

THE READERS' CORNER

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(Editor's Note: The Readers' Corner is a quarterly feature of JCO in which orthodontists share their experiences and opinions about treatment and practice management. Pairs of questions are mailed periodically to JCO subscribers selected at random, and the responses are summarized in this column.)

JCO received a robust response to this Readers' Corner survey on the economy. Most of the respondents were in their middle 40s to middle 60s, with 15-30 years of orthodontic practice experience. This indicated that they had been in practice long enough to establish a baseline from which a realistic appraisal of the economic downturn could be made.

Has the current economic recession affected your practice?

Nearly 79% of the clinicians reported that the current recession had affected their practices to some degree. There was little or no indication that the downturn would be catastrophic, but it was obvious that there was cause for concern, even among those who had not yet experienced a decline.

If you have not experienced a downturn, why do you think you have not?

Two primary reasons were cited by approximately equal numbers of those who had not seen financial declines in their practices: that their local economic conditions had been basically un-

affected, or that they relied on strong, aggressive internal-marketing strategies. Another reason given by far fewer respondents was a substantial waiting list of patients on observation. Only a few practitioners said they relied on external marketing or referral promotion to counter the effects of the recession.

If you have experienced a downturn, how has your practice been affected?

Overall, 41% of the affected practices noted a 10-20% decrease in referrals, followed by 36% who reported less than a 10% decline and 23% who had experienced a reduction of more than 20% (Table 1). On the other hand, 44% noted a decline of less than 10% in child case starts, 39% reported a decrease in the 10-20% range, and 16% reported more than a 20% decrease. In adult starts, 41% noted a reduction of less than 10%, while 36% reported a decrease of 10-20% and 23% a decline of more than 20%.

Many of the practices mentioned problems with fee payments, but only 5% said it was a significant concern. Some 20% had not noticed any negative effects on fee payments.

**TABLE 1
EFFECTS OF RECESSION
ON RESPONDENTS**

	>20% Decline	10-20% Decline	<10% Decline
Referrals	23%	41%	36%
Child case starts	16	39	44
Adult case starts	23	36	41



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No respondent reported that patient pressure for more limited treatment had increased significantly, but roughly 25% indicated a slight upturn in requests for limited treatment. More than half of the clinicians reported no patient pressure for abbreviated treatment. Furthermore, only about 25% of the respondents said they had received any requests for fee reductions.

If you have experienced a downturn, how have you responded?

The following strategies for ameliorating the effects of the recession were cited, in decreasing order of frequency: increased promotion of dental referrals, cancelled or delayed plans to purchase or upgrade major equipment, reduction of staff or of staff hours, increased external advertising, and separate charges for more services. Only 8% of the respondents said they had agreed to more limited treatment. Only one clinician had reduced fees, while 9% of the respondents had raised their fees.

If you have not yet responded to the downturn, how are you planning to respond?

Clearly, most of the practitioners who had not yet responded to the recession were planning to stay calm and take a wait-and-see attitude. The areas most frequently listed for future action if necessary were increasing the promotion of dental referrals (19%) and reducing staff hours (13%).

How do you handle patients in treatment who no longer can afford to make payments?

Seventy percent of the respondents said they would continue treatment as long as necessary to obtain satisfactory results. Only 6% indicated they would consider discontinuing treatment for non-payment, but even those practitioners generally said they would do so on a case-by-case basis. Many replies indicated that the total fee would not be reduced, but that monthly payments could be reduced in conjunction with an extended payment plan.

Interesting individual comments included:

- "Patients have enough trouble without my add-

ing to it. I will do the best I can to finish the case or debond if the situation warrants. I don't charge for retainers."

- "If a patient is in financial distress, I handle it on an individual basis. Poor cooperators are terminated. Good hygiene and good cooperators are helped with new payment options or, in some cases, reduced or eliminated fees."
- "If no financial arrangements can be made, the patient is given the option to secure another orthodontist, or we will remove the braces, usually at no charge."
- "I feel I should do the best I can during these difficult financial times for my patients. These good and decent people have supported me during the good times, so I can do with less profit and feel better at looking in the mirror during the bad times."
- "What you think about comes about. We choose not to dwell on all the negatives, but celebrate that we get to be a part of this awesome profession and our practice continues to thrive."

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