Winter 2012

APEX

BULLETIN OF THE STANISLAUS DENTAL SOCIETY

In this issue…

President's Message

Dr. Corey R. Acree, 2012 SDS President

Change is in the air. At the last General Membership meeting we received an update on the changing climate in the world of dental insurance and well….it's depressing. The challenges the economy has brought to our front door will have lasting impact on how we do dentistry in the future. We all need to be paying attention to the changes coming. You will no longer be able to just delegate this area of your business to the office manager. Delta Dental is restructuring to compete and to remain relevant and as a result, their Premier product is not selling. The PPO product is their top seller and you need to be aware of this as they move to compete in this market thus having a major effect on your business. We will be including some articles to inform you on what's to come. We are very interested in your input and the direction of SDS for the future so we will be sending a short survey. Please take time to fill it out. Your board is working on a new strategic plan and we need your help. This is the time to get involved or the changes will happen without you. It been an honor to serve as your president this year and I look forward to the future of dentistry, changes and all!

~ by Dr. Corey Acree

Your SDS delegates hard at work representing you at this year's House of Delegates!

2012 SDS Committee Chairs

Bylaws
Lee W. Mettler, DDS

Communications
APEX
Michael P. Shaw, DDS
Media Relations
Bruce Valentine, DDS
Website
Brad Pezoldt, DDS, MSD

Community Health
Open

Continuing Education
Dean Brewer, DDS

Dental Liason
Lawrence J. Bartlett, DDS

Ethics
Michael J. Gerber, DDS

Forensic Odontology & State Emergency
Garry L. Found, DDS

Legislative
Andrew P. Soderstrom, DDS

Membership
Nicholas Poblete, DDS

Peer Review
John C. Swearingen, DDS

Program
Matt Swatman, DDS, MSD

Staff Relations
Corey Acree, DDS

Well Being
Lee Mettler, DDS

Toll Free Numbers

ADA . . . . . (800) 621-8099
CDA . . . . . (800) 232-7645
TDIC . . . . . (800) 733-0634
1201 Financial . . . . (800) 726-5022
Denti-Cal Referral (800) 322-6384

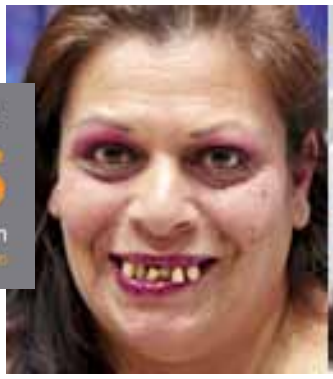
Congratulations to the 2013 SDS Board of Directors!

The following members were voted into office for 2013 at the General Membership meeting. Your new officers will be:

President	**Brad Pezoldt, DDS, MSD**
President-Elect	**Matt Swatman, DDS, MSD**
Treasurer	**Sean Mullins, DDS**
Secretary	**Nicholas Poblete, DDS**
Editor	**Michael P. Shaw, DDS**
Immediate Past President	**Corey Acree, DDS**
Trustee	**Elizabeth Demichelis, DDS**

Incoming Board President Dr. Brad Pezoldt awarding the President's Plaque to 2013 Immediate Past President, Dr. Corey Acree

Modesto 2012
cda cares
California Dental Association Foundation
in partnership with America's Dentists Care Foundation



CDA Cares… What a Difference Two Days Make!

CDA and the CDA Foundation developed CDA Cares to provide free dental services and oral health education to Californians who experience barriers to care and to raise awareness with the public and policymakers about the need for a state dental director and oral health infrastructure to support oral health. The CDA Cares clinics provide cleanings, fillings, extractions and oral health education for the underserved at each two-day clinic.

The first clinic was held in Modesto in May and the second in Sacramento in August. CDA and the Foundation are planning on holding two Cares events each year choosing some of the most underserved locations. The next one will be held in the spring in the Santa Clara area. The SDS office will provide its members and staff with more information as it become available. The Stanislaus Dental Society stepped up to answer the call for assistance in a big way! Thank you to all of our members and their staff for your valuable assistance and open hearts in representing your Stanislaus Dental Society!

CDA Cares….by the numbers!

	Modesto May 2012	Sacramento August 2012	CDA Cares Total Impact
Value of care provided	$1.2 million	$1.6 million	$2.8 million
Number of Patients	1,650	2,026	3,676
Number of Procedures	7,200	10,088	17,288
Number of Volunteers	1,275	1,651	2,926

Volunteers		
	Modesto	Sacramento
Dentists	226	272
Dental Assistants	207	305
Hygienists	89	99
Physicians/Nurses	39	15
Community Volunteers	521	960
CDA Employees	62	95
SDS Members	68	20+
Total Volunteers	1275	1651

	Modesto 2012 Total Patients = 1,650		Sacramento 2012 Total Patients = 2,026	
Procedure	**Number Completed**	**Dollar value**	**Number Completed**	**Dollar value**
Cleaning	625	$79,530	720	$92,728
Other Preventive Treatment	1,979	$160,891	2,415	$242,602
Fillings	1,052	$227,890	1,580	$350,845
Other Restorative Treatment	32	$5,773	30	$ 7,984
Extractions	1,814	$431,501	2,669	$600,449
Other Surgical Treatment	1	$330	173	$ 4,200
Root Canals	30	$24,319	49	$38,369
Other Endo Treatment	2	$380	25	$3,440
X-rays	1,456	$96,489	2,083	$113,270
Dentures	61	$105,875	84	$145,575
Partials	73	$60,365	117	$44,014
Other Prosthetics Treatment	21	$ 7,512	32	$11,032
Other	2	$600	111	$0
Totals	**7,148**	**$ 1,201,455**	**10,088**	**$ 1,654,508**

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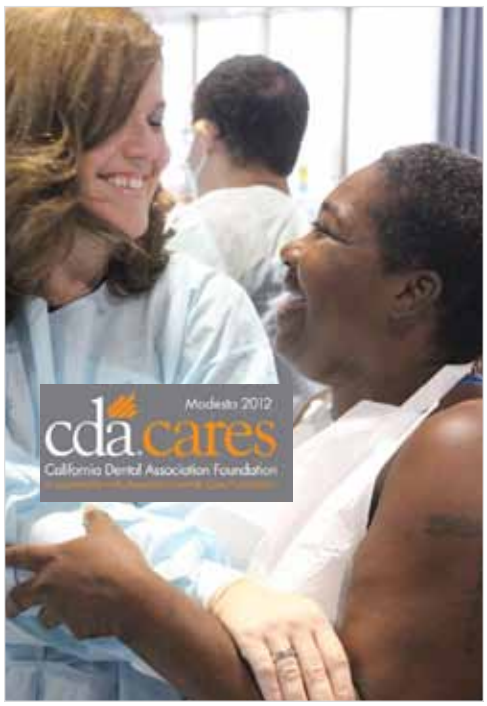
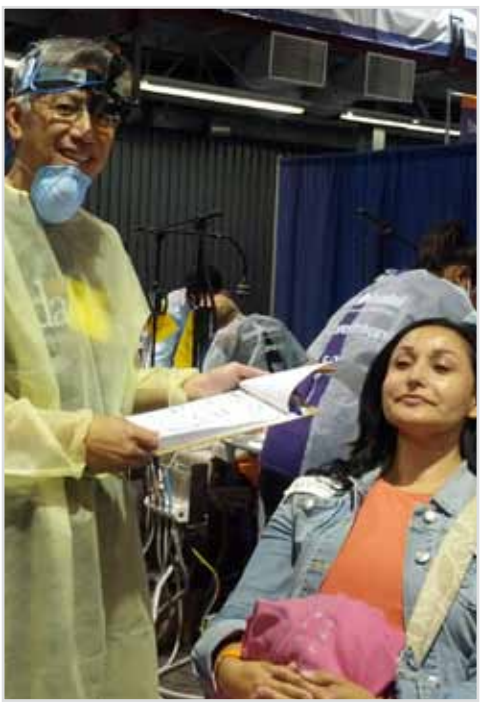
CDA Cares… What a Difference Two Days Make! (con't)





SDS 2013 CALENDAR

JANUARY

January 4	Friday	CPR course
January 10	Thursday	Board meeting
January 17	Thursday	Strategic Planning
January 21	Monday	Martin Luther King Day - office closed
January 25	Friday	CE – 'OSHA/Dental Practice Act/Infection Control'

FEBRUARY

February 8	Friday	CPR course
February 18	Monday	President's Day – office closed
February 21	Thursday	General Membership meeting

MARCH

March 7	Thursday	Board meeting
March 8	Friday	CPR course
March 22-23	Thursday-Sunday	LEC Santa Clara - office closed
March 28	Thursday	General Membership meeting

APRIL

April 5	Friday	CPR course
April 11-13	Thursday-Saturday	CDA Presents, Anaheim - office closed 11-12
April 18	Thursday	General Membership meeting
April 25-28	Thursday-Sunday	CDA Cares Santa Clara

MAY

May 2	Thursday	Board Meeting
May 3	Friday	CPR course
May 16	Thursday	General Membership meeting
May 27	Monday	Memorial Day – office closed

JUNE

June 7	Friday	CPR course

JULY

July 4	Thursday	Independence Day – office closed
July 11	Thursday	Board meeting
July 19	Friday	CE – TBA

AUGUST

August 13	Tuesday	SDF Annual Dinner
August 15-17	Thursday-Saturday	CDA Presents, San Francisco - office closed 15-16

SEPTEMBER

September 2	Monday	Labor Day – office closed
September 5	Thursday	Board meeting
September 19	Thursday	Staff Appreciation

OCTOBER

October 17	Thursday	General Membership meeting

NOVEMBER

November 7	Thursday	Board meeting
November 15-17	Thursday-Sunday	HOD, Sacramento – office closed 14-17
November 28-29	Thursday	Thanksgiving - office closed

DECEMBER

December 23-Jan 1	Monday-Wednesday	Winter Holiday – office closed

Robin's Relevant Remarks

Robin Brown
SDS Executive Director

Dues time!
I know you recognize the value of being a member of organized dentistry, that's why you joined in the first place! From access to insurance benefits through TDIC and TDIC IS and CDA-provided valuable tools like cdacompass.com to answer most of your practice support needs, the power of your membership also gives voice to the CDA and ADA as they work to protect the rights of your profession with legislators, as evidenced by recent proposed changes to dentistry. And one of the most valuable assets to being a member of the Stanislaus Dental Society? The quality local support you receive from your SDS office (if I do say so myself). Have a practice support question? Call Robin!

Make sure to take advantage of the CDA-offered Electronic Dues Payment (EDP) Program. Monthly dues payments are made through an Electronic Funds Transfer (EFT) through your checking account so you can have your payments evenly spread out over the course of the year. There is a $12 yearly service fee included for those that sign up. $143 per month over a 12 month period for Active members doesn't seem too bad, does it? Many members are recognizing the value of this program and taking advantage. CDA will accept electronic dues payment signups by mail through April 15 and online, April 30. Go to the following website, www.cda.org/library/components/mail/component_dd_authorization.pdf, and complete the form. Renew your membership the easy, convenient way! Please keep in the mind, after March 31, CDA will add a $100 late fee to your dues amount. Quick, make that phone call!

2013 CDT code revisions
The 2013 CDT codes are now available through the ADA Catalog at www.adacatalog.org. A blog from the CDA compass which provides an overview of the code revisions can also be seen on the front page of the SDS website, stanislauslausdental.org under Hot Topics; however, the CDT Guide in the ADA catalog will provide more detailed information.

Website updates
There is a new section under the Public menu on the front page of the stanislausdental.org website called Pearls of Dentistry. If you hover over the link you will see some documents that give answers to questions that are regularly received in the SDS office. This information has been included on the front page so your office staff can readily access the information.

You can also export a SDS Member directory from the SDS website! The SDS office updates the member directory on the site every week so all member information is current (unlike the hardcopy which was outdated as soon as it came out in print!). The web development company is in the process of adding members' graduating school information to the member module and will be active by the first of next year so the only thing missing that differentiates the website directory from the former hard copy is your high school yearbook picture! To print a directory, log on to your member account, User Name: your ADA#, Password: SDS (you can change your password after you log in). Select Find a Member Dentist on the top tab and you will see Export List to the right of the title. I recommend you select two-sided when you Print so you'll end up with only 19 printed pages.

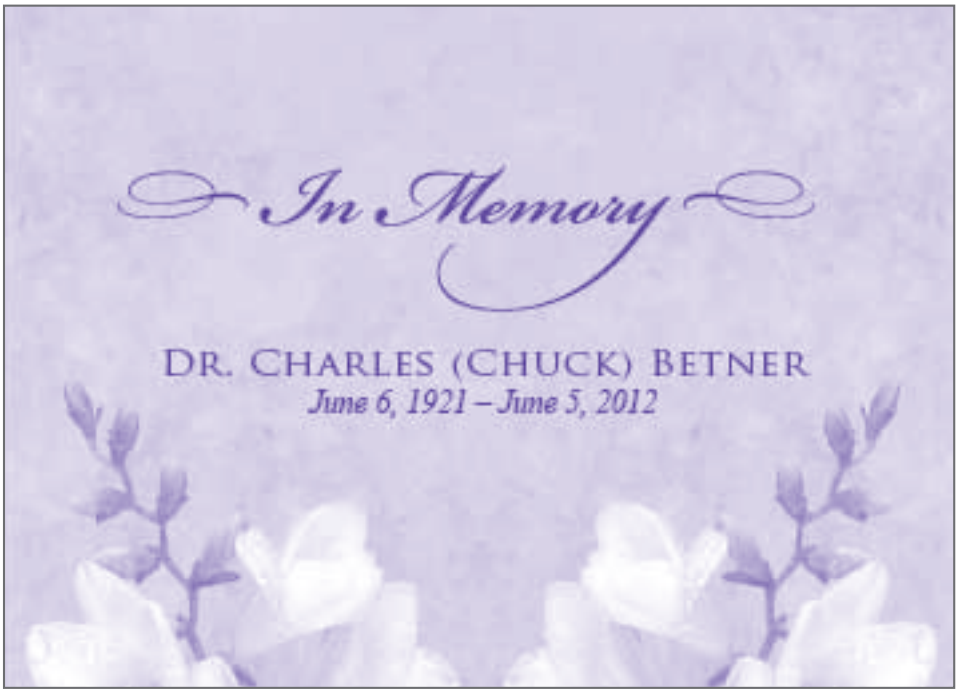
New Social!
What a success! Thank you to all those SDS members and spouses who attended our first Holiday Member/Spouse Mixer! It was a wonderful, well-attended evening with great food and friendship in a warm and welcoming environment. The board appreciates you taking time from your busy schedule to share a relaxing evening with them. For those of you unable to attend, look forward to our next one which will be held sometime during the first quarter!

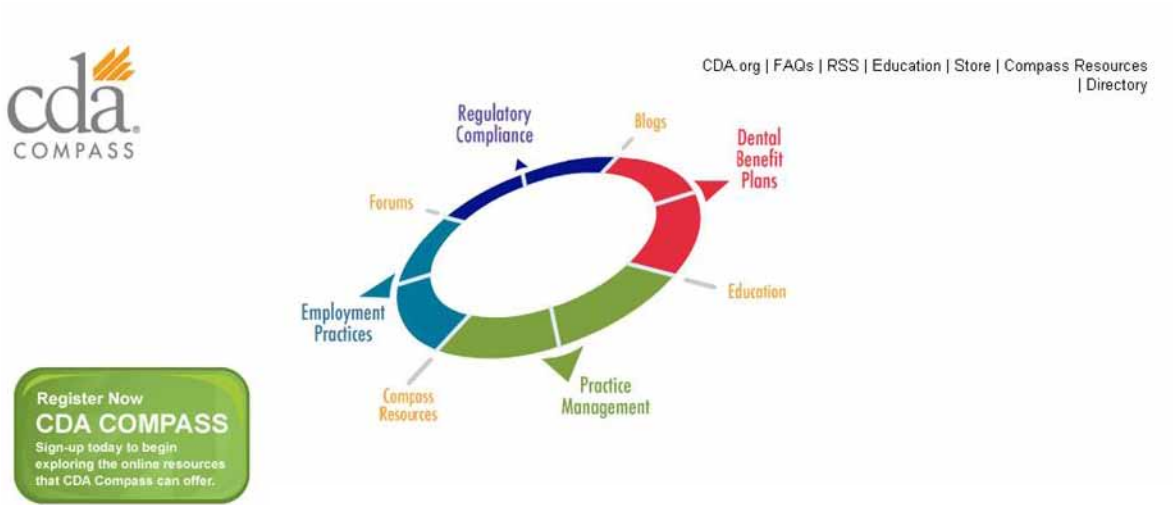
Survey
Your SDS Board of Directors is in the process of working on its Strategic Plan and need your help! A survey was recently sent out asking some questions about your views on how we are serving you. From time to time we would like to ask your opinion on specific issues as an ongoing effort to continually improve our services to you. These surveys will be brief. We won't overload you! If you have previously opted out through SurveyMonkey through other organizations, let me know so I can opt you back in to ours!

Holiday Closure
The ADA/CDA/SDS offices will be closed for the Winter Holiday starting Monday, December 24 through Tuesday, January 1. Please try to plan any office practice catastrophes prior to and after these dates in case you need assistance from the SDS office. If you have a need, CDA has an emergency crew, 800-232-7645.

I hope your holidays are wonderful and filled with love, warmth and good food! I'm happy to be working with…

… SDS members: preserving the dental health of the earth's population, one patient at a time!





New Regulations for Radiographic Film Quality Assurance

New state regulations establishing quality assurance standards at medical and dental facilities that use traditional film radiography became effective October 3, 2012. The state Department of Public Health adopted the regulations pursuant to AB 929 (Oropeza), which was enacted in 2005. Although the legislation was intended to apply to all types of radiographic equipment, DPH states that it hopes to develop regulations for digital equipment in the future "when standards have been established, accepted, or published by nationally recognized radiation protection organizations." Information on the regulations, instructions for creating a reference film, a sample office policy, and a sample log sheet can be found with "Dental Radiographic Film Quality Assurance Requirements," available on cdacompass.com.

IRS clarification expected on medical device excise tax

Despite strong lobbying from the ADA and other dental organizations, a new medical device excise tax is set to become effective Jan. 1, 2013. The impact of this tax on dental practices is not clear. The IRS has not yet published final regulations or provided interpretations as to how the tax applies to dentistry.

The ADA is providing this information on its ada.org. More information can be found on the CDA Compass Blog, cdacompass.com, and CDA will continue to keep members informed as new details become available.

Healing Journey

Dentists bring tools, education and hope to war-torn Uganda

The problems were already familiar. Uganda's short life expectancy, lack of access to clean water and rate of respiratory illness place it among the world's most unhealthy nations. While Dr. Phil Openshaw expected to see that side of the country during a humanitarian dental mission in January, other aspects of the trip surprised him. One was the typical Ugandan's enthusiasm for life despite the widespread presence of tragedy. The bustle of a market at 1 a.m., the warmth of the average person and the near-constant zoom of the bodabodas' motorcycle taxis: they revealed a population bowed but upbeat.

A general dentist who practices in Modesto, California, Dr. Openshaw first traveled to Africa in the 1970s. The father of five made return trips in the years following. But he discovered that nations like Kenya and South Africa share more features in common with Europe than with neighbors on their own continent. The needs—and the promise—of Uganda both set it apart and ignited his desire to help.

Dr. Openshaw volunteered his services as part of a group consisting of dentists and hygienists. The team devoted most of its time to educating students at the Mugalo Dental School in Kampala. Mornings were spent providing classroom instruction. In the afternoons the visitors oversaw their students' clinical practice. That provided a startling front-row view of the real-world challenges faced by their Ugandan colleagues.

The teachers soon learned that where the Ugandans dealt with many of the same types of dental care issues, they weren't armed with anywhere near comparable tools or resources.

Fueled by poor dietary habits and a dearth of preventive measures, gum disease has risen to the top of the country's dental concerns. Abscesses are a huge problem because they often go untreated, thus resulting in severe consequences, Dr. Openshaw says. As might be expected, inconsistencies between dental practice in developed nations and Uganda were stark and fascinating.

Take the horrific percentage of tooth extractions compared to restorative care. Ninety-eight percent of the dental care in Uganda is tooth extraction.

"Students are very familiar with tooth extraction, antibiotics and anesthesia. But they don't know scaling. They've never performed a root canal," Dr. Openshaw explains.

"It was very rewarding to be able to demonstrate these things, to teach hygiene, and to show why these approaches are so valuable. We took a lot of satisfaction in knowing how valuable these new skills would be to patients."

Tooth anatomy, prevention education and proper care of instruments were other topics of instruction.

In past humanitarian missions, Dr. Openshaw found himself "extracting literally hundreds of teeth. This time I thoroughly enjoyed working smarter and leveraging my work by teaching students to save teeth."

Providing good care and experiencing the appreciation of patients crosses every cultural boundary, Dr. Openshaw adds, "It's what makes dentistry so meaningful to those of us who practice it, no matter where we are."

A scarcity of facilities and trained staff impede Uganda's progress in the field of oral health, Dr. Openshaw says. While the country's population has soared to almost 33 million, fewer than 400 people provide oral health services. According to the World Health Organization, only half of those individuals are dentists.

With so few dentists, Ugandans have historically relied upon informal healers who sometimes favor risky traditional practices. One example is germectomy or ebiinyo—the removal of developing tooth buds in very young children—which has been associated with fatalities from untreated septicemia and diarrhea. A steady rise in Uganda-trained dental professionals, plus a focus upon education, is already improving the picture.

Uganda is among a handful of nations in Africa whose government provides dental care to its citizens.

Educating Ugandans (and more recently Rwandans) represents the focus of Dr. Openshaw's humanitarian group. Founded by Dr. Drew Cahoon, a retired general dentist from

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RM Matters

Date: May 29, 2012

Contact: Risk Management Department
800.733.0634

Considering renting space in an established office?

Define terms to avoid complications

By: Risk Management Staff

The Risk Management department recently discussed leasing operatory space from an owner's or lessor's point of view. This month we look at the flip side of that situation. What if you are a dentist considering renting space in an established practice?

Leasing space in another dentist's office may sound like an ideal arrangement for new dentists looking to get started, other dentists seeking to work parttime or specialists who want to work within a general practice. While this type of office-sharing situation can be a short-term solution for some, legal experts caution these are complex arrangements requiring a well-defined and specific contract.

"I would look at someone you are considering sharing office space with much like a partnership, even though technically it is not a partnership," said Steven Barrabee, a San Francisco area attorney specializing in professional liability and business law including lease issues. "The most important thing is to have a contract that explicitly defines the shared-office relationship. Unless you do this, you are a partnership in everyone else's eyes and it is difficult to disentangle."

"The first and most basic questions begin with the background of the other dentist. Make sure there are no Dental Board, licensing or insurance audits that could spill over to your reputation," Barrabee said. "Spend some serious time with the person you are considering sharing space with." He pointed out that if dentists don't discover these issues upfront they can end up having to report the other dentist or be liable for failing to report illegal or unethical practices.

In renting space in another office, the most likely arrangement is office-sharing, according to Barrabee. "If services are provided such as reception, telephone, shared office staff, shared supplies and shared equipment, then additional items are being leased and a shared-office agreement is an appropriate description of the agreement," he said.
A sublease situation, in which a dentist agrees to lease space in an existing office without sharing any equipment or staff, is unlikely.

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Essential considerations include: An office-sharing agreement in writing that has been reviewed by an attorney, definition of term, description and measurements of space leased, specification of shared equipment and services, signage, insurance, indemnity, joint use of employees, need for signage and forms to avoid "ostensible agency," ownership of patients records and handling of emergencies. Additional details include notice provisions and events for termination or "exit strategy."

Identify the practices as separate on signs, business cards, billings, letterhead and phone greetings. Have patients sign an acknowledgement that the two doctors' practices are separate practices and each dentist is independently responsible for his or her own treatment.

Sharing employees is one aspect to give careful attention to in a shared-office agreement. Both dentists can be liable if an issue arises. Barrabee said it is critical to have essential practices in place, such as an employee manual and established policies for meals and breaks. Be clear on selection as well as the hiring and firing of joint employees and who will pay the employees, including overtime, vacation and providing pay stubs. Employment Practices Liability Insurance is advised for both doctors in a shared-practice arrangement.

Make sure contracts contain indemnity language establishing each dentist's responsibility for his or her own actions.

Ensure each dentist maintains his or her own insurance for professional liability and property liability and require proof of such insurance as part of the contract.

Consider incorporation to limit liability for the actions of the other dentist.

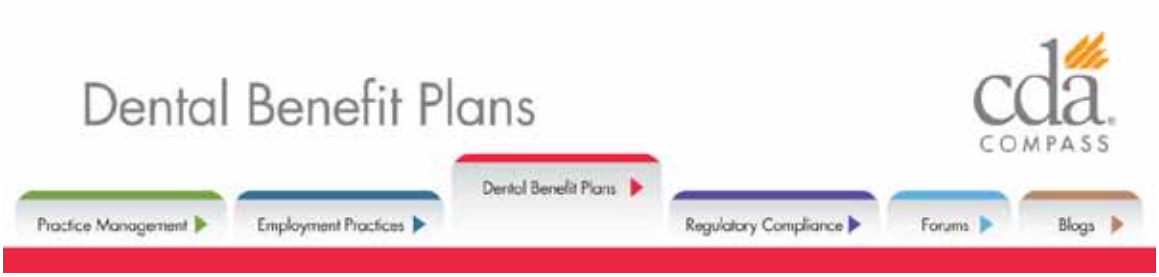
Call TDIC's Risk Management Advice Line at 800.733.0634 with any questions about renting operatory space in your office.

— Component Editors:

TDIC requires this article be used in its entirety. If you need to edit, expand or reduce this article, please call Jaime Welcher beforehand at 800.733.0634, ext. 5359 or fax your suggested changes or additions to 877.423.6798.

The Dentists Insurance Company
1201 K Street, 17th Floor
Sacramento, CA 95814

800.733.0634
916.554.5957 fax
thedentists.com



SHIFTING REALITIES IN THE DENTAL BENEFIT WORLD

This year we've seen some significant issues regarding Delta Dental: a temporary fee freeze on Premier; a requirement for new dentists signing with Premier to also sign with the PPO; the replacement of Premier with the PPO in some large groups. Regardless of the issue, all seem to be driven by new realities in the overall economy.

Because of the continued flat economy, and ever-rising price of employee health benefits, employers are looking for ways to cut costs. Regarding dental coverage, most employers have sought to hold the line on the premiums they pay, have opted for lower-cost (and consequently less-rich benefit) plans, or have considered dropping dental coverage altogether. In response to these realities, Delta responded this year by either holding the cost of Premier premiums at the level they were last year for some groups, lowering the Premier premium for other groups, and responded to consumer demand by selling the Delta PPO as replacement for Premier coverage to other groups.

While Premier has been the flagship, if you will, of Delta's product lines, it has been shrinking as a share of Delta's overall business. We were recently told by a Delta representative that of the three main lines of business Delta of California offers – Premier, the Delta PPO, and DeltaCare USA (its HMO) – the PPO now represents 80% of the people covered by Delta, DeltaCare represents 10%, and Premier represents 10%.

This trend isn't just simply within Delta products, but is a trend across the board in the entire dental benefits industry. According to the National Association of Dental Plans, over the past seven years the types of dental insurance being purchased by employers has changed dramatically. Where traditional indemnity insurance was a third of the market in 2002, it is now down to just over 10%, representing a drop of over 60% in terms of lives covered by this model. At the same time, dental PPO plans have increased from a 40% market share in 2002 to 70% in 2009, and growing. Put another way, if a patient has a dental insurance policy today, the patient is seven times more likely to be in a PPO plan than in an indemnity plan. Information shared at the ADA's National Dental Benefits Conference in Chicago this past August indicates that the dental benefits industry expects this to be closer to a 10:1 ratio in the next year or so (if it isn't already). In short, the benefits industry reports that the market for the more expensive indemnity products has simply dried up, and not just in response to the post-2008 economic downturn; it's been going on for some time. Comparatively, on the medical side, indemnity products for medical coverage have all but disappeared, and the trend in dental is following this trend.

What does this mean for a company like Delta? In California, indemnity dental insurance hasn't been a key segment of the market for some time. Delta's Premier product isn't an indemnity product, although it is based on a fee-for-service design, discounted though those fees may be. Premier shares some elements with a pure PPO model, but it isn't a traditional PPO model either.

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However, the trend seen in the dental benefit industry away from indemnity, to the PPO model, track accurately with what's been going on in California, relative to Delta's Premier and Delta's PPO, with Premier tracking with the shrinkage of indemnity.

All of this is to say that the nature of the market, in which subscriber groups are either going with less-expensive coverage or are considering dropping dental coverage altogether, has resulted in the domination within the market of less-costly PPO products. For Delta, this has meant the rise of its PPO, and the diminishing of Premier.

In this economy, the demand for Premier is down. It now represents about 10% of the lives that Delta covers, and this trend may continue in the years ahead. The Delta PPO it will likely continue to expand. All of this is the consequence of a flat economy, and the effort of employers to save costs of employee benefits. As the report on the market by NADP indicates, this trend has been occurring for years. Premier, as a relatively generous benefits plan, is not what employers are buying. Delta is attempting to keep Premier a competitive product, but ultimately the choice belongs to the consumer.

Faced with this reality, the question typically asked is, "What is CDA doing about this?" The more proper question is, "What *can* CDA do about this?" as what's occurring is a factor of the overall economy. CDA cannot force Delta to continue to sell Premier at a high proportion of its lines of business. Neither can CDA force employer groups to continue to purchase dental benefit plans that they deem are too expensive, given the economic environment.

We are considering what CDA can and should do, given these realities. One response is a comprehensive effort to understand the current trends in the dental benefits marketplace. A proposal for such an effort is going to the CDA House of Delegates in November. The purpose of this effort isn't simply to gather information, but to understand the dynamics in the marketplace and to determine how to enhance the position of dentists in that marketplace.

And secondly, what CDA can be doing was well-expressed recently by a consultant to our Policy Development Council: After citing the same market trends that I've related here, he wrote, "The dental benefits marketplace has changed, and it will require a new business model. We need to alert and educate our members about navigating an increasingly unfamiliar terrain, give them the tools to 'level the playing field' in negotiating contract arrangements, and educate the public about purchasing and using dental benefits wisely."

Simply put, the issues we've encountered this year are driven by the economy and we won't be able to stop those trends. But CDA is looking at ways to ensure that dental practices can more than simply survive, given these trends.

This article was first published in the November 2011 CDA Update.
For more information on this or other dental benefit payment issues, contact the CDA Practice Support Center at 866.232.6362

Addendum:
Spiking a Rumor: There Will Be No Change to Delta Premier Providers' Contract Status

CDA has received separate reports from two different regions of the state over the past two weeks claiming that Delta Dental, in its efforts to build-up its PPO network, will be requiring currently contracted Premier dentists to sign with the PPO network, and will be terminating existing Premier contracts in the near future. CDA has, in both cases, raised these reports with Delta Dental and in both cases, Delta has responded that the reports are erroneous rumors.

It is the case that Delta is working to build-up its PPO network in many regions of the state, but it is untrue that Delta will be doing this by forcing existing Premier network dentists to contract with the PPO. CDA has received separate denials about these rumors from Dr. Joseph Dill, Delta's Dental Director over provider contracting, and from a manager in Delta's Professional Relations division.

The rumor reported earlier this month apparently came from a miscommunication, which was quickly corrected when Delta received the report. The second report came through a dentist who spoke with a private dental consultant, not employed by Delta. Again, the report was checked-out with Delta, and again Delta said the report was erroneous.

CDA is fortunate to have direct contacts with upper management at Delta. CDA's Practice Support Center staff always forwards reports such as the two received about Premier-contacted dentists to Delta to allow Delta managers to confirm or deny the report. In both these cases, Delta has denied the reports as received by CDA.

Members should never assume that a report heard by word-of-mouth (that is, not confirmed by something in writing from Delta) is accurate, regardless of the source. Please direct these rumors to **Patti Cheesebrough at CDA**, and she will seek a quick response from Delta on the accuracy or error of such rumors.

Dental Board Requires New Posting

As of Nov. 28, 2012, dental practices are required to post a new notice to consumers. The notice must be accessible to public view on the premises where dental services are provided. The notice must be in at least 48-point type font and include the following statement and information:

NOTICE TO CONSUMERS
Dentists are licensed and regulated
by the Dental Board of California
(877) 729-7789
www.dbc.ca.gov

A sample notice is available for download on cdacompass.com.

Pharmacists and physicians also are required to comply with a similar requirement.

NOTICE TO CONSUMERS

Dentists are licensed and regulated by the Dental Board of California

(877) 729-7789
www.dbc.ca.gov

Stanislaus Dental Foundation: Is the Local PPO Option for You?

by Dr. Elizabeth Demichelis

At the Stanislaus Dental Foundation Annual meeting the theme seemed to be 'change'. Local entrepreneur, Dan Costa delivered a talk on the importance of anticipating change in business and business trends in an effort to remain successful and ahead of your competition. Mr. Costa's comments were very much in line with the insurance climate that Stanislaus Dental Foundation is currently facing.

The Stanislaus Dental Foundation (SDF) was founded in 1982 by local dentists in answer to repeated requests by local employers for a reasonable dental plan that truly served their employees. The local dentists found the answer in the establishment of SDF that would provide a traditional plan utilizing local resources with a panel that adhered to Peer Review and maintained ethical standards through membership in the Dental Association tripartite (ADA, CDA and a local component).

The SDF model has served our area very well for years, but in light of the economic dilemmas currently facing employers, many have been forced to cut expenses by moving from traditional to PPO plans. At first, some employers were utilizing mixed plans where employees could choose the plan they wanted with the difference being in the employees' out of pocket expenses; however, as the economy has worsened, we have been instructed by many employers that the only choice they wish to offer is the PPO option.

With these changes forced by the economy, SDF was forced to make hard decisions. To not offer any PPO plans could mean the death of SDF. To offer PPO plans would be a compromise to the values many of us hold true – the big question being at what cost of quality could we offer our services under PPO reimbursement? SDF opted to offer a PPO option because we felt it was necessary in order for SDF to survive and that its viability in the market place was important.

The advantages to employers providing SDF coverage are simple:

- Local contact for the DDS and the Patient make communication easy. (No long waits on hold and consistent answers by knowledgeable employees.)
- Pre-authorizations are still available (Pre-authorizations guarantee coverage for a specific procedure as opposed to Pre-determinations that only tell you if a patient has coverage for the kind of procedure requested)
- Pre-authorizations have a quick turnaround of 24 hours once received in the SDF office.
- All SDF members must adhere to Peer Review and the CDA Code of Ethics due to mandatory membership in a component dental society.
- Jobs are created locally.
- Revenue stays local and profits are shared with the community in the form of scholarships and dental related community projects.

We all know change is inevitable in life. The question is how drastic will the change be? In regards to SDF employer-offered dental insurance plans, you may choose to only accept the SDF Traditional Plan or you may also choose to be a provider for the SDF PPO plan. You may accept the PPO model as inevitable or hold out for the return of better times. No one has the crystal ball that holds the answer and only you know the correct decision for your business. The choice is yours but please make your decision a truly educated decision. If you are accepting other PPO plans then please consider the SDF PPO plan for the obvious advantages for yourself and the community. If you sincerely feel that you do not want to accept any PPO plans we accept your decision, but if you change your mind on any PPO plan, please let it be after a good look at the SDF PPO.

If you would like more information on the SDF plans offered, please contact the SDF office at (209) 527-2430 or (209) 527-1704. If you are currently a member of the tripartite (ADA, CDA and any dental component) and are not a provider but wish to become one, contact Robin at the SDS office, (209) 522-6033 for an application.

Transitions: The Associate Buy-In

by Doug Carlsen, DDS

Part 1 of a 5 part series

Other than, "How much money will I need to retire?" the most frequent question I encounter is, "I know I need to find a buy-in associate to transition my practice --- where do I start?" The above approach is not the only or even the preferable way for most dentists to transition. This spring I conducted interviews for a CD series from a variety of retired dentists who used several transition methods. I'll detail different approaches over the next several issues.

Then why is the associate buy-in such a hot topic? First, in this economy, many dentists feel they will be safer financially to work a few more years. Second, there is an abundance of consultant advertising of the buy-in with promise of a larger retirement nest egg. Third, a dentist may wish to control the transition process by finding a good match for his or her patients.

I have perused course notes from seminars showing how an "elder" dentist can reap large financial rewards by using a sophisticated associate-to-partner-to-new owner technique. Even better, the elder dentist is encouraged to bring in two 50% partners over an extended period of years. Even more profits! The practice income projections and sales profits look very impressive on paper, yet reality may prove quite different.

I had the pleasure recently to talk with Dr. Peter Mirabito, founding partner of ADS Precise Consultants of Denver. Dr. Mirabito has been a practice broker since 1986 and now also facilitates buy-in partnerships.[1] As Dr. Mirabito has extensive experience with both practice sales and associate buy-ins, I feel his comments are appropriate.

Carlsen: How may a dentist evaluate whether an associate buy-in makes sense?

Mirabito: The dentist should first look at his or her situation. Does the dentist wish to cut back on office hours; is he way too busy? If both of these are true, it makes sense to consider a partner. If only one, it might make sense. If neither, then I would discourage the arrangement.

Further, for a buy-in to work, the elder dentist needs to consider whether he is willing to give up working time and some income to the new partner. If either is a "no," then the arrangement probably will not work.

Carlsen: What steps are involved in the actual associate buy-in process?

Mirabito:

- First and foremost, a professional practice appraisal must be done. The associate needs to know, up front, what the eventual price for the practice will be.
- Second, a buy-in purchase agreement, detailing the "when" and "how" of the purchase needs to be constructed.
- Third, an employment agreement, identifying whether the associate doctor will be an independent contractor or employee, is constructed.
- Fourth, a partnership agreement, enumerating how the partnership will be legally maintained, as an LLC, PC, etc., is drawn up.
- And fifth, an operating agreement is needed. It details how the partners will be compensated and how practice management decisions will be made:
  - Will the doctors be paid by a set percentage of each other's production?
  - Will leftover profits be divided according to percent equity in the partnership or the percent production percentage of each doctor?
  - How much of those profits will be spent on capital improvements?

A frequently overlooked matter is possible dissolution of the arrangement. All possibilities, including practice vision differences, income disparities, disability, and even death, must be discussed with solutions put in place at the beginning of the relationship. The entire package needs to be assembled before a dentist searches for an associate/partner.

…continued on page 16

Carlsen: What potential problems may arise?

Mirabito: The elder dentist often does not have excess patients and may need to grow the practice substantially to accommodate another dentist. Often, the elder dentist assumes the younger colleague will be able to grow the practice while "learning the ropes." This seldom works out. Also, the entire process is much more stressful and is requires much more detail than a simple practice sale and may take several tries to find the right partner.

Next article, further information regarding the associate buyin will be covered along with the straight practice sale.

[1] Dr. Peter Mirabito can be reached for further information at Peter @ADSPrecise.com or 800-307-2537. Retired at 53 from a 25-yr private dental practice & clinical lecturing at the UCLA School of Dentistry, he writes, lectures, & consults nationally on retirement, personal finance, practice scheduling, and cash flow. To contact him to lecture to your group or provide consultation, email: drcarlsen@gmail.com, call 760.535.1621, or visit www.golichcarlsen.com. Article appeared in SDCDS Facets.

ADVERTISING DO's and DON'Ts

The complete article can be found on cdacompass.com. Contact CDA or the SDS office if you need more clarification on advertising parameters.

The following pages have "do's" and "don'ts" examples of advertising. The examples reference specific sections of the Business & Professions Code or the California Code of Regulations (CCR) that are part of the state Dental Practice Act. Summaries of the code sections are included below and can be found in the CDA Practice Support Center article, "Dental Practice Marketing & Advertising 101." The actual sections can be found on the Dental Board Web site.

Business Card for General Dentist Who Is Not a Specialist

Reference: Business & Professions Code §651(h)(5)(A)(iii) and 16 CCR 1054.1
A dentist who lacks membership in or certification, diplomate status, other similar credentials, or completed advanced training approved as bona fide either by an American Dental Association recognized accrediting organization or by the Dental Board, may announce a practice emphasis in any other area of dental practice only if the dentist incorporates in capital letters or some other manner clearly distinguishable from the rest of the announcement, solicitation, or advertisement that he or she is a general dentist.

…continued on page 17

Before/After Photos in Magazine Ad

Reference: Business & Professions Code §651(b)(3)
A misleading or deceptive image includes a statement or claim that

"(A) Is intended or is likely to create false or unjustifiedexpectations of favorable results, including the use of any photograph or other image that does not accurately depict the results of the procedure being advertised or that has been altered in any manner from the image of the actual subject depicted in the photograph or image.
"(B) Use of any photograph or other image of a model without clearly stating in a prominent location in easily readable type the fact that the photograph or image is of a model is a violation of subdivision (a). For purposes of this paragraph, a model is anyone other than an actual patient, who has undergone the procedure being advertised, of the licensee who is advertising for his or her services.
"(C) Use of any photograph or other image of an actual patient that depicts or purports to depict the results of any procedure, or presents "before" and "after" views of a patient, without specifying in a prominent location in easily readable type size what procedures were performed on that patient is a violation of subdivision (a). Any "before" and "after" views (i) shall be comparable in presentation so that the results are not distorted by favorable poses, lighting, or other features of presentation, and (ii) shall contain a statement that the same "before" and "after" results may not occur for all patients."

Patient Endorsement on a Practice Web Site

Reference: Business & Professions Code §§651(b)(8), 651(b)(6), 1680(i) and 1680(l)
A false, fraudulent, misleading, or deceptive statement or claim includes any statement, endorsement, or testimonial that is likely to mislead or deceive because of a failure to disclose material facts. It is unprofessional conduct to make a claim either of professional superiority or of performing services in a superior manner, unless that claim is relevant to the service being performed and can be substantiated with objective scientific evidence. Advertising to guarantee any dental service, or to perform any dental operation painlessly is unprofessional conduct.

Note: This law is not limited to patient endorsements or testimonials. *…continued on page 18*

Before/After Photos in Magazine Ad

Patient Endorsement on a Practice Web Site

DON'T

DO

Discount Advertisement

Reference: Business & Professions Code §651(c)
Any price advertisement shall be exact, without the use of phrases, including, but not limited to, "as low as," "and up," "lowest prices," or words or phrases of similar import. Any advertisement that refers to services, or costs for services, and that uses words of comparison shall be based on verifiable data substantiating the comparison. Any person so advertising shall be prepared to provide information sufficient to establish the accuracy of that comparison. Price advertising shall not be fraudulent, deceitful, or misleading, including statements or advertisements of bait, discount, premiums, gifts, or any statements of a similar nature. In connection with price advertising, the price for each product or service shall be clearly identifiable. The price
advertised for products shall include charges for any related professional services, including dispensing and fitting services, unless the advertisement specifically and clearly indicates otherwise.

…continued on page 19

DON'T

DO

Patient Referral Program

Reference: Business & Professions Code §650(a)
The offer, delivery, receipt, or acceptance of any rebate, refund, commission, preference, patronage dividend, discount, or other consideration, whether in the form of money or otherwise, as compensation or inducement for referring patients, clients, or customers to any person, irrespective of any membership, proprietary interest, or co-ownership in or with any person to whom these patients, clients, or customers are referred is unlawful.

DON'T

DO

Created: January 2011

Boo Who?

Staff Appreciation-A Memorable Magical Night in the Mediterranean

Oh what a night! This year's Staff Appreciation at Vintage Gardens was a magical night indeed! With the music of guitarist Darin Morris playing in the background, everyone shared great food, beverages, conversations and got their pockets picked by Dan Chan the Magic Man. Held in the outdoor gardens, the daytime view of the beautiful gazebo and foliage made for great backdrops for photo ops, but when the sun went down and the twinkling lights which were threaded throughout the patio and grounds came on, the true magic began. Dan Chan the Magic Man and his lovely assistance, Kat the Acrobat, regaled the audience with numerous slight-of-hand feats of magic and juggling as well as performed a few tricks involving a giant balloon which left many wondering, "How did they do that?" The biggest trick might have been how they managed to talk Dr. Pezoldt into participating on stage!

"The venue was beautiful!" – Khi, Dr. Matt Swatman's office

"It was great to see so many offices out enjoying each others' company! " – Gail, Dr. Matt Swatman's office

"The magician was very entertaining." - Liz, Dr. Matt Swatman's office

"Wonderful venue, great entertainment! We had a wonderful time!" - Sally, Dr. Brad Pezoldt's office

"I had an awesome time and I loved the entertainment, especially when the magician's assistant was in the latex bubble bouncing around! " - Lori, Dr. Katherine Kucera's office

"The atmosphere was fun and festive! Loved the magician!!" - Elise, Dr. Brad Pezoldt's office

"The Staff Appreciation evening flowed with delicious food, great drinks and wonderful people. With Dr. Pezoldt running the show and fun entertainment how could you go wrong? To top off the evening I won the first raffle prize of a beautiful pearl necklace and bracelet! The venue at Vintage Gardens was beautiful and we are so grateful to the Stanislaus Dental Society for providing us with such a memorable night! Thank You!!" – Kathleen, Dr. Nick Poblete's office

Healthy Families Elimination: What Dental Providers Need to Know

California Dental Association
1201 K Street, Sacramento, CA 95814
800.CDA.SMILE cda.org

The Governor proposed and the Legislature approved the transition of all 875,000 of the children currently enrolled in the Healthy Families program to the Medi-Cal program.

- **Timeline:** The Administration's plan currently has the transition occurring in several phases, with approximately 200,000 children transitioning no sooner than January 1, 2013 and then other cohorts in March, April, August and September. There continues to be a great deal of advocacy supporting a delay in the transition, but at this time, the Department of Health Care Services (DHCS) intends to begin as planned on January 1. However, it is important to note that DHCS is required to get permission from the federal administration before the transition can begin.

- **No Dental Managed Care Expansion:** CDA successfully advocated against the Administration's proposal to expand Medi-Cal dental managed care statewide by moving the children from the Healthy Families Program managed care plans to new Medi-Cal managed care plans during the transition. Instead, children will be moved into the Denti-Cal fee-for-service system in all counties — except in Sacramento and Los Angeles where dental managed care currently exists — effectively preventing expansion of Medi-Cal dental managed care as a result of this transition.

- **Dental Network Capacity:** One key issue of concern for DHCS is whether the state can develop and maintain a sufficient network of dentists within the current Medi-Cal structure to provide dental care to all 875,000 new enrollees. To that end, DHCS is conducting provider outreach efforts through surveys and direct phone calls to encourage current Healthy Families providers to become Denti-Cal providers if they are not already and to encourage current Denti-Cal providers to serve more patients. DHCS also plans to communicate with all newly licensed dentists to encourage their enrollment in the program to serve these new beneficiaries. To communicate with DHCS about your capacity to serve children as they transition from the Healthy Families Program to the Medi-Cal program, you can complete and submit this short form: www.surveymonkey.com/s/dc_provider_survey.

- **To Become a Denti-Cal provider:** DHCS plans to help dentists who are interested in becoming Denti-Cal providers by expediting their enrollment in the program and helping to ensure the application process goes as smoothly as possible. DHCS has made clear, however, that an increase in the Medi-Cal rates paid to providers is not tenable in this fiscal environment and not part of the current plan. To find out more about becoming a Denti-Cal provider, go to www.denti-cal.ca.gov/WSI/Prov.jsp?fname=enrollment_tool_kit.

- **To Continue Serving Your Healthy Families Patients:** Dentists who currently serve Healthy Families children and who are also Medi-Cal dental services providers (either through direct enrollment in the Denti-Cal program or through a Medi-Cal dental managed care plan) may continue to see their patients as they transition to Medi-Cal if they are affiliated with the same plan. DHCS will notify families when their children are transitioned, and DHCS is considering the feasibility of a process to notify providers when their patients transition from one program to the other. To communicate with DHCS about your interest and capacity to serve children as they transition from the Healthy Families Program to the Medi-Cal program, please complete and submit this short form: www.surveymonkey.com/s/dc_provider_survey.

- **To Discontinue Serving Healthy Families Beneficiaries:** If you are currently serving children through the Healthy Families Program and do not wish to continue to serve them after their transition to Medi-Cal, please notify the dental plans with whom you are currently contracted as soon as possible, and notify DHCS by completing and submitting this short form: www.surveymonkey.com/s/dc_provider_survey. You will also want to notify your patients, advise them of the importance of continued care, support them in finding alternative care by referring them to the local dental society or advise them to contact DHCS at 800-322-6384.

CDA will continue to actively engage with the administration in the implementation discussions and with the Legislature in its oversight process, including during the upcoming Legislative Special Session that will be called by the governor to address health care issues. CDA will keep members informed as the issue progresses.

For more information, please contact Nicette Short at CDA at nicette.short@cda.org or 916-554-4970.

November 2012

Healthy Families Transition: Webinar Follow-up

Earlier this month, CDA along with the State Department of Health Care Services held a webinar titled "Healthy Families Transition: Overview and Impact on Dental Care" and invited all component executive directors, staff, volunteer leadership and all other interested dentists to participate. The webinar was designed to share details of the state's plan to transition all 875,000 of the children currently enrolled in the Healthy Families program to the Medi-Cal program, which is set to begin in January 2013. During the webinar, the State shared details of the transition plan, provided information on continuity of care issues, informed participants about DHCS outreach efforts to support dentists interested in being a Denti-Cal provider, and in partnership with CDA staff, answered questions critical for dentists involved in these programs.

For those of you who were unable to participate, there is a link to replay the webinar in full, including the robust question and answer period which can be found on the front page of the SDS website, stanislausdental.org. Also, Healthy Families transition webinar is a one page document created by CDA that outlines some of the details of the transition and provides information that dentists need to know about this process, including what steps to take to continue to see patients after they transition and what to do if they are unable to continue to provide patient care.

Being prepared for this change is essential. Please feel free to contact **Nicette Short** in CDA Public Policy (916) 554-4970 if you have any questions.

Let the SimWars Begin!

The American Association of Oral and Maxillofacial Surgeons had its annual meeting in San Diego last month. This year, prior to the meeting, AAOMS presented SimWars during the Anesthesia Update program.

SimWars is an exercise pitting doctors against doctors in a competition to see who responds to emergency situations best. A high fidelity mannequin operated from off stage simulates a patient in distress during an anesthetic. The mannequin simulates breath sounds, cardiac sounds, pulses and is integrated with vital signs monitors including ECG, pulse oximetry and capnography. The person conducting scenarios can also cause the airway to swell or obstruct to prevent placement of endotracheal tubes.

Teams are offered the same scenario, respond as they think appropriate, and the scenario may result in either a good or bad outcome. The teams' performances are then graded with an audience response system.

In this inaugural SimWar, SDS's own Dr. Stan Baker and his team of Margaret DelMoore of Sacramento, Dr. Robert Bosack of Chicago and Dr. Steward Lieblich of Avon, CT took first place!!

Stanislaus Dental Society

OSHA, California Dental Practice Act, and Infection Control

-by-

Diane Morgan, B.S.

6 Hours / Units of Category 1 Continuing Education Credits

Friday, January 25, 2013

8:00am – 3:30pm

Jacob's Fine Dining Restaurant
2501 McHenry Blvd. – Modesto

8:00am – Registration / Continental Breakfast
8:30am to 12:30pm – Presentation
12:30pm to 1:30pm – lunch (on your own)
1:30pm to 3:30pm – Presentation

Diane Morgan-Arns is a credentialed California teacher, with a Bachelors Degree in International Business from San Francisco State University. Diane founded Superior Office Safety in 2001 to provide the training seminars that meet the CAL-OSHA and Dental Board requirements for dental professionals. Diane is also a consultant in CAL-OSHA compliance for dental practices.

COURSE SYNOPSIS:

OSHA Overview and Update –
This workshop will include information regarding CAL/DOSH, their authority and methods of inspection, and a review of applicable regulations for dental practitioners.

California Dental Practice Act -
Topics covered will include:

- Highlights and updates of the Dental Practice Act
- Scope of practice for dentists and allied dental health personnel
- License renewal requirements, continuing education, laws governing citations and fines

Infection Control –
Topics covered include:

- Dental Board IC Regulations (DPA Section 1005)

920 Fifteenth Street
Modesto, California 95354

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Questions or comments about the content of this publication may be directed to:
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Your contributions in the form of articles, photos and/or ideas are greatly appreciated. The APEX Staff is currently accepting articles of general membership interest. This can include an accomplishment, interesting hobby, innovative idea, volunteer effort, etc. Please feel free to submit an article or call for an interview. All articles are subject to editorial review. Requests for donations may be made by members but must be limited to 50 words or less.

SDS Membership Status Update

260 Total Members
211 Active Members
4 Permanent Disability
11 Lifetime Active
35 Lifetime Retired
5 Retired
3 Affiliates