A cautionary tale

Back in 2008, Manor Dental, in Sale near Manchester, decided to administer their own dental payment plan, but soon regretted their decision...

Manor Dental is a modern, private practice, which also has a sister practice – Manor Skin Spa – and a professional, all-female dentist team that provides a range of dental and facial enhancement treatments. Manor Dental offers payment plans to help patients budget for their regular dental care, but in 2008 the team took the decision to administer their own payment plans, without the support of a specialist provider. At first, this seemed like a straightforward and simple idea, but it eventually turned out to be a ‘nightmare’.

Practice manager, Amanda Lowrie, explained, ‘Establishing our own in-house payment plan was actually a catalogue of errors from the outset. Firstly, we were badly advised by our bank manager, and instead of insisting that patients pay by monthly variable direct debit, we allowed patients to pay by monthly standing order.’

Key differences

This may seem like just a matter of semantics, but there are some key differences between a standing order and a direct debit arrangement, namely:

1. Standing orders are for a fixed amount and any variation needs to be activated by the patient. Under a variable direct debit arrangement, patients agree to the amount being varied on demand by the practice, subject to the required notice of change being provided to the patient.
2. Standing orders can be cancelled by the patient without the need to notify the practice, whereas, under a direct debit arrangement, any cancellation is transmitted through the banking system to the practice.

These two differences alone caused many problems for the practice in tracking the frequency and accuracy of patient payments. Amanda was left with no alternative, but to manually sort through bank statements, reconciling each one to see if all was in order.

Amanda continued, ‘Keeping track of changes to patients’ names and addresses, in order to keep the database up-to-date for Data Protection Act purposes, was an ever increasing burden as the number of patients on plan increased.’

The importance of training

Quality is a philosophy that runs through the heart of Manor Dental, and it prides itself on treating all patients with the very highest quality of dental care. Within this, Amanda’s main responsibility is to ensure that all practice team members are trained to the highest level, and the materials and equipment used are of the highest quality. Naturally, they also wanted a smooth running payment plan that reflected this ethos.

Amanda recognised that something had to be done – and quickly – to overcome the spiralling problems the practice was facing following the decision to administer payment plans in-house. Around this time, a friend recommended DPAS, a leading provider of practice-branded dental plan administration services.

Administration

DPAS initially mailed a considerable amount of patients for Manor Dental in 2009, inviting them to transfer to a new plan created and administered by DPAS, under which, monthly payments were to be made by direct debit.

Since this time, DPAS has provided on-going support to the practice, ensuring that the team has everything they need to make the most of their practice-branded plans.

Amanda said, ‘We’ve just got a handful of patients now who haven’t moved over, but are going to. Considering the issues we faced administering our own plan, and the sheer administrative workload it created, we feel we have done really well. We had to unpick everything that we had done, and recontact all our patients, but they clearly responded well to the prospect of having their payments administered by an FSA-regulated third party like DPAS. In the end, it has definitely been worth it.

‘Our patient plans are now growing, we’re more organised and people aren’t leaving. Although a lot of that is down to us and the service we provide, having DPAS administer our practice-branded plans has enabled us to be more professional; the paperwork is easy to complete and the letters we send out are clearer, plus, we have the peace-of-mind of knowing that everything that DPAS does for either ourselves or our patients, is fully compliant with FSA regulations.

Amanda was also pleased to be relieved of the burden of handling insurance claims. Previously, when administering their own plan, the practice dealt with patients’ claims, increasing the administrative workload, and she has been particularly impressed with the speed and efficiency DPAS shows in dealing with claims directly with plan patients.

‘Thankfully, patients don’t need to claim very often, but when they do, they want an easy and straightforward process to follow to be reimbursed. DPAS handles queries and claims on behalf of the insurers and does so very professionally and very quickly.’

The whole ethos of Manor Dental is aimed at promoting a greater commitment to oral health, and dental payment plans provide an excellent vehicle for this; spreading the cost of routine care and encouraging patients to attend regularly in order to receive the care they need. But, administering their own plan created so many internal issues for the practice that it simply became a burden.

‘Our whole ethos is to encourage patients to join our plan, it’s what we try to do everyday. We now have 70% of patients on plan and staff and patients alike are very happy with it. I would certainly discourage any practice thinking of administering its own plan – leave that side of things to a company like DPAS, who are experts in this area, and concentrate on your own competencies; treating patients and giving fantastic oral healthcare.’