

Media Release:

NEW MANAGEMENT TOOL TO BOOST SUSTAINABILITY OF DENTAL PROFESSION

11 December 2013: A new practice management tool launched today by the South African Dental Association (SADA) aims to address the challenges faced by dentists, to ensure the sustainability of their practices.

Known as D-CALC, development of the tool was sponsored by PPS to assist dentists in determining a pricing schedule for procedures, which would be specific to that practice and based on the unique income and expenditure patterns of the individual practice.

Maretha Smit, Chief Executive of SADA, says that the tool will help to ensure that there is more financial security for the dental profession in South Africa. "Underpinning this initiative is the focus on supporting dentists with the business tools needed to ensure the continued sustainability of the profession."

Smit notes that this is critically important, with many dentists expressing concern over the future of the profession. Results from a survey of almost 150 dentists conducted in the third quarter of this year, found that respondents had a 62% confidence level in the future of their profession, a decline of 8 percentage points since the survey began in 2012.

She says that SADA's vision is to support the industry. "To do this, a concerted effort needs to be made to stabilise a sector that is currently very much in limbo, especially as a result of income/cost issues and low morale."

Smit points out that since 2006, when the Competition Act prohibited the publication of any medical and dental fee schedules in the public domain, dentists have struggled to develop appropriate and feasible costing for their procedures. "The Health Professions Council of South Africa (HPCSA) is currently attempting to publish a schedule of fee norms, but once again, it is unlikely for such a schedule to take into account the real underlying cost dynamics in different types of practices, ranging from those in previously disadvantaged and in rural areas to those situated in more affluent urban areas.

"Third party funders have over the last few years increased their benefits for dental procedures by between 3% and 6% on a yearly basis, with medical inflation sitting between 10-14%. Practitioners have no way of benchmarking the medical scheme's increases in terms of their practice realities. Perceptions have therefore been created that the dental profession overcharges patients, which doesn't take into account the dentist's real costs for procedures."

She says that part of the challenge is that dentists have been trained at universities to be clinicians, with very little focus on business management. “The key to the success and sustainability of any dental practice relies on an understanding of its own business and unique cost drivers, as well as the extent to which specific procedures can or cannot be funded by medical schemes. Using the tool, a dental practice will be able to analyse various scenarios in managing the practice and, as such, determine pricing schedules that are directly relevant to that specific business.”

Mike Jackson, CEO of PPS, says its partnership with SADA was a natural fit for the organisation, which was founded in 1941 by a group of dentists and was modelled on the Dentists Provident Society in the UK, as a financial protection offering for professionals. “We praise this initiative by SADA and we firmly believe that identifying solutions to ensure the sustainability of the profession is an imperative.”

The new practice management tool will be introduced to dentists over the course of the New Year in all major centres nationally, with the ultimate plan of offering this to all members across the country.

D-CALC is available to download on the SADA website for a launch price of R390. From January 31, it will cost R480 for SADA members and R1170 for non-SADA members. Purchasers will need to have access to Excel in order to use the tool, with the product being non-transferable to other computers or partners in the practice.

“We are passionate about ensuring that the dental profession remains viable in the future and we hope that the tool plays a small role in ensuring that we achieve this goal,” concludes Smit.

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