Defining Key Program Goals and the Plan for Measuring Success

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Learning Objectives for Today

- Understand the top 10 priorities for dental program success
- Understand the common FQHC benchmarks relevant to oral health
- Learn how to set appropriate goals for your dental program
- Understand the common obstacles to dental program success
- Learn how to use data to drive decision-making

Our Top 10 Priorities for Success

1. Determine Actual Program Capacity (and Manage to Your Capacity)
2. Set Realistic and Achievable Program Goals
3. Develop a Sound Plan for Sustainability
4. Maximize Productivity
5. Maximize Access
6. Minimize Chaos/Unpredictability
7. Maximize Revenue
8. Measure Performance
9. Embrace Continuous Quality Improvement
10. Get Buy-In and Accountability

How Do We Find the Win-Win?

- Create the business plan for sustainability
- Set meaningful, measurable and realistic program goals
- Set the program up for success
- Build evaluation and performance improvement into program design
- Build effective communication into program design

Defining Success

- Benchmarks
- Goals
- Milestones
- Data

FQHC Productivity Benchmarks (Pre-Pandemic)

1,300-1,600
encounters/year/FTE hygienist

2,500-3,200
encounters/year/FTE dentist

8-10 patients
per day for hygienists

1.7 patients/hour
or 14 patients per day for dentists

2,700 encounters
per year with 1,100 patient base

Gross Charges =
>$500K-$600K
per dentist per year

Benchmark Sources: HRSA UDS and National Network for Oral Health Access

FQHC Productivity Benchmarks (Pre-Pandemic)

42 RVUs/Day
General Dentist

29.5 RVUs/Day
Hygienist

5 RVUs/Hour (min.)
General Dentist

3.5 RVUs/Hour (min.)
Hygienist

At least 3 RVUs per encounter
General Dentist

At least 2 RVUs per encounter
Hygienist

Benchmark Source: National Network for Oral Health Access

FQHC Operational Benchmarks

230 work days/year

% of total A/R due past 90 days = **< 20%**

$30-$40
Nominal fee

Full Fee Schedule
70-80% of UCR

3 Slide Categories
101-199% FPG

FQHC Productivity 2019 UDS vs. 2020 UDS

2019 UDS	2020 UDS
2,624 encounters/year/FTE dentist	1,875 encounters/year/FTE dentist
1,144 encounters/year/FTE hygienist	764 encounters/year/FTE hygienist
$215 Cost/Visit	$306 Cost/Visit

Source: HRSA UDS

1: Define Capacity

Access = Capacity

- Finite
- Resource-based
- Differs from medical
- Step 1: Determine potential capacity
- Step 2: Manage to that capacity

Structure = Capacity

- Operatories
- Hours
- Staff
- Benchmarks

Benchmark Guide

Provider Type	Number of Operatories	Number of Dental Assistants	Visits/Clinical Hour
General Dentist, 1 Op	1	1-2	**1**
General Dentist, 2 Ops	2	1	**1**
General Dentist, 2+ Ops	2+	1.5-2	**1.7**
General Dentist w/ EFDA	3+	3	**2.5-3**
Unassisted Hygienist	1	0	**1-1.2**
Assisted Hygienist	2	1	**1.5**
4th Year Dental Student	1	0-1	**0.5**
GPR Resident, Q1	1	1	**1**
GPR Resident, Q2	2	1.5-2	**1.2**
GPR Resident, Q3	2	1.5-2	**1.5**
GPR Resident, Q4	2	1.5-2	**1.7**

Determine Potential Daily Visit Capacity, Example for Dentists

	# of Dentists	x Benchmark	x # of Chairside Hours	Potential Visit Capacity
Mon.	1	1.7	8	14
Tues.	2	1.7	15	26
Wed.	4	1*	30	30
Thurs.	4	1.7	30	51
Fri.	2	1*	15	15
Total			**98**	**136**

*Only one assistant per dentist

Weekly potential capacity = 136 (162 with more assistants)

Annual potential capacity = 136 x 46 = 6,256 visits (7,452)

Dentist Benchmark

- Could range from 1 visit per hour to 2 or more
- Dentist variables (experience, specialty)
- Support variables (number and type of DAs per dentist)
- Number of operatories
- General dentist with two operatories and two conventional assistants = 1.7 visits/hour

Benchmark Guide

Provider Type	Number of Operatories	Number of Dental Assistants	Visits/Clinical Hour
General Dentist, 1 Op	1	1-2	**1**
General Dentist, 2 Ops	2	1	**1**
General Dentist, 2+ Ops	2+	1.5-2	**1.7**
General Dentist w/ EFDA	3+	3	**2.5-3**
Unassisted Hygienist	1	0	**1-1.2**
Assisted Hygienist	2	1	**1.5**
4th Year Dental Student	1	0-1	**0.5**
GPR Resident, Q1	1	1	**1**
GPR Resident, Q2	2	1.5-2	**1.2**
GPR Resident, Q3	2	1.5-2	**1.5**
GPR Resident, Q4	2	1.5-2	**1.7**

Determine Potential Daily Visit Capacity, Example for Hygienists

	# of Providers	x Benchmark	x # of Chairside Hours	Potential Visit Capacity
Mon.	2	1.2	15	18
Tues.	2	1.2	15	18
Wed.	2	1.2	15	18
Thurs.	2	1.2	15	18
Fri.	1	1.2	7.5	9
Total			**67.5**	**81**

Weekly potential capacity = 81

Annual potential capacity = 81 x 46 = 3,726

Hygienist Benchmark

- Could range from 1 visit per hour to 2 or more
- Hygienist variables (experience, assisted vs. non-assisted, dentist to hygienist ratio, age of patients)

Capacity Determines Visit Goals

- Weekly = 136 dentist + 81 hygienist = 217 visits
- 217 visits/week x 46 weeks = 9,982 annual visits

THIS is what we shoot for, not more and not less

Number of Unduplicated Patients

- Our STRUCTURE gives us 9,982 annual visits
- 9,982 annual visits ÷ 2.6 visits/patient (2019 UDS) = **3,839** unduplicated patients

THIS is what we shoot for, not more and not less

Number of New Patients

- Depends on new vs. established practice
- Balance of new vs. existing patients is critical

Tracking completed treatments tells us how many new patients we can bring in

Completed Treatments

- Phase I
- Designate code (e.g., TxCOMP)
- Utilize consistently
- Track
- Every TxCOMP = new patient
- Goal is <12 months from exam to Phase I completion
- Nice quality outcome measure!

Phase 1 Treatment Completion

- **What is Phase 1 Treatment?**
  - It is also known as “Elimination of dental disease”
    - This includes: Oral cancer prevention and early diagnosis; prevention education and services; emergency treatment; diagnostic services and treatment planning; restorative treatment; basic periodontal therapy (non surgical) and basic oral surgery that includes simple extractions.

Setting Practice Goals

- Access
- Productivity
- Revenue
- Outcomes
- Site-Specific

Access Productivity Goals

- More than just the number of visits
- What happens in the visit!
- Number and types of procedures
- Goal = 2.5 ADA coded services per visit

Why Access Productivity Goals Matter

- Calculate potential dental capacity precisely—no guesswork
- Identify gaps (opportunities to increase access by changing structure)
- Identify overcapacity (too many patients/encounters for current structure)
- Evaluate potential vs. actual capacity (identify missed opportunities to maximize access)

Levels of Service, FQHC Dental Programs

Phase 1 (Required & Additional)	Phase 2 (Specialty/Rehabilitative)
Emergency Care	Dentures (full/partial)
Diagnosis and Treatment Planning	Crown and Bridge
Preventive Services	Specialty Oral Surgery
Restorative Treatment	Periodontal Surgery
Non-Surgical Periodontal Treatment	Orthodontics
Basic Oral Surgery (Extractions)	Other Specialty Services
Basic Endodontic Treatment	
Space Maintenance for Children	
Single Unit Crowns	

From: Chapter 1: Health Center Fundamentals, National Network for Oral Health Access

Scope of Service Benchmarks

Service Type	Procedure Codes	% of Total
Diagnostic	D0100-D0999 (excluding D0140)	30-40%
Preventive	D1000-D1999	25-35%
Restorative	D2000-D2999	18-25%
Endodontics	D3000-D3999	1-2%
Periodontics	D4000-D4999	2-5%
Removable Prostho	D5000-D5899	1-3%
Fixed Prosthodontics	D6200-D6999	<1%
Oral Surgery	D7000-D7999	5-10%
Emergency	D0140, D9110	2-6%

Considerations Related to Scope of Service

- What services do our patients need?
- What services can we provide?
- How will these services impact our financial situation?
- What do we charge for these services?
- What discounts are we required to provide?

What Are the Financial Goals?

- Break Even
- Operating Surplus
- Operating Loss
- If Loss, How Much?

Operating Costs of Dental

DIRECT

- Personnel (salaries, benefits, payroll taxes)
- Dental supplies
- Lab costs
- Occupancy (rent/mortgage, utilities, phone/internet, maintenance)
- Other

INDIRECT

- Administrative Allocation
- Agency/Support Allocations

Setting Revenue Goals, Breakeven

- Daily, weekly, monthly, quarterly, annually
- Total costs (direct and indirect) ÷ time
- For example:

Total Annual Cost of Dental Operations	÷ Time	= Goal
$1,000,000	230 days	$4,348/day
$1,000,000	46 weeks	$21,740/week
$1,000,000	12 months	$83,334/month

Setting Revenue Goals, Surplus

- Determine desired amount of surplus
- Add to total annual cost and divide by time
- For example:

Total Annual Cost of Dental Operations	÷ Time	= Goal
$1,000,000 + $100,000	230 days	$4,783/day
$1,000,000 + $100,000	46 weeks	$23,914/week
$1,000,000 + $100,000	12 months	$91,667/month

Outcome Goals

- Did We Make Patients Better?
- Many Available
- Meaningful, Measurable AND Accurate
- Process vs. Outcome
- Start with one or two

Quality Metrics

- What metrics are necessary?
- What metrics reflect our care appropriately?
- What metrics document the improved health of our patients?
- What metrics are evidence based?
- What metrics are validated?
- What metrics are others using?
- What measures are meaningful, accurate and timely?

Sample Outcome Goals

- Phase I Treatment Completed
- Reduction in Risk Status
- HRSA Sealant Measure
- Preventive Services (eg, Fluoride, SDF)
- Dental Quality Alliance lists many

3:
Develop a Sound Plan for Sustainability

The Dental Business Plan: Road Map to Success

- Direct/Indirect Costs
- Patient Revenue
- Other Revenue
- Bottom Line
- Staffing Model(s)
- Service Delivery Model(s)
- Visit Projections
- Payer Mix
- Revenue/Payer Type

Define Where You Are

- Document your current staffing level
- Calculate potential capacity based on current program resources (staffing, operatories, hours of operation, standard benchmarks)
- How many actual visits vs. potential capacity?
- Identify current payer mix (uninsured, Medicaid, commercial)
- Calculate net revenue per payer type
- Identify all current program costs
- Break out all current sources of revenue
- Establish current bottom line

Define Where You Want to Be

- What is your optimum staffing level?
- What is your goal for visits?
- What is your ideal payer mix?
- How will proposed staff impact program costs?
- How will increased staffing, increased productivity and increased revenue impact the bottom line?
- Is sustainability within reach?
- If not, what's the size of the projected deficit and how will you close the budget gap?

Impact of Payer Mix on Sustainability

8,000 visits	8,000 visits
35% Medicaid =2,800 visits x $125 = $350,000	40% Medicaid =3,200 visits x $125 = $400,000
55% Self-Pay/SFS =4,400 visits x $30 = $132,000	50% Self-Pay/SFS =4,000 visits x $30 = $120,000
10% Commercial =800 visits x $125 = $100,000	10% Commercial=800 visits x $125 = $100,000
Total revenue = $582,000	Total revenue = $620,000
Total expenses = $600,000	Total expenses = $600,000
Operating loss = ($18,000)	Operating surplus = $20,000

Managing Patient/Payer Mix

- Is it allowed? YES
- “Women and children first”
- Access for all
- Focus populations have designated access

Interactive Budget Planning Tools: Defining Capacity

Dentists

Day	# of Dentists	x Benchmark	x Number of Chairside Hours	Potential Visit Capacity
Monday	1	1.7	8	14
Tuesday	2	1.7	16	27
Wednesday	3	1	24	24
Thursday	1	1.7	8	14
Friday	1	1.7	8	14
Saturday				0
Total Visits for Week				92

Hygienists

Day	# of RDHs	x Benchmark	x Number of Chairside Hours	Potential Visit Capacity
Monday	1	1.2	8	10
Tuesday	2	1.2	16	19
Wednesday	1	1.2	8	10
Thursday	2	1.2	16	19
Friday	1	1.2	8	10
Saturday				0
Total Visits for Week				67

Total Combined Visits for Week				159

Total Visits for Year				7323

		Year 1	Visits		Year 2	Visits		Year 3	Visits
REVENUE	**%**		**4,000**	**%**		**5,000**	%		**6,000**
Self-Pay (>100% FPL)	15%	$48,000	$80	10%	$40,000	$80	10%	$48,000	$80
Medicaid	20%	$152,000	$190	25%	$237,500	$190	30%	$342,000	$190
Commercial Insurance	35%	$210,000	$150	35%	$262,500	$150	35%	$315,000	$150
Nominal fee patients (20%)	30%	$48,000	$40	30%	$60,000	$40	30%	$72,000	$40
Total Patient Net Revenue		$458,000			$600,000			$777,000	
Grant Revenue									
330 Grant		$0			$0			$0	
Other Grants/Fundraising		$0			$0			$0	
Total Revenue		$458,000			$600,000			$777,000	
EXPENSES									
Direct Expenses									
Personnel Related									
Clinical staff		$381,100			$474,325			$484,425	
Administrative staff		$96,875			$100,000			$103,125	
Malpractice Insurance		$0			$0			$0	
Subtotal Personnel Costs		$477,975			$574,325			$587,550	
Support costs									
Dental Supplies		$40,000	$10		$50,000	$10		$60,000	$10
Dental Lab Services		$5,000			$5,000			$5,000	
Equipment Repair/Maintenance		$2,000			$2,000			$2,000	
Conference/Travel (NNNOA)		$2,000			$2,000			$2,000	
Office Supplies		$3,500			$3,500			$3,500	
Membership Dues (NNOHA)		$350			$350			$350	
Recruitment Expenses		$500			$500			$500	
Insurance		$5,000			$5,000			$5,000	
Printing		$1,500			$1,500			$1,500	
Postage		$1,000			$1,000			$1,000	
Depreciation		$20,000			$20,000			$20,000	
Utilities		$5,000			$5,000			$5,000	
Telephone		$7,000			$7,000			$7,000	
Other (Maintenance, housekeeping)		$10,000			$10,000			$10,000	
Total Support Costs		$102,850			$112,850			$122,850	
Total Direct Expenses		$580,825			$687,175			$710,400	
Administrative Allocation (15%)		$87,124			$103,076			$106,560	
TOTAL Expenses		$580,825			$687,175			$710,400	
TOTAL REVENUE		$458,000			$600,000			$777,000	
PROFIT /(LOSS)		($122,825)			($87,175)			$66,600	

Sample Pro Forma

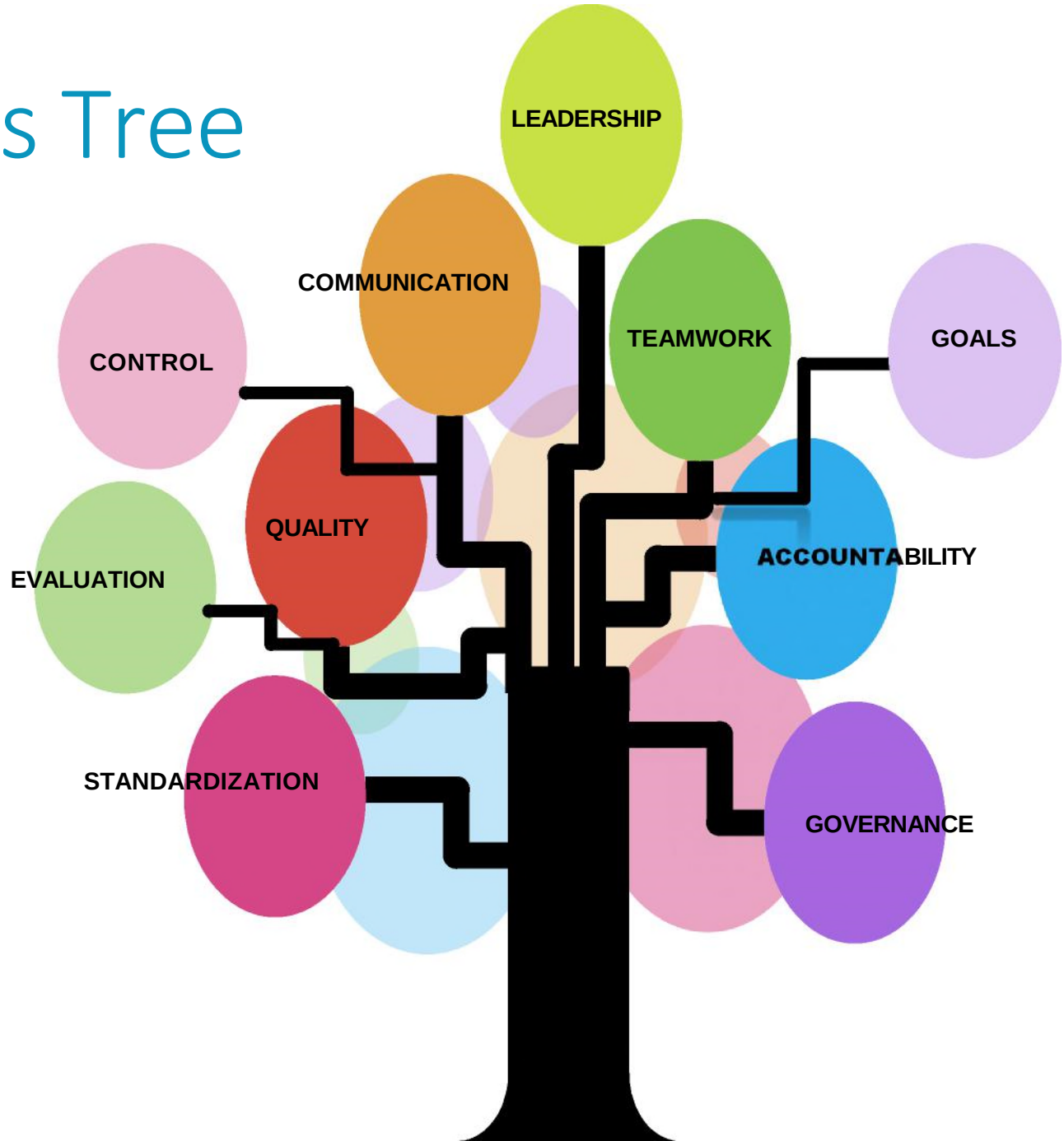
Sustainability Strategies

- See more patients (may or may not be possible given number of providers/operatories)
- Change structure: more operatories, more staff, more hours of operation
- Generate more revenue per visit (providing more services per visit and/or increasing fees)
- Improve billing and collection processes to maximize revenue collected for services provided
- Change the payer mix (if possible)
- Remember: “No Margin, No Mission”

Obstacles to Program Success

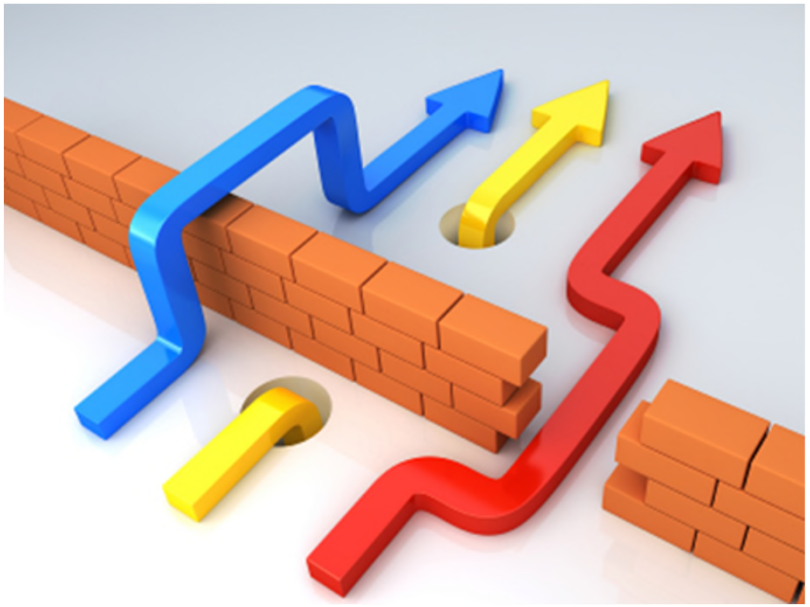
- Unfavorable Payer Mix
- Working under- or over-capacity
- Lack of goals and accountability
- High broken appointment rate
- Scheduling issues
- Insufficient support staff (dental assistants/front desk/dedicated billers)
- Billing and collections issues
- Fees are set too low

Success Tree



Troubleshooting Barriers to Program Success

- What does your gut tell you?
- What does the data tell you?
- What does your staff tell you?
- What do your patients tell you?

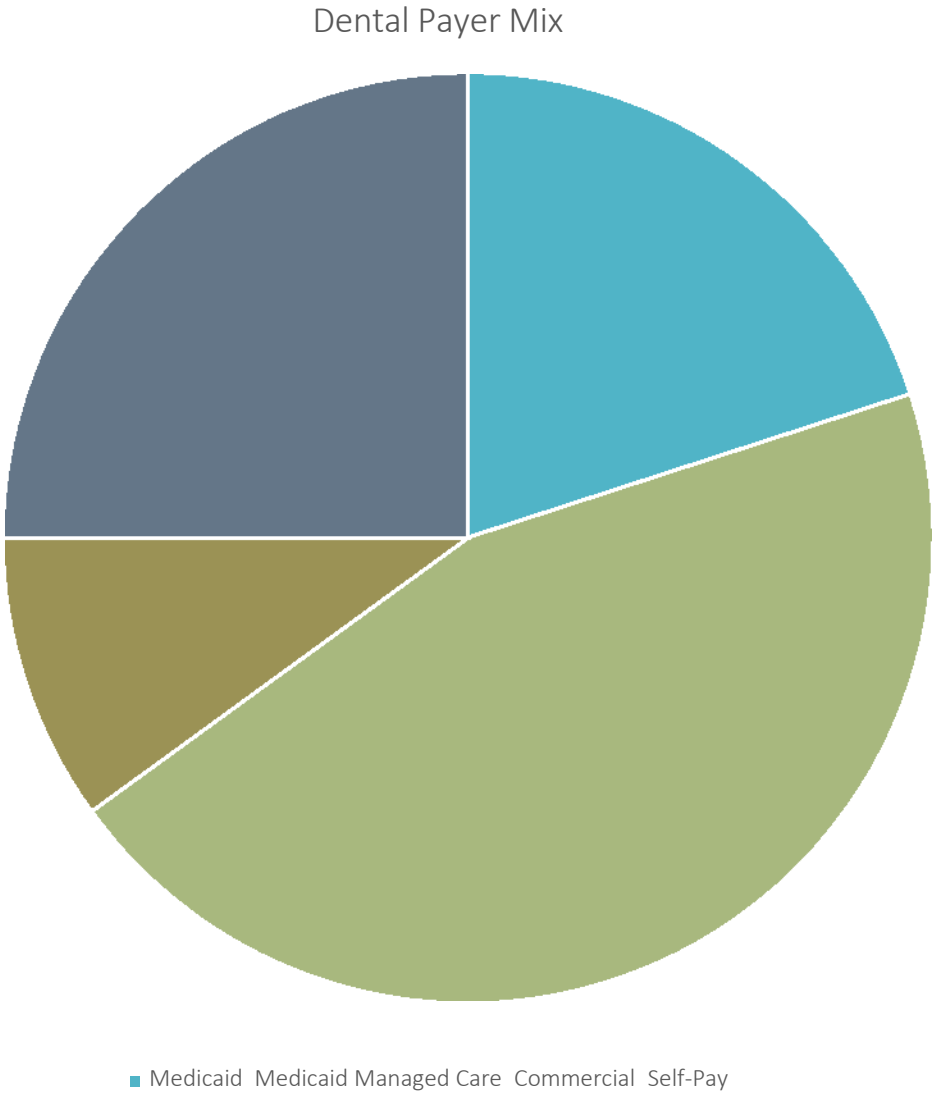


Gather Data

- Profit & Loss Statement
- Aging Analysis
- Production Summary Report (procedures)
- Master Provider Schedule
- Utilization/UDS reports
- Practice Analysis

Profit & Loss Statement

- By site
- Gross charges, contractual or other adjustments, net patient revenue, grant/other income and total net revenue
- Payer mix?
- Direct and indirect expenses
- Bottom line



Payer Mix

- Huge impact on program success
- Not always contained in P&L
- Tracked for UDS reporting
- Critical information!

Aging Analysis

- Money owed to the practice
- Usually broken out by current, then 30, 60, 90, 90+ days
- Big focus: 90 days or beyond
- By payer type
- Sheds light on billing/collections
- 90 days or beyond as % of total A/R (goal <10-15%)

Production Summary Report

- Dental services by ADA code
- Number of times each code was used
- Usually includes total gross charges for each code
- By site
- Total procedures
- Procedures per visit
- Scope of practice
- Outcomes (eg, Phase I treatment completion, sealants)

Master Provider Schedule

- Monitor clinical staffing each day
- Compare potential visit capacity vs. actual visits each day
- Quantify FTEs
- Quantify clinical provider hours each week
- Identify provider gaps
- Evaluate provider performance against goals

Smithfield Clinic	Staff Name	Staff Type	Start AM	End PM	Lunch Break
Monday	*Johnson, M*	*Dentist*	*8*	*5*	*12-1*
	Murphy, S	*RDH*	*10*	*6*	*1-2*
	Rogers, T	*DA*	*8*	*5*	*12-1*
	Ouelette, J	*DA*	*8*	*5*	*12-1*
	Jones, M	*Reception*	*8*	*5*	*12-1*
	Edwards, T	*Reception*	*9*	*6*	*12-1*
	Rodriguez, M	*Practice Manager*	*8*	*5*	*12-1*
Tuesday	*Johnson, M*	*Dentist*	*8*	*5*	*12-1*
	Sanchez, M	*Dentist*	*10*	*6*	*1-2*
	Murphy, S	*RDH*	*10*	*6*	*1-2*
	Rogers, T	*DA*	*8*	*5*	*12-1*
	Ouelette, J	*DA*	*8*	*5*	*12-1*
	Jones, M	*Reception*	*8*	*5*	*12-1*
	Edwards, T	*Reception*	*9*	*6*	12-1
	Rodriguez, M	*Practice Manager*	*8*	*5*	*12-1*

Utilization/UDS Reports/Practice Analysis Reports

- Patient Demographics
- Patient Age
- Number of Unduplicated Patients
- Number of New Patients

Evaluating Program Performance

- Which reports?
- How often?
- Who will run them?
- How will data be collated?
- How will it be shared?
- How will it be USED?

Dashboards

- Simple to Sophisticated
- Excel Spreadsheet to Power BI
- NNOHA has a great dashboard
- Many vendors sell reporting software
- Decide what to use and start tracking!

Troubleshooting Program Success

- Program operating at a loss:
  - Look at visits—is there room to add more?
  - Look at procedures—can more work be done at the visit to increase revenue?
  - Look at billing & collections—are you getting paid for the work that's being done?
  - Look at payer mix—does it need to be tweaked (eg, more Medicaid, less uninsured)?
  - Look at fees and discounts

Troubleshooting Program Success

- Program not maximizing access (visits):
  - Look at staffing—do you need more providers or assistants?
  - Can you add more hours/days of operation?
  - Look at the impact of broken appointments
  - Look at the scheduling system—does it need to be tweaked?
  - Look at other barriers to provider productivity (eg, workflows, EDR issues, broken equipment, lack of instruments/supplies)

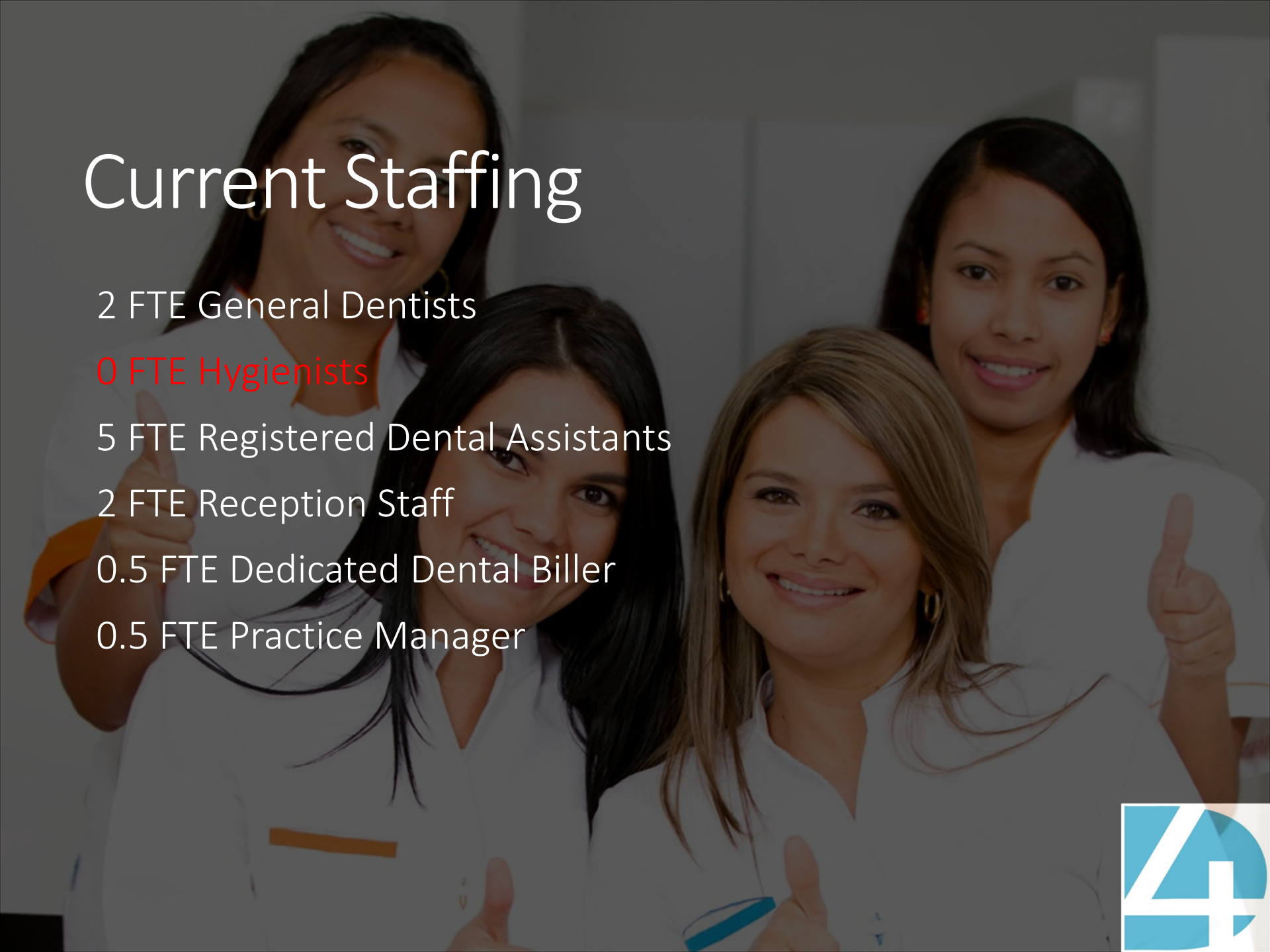
Case Study

Clinic Profile

Monday – Friday
8 AM – 5 PM

40 clinical hours/week

5 Operatories



Current Staffing

2 FTE General Dentists

0 FTE Hygienists

5 FTE Registered Dental Assistants

2 FTE Reception Staff

0.5 FTE Dedicated Dental Biller

0.5 FTE Practice Manager

Revenue vs. Expenses for FY2020

Gross Charges	$917,492
Revenue (without grants)	$522,721
Revenue (with grants)	$622,721
Expenses (direct and indirect)	$825,544
Loss on Operations	($202,823)

Cost/Visit Ratio FY2020

Metric	Calculation	Result
Number of Visits		4,876 visits
Revenue per Visit (with grants)	$622,721 ÷ 4,876 visits	$128 per visit
Cost per Visit	$825,544 ÷ 4,876 visits	$169 per visit
Bottom Line (without grants)	**$128- $169**	**Loss of $41 per visit**

Dental Procedures, FY2020

- 7,314 ADA procedures
- 7,314 transactions ÷ 4,876 visits = 1.5 procedures/visit

Scope of Service, FY2020

Service Type	Health Center	Benchmark
Diagnostic	57%	30-40%
Preventive	26%	25-35%
Restorative	8%	18-25%
Specialty (endo/perio)	4%	1-2%
Prostho (fixed/removable)	1%	1-2%
Oral Surgery	1%	5-10%
Emergency	10%	2-6%

Potential Dentist Capacity Based on Current Staffing

	# of Providers	# of total clinical hours worked	x recommended # of visits/ clinical hour	**Potential Visit Capacity**
Mon	2	16	1.7	**27**
Tue	2	16	1.7	**27**
Wed	2	16	1.7	**27**
Thu	2	16	1.7	**27**
Fri	2	16	1.7	**27**
Total				**135**

Potential Hygiene Capacity Based on Current Staffing

	# of Providers	# of total clinical hours worked	x recommended # of visits/ clinical hour	**Potential Visit Capacity**
Mon	0	0	1.2	**0**
Tue	0	0	1.2	**0**
Wed	0	0	1.2	**0**
Thu	0	0	1.2	**0**
Fri	0	0	1.2	**0**
Total				**0**

Dental Productivity, FY2019

Potential capacity/week	135 visits
Potential capacity/year	**6,210** (27 visits/day)
Actual visits/year (FY 2019)	4,876 (79% of potential capacity)
Actual visits/day (FY 2019)	21
FY 2019 unused capacity	1,334 visits

Patient and Payer Mix, FY2020

PATIENT MIX*	
Ages 0-18	35%
Ages 21 & Over	65%

PAYER MIX**	
Medicaid	50%
Self-Pay	40%
Commercial	10%

Watch Accounts Receivable Closely

- Total Accounts Receivable $149,080
- Total A/R >90 Days $77,153
  - Commercial $20,332
  - Medicaid $42,769
  - Self-Pay $14,052
- Percentage of A/R >90 days = 52% (goal is <15%)
- $52,521 is past 180 days (68% of >90 days)

Major Challenges

- High percentage of self-pay patients in the payer mix (state with limited Medicaid dental benefits for adults)
- High percentage of adults in the dental practice
- Barriers to optimum provider productivity (need to investigate to figure out what they are)
- No hygienists in the practice
- High percentage of emergency patients

Major Challenges

- Scope of Services: diagnostic is too high, restorative is too low (dentists doing hygiene instead of treatment); where are patients needing extractions going?
- ADA procedures/visit are low—potential risk of a charge of churning—why isn't more care being provided in the visit?
- Accounts Receivable over 90 days too high
- Are we collecting patient co-payments at point of service?
- Could/should they add some early evening hours to improve patient accessibility?

Opportunities

- Consider placing a navigator in pediatrics/family practice to drive more children to the practice
- Look at ways to improve scheduling efficiency (appointment lengths, types, how operatories are utilized)
- Work on identifying patients with open treatment plans and getting them in to complete their treatment
- Limit the number of new patients
- Look at emergencies—may need to ratchet down number or develop an effective process to manage

Opportunities

- Hire a hygienist to work out of the fifth operatory
- Consider one day where the staff starts later (eg, 10 a.m. instead of 8 and ends at 7 p.m. instead of 5)
- Look at percentage of broken appointments (no-shows and last-minute cancellations) and adopt best practices to get rate below 15-20%
- Evaluate other potential barriers to productivity and develop strategies to resolve
- Bring together a multidisciplinary group to review the revenue cycle and strategize ways to improve success with billing and collections

Opportunities

- Set access, productivity, finance and outcome goals for dental
- Set up dental director and practice manager with the reports they need to track performance data
- Begin using a dashboard to track performance data and a process for the sharing of performance data

Important Takeaways

- Gather timely and accurate data for the dental program
- Make sure this data is available to dental program leadership
- Analyze the data to understand what it can tell you
- Use the data to identify the major challenges and opportunities you might be missing
- Get your staff involved in discussions about program challenges
- Develop strategies to overcome challenges and take advantages of opportunities
- Monitor program data to see if the implemented strategies are working and tweak as necessary

Questions/Discussion

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