DEVELOPING A DENTAL PROFIT CENTER

In this presentation, we hear from two veterinarians: one who includes dentistry as part of his practice, and another who is a full-time veterinary dentist.

By Kimberly S. Brown

here has been an influx of "lay" dentists into the business of caring for horses in the United States. Part of this has been because veterinarians have not wanted to perform these mundane functions, and part has been because in years past the performance of routine dental exams has not been profitable.

However, in today's changing economy and with the decades of education to horse owners that dental care is important in the longevity and health of their horses, creating a dental profit center in your practice might be the next service that you can provide that will improve your bottom line.

Veterinarians and lay dentists have several things in common: They have to get clients, they have to provide services that are deemed valuable by the horse owner and they have to solve more complicated problems. Generally this last category is where the equine veterinarian differentiates himself because of medical training. And keep in mind that over the past decade there has been a greater push to have the practice of equine dentistry be legally mandated as a veterinarian-only service.

But horse owners feel that veterinarians need to earn that business with a



Dr. Andrew Clark and Dr. Mary Delorey discussed setting up a dentistry profit center with help from Dr. Ernie Martinez.

solid foundation of training and experience, as well as competitive pricing. After decades of many equine practitioners either not providing dental services or recommending lay dentists, horse owners are aggravated and/or confused by the sudden demand that dentistry be legally considered a veterinarian-only practice.

Taking into consideration all the economic, legal and social implications for a veterinarian handling equine dental care, the time is right to consider

starting a dentistry profit center in your practice.

In this article we will hear from two successful veterinarians who have either developed a dentistry-only practice or have incorporated dental services into their routine care packages offered to clients.

Large Referral Hospital Success Story

Ernest H. Martinez, II, DVM, gradu-



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ated from Oklahoma State in 2003. He completed an ambulatory internship at Hagyard Equine Medical Institute in Lexington, Kentucky, and became a Field Care Associate in 2004. His practice includes emergency field medicine, herd health and wellness, neonatal foal care, mare and stallion reproduction, and equine dentistry.

Martinez said he had some basic experience with dentistry in vet school, and was fortunate enough that a mentor in practice taught him how to use dental hand tools. His role changed at Hagyard when a new farm that had used a lay dentist from out of state for a decade became a client. The value of the potential offspring had the management team decide to minimize disruptive treatments performed while the mares were pregnant.

In anticipation of working on high-dollar mares, Martinez decided to research pregnancy and dental work in horses and humans.

"What helped me get started was thinking about dental health and pregnancy in human literature," said Martinez. "Multiple studies have shown that periodontal disease is a risk factor for pre-term births and low birth weights in humans. Periodontal disease can affect pregnancy directly through organisms and indirectly through inflammatory disease.

"I did a pregnant mare and dentistry search on PubMed, but that turned up sparse results," noted Martinez. "Common sense says that good dental health equals happy pregnant mares, so I started doing the annual dental exams and treatments when the mares were not pregnant."

That meant he could do the barren and maiden mares in November and Decem-

ber when they were in the barn under lights. Then he would catch the foaling mares between days 10-30 post-foaling. In the spring there might be three to four mares from the farm's 165-mare band that needed their teeth done each day.

Martinez said one of the Hagyard associates did the actual dental work for a couple of years before that person moved on to another position. Martinez said he took a dental refresher course and took over the farm's dentistry work after that. He said his interest in dentistry grew, and he subsequently attended AAEP dental wet labs and Focus meeting training.

As Martinez began seeing the need for more dentistry services in the Hagyard practice, he created a proposal to start an equine dentistry profit. His research and proposal can help you look at dentistry as a profit center in your practice.

He wanted to advance his education and client services, improve the standards of dental care for Hagyard clients, and learn advanced techniques for more difficult dental cases.

His idea was to provide dental services from routine care to complex dental procedures as a unit to the large referral center that is Hagyard. To do this, his proposal to Hagyard's leadership requested continued study and upgraded equipment, while also requiring some personal investment from Martinez.

To promote the new dental services they held client education opportunities, used social media and focused on cases in the hospital that also had dental needs.

The client education included Demo Days, where he would provide a free oral exam to clients. He also had intern wet labs and educated other veterinarians and "client touch personnel" about what was offered with the dental practice.

He based the number of potential clients in his proposal on the number of Coggins tests that were performed annually through the practice.

His proposal in 2011 included these figures:

- Potential dental cases: There were 6,757, based on Coggins tests done throughout the hospital.
- A basic dental exam would be charged at \$32.50.
- A dental float for horses under 2 years old would be charged at \$78.
- A dental float for horses over 2 years old would be charged at \$83.50.
- Equipment requested cost about \$8,000.
- In the future he wanted to purchase a periodontal unit, which would be an additional \$6,000.

Martinez was able to show how quickly they could pay off the equipment—which, by his estimate, was in 2012—and still profit by \$8,000 in the first year.

The next steps in Martinez' dentistry profit center was to add a second large Thoroughbred farm. He began doing dental consults within the medicine and surgery departments at Hagyard. He also developed a relationship with the sport horse department and the veterinarians handling those animals.

Martinez said he wrote articles for the clinic's newsletters, social media and website, and he created displays to put up at the hospital. He also created a





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dentistry flyer for the other ambulatory veterinarians to hand out to clients. Martinez created an educational handout for horse owners explaining how to identify teeth and the eruption times for teeth in growing horses.

The way that Martinez looked at it, "New procedures = new opportunities = new revenue."

Now Martinez has a practice vehicle with one side dedicated to dentistry. There are now multiple veterinarians at Hagyard who perform dental exams and treatments.

He said there are several things to consider when building a dentistry profit center in your practice:

- The professional environment in which you are working, including fellow associates and lay dentists in the area
- The equipment and time needed to learn how to use it properly
- The need to promote and educate clients and coworkers
- The need for an extra flashlight or head light in order to let the owner take a look in his or her horse's mouth
- Is it a career path? Martinez said,
 "Dentistry kind of waxed and waned based on repro work and client needs."
- Dentistry has room to grow in all practices.
- Be a real dentist—diagnose, treat, prescribe and follow up.
- Educate clients.
- Show clients what you see and explain the "why" and "how" of treatments.

- Discuss new research, new techniques and new tools with clients.
- Keep learning new procedures and techniques.
- Take advantage of outreach and speaking opportunities.
- Use social media and your practice website to promote dentistry.
- Remember: One mouth at a time ...

"This is a profitable area of practice that is often neglected," said Martinez.

Dentistry-Only Solo Practice

Some veterinarians have found that focusing only on dentistry has given them a practice they enjoy and a lifestyle that suits their needs. One such veterinarian is Mary Delorey, DVM, who operates Northwest Equine Dentistry in Washington state.

DeLorey graduated in 1992 from the University of Missouri College of Veterinary Medicine. She said that by 2000, she was burned out by the "normal" veterinary practice. DeLorey considered retirement from veterinary medicine in order to find a profession that stimulated her and could help her service her vet-school debt.

However, she had been "trending" toward dentistry prior to her "retirement" from the day-to-day practice of veterinary medicine. She said she had the desire to "re-enter the profession on my own terms."

She started Northwest Equine Dentistry in 2001. She is a solo practitioner who has a part-time office manager/book-keeper. DeLorey said she sees 1,100-1,200 dental cases each year. "I don't work with assistants except on rare

occasions, and have someone I can hire on an hourly basis," she said.

DeLorey said her practice is devoted exclusively to high-quality general and advanced equine dentistry. Northwest Equine Dentistry's mission is to "complement and enhance the care that your horse gets from your regular equine veterinarian."

When DeLorey decided to focus on equine dentistry, she sought specialized training. She traveled to get one-on-one "with some of the most respected and experienced practitioners in the world to fine-tune my skills," she said.

DeLorey travels nationally and internationally to lecture and instruct other veterinarians in equine dental techniques. Her horse-owner education articles are published in some of the largest horse interest publications in the country. And she's been a contributor to several equine veterinary textbooks.

"As a medical professional, it is my responsibility to stay abreast of advances and changes in this very dynamic area of equine medicine," said DeLorey. "Intensively focused continuing education is an ongoing investment in both time and money that I regard as critical for my professional advancement."

DeLorey said that in her experience, the five keys to success are:

- finding something you're good at that other people are willing to pay for
- finding something you enjoy
- becoming the best at that thing
- working your a** off
- charging and collecting appropriately for your time and services



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She said that her "expert" status came about because of her caseload and training. "The average equine generalist sees 300-400 (dental) cases each year," she noted. "But it takes 10,000 repetitions to get good at procedure."

DeLorey warned the veterinarians in attendance that equine dentistry is a physically demanding specialty and it comes with a grueling travel schedule.

"The 'red carpet' service that I provide means lots of face, email and phone time," said DeLorey. "You have to decide how much of the work you are willing to do, such as scheduling, books, records, equipment, inventory and so on."

DeLorey called herself "relentless" in setting and collecting fees. "I do very little billing. I don't accept payment plans. When I bill via email for large stables, I have a 'stinging' late payment policy.

"My fees are appropriate for the services rendered, and I have no loss leaders," she stated.

Equine Dental Exclusive Practice Pros:

- Focused area of professional endeavor
- Very little emergency work
- Good profit margin if fees are appropriate and collected

Cons:

- Steep learning curve—caseload requirements
- Physically demanding
- Typically requires extensive travel
- Extensive client education demands

Dentistry in General Equine or Mixed Practices Pros:

- A necessity
- A positive trend
- Profit center?
- Primary care improvements
- Referral system

Cons or Pitfalls:

- Law of 10,000—caseload requirements are high
- The "fee war" trap; there are places where they want to charge what the guy next door or the "tooth fairy" are charging
- "You have to sell quality of services," said DeLorey.

Questions from the Audience

QUESTION: Do you have a tier of fees based on what you are doing, or time? Is there a base fee?

Martinez: For my large farms I don't charge an exam fee; I just charge for float and sedation.

DeLorey: Over the years I've learned a lot from Dr. (Andrew) Clark, so I charge separately for everything I do. If I reduce a wave mouth, or reduce an arcade, I charge for it and can track it to see what my profit centers are. I think it is important to charge for services and exam expertise.

QUESTION: When clients ask for an approximate cost, what do you tell them?

DeLorey: I refer them to my website.

All my fees are itemized, and it depends on the horse. In my practice I only have sport and pet horse clients.

Martinez: Clients call in and our receptionists give them basics. If they need more information, we refer them to one of the doctors.

QUESTION: In competing against lay dentists, how is your \$200+ charge worth more than their \$40?

DeLorey: In my area we have a problem with lay dentists, who are working against the law. But they don't charge that much less. My low end is \$215 without setup fee. If they are doing it right and using sedation, then they are not that much difference in costs. I don't have that much of a problem. People who seek out my services understand that a vet needs to be doing the work.

Martinez: We try to get there and set up and teach them why it's important to have me do it. Sedation is important, so if they are not sedating they are probably not seeing the back teeth.

DeLorey: I don't think there are any places where it is acceptable or legal for a non-vet to diagnose a problem.

Martinez: It's a teamwork thing ... I'm going to be here every day, so let's work together.

QUESTION: When we started with dentistry and had first-time clients, a local non-profit brought in a lay person and he charged \$50 and was not sedating. The next year our phone rang off the hook. Our clients watch the whole thing when we work.

DeLorey: When I first started in 2001 I would regularly show clients the mouth, and they watched what I was doing. Clients like that.

