

## Starting a pedodontic practice

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### Abstract

*The membership committee of the American Academy of Pedodontics is endeavoring to provide information to new pedodontists about starting a practice. This article includes several factors to consider in preparing a practice. They are:*

1. Choosing a dental practice arrangement
2. Selecting and planning a solo practice
3. Choosing an area
4. Choosing a practice facility
5. Finding support services
6. Getting a practice off the ground
7. Looking at alternate delivery systems
8. Finding information sources.

In the early 1970s, when our current graduate students were preparing to enter college, many faced anxiety situations. What worried both the students and their families was not how to pay for college, but how to gain admission. Now that these students are concluding their advanced education, they again face anxiety situations.

Their anxiety today is not so much how to enter practice, but how to arrange financing and whether or not they will have a successful pedodontic practice. As soon as a dental graduate has been accepted into an advanced education program, he should begin to think about future practice options; early preparation can reduce anxiety. Goals must be established and discussed with faculty members. This article suggests ways to develop a successful pedodontic practice.

### Choice of Dental Practice Arrangement

The type of practice chosen and the success achieved will depend on your lifestyle and future goals. All dental practices are different and you must seek the type of practice with which you are comfortable — not one proposed by someone else.

What avenues of practice are available?

1. Self-employed private practice — ownership
2. Employment by other practitioner — nonownership; partnership or shareholder possible

3. Group practice — combined general and multi-specialty group, pedodontic group, capitation group, large advertiser or retail dentistry group
4. Employment by a corporation to provide services to employees and dependents
5. Institutional practice — schools and clinics on a full- or part-time basis
6. Government employment — armed forces, public health service, state and local government
7. Faculty position — combination of full- or part-time teaching and practice
8. Research — usually in combination with a full-time appointment in a dental school or hospital.

### Selecting and Planning the Solo Practice

Decisions about a practice should begin early, yet your goals should be established with the realization that changes occur; you must have the flexibility to adjust to these changes. The input of a spouse is extremely important in planning a lifetime occupation.

Several questions must be considered in planning the practice.

1. What type of patient do you wish to treat (handicapped, adolescents, welfare)?
2. Will you perform orthodontic and endodontic services or refer children to other specialists?
3. Will you have a fee for service, a capitation program, insurance participation, and the inclusion of welfare patients in your practice?
4. Will you have room to expand your office facilities?
5. Will you eventually establish satellite offices?
6. Are you willing to offer weekend or evening hours?
7. Will you offer flexible terms?

The type of practice you will have has to be determined.

1. If limited to pedodontics, what age children will you treat?
2. If pedodontics and orthodontics are combined, what are your training limitations? Will you associate with an orthodontist to provide orthodontic services?

3. Will handicapped patients be treated as part of your normal office routine or will you take them to a hospital or clinic where you are affiliated? Will home-bound care be provided to the handicapped? Will you use general anesthesia or sedation in your office?
4. Will you be associated with a dental school or hospital permitting you to teach residents and graduate students?
5. What are the long-range opportunities for expansion? You must realize that a successful practice will outgrow the first facility in five to seven years. What will your goals be — to move and expand either into or another facility or to have multiple offices?

### Choosing the Area

The most critical question probably is, "Where do you wish to locate?" Choosing a practice location will require diligent research and you must consider many factors. The location is critical to growth and patient satisfaction. Use a marketing research approach to get as much information as possible about the potential patient population in a given area.

First find out if other pedodontists are located in the general area in which you are interested, and determine if that area can support another practice. Dividing the population of the area (from 1980 census records) into the number of pedodontists will give you a rough ratio to determine how much competition there will be from other dentists. The first sources of information should be the area yellow pages and local dental society; they will help you choose an area with a high population-to-pedodontist ratio. The national average is about 2,000 persons per dentist for all types of practices. No one has set an acceptable ratio for pedodontists; it may be as low as one pedodontist for 30,000 persons or as high as one pedodontist for 75,000-100,000 persons.

Local industrial planning commissions can provide updated information on population statistics (ages of home owners, level of income) as well as detail maps, health-related data (hospitals, physicians, births, deaths) and projected community growth. Other local sources that

can provide information on health-related demographics are chambers of commerce and health systems agencies. Marketing research firms also can be retained to conduct patient need surveys so that a practice can be targeted to meet those needs.

Getting a large area map and marking established pedodontists' locations with pins allows you to visualize their distribution and help identify underserved areas. Will there be projected population growth in these underserved areas? Good signs of possible growth are fast food chains, shopping malls, school construction, day care centers, and residential and commercial building; commercial activity usually precedes population shifts.

Having considered several possible areas to locate your practice, you next have to choose a specific area. Several factors are critical to your decision: (1) facility characteristics, (2) your economic status, and (3) your projected lifestyle.

Area choice depends on the availability of good office space as well as services and public transportation. Is the area near other medical offices or a hospital? Is it convenient and acceptable to patients (wheelchair access for handicapped)? Are public transportation and ample parking for staff and patients available?

What is the economic outlook of the community? Is area employment good; what is the median income; is birth rate increasing; are schools building or closing; are businesses and industries providing dental insurance, or do they use capitation programs (closed panel dental care)?

Your family's lifestyle is probably the most important factor. Will they be happy living in or near this area? Are there comfortable housing, good recreational facilities, cultural activities, and quality schools for your children? Since the average professional is only in his first house 5-10 years before he moves to a more affluent neighborhood — is such an area nearby?

Are potential offices within easy commuting range? Daily commuting longer than one-half hour may become drudgery. Is it close enough for you to provide after-hours care for emergencies? The average pedodontist must see three to four after-hours patients each month. Are the

hospital and teaching institutions you use near enough to commute? Will these facilities help provide needed emergency coverage? Could you establish an emergency coverage pact with other practitioners nearby if you are unavailable?

Is the community the type in which you want to participate? Social and service clubs, churches and synagogues, and other organizations can offer areas of community involvement conducive to successful practice.

Another aspect of selecting a practice location is to converse with other health care professionals in the areas you are evaluating. You must consider where other dental specialists are located; this can be a good indication of the community's need for a pedodontist. An oral surgeon is probably the best one to help evaluate an area because he sees many problem patients. Other specialists also can describe referral practices among the area's general dentists. Many times orthodontists are very receptive to a pedodontist, as a good relationship can help build their practices. Some school systems employ a staff dental hygienist whose opinion about the quality of child dental care available and the need for a pedodontist would be helpful.

Pediatricians are knowledgeable about the general child population and the community's attitude toward health care. Pediatricians are usually the main referral source for a pedodontic practice, and locating near a pediatric group will be beneficial in building a practice. Local pharmacists also can give information on the area's health care climate.

Go to a local dental society meeting and talk to general dentists and specialists who can tell you about the area. It is important to find out if general dentists refer most children or only refer problem cases. The state dental association can give you the address of the local or district dental society so you can obtain information about the society members and meeting dates.

Will the area be able to support another pedodontist? Most pedodontists will be glad to talk with a new practitioner. The American Academy of Pedodontics (AAP) will supply you with members' names in the areas you are evaluating. Area pedodontists may be looking for an associate. There are also regional, area, and state pedodontic organizations that are helpful in finding a good location. (The names of officers are usually on file at the AAP Central Office.)

Your family's lifestyle plays a big role in the success of your future practice. Choosing a location is no easy task, but with determination and hard work the chances of making a good choice are excellent. After a thorough examination of available opportunities, your final selection likely will result in practice success and growth.

## Practice Facility Choice

After choosing your practice area, the next step is to find the correct facility. Dental supply companies often have lists of buildings that would make good dental offices. By visiting one or two companies you can evaluate their ability to help you find a location and set up practice.

After choosing an intercity, suburban, or rural area, look for the correct building. One choice is a professional building that houses other medical and dental offices. These are usually in large suburbs or intercity areas, often associated with a nearby hospital. Such buildings can have services useful to the dentist such as central compressed air, pharmacies, and other practitioners who can be good referral sources. There are many arrangements in these buildings for leases and even condominium ownership.

Other possible sites include: (1) individual buildings owned or leased and converted to an office, (2) storefronts and gas stations converted to office space in a busy location, (3) indoor mall locations — usually with retail dental practices, and (4) home-office combinations.

Each choice has advantages and disadvantages to consider. The site should offer some flexibility for growth and improvement.

## Support Services

Now that an area and location have been selected, you need help in getting the office open. There are many services available that can facilitate this process.

1. Local dental supply firms can furnish needed supplies and equipment and help finance and plan facility renovations (especially the technical plumbing and electrical layouts). Ask other practitioners which firms are reputable. Visit one or two firms and decide how they can best help you. Don't overbuy at first, but do plan for growth. It will take from \$50,000 to \$70,000 to open a typical two-chair office with necessary renovations, equipment, and supplies.
2. Specialty dental supply firms usually deal via mail for pedodontic and orthodontic supplies. Their area sales personnel will help with plans and usually will issue catalogs of their services; many offer special office opening discounts.
3. Mail order companies send out catalogs of equipment, dental supplies, office supplies, and stationery items, listing prices and availability.
4. Commercial exhibits at dental meetings give a broad view of what is available. Visiting one or two large meetings will show you what equipment and supplies are being manufactured, and give you a chance to

- talk with competent and knowledgeable sales personnel who will give you brochures and catalogs of their products and services. Many suppliers and services exhibit items at the AAP Annual Meeting suited for pedodontics.
5. Local banks will help with checking accounts and other services such as practice financing. Meet the branch manager or regional vice-president to discuss your needs. In general, a local bank can give better terms than supply houses.
  6. An accountant will be needed to do taxes, but he also can help set up financial arrangements with a bank, offer financial management techniques, give advice about other matters. Ask for references, especially other dental clients, to help determine if the accountant is familiar with dental practices. Get his advice before leasing or financing equipment and other purchases.
  7. An attorney will be needed to check documents that need signatures; all leases and financial papers should be reviewed before signing. The attorney also may be able to negotiate more favorable terms in some contracts. It helps to have an attorney experienced with dental practices. References are also important when selecting an attorney.
  8. Insurance has to be considered. One of the best sources is the ADA Protector Plan available through most state dental societies. This plan covers all liability, fire, and other necessary coverage. Personal insurance needs also can be arranged with group plans offered by the ADA — life, disability, and health; you will need other insurance carriers for your automobile and household items.
  9. Practice management consultants are helpful. Early consultations will help set up office procedures and teach you how to handle patients and finances efficiently. They also are helpful in evaluating office plans for traffic flow and space utilization, but personnel and financial management are their forte.
  10. Decorators and dental office designers or architects are helpful in planning color schemes and decor for reception and treatment areas. They coordinate equipment, room furnishings, and colors to make a more pleasant environment for the pedodontist, staff, and patient.

## Getting the Practice off the Ground

After the practice is ready for patients, the next step is to let the public know you are open — this will be your main concern for several years. Public relations can take many forms; the AAP has a great deal of information on public relations campaigns for pedodontists.

Early in your practice you will have openings in your appointment book; use this time to meet pediatricians, area dentists, and their staffs. Be sure to leave your business card. Even if there are other pedodontists in the area, put your best foot forward. You may be surprised to find that many general dentists and pediatricians are ready for a change in referral sources — your appearance may be timely. Some may be interested in new concepts learned in your recent specialty training.

Since more than 50 per cent of new pedodontic patients come from satisfied parents of current patients and friends, concentrate your efforts in that area. Another 30-40 per cent of new patients come from pediatricians; the remainder will be referred by general dentists or dental specialists.

A specialist should meet his colleagues. You can accomplish this by attending local dental society meetings and volunteering to serve on a committee. Most dental societies need someone to head the ADA-sponsored National Children's Dental Health Month activities; this is a natural for a pedodontist and a great way to promote your philosophy on preventive dentistry to the public. You also can invite area dentists to an open house in your office, many specialists start or join study clubs with colleagues to exchange philosophies of treatment planning and patient management.

It is important to be visible in community activities. Join as many service clubs and organizations as you can. These service clubs always have speakers — you can present material on pedodontics to the group luncheons or dinners. You and your family should try to be active participants in these groups so that people will get to know you and seek your professional services.

Besides service organizations, activity in religious groups, local schools, and fraternal or civic groups is important. For example, volunteer to speak to women's groups such as the La Leche League or Childbirth Education Association. Invite your local nursery and grade schools to visit your offices, or speak to their classes.

Many local hospitals employ a pedodontist in a courtesy or consulting role even though they have no facilities for operative dentistry on either an inpatient or outpatient basis. The hospital emergency room should know you are available for dental emergencies in children (make sure you have an answering service number).

## Alternate Delivery Systems

Besides the traditional private practice, five other types of dental delivery systems increasing their influence in the dental marketplace are: (1) health maintenance organizations (HMOs), (2) retail store dentistry,

(3) corporate dentistry, and (4) capitation dentistry (closed panel).

These practice types all use pedodontists and pedodontic services to various degrees. Learn as much as possible about them and review any agreements with them carefully.

## Sources of Information

There are many sources of information available to pedodontists considering practice and career opportunities. The following is a list of resources that may be useful; there are many more, and new ones with updated information are being published constantly. Dental school libraries may have these as well as additional literature on the subject.

1. Practice management journals publish short articles on current practice management and planning techniques. There are many innovative articles on marketing, public relations, successful practice, and professional life planning.
  - a. *Dental Economics*, 1421 S. Sheridan Rd., Box 1260, Tulsa, Okla. 74101 (publishes an annual edition guide to dental products and services)
  - b. *Dental Practice*, 3700 W. Waco Dr., Box 7573, Waco, Tex. 76710; *Dental Management*, 1 E. First St., Duluth, Minn. 55802; and *Dental Products Report*, 4849 Golf Rd., Suite 400, Skokie, Ill. 60077 (review group practices and dental products and services)
  - c. *Dental Student*, 3700 W. Waco Dr., Box 7573, Waco, Tex. 76710 (another informative source).
2. Professional journals sometimes publish articles pertinent to managing a practice. These publications also have advertisements for practitioners seeking associates and pedodontists looking for positions. Some pertinent journals are: *Pediatric Dentistry*, the official publication of the American Academy of Pedodontics and the American Board of Pedodontics; *Journal of the American Society of Dentistry for Children*; *Journal of Pedodontics*; and *Journal of the American Dental Association*.
3. Many recently published books are available in libraries. One of the best is: *The Beginning of Dental*

*Practice: The First Year*, J. E. Dunlap, Pennwell Books, 1980 (there are several other Pennwell books on this subject); *Dental Practice Planning*, W. W. Howard, C. V. Mosby Co., 1975; and *Dental Clinics of North America*, (April, 1978 — Practice Management; October, 1981 — Business Management of Dental Practice; and April, 1982 — Legal Considerations in Dentistry), W. B. Saunders Co.

4. The AAP is one of the best sources for the new graduate. The Academy offers many services such as:
  - a. Publishing employment opportunities in the classified ad section of the newsletter and Journal (There also is a career board at the Annual Meeting where members place information on job opportunities; new pedodontists can establish a meeting and interview for positions)
  - b. Sponsoring meetings and seminars on pedodontic practice management at the Annual Meeting and CE courses at various locations around the country (One of the best presentations is the Pedodontic Practice Forum at the Annual Meeting)
5. Other courses and seminars are presented by a variety of dental societies and study clubs including CE courses at dental and business schools. There are also many privately offered one- and two-day seminars advertised in various publications and mailings. A few companies offering these are: (1) Sarner and Associates, 211 E. Chicago Ave., Chicago, Ill. 60611; (2) Health Care Consultants, Lief Beck, 400 Barclay Bldg., Bala Cynwyd, Pa. 19004; (3) Sycom, West Beltline Highway, Box 7947, Madison, Wis. 53707; and (4) Quest, 1600 Promenade Bank Tower, #345, Richardson, Tex. 75080.

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