

The Business of Dentistry

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I am a dentist. I run a small business. When most of us started dental school we did not believe that being a business manager was our ultimate goal. All of us desired to have a private general or specialty practice and treat our patients. Gradually it became clear that to do so would provide professional autonomy with freedom to practice as we pleased, but would also mean that we would be forced to enter the entrepreneurial world. In the midst of this transition to practice from school, the neophyte dentist is introduced to sometimes overwhelming demands.

The need to hire and, worse, terminate staff, pay bills, set charges and rates, negotiate with dental benefit plans or not, deal with regulatory agency demands, and repay education and practice acquisition loans are just a few of the myriad realities of owning or running a business. How does the young practitioner cope with these external influences on their practices when all they wanted to do was become a dentist and make a decent living? The most frequent complaint that our dental students have after graduation is that the schools did not teach them enough about the business aspects of dentistry.

Dental practices are small businesses by economic standards. But we are businesses with income, expenses, profits, or losses. Perhaps a small business from the perspective of any individual practice, we represent an industry with reasonably significant financial implications locally and nationally. According to an American Dental Association study in 2000, dentistry had a direct, indirect, or induced economic impact on society of more than



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\$200 billion with direct employment of approximately 650,000 people and total employment to support the profession of more than 2 million individuals.¹

As a graduate student, I distinctly remember my professor coming into a small seminar asking for the definition of success for a business. We suggested the obvious answers as profit, growth, development, and product line expansion. After we completed our suggestions he commented that all of us were incorrect and that the ultimate criterion for the success of a business was survival. If a business maintains itself year after year, that is a successful enterprise. Restaurants are considered doing well if they make it to the five-year mark. Dental practices are successful businesses.

Lest we forget, our business is taking care of our patients. For this we are paid, and some would argue paid well, for our talents. Certainly the requisite skills, education, and struggle to get there coupled with the significant responsibility can support our fees. One only needs to consider the outrageous salaries that actors and professional athletes make to provide a perspective that leads to understanding of appropriate reimbursement for responsibility.

Somewhere in the quagmire of running a business it is easy to get lost in

trying to increase production and profits. It is uncomfortable when I hear a dentist “diagnose” a crown or “sell” a treatment plan. As I walk around my neighborhood, I see many offices that suggest the dentists do general dentistry and cosmetic dentistry. Equally repugnant is the glut of practices that have Elite Dentistry, Gentle Dental Care, or similar marketing-based names other than the dentist on the door. I am waiting to see an office that does family and uncosmetic dentistry.

Equally appalling is when you let your fingers do the walking in the local Yellow Pages perusing all the advertisements of dentists who are trying to market their services by “free” exams, radiographs, and similar inducements. What has happened to the family dentist who provides good health care through dentistry? It appears the emphasis on making money in our practices has outprioritized the desire to provide quality health care to our patients for some of our colleagues.

Indeed, we are small business people. Unfortunately, some of us try to become big business people. If we wanted to sell widgets, we should have gone into the widget business. Most of us entered dentistry to care for our patients and enjoy the comforts of a profession that, even today, still allows us to control our

destiny and make a comfortable living. We should not lose sight of the fact that we are health care providers.

Certainly we should not lose sight of the fact that we must run an efficient business to survive, but our priorities need to be correct. You can go into the practice of dentistry and own a small business or you can go into the business of dentistry. The former is unfortunate; the latter deplorable. ■■■■

REFERENCES

1. House DR, Fry CL, Brown U, The Economic Impact of Dentistry, *J Am Dent Assoc* 135:347-52, 2004.

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