never return to the practice.

According to the Levin Group Data Center™, such concerns have had an enormous impact on overall case acceptance and starts in the ortho practice. Orthodontists must acknowledge that practice success depends on building value for treatment, educating parents and patients, and developing a strong doctor-patient relationship.

## Making the Most of the Ortho Consultation Appointment

To increase case acceptance and decrease the incidence of parent shopping, practices need to create an effective patient/parent experience that builds value for the office and ortho treatment.

Each minute of the treatment presentation appointment must be carefully systemized. The following strategies have been used in hundreds of ortho practices enrolled in Levin Group's ortho consulting program. The result is usually a 90% or higher case acceptance rate for those patients who are ready to begin treatment. These

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strategies include:

- Creating an excellent impression right away. The first visit can either set the stage for a positive relationship or cause parents to doubt the quality provided by the ortho practice. Consequently, front desk team members should greet parents and adult patients warmly when they arrive. A warm greeting goes a long way toward dissuading patients from shopping.
- Using a dedicated treatment coordinator (TC). The TC is the communication center of the ortho practice. This individual must be able to work easily with parents and adult patients to increase the number of new patient starts as well as communicate with referring doctors. The right person—with the right systems to back her up—can grow an ortho practice exponentially.
- Building relationships and creating value. Parents are most likely to accept treatment for their children if the TC has empowered them to trust the doctor and sense the value of treatment. For this reason, it is very important that, during the patient's first appointment, the parent and patient have a good amount of face time with the TC. This gives the TC a good opportunity to establish a strong relationship with parents and patients.
- Explaining treatment and emphasizing benefits. Once a relationship has been developed, educate parents and patients about the recommended treatment. The orthodontist performs an examination and utilizes radiographs and photos to determine the treatment plan. The TC supports the recommendations with value-building scripts. Emphasizing the benefits of treatment is critical to motivating parents (and patients) to accept recommended treatment.
- Using visual aids. Many orthodontists have found models an excellent way to get patients and parents involved in the case presentation and build motivation to accept treatment. When parents are allowed to interact in the case presentation, they are much more likely to ask questions that will help you move them toward accepting treatment. Seeing how their child will look after the treatment is performed is a powerful tool to increase case acceptance and profitability.
- Asking parents for commitment. Asking parents and patients for a commitment to treatment at the end of the case presentation may seem obvious, but a surprising number of TCs and orthodontists—even those who give excellent presentations, focus on benefits and address all patient concerns—still have problems with this stage. Unfortunately, for some TCs and orthodontists, the fear

of rejection outweighs the confidence with which the plan was presented up to this point. To be an excellent case presenter, doctors and TCs must ask for a commitment from parents to accept treatment for their child.

## The Connection Between Financial Options and Case Acceptance

Ortho treatment has always been a considerable expense for many parents and adult patients. As previously stated, the economy has caused more patients and parents to ortho shop or postpone treatment than ever before. Making ortho treatment affordable for parents and patients is essential in the new dental economy.

Practices should provide four important financial options for parents and adult patients:

1. A 5% or even 10% pre-payment courtesy. For those willing and able to pay the entire fee at the beginning of treatment, this option represents an attractive discount. Though the practice receives slightly less income, reductions in billing time and expenses—not to mention possible collection problems—compensate in part for this.
2. Automated payments from credit card, check, or savings accounts. For the parent or patient, using this method offers the convenience of making regular monthly payments effortlessly. For the practice, it provides easy control of the collection process.
3. In-house payment plan. This traditional ortho payment option—typically consisting of a 25% initial deposit followed by monthly payments—can still make sense in some cases. However, the practice must work to keep the initial deposit as low as possible, or it will discourage case acceptance.
4. Outside patient financing. This payment option is proving to be very popular in ortho practices that offer it. After going through a quick and simple approval process, the patient or parent gets a loan or line of credit from an independent finance company. The ortho practice receives its fee prior to treatment, and the parent or patient makes affordable monthly payments to the finance company.

In a difficult economy, many consumers are making less. The money they do have to spend is being allotted differently, which usually means less earmarked for things like ortho treatment.

As a result, ortho practices will need to work more closely with parents concerning flexible financial options (such as outside financing) that make it possible for parents and adult patients to afford treatment. The more affordable the treatment, the more likely parents will say, "Yes."

The consultation, presentation, and financial arrangements are

critical aspects of an ortho candidate's experience. By making an effective case presentation to the parent, the practice has the opportunity to add sufficient value and gain case acceptance before the parent visits (or decides to visit) other offices.

To prevent parent and adult patients from practice shopping and looking for the lowest fee, orthodontists—and particularly TCs—must create value for treatment and their office. In addition, they should provide convenient financial arrangements in order to increase case acceptance. These strategies enable ortho practices to experience significantly higher production and increased profitability. ♡

## About the Author

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Dr. Roger P. Levin is Chairman and CEO of Levin Group, Inc. Levin Group provides premier, comprehensive consulting solutions that increase production to orthodontists in the U.S. and around the world.