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3 HR STRATEGIES THAT LEAD TO SUCCESS

by Ali Oromchian, JD, LL.M.¹

Consider how many times you have told your patients some variation of the adage that an ounce of prevention is worth a pound of cure. That same sound advice should also be applied to your practice. As a dental entrepreneur, you are responsible for cultivating and maintaining the performance of your team, while also understanding and enforcing the HR laws that apply to your practice. Therefore, you should consider implementing strategies which both maximize the performance of your employees (which leads to higher profits) while also protecting your business from employment disputes. The steps you take now can protect your practice down the road, and can help to generate larger profits in the long run.

With these goals in mind, here are three crucial compliance strategies which can be easily implemented and which can have an immediate positive impact upon your practice:

Updating or Drafting a New Employment Manual:

Your employment manual is your first line of defense against lawsuits and allegations of regulation violations. The manual sets rules and parameters for your team, and lays the foundation for your relationship with your

employees. It discusses benefits, as well as rules for discipline and other actions for rule violations.

One mistake employers often make is to presume that the employee manual is only in place to assist and protect employees. But in practice, the employee manual offers incredible benefits to the employer. It contains updates on applicable laws and can be referenced when common issues arise such as medical leave and disability accommodations. Following the handbook ensures fairness, and prevents surprises when it comes to rules and discipline. Best of all, the handbook protects your practice from claims of discrimination when disciplinary measures are taken. As long as you follow your handbook, and you follow it consistently for all employees, then you are taking a strong step towards protecting yourself from costly labor disputes. If you do not have a handbook or if yours has not been recently updated, then now is a perfect time to draft or update a manual for your practice.

Updating Employment Contracts with Associations:

Your practice should be using employment contracts with your associate dentists. If you do not have employment contracts in place, then you should draft and implement

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contracts immediately for the sake of your practice. If you do have a standard employment contract, you should make updates to it to ensure that it has been written in a way which both protects and benefits your practice.

One area of the employment contract which you should consider updating if necessary is the section on restrictive covenants - especially the nondisclosure provisions. Recent changes in the law have provided more flexibility to assist employers in protecting their intellectual property.

These provisions can be used as proof that your practice is taking reasonable measures to protect your valuable and confidential information, helping to ensure its protection as trade secrets in the case of a dispute. Intellectual property, or IP, can refer to patient lists, pricing, business plans, vendors, referrals and marketing data. It is extremely important for your practice to have policies in place which clearly identify what is considered a trade secret, and these agreements should be in place before an employee leaves your practice. In addition, you should have a written procedure in place which states that if an employee is terminated or leaves voluntarily, then all confidential information will be immediately returned to the practice.

In addition to protecting your IP, you should also use your employment agreements and other policies to encourage your associate dentists to invest in their own futures with your practice. Compensation and benefit policies which reward high performance and encourage investment into the practice can be beneficial to all, and can serve as recruiting tools as you look to hire new talent.

Ensuring That You Have All Required Forms for Each Employee:

Our final strategy is, admittedly, a boring one. But, it is one which cannot be overlooked without great risk to your practice. Remember our theme about focusing on prevention? That rule is especially true in terms of

employee forms. Did you know that there is an average of 12 required forms for each of your employees? If you suspect that you might not have all of the correct forms for your employees, or if you don't know where those forms are, then this is the perfect time to remedy this issue.

Even if you think that you have all of the forms that you need, it is always safe to double-check. Tax forms and other related documentation rules change more often than you might expect; therefore, you should educate yourself as to what you need when hiring employees and make sure that the forms you are using are up to date. For example, did you know that a new 1-9 form came out recently, and that all employers were required to use this form as of January 22, 2017? The new form includes substantive changes which can impact the information and documents required for completion. If you have not updated your forms or are using information which is out of date, now is a great time to update your documentation.

Implementing preventive strategies now can lessen your end-of-year burdens and help to smooth your transition into the new year. As 2018 approaches, take your own advice and invest into prevention to avoid spending money to remedy future issues. By focusing on compliance with HR rules and investing in the success of your employees, you are taking proactive steps towards ensuring a successful new year.

Getting Started:

The above-listed HR strategies for accelerating the performance of your team are simple yet effective suggestions for adding to your current HR practices.

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When Should Retirement Planning Start?

by Dr. Berdj Feredjian¹

When you decided to become a dentist, you probably planned from your early high school years to put yourself on the proper path. First, you had to excel academically and enroll in the proper courses, then you researched a reputable undergraduate institution to maximize the odds of being accepted into a dental program. Along the way, you listened to the advice of counselors, friends and dental professionals in your community.

Eventually, you succeeded in graduating from dental school, obtained your license and perhaps your own practice. Then the challenges of running a practice took over. How to bring in new patients, how to procure and maintain the right staff, how to increase and improve your clinical skills through continuing education, learning to comply with the myriad of governmental regulations and many other challenges, including your personal life.

One step you probably did not take was planning for your retirement. Most advisors recommend starting the retirement planning process when you begin practicing. *"What? Planning for retirement when I just started my career? I have no time for that. I need to concentrate on growing my practice."*

No doubt you need to concentrate on your new practice. But, planning does not mean you need to know the exact date you will retire. No one can predict that. It simply is starting the planning process, as you did for your career, to position yourself to retire when you are ready.

SO, WHAT ARE THESE STEPS?

- 1. When you're ready to start your practice, make sure you make the right choice.** The options are either to buy an existing practice, buy into a partnership or start from scratch. Though the reasons are many, suffice it to say that purchasing an existing practice or becoming an equity partner provides you with an established patient base and cash flow, making it the wiser choice. There is no period of growth and there's instant cash flow to service not only the purchase of the practice but also to produce a handsome living. Starting anew can be possible but is usually an uphill trek before seeing a profit. Since you have a limited number of years to maximize your career earning potential, buying an existing practice makes more sense. This gives more of an opportunity for the second step.
- 2. Start investing in a retirement account, whether it be an IRA, 401K, profit sharing plan, or SEP IRA.** An accountant who deals with dentists or a financial planner could help you with this. It's never too early to start this process.
- 3. Watch your personal expenditures.** After having gone through the grind and expense of getting your dental degree, there might be a tendency to "treat" yourself with a lavish residence or a luxury car. After

all, you're now a professional earning big dollars. The problem is that in the early stages of your career, you're not at your peak potential to produce dentistry. Early on, you will probably earn enough to service your school debt and pay for living expenses. With the "extras" you will curtail your ability to contribute to your retirement plan. It's best to wait for the time that you can contribute both to your retirement and be able to fund the "extra" things in life.

- 4. Start developing outside interests and hobbies.** This can serve several purposes. It can keep life interesting outside the dental office, you can develop new contacts who may end up being your patients and as importantly, you can have something to do once you retire. In my years of helping to transition our colleagues into retirement, one of the most common reasons I heard for not wanting to retire was "I wouldn't know what to do if I didn't do dentistry". The lack of outside interests locked these doctors into their practice only to watch the decline of their practice from which invariably they had to walk away. They walked away without receiving the value of their practice in dollars, potentially part of their retirement funds.
- 5. If you decide to take on an associate, first make sure that you need one, and second, have a proper contract with a restrictive covenant.** The lack of a restrictive covenant makes a practice unsellable in most instances. Why would a buyer acquire a practice if there is a great possibility that the associate without the non-compete can open next door and take the patients with him? In addition, banks that understand practice transitions will not finance such a purchase. It was regretful to deliver this news to someone who was ready to sell but had an associate with no restrictive covenant.
- 6. Don't think "bigger is better" necessarily.** At times, practitioners like to build meccas for themselves, thinking that it will attract more patients. You know, have a decorator go all out, buy all the cutting-edge equipment and so on. Unless you have the patient base that can support the outlay, spend your dollars on continuing education, hiring the right staff and marketing. Though you may produce more by going all out, your net profit will probably be less because of the greater overhead you have taken on. As you can see, early planning can be liberating. Though you may not think you can retire at age 55 or earlier, by instituting the right steps, you can have the choice if you so choose.

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DIODE LASER: Disposable Fiber Tips v. Continuous Fiber

by Dr. Jim King³

Dental companies constantly find ways to acquire more profits. Many laser companies accomplish this by designing lasers that use Disposable Fiber Tips.

- These Disposable Fiber Tips average around \$8 each and are single-use, only; quality Continuous Fibers run around \$300, providing for 500+ procedures.

Doing the math for the dentist or hygienist who uses lasers just 4 times per day, or 700 times per year:

	1-Year	5-Years
Disposable Fiber Tips	\$ 5,600	\$ 28,000
Continuous Fiber	\$ 450	\$ 2,250

If cost were the only issue with Disposable Fiber Tips, you could pass it on to the patient in laser procedure fees, but our issues with Disposable Fiber Tips do not end here.

- All laser physicists know, if your goal is to direct consistent energy through a fiber, you do not disrupt the continuity by placing a break in it - energy loss results. Improperly installed Disposable Fiber Tips will exasperate, further, this loss of power and efficiency. Disposable Fiber Tips have caused reliability issues from these insertion points, ranging from degradation of energy over time to complete failure.
- Lasers using Disposable Fiber Tips have a permanent hand piece. Accidental breakage of fiber between the exit point of laser unit and this hand piece, means you are done replacing hand piece system is the only fix. In contrast, accidentally breaking a Continuous Fiber requires snipping off at the break, and continuing procedure. Also, an incident of breakage, of a quality Continuous Fiber, is rare. Advanced fiber delivery systems, designed into quality diode lasers today, provide ease-of-use and durability.
- Disposable Fiber Tips are "Proprietary!" Your practice is forced to buy from one company only; if they raise your price, your costs rise. If they go out of business, or stop producing your "old model laser," in favor of their "laser du jour," yours becomes a very ugly plant stand. Continuous

Fibers can be purchased from multiple sources and are not proprietary.

- Additionally, Disposable Fiber Tips come in an assortment of lengths, forcing users to stock several varieties of lengths to have on-hand to meet requirements of different procedures. Continuous Fibers can be cut to any length, accommodating any procedure.
- In dental laser classes, where participants are encouraged to bring their own lasers, there are often those with a laser configured with Disposable Fiber Tips. They were convinced, at purchase, that "stripping and cleaving" a continuous fiber is time consuming and difficult. Reality finds dental professionals accomplishing the stripping and cleaving in less than 15 seconds.

Patients love lasers! Your clinical experience with a quality laser can be enjoyable and worth the effort. If you do not have a laser, the best time to buy was about 10-15 years ago, but the second best time is today. Research and clinical experience have bettered today's quality laser offerings. The hype remains on lesser units, offered primarily for others' profits. If reviewing your current laser's performance, reliability, or cost experience leaves you concerned, cut your losses look for the better options.

Review: manufacturer and location of production, research based wavelength (over many dental procedures) the fiber delivery system (disposable fiber tips or continuous fiber), need for proprietary parts or service, accuracy of calibration, reliability and durability, customer service, guarantee and, most importantly, training offered with purchase and beyond! Brief demos of lasers offer little more than hype. With a reasonable period of Right-to-Return, in writing, you can verify the laser's performance and true worth, over time, in your hands and in your unique practice.

Dr. Jim King is retired from the US Army Dental Corps, Board Certified in Pediatric Dentistry, President/ Owner King Dental Company, LLC - Exclusive distributor of the Beamier STL 980 Dental Diode Laser - Jim's contact information: 866-848-5720, mydiodelaser@gmail.com, www.kingdentalcompany.com.