



your dental plans

Your practice. Your patients. Your choice.

CASE STUDY

Penryn Dental Practice

BACKGROUND

A move to state-of-the-art premises in a former tanning mill overlooking Penryn river and harbour is the culmination of a ten-year grand scheme designed to benefit patients and practice alike at Penryn Dental Practice – the master plan of principal dentist Donal O'Halloran BDS.

On graduating in 1992, Donal left Ireland for Cornwall to join Penryn Dental Practice as associate principal to the dentist who was due to retire. Donal's move came amid the first raft of NHS contract changes when the idea of working outside of the state sector as a new dentist was almost unheard of. In 1994, his colleague having retired, Donal bought the practice as sole principal and appointed another associate, Susan Lewis. At this time, the practice was still operating mainly within the NHS, but with a small fee-per-item private element (about 20 percent).

In the short term the initial plan was to develop into a two-person mixed practice with a full-time hygienist. At this point, they developed a third surgery and appointed June Pike as full-time hygienist.

In 1998, Donal's wife Jane joined on a part-time basis, working alongside Donal and Susan. With rumours of further NHS contract changes afoot, Donal conceived his plan to migrate Penryn Dental Practice from the NHS to the private sector. The practice stopped taking on new NHS patients and Donal spent the next five years building the business by focusing on the private side.

The next stage was to win clinical and general business recognition and to ensure the financial aspects of the business were on a solid foundation and well structured in anticipation of the conversion. To that end, in 2000, Penryn Dental Practice earned accreditation with the British Dental Association's Good Practice and the Investors in People scheme.

Anticipating the introduction of the new NHS contracts and the devolution of primary care dentistry budgets to primary care trusts (PCTs), Penryn Dental Practice knew the future looked bleak for NHS practices. As a result, in early 2003, Donal began to explore how best to structure the business for onward growth in the private sector. Donal could foresee that the new contracts would restrict the financial and clinical control of the practice and a move to the private sector would allow his patients a better level and quality of care.

Also at this time Donal was approached by his old friend Sean O'Conaill who was completing his MSc in Conservative Dentistry in the Eastman in London, with a view to joining up as a partner once he moved to live with his family in Falmouth. With Sean's investment and clinical experience, the final stage was to move the practice into state-of-the-art premises with new facilities. The move was designed to improve the patient experience and allow the team to deliver a higher standard of care more conducive to private dentistry in a clinically suitable environment.

CASE STUDY CONTINUED**PENRYN DENTAL PRACTICE**

Fundamental to Penryn Dental Practice's plans for private practice was its desire to retain complete control – in terms of brand identity, finances and the general running of the business. Furthermore, Donal was keen to continue with the existing element of fee-per-item private income, but to combine this with a new, direct debit-based payment plan.

SOLUTION

On talking to DPAS, Penryn Dental Practice was impressed by its suitably flexible structure and open-minded, supportive approach to combining fee-per-item and payment plans.

Having selected DPAS as its payment plan administrator, Donal's next decision was to make the jump to private practice in one fell swoop; he wanted to make a clean break with the NHS by providing his patients with a pre-determined cut-off date – February 2004 – to opt in or out of the new service. Penryn Dental Practice planned to lose a significant percent of its NHS patient base to enable it to focus on its remaining private patients and provide them with better treatment and care.

"We knew we needed to lose around 40 percent of our patients to enable us to give more time to those remaining with us," commented Donal.

Realistically, Penryn Dental Practice anticipated that there would be some criticism of its conversion among both patients and the local press, particularly since it was the first practice in its area to turn private in many years. However Donal and his colleagues felt that keeping their patients informed directly, quickly and clearly would help limit any potential fall-out.

In terms of preparing for the actual conversion, among a number of recommendations DPAS made was for dental business adviser Sheila Scott to bring her specialist skills in improving practice management to bear for Penryn Dental Practice. Sheila's involvement – which included clinical and treatment / care aspects, communications skills, cost structures, as well as patients' experiences – encompassed her spending a day with the reception staff and a further two days with the dental practitioners. With her hands-on approach, Sheila encouraged Donal and his team to explore the way in which the practice worked and how they could improve patient care – from managing workloads, structuring fees and training staff, to welcoming patients, explaining their treatment and describing costs.

In November 2003, following five years of long-term preparation, Penryn Dental Practice rolled out its three-month changeover programme, working in close partnership with DPAS to do so. The practice planned to announce the news to its patients in writing by post. The mailing was carried out by DPAS, and each of the patients received a:

- Cover letter explaining the move to private practice
- Copy of the new fee structure
- Advice on what to do next.



your dental plans

Your practice. Your patients. Your choice.

CASE STUDY CONTINUED

PENRYN DENTAL PRACTICE

In addition to the mail-out, DPAS business development manager Ian Eslick advised Penryn Dental Practice to host an open evening for patients to come and chat through their hopes and fears. The practice held two such events, both attended by Ian to lend support to Donal and help answer questions.

“The open evenings were an excellent idea. We knew they might be quite contentious and were prepared for some confrontational questions, but our patients left better informed and more onside than they’d first appeared,” said Donal.

The response to the move from patients was extremely positive – it retained some 60 percent of its 3,500-4,000 patients, losing around 40 percent during the November 2003 to February 2004 conversion period, in line with its expectations. Many of those who remained as patients continued paying on a fee-per-item basis, with approximately a quarter of all patients taking advantage of the payment plan.

The media furore was more unexpected, however. The local Labour MP was a patient, and the press jumped on the story with front page news in all the local newspapers, plus coverage on local radio and television, occurring regularly throughout the three months. Press interest peaked with a visit from the then Minister of State for the Department of Health, the Right Honourable Rosie Winterton, when a national political programme approached Penryn Dental Practice for an appearance. Even the local PCT – which until then had ignored the practice’s efforts to engage in direct dialogue about its experience of NHS dentistry, fears for the future and intentions to convert – wanted to talk.

Nevertheless, business for the newly private Penryn Dental Practice was flying.

“We signed up approximately 150-200 new patients a year so – as well as losing the expected patients – we were focused on improving care for our remaining customers, while experiencing new patient growth at the same time. It was a very positive start,” said Donal.

BENEFITS

Having lost about 40 percent of its NHS patient base, Penryn Dental Practice welcomed the opportunity to be able to give more time and a wider range of treatments to those remaining. The patients in turn clearly benefited from the enhanced standard and quality of care, and word quickly spread ensuring the interest of 150-200 new patients each year at first, a figure that soon rose to the current 500 level.

During the conversion period, patients benefited from the emphasis Penryn Dental Practice placed on direct communication with them: “The most important consideration for us was that our patients knew exactly where they stood,” explained Donal.

Also of value at this time were the open evenings: “The fact that DPAS was there really helped us. We’re one of the only practices to have held the open evening event, and would recommend it to others as an excellent means of enhancing the dentist-patient relationship,” said Donal.



your dental plans

Your practice. Your patients. Your choice.

CASE STUDY CONTINUED

PENRYN DENTAL PRACTICE

Positive results of using an external practice management expert were seen across the business at Penryn Dental Practice. Sheila Scott's focused sessions provided reception staff with objective, hands-on advice. Her guidance helped enhance communication skills – both face-to-face and on the telephone – by teaching them how best to convey to patients what the conversion to private practice would mean and the advantages that it would bring them personally.

“Sheila Scott's specialist and practical support was critical to us; we needed to be able to fully justify to our patients why we had made the move from NHS to private practice, and her time with us proved invaluable in equipping us with the tools to do this,” said Donal.

For the practice, one of the main benefits has been the financial impact of receiving a regular monthly stream of income as a result of the payment plans. A monthly-paid dental plan funding structure has maximised the likelihood of regular patient attendance, thus optimising revenue for the practice and ultimately patient care.

The practice team has also benefited from the continued ongoing support of DPAS, which has remained on hand to assist with any future plans and developments with payment plan options and promotions.

Three years after the conversion, Penryn Dental Practice moved into its new four-surgery state-of-the-art award-winning premises. Alongside Donal, Sean and Susan, there are now three part-time hygienists: Sally Oldrieve, Sarah Lendon and Alison Brown. The practice also has two receptionists and a total of six nurses.

“All of this growth and investment has only been possible by being completely independent of the restrictive budgets of the NHS. This inward investment has also allowed us to improve and expand the quality of care being delivered ultimately benefiting the health and well-being of our patients,” said Donal.

To find out more about how DPAS can help smooth your journey from NHS to private practice, or to see how we can make your existing payment plan administration work more efficiently, please call us on 01747 870910 or visit us at www.dpas.co.uk.