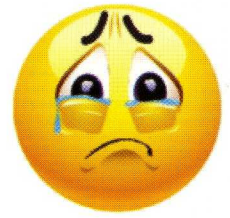




SAD OR SORRY

DENTAL SERVICE ORGANIZATIONS

– A EUPHEMISM



EDITOR'S CORNER

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It is axiomatic to accept the maxim that “you get what you pay for”. We intuitively understand that quality costs more, and

for the services we provide this is certainly true. We are admonished, however, not to make claims that our treatments are any better than those of our colleagues, after all, we certainly do not want anyone to receive second class care.

Dentistry is an art, a combination of skill and training with science and imagination that allows the application of these faculties to relieve our patient's pain and give them a biting chance at life. It is counter intuitive, therefore, to interpose an insurance company or a corporate manager between the care provider and the patient and preserve the expectation that the cost of management will not in some way make the service cost more. It does!

Both are for-profit organizations and if they were not making money, they would fold and close up shop. Insurance companies pitch reduced costs for dental care to a large group and dish out meager coverage for treatments to those who actually submit a claim. Participating dentists are paid less for the work they do. Dental service organizations (DSO's) purport to

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market the services of dentists and profess to manage the practices more efficiently. They promote dental care as a brand. Dentists sign up in the hope that they will have more patients driven to seek care in a practice that is run more efficiently. Dental service organizations will increasingly take advantage of regulatory changes which may increase the scope of procedures that midlevel providers (MLPs) may perform. Participating dentists are paid less for the work they do.

Here in Los Angeles, as across the country, we are still seeing a growth in the number of DSOs. There are now sixty five and counting. Each of them has a strategic concept of the dental marketplace and how best to achieve success. Fundamentally, they all try to achieve efficiencies through economies of scale, resulting in a relentless focus on controlling costs of practice operations and ensuring maximal employee productivity. We should be concerned about any one who says they can perform the services we provide more efficiently for less money. Any additional layer of management is bound to cut into the resources available to compensate the treatment providers for their services.

Dentistry is not cheap and it can not be free. Our concern should not be that they will displace us private practitioners, but for the patients who receive the discounted service for whom we should feel sad, and our unfortunate peers who have made the mistake of signing up with managed care and now can't wait to get out of their contractual deals. They are feeling very sorry. In effect these companies are capping and steering. They are receiving compensation for bringing the doctor more treatment opportunities. ■