Practice Focus

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Series 8
The Four Pillars

Session 6
Money Flow
(Part 1)

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3. Use the transcript to help complete your Team Activity: key points are highlighted.

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Hello, DST Universe! Welcome to another Practice Focus. I am just always grateful that you allow me this space and time in your life to dedicate yourself to leveling up, to refocusing, and on the key most vital aspects of your practice and your ability to influence and impact your patients. Today, as we move into another subsequent series, we're going to talk about the next major leverage point in the patient experience, in the life cycle of care, in the business success pillars, all things dentistry.

You know, we began with creation, diagnosis, we reviewed all the pillars, everything that makes up the opportunity, the opportunity side; everything from the big picture, down to the execution of the layers of health in your patients, based on your philosophy and practice modality. Secondly, we worked on the size of the yes, and really going to work on case acceptance from not just the clinical yes position, but also the broader vision of health, and making sure that there's that pre and post, not just the tag team triangle in the middle.

And today, we're going to shift to the next side. You might say this side forward is sort of business side. It is everybody's responsibility, but it is picking up from the clinical relationship side to now the business, but still relationship side. The third pillar, leverage point, is really all about how money moves. Now, we call this prepay, because that's kind of the point.

The success factor is: money moving ahead. Every step, money moving ahead. At the end of the day, though, it really is about the flow, the financial flow that can either follow the dentistry or follow the health. What we want is the health-based decision leads to the money flow, the financial commitment, the investment in oneself follows the decision, not the dentistry. Would you please just remember that: the money flow follows the decision, not the dentistry. And once we do that, we break apart and we blow the doors off the only limiting factor we have in dentistry, which is capacity: size and space, time and people. Capacity, only limit.

Opportunity, no limit. Impact on patients, no limit. Money, no limit. Only capacity limits. So in order to master what we're going to talk about next time, the final piece, we must keep the integrity, size of the opportunity, the diagnosis, size of the yes, case acceptance, and now the faucet, the equilibrium, either it's open, tiny like this bottleneck for money, or it's wide open for the money flow.

Now, I just went over a few key principles on the board, and then I'm going to quickly just do a review. Now, there's videos available for this, specific to our treatment coordinators, but let's just remember the point: the number one way to work smarter, not harder, is to open up the collection stream; remove dependence on time, people's space, on dentistry, production, insurance. Blow it up; limiting factor.

Un-limiting factor is the money flow. Everyone knows the lifeblood of a business is cash flow, right? Now, that's not the first point. It's not the first point. It's not the heart, the patient and you, the center, is the heart, but the flow through that is all about this. So number one, we want to break free of production limitations. Now, we can produce with great multipliers in our schedule. We can go from $5,000 a day to $25,000 a day. That's possible. At the same time, if we are paid after the fact or at the fact, we are always going to be limited by our production. We want to be paid before the fact, and that way, we can open it wider than time, okay?

Number two, the creation should lead to the investment opportunity, because the greater the yes, the greater the prepay. The appointments, we don't want quadrant, we want arch. We don't want units, we want half-mouths. We don't want half an appliance, we want the whole appliance. So there are ways where, but even implants, we say you get paid for the extraction, paid for the bone graft, and the healing, paid for the implant, paid for the scan, paid for the crown. That's nuts! That's absolutely nuts. Slow and tedious, okay, you're playing with tiny little addition increments.

What we want is we want paid on the yes, we want the creation to equal the cash flow, creation equals the cash flow. Number two, if our schedule is dictating the cash flow, we're going to be limited by our production dollars, and, we're also going to be limited by the patient portion versus the insurance contribution. So now, we're really letting the insurance company play bank. We are running accounts receivable. We are waiting for people to come in to do the work, to get the dollars.

So the whole thing from a business standpoint, it's extremely unhealthy. It's unhealthy, because it's like the running the car out of gas and then going and getting the gas, right? We want to continue to run with a full tank so we can never stop, never slow down. We can keep it going, okay? So this is breaking free of the schedule.

And then, lastly, we don't want the money to be time bound, so that the money can be based on the pathway to health. The money can be based on a series of visits. The money can be based on an outcome. It could even be based on a phase or procedure set or whatever. But example, we could do restorations, then do an appliance. We could do aligners and then we could do aesthetics. But the bottom line is we don't want to be chunking out and delaying the money. So, got to get the prepay going, all right?

Now, I want to go over four key ideas. People want to do it. Yes, they do. Yes, they do. Any time you do anything, you pay, any time! It doesn't matter what it is. And the higher up the specialization, the higher up the value ladder, the more you're prepaying. So you have fast food, you have chain restaurants, you have higher-end restaurants, you have boutique restaurants, you have super-limited seat capacity restaurants. Which ones are the hardest to get into? Which ones are the premium price? Which ones do you have to reserve out the furthest? Supply and demand, supply and demand. So it's really important. Do not see yourself as a commodity. The same thing we go with Amazon, Walmart, buy it off a shelf, stock product, or maybe it's a little bit more customized, but then you have built to suit, built to suit.

If you have something, built to suit, isn't that what you're doing? Isn't your dentistry custom made? Custom tailored, I have a tailor, customized, highest value. Highest value, all of that is paid before. People want the money out of the way, and it really is, you're the control factor. You got to get, in your mindset, you have to understand. If you want to act like a commodity, but you don't want to be a commodity, well, that's your problem. If you want to act concierge, relationship-forward, customized, and you want the respect for that, well then, you better have behavioral alignment with all the other aspects. You can't say, "We really love you, and we're so nice to you, and we want you to be healthy, but by the way, we're going to do invoices, and statements, and we're going to do insurance." It's out of alignment, okay?

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Prepay is simply a principle of the highest value and the greatest amount of specialization and authority of any relationship-based thing. Anything other than that, is by definition, watered down, commodity, off a shelf, same as everybody else mentality. Therefore, high-end concierge, boutique relationship, pick whatever term, I don't give a shit what term you use. Some people get offended by, "boutique." Change the word: relationship, concierge, change the word, customized. Anything other than commodity, I don't care. It's normal and customary to get the money on the flow, on the flow. You want it to be a step ahead. Done with this.

Now, do not think of the one-offers, do not think of the outliers, do not think of the complainers. Don't give me the people that have been there for 20 years that don't want to do it. Think of state of ideal and then make exception when necessary. The same thing goes for everything: state of ideal, optimal health, they can't do it? We adjust and modify. State of ideal, present all of it. We can't do it? Adjust and modify. Okay, schedule, state of ideal, can't do it? Adjust and modify.

Money. State of ideal, all the money, all the time, the entire pathway to health. And then, we organize the visits. Can't do it? Adjust and modify. Set this as the new standard of excellence. It's the X factor in all of your success. If you don't want to be grinding it out, if you don't want to "work harder and do more" to be the answer, then you must commit to the third leverage point, and you must figure out the bottlenecks, and open the doors wide, and let the prosperity flow. Now, I'm going to give you one quick example, just as a reminder, when we do this, okay, we're going to present the dollars.

So basically, we say to the patient, after we review the pathway to health, pictures out, treatment plan up, whatever it is, and then we pick out the problems in the mouth. We go over the possibilities, and then you say, "Total investment is..." I don't care if it's a quadrant, it's an arch, it's a smile, it's an appliance, it's an ortho, it's implants. Makes no difference. Facial aesthetics, whatever it is. We say, "Patient, good news, always, total investment's just $7,000." Now, every once in a while around here, we get some free money. Your coupon for your insurance contribution is $1,000. That leaves your responsibility to invest in yourself, such an honor for you to do it: $6,000. We do give you a special little savings off the top when you take care of it today, that makes it just $5,400. You can do a check or credit card, whatever you would prefer. How would you like to take care of that?"

It's a simple deal. After the clinical yes, after the treatment summary, triangle of trust, we sit down, or we stand up, or we're behind the counter, we're in the operatory, we're in the treatment room—it doesn't matter—in the consultation room, if this is bring them back for a full-blown pathway to health presentation, we just seamlessly go for it. And we say, "How would you like to take care of that?"

That's the question right now today, zero exceptions. And then, if they object or they say something, then we can respond, often with a question. Usually, if it's a money response, we say, "Hey, patient, it's truly okay. No problems here. We just want to help. If you cannot do it all today, you just don't get the savings. We're happy to make payments on the total amount or give you the reduced one at your choice."

Patient says, "I can't do it all." We say, "How much can you do? What would be a comfortable amount for you to put towards your pathway to health today?" It's a simple question.

Patient says, “One third or 50%.” If they say, “one third,” we say, “Thank you so much, it’s a great start. Is there any chance you might be able to do half? We do have many people do half today and half when they come in for the procedure, or the treatment, or the visit.” Okay, so again, we play with the number. Once they do that, we say, “Thank you very much.” We take the money, and then we say to that patient, “This will get us halfway there. That leaves us with just $3,000. How would you like to take care of that?” “Well, you said I could do it when I come in.”

“You certainly can do it when you come in. Would you like us to charge a credit card or take a post-dated check for a time at your convenience? Maybe there’s a paycheck, or a 30 days from now, or whatever you would prefer? What is easier for you?” Path of least resistance. There’s no tug of war here. We’re helping them. We’re helping them simply as a fact of life on the investment in their health and in themselves. So let’s say the patient says, “I’ll pay next month, I’ll pay when I come back, I’ll pay whenever.” Say, “Great! Congratulations, you’re well on the way to the pathway to health, you did a great job.”

Let’s say we come up here and we’ve got to add, maybe it’s a one in front of this, $1,000 on $1700, $1600 left. We take the $1,600 off the deal. We have $1,540 or whatever that would be, $1,440, maybe it is, and we say, “There you go, you can save the money.” The patient says, “I can’t do all that at once,” or, “Do I have to do that today, or can I split it up in pieces?” We always say, “Absolutely, we’re happy to help you with whatever is going to make it most comfortable for you.”

The reality of it is we’re probably going to chunk this down into multiple steps anyway. But what we’re trying to do is break apart the patient’s physical entry into the practice and bringing money at the time of visit. Okay, so we’re working on a money plan that can coincide with the treatment plan, but it’s separate, in physical presence.

So again, there’s videos that deep-dive this for you. Just remember, don’t miss the punch line, okay? When we have great clinical value, we’ve created amazing things, we’ve got an awesome clinical yes, the patient is all in on the outcome, don’t be the one that chops it down into pieces. Don’t be the one that presents the next step or the insurance. Okay, don’t blow this thing up. Keep the integrity of the whole vision and lay it out, excitedly, giving the good news that the investment is minuscule. It’s a trivial fraction of what they might expect for long-term, lifelong, impacting health through dentistry.

All right, and then the last thing I would just say, if you get stuck here, just offer the get out of jail card that we call financing. Don’t rush the financing, offer it after.

The last thing, last point: remember, someone in the practice must own the money. Just like we have a queen of the schedule, we got to have a queen of the money, all right? The queen of the cash register. There’s lots of people maybe checking out, maybe it’s one, or two, or three, or maybe one person is on insurance. One person has got to be the person who says, “Okay, where are we at? Is everything getting paid?” When we walk into the morning huddles, “Is there anybody who owes us money?” That needs to be marked up just like future treatment, just like new health history forms, just like new updated photographs, just like new patients on the books.

Somebody’s got to be hawk eyes on, “Where are the dollars?”

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Okay, and then somebody also has to be closing the gap at the end-of-day huddle, saying, "What was diagnosed, what was presented, what was said yes to, and where's the money?"

Okay, and we're going to go to schedule in a moment, but where's the money? And if there's holes in the bucket, the faster we can catch them, the quicker we can follow up, we got to get it done. Just remember, aside from the diagnosis, and eventually we're going to talk about schedule control, the bookends, these are the bookends.

Inside, we have the yeses and the prepay. These two things right here, they're the holy grail, because if there's a diminishing off-kilter of presenting and collecting, the yes and the investment, we're going to end up being stymied and stuck. And really, it's going to feel like a complete health practice, but we're going to get paid like an insurance practice. And all of that lies within this range right here, okay? You got to run up the score on all leverage points and aspects of the formula.

So here's what we got: I want you to have an open discussion about where do you feel there's holes in the bucket on the money? Where do you feel like you can up-level on the money? Where do you feel like we should be paid more for what we do on the money? Where do you feel like we're breaking it down? We got yeses, and then we got dollars, right? We got appointments. So is there anything that's out of alignment there, integrity wise?

Pretty much, keep it wide open. I also want to challenge you to raise your fees, increase your discounts. We don't call it, "discount," but we want to incentivize prepayment on a total plan. The big-vision, accelerated investment. You're going to help more patients get healthy in meaningful ways if you commit and go all into that, right?

Hey, listen, that's a lot of stuff thrown at you, but all about one central topic. Remember to get your mindset right first, and everyone has to be on the same page, because if anyone is talking about schedule prior to investment, you're going to be bottlenecking yourself down to visit-by-visit dollars.

On the flip side, anyone is undermining with insurance contributions, or pre-determinations, or et cetera, et cetera, then you're really going to be shooting yourselves in the foot when you could be getting people to invest and commit in much greater ways, allowing you to slow down, declutter, lessen the volume, increase the value, and have much less stressful days, doing much more high-value, high-leveraged dollars, which ultimately result in greater bonuses and lifestyle for all of you.

And they ultimately get patients healthy faster, and you really develop a complete health, a high-value, a practice where you can work smarter, not harder, and all across the board.

Thank you so much. I look forward to your questions. Role-play verbiage, play-by-play, strategic execution coming your way over the next couple months. Please pick out a couple things here that you can up-level, you can double down, you can close gaps, you can constant, never-ending improvement, and always come back to verbiage, principles, process, protocol; but it's really all about sticking to it and holding each other accountable. Go get them, good luck. And hey, this is where we put points on the board, my friends. Everything else, just talk and noise.