Improving the Quality of Oral Healthcare through Case Management

Module 3
Goal Setting
Acknowledgements

Improving the Quality of Oral Healthcare through Case Management is a professional education and training program designed to advance the knowledge, skill, and competency of the dental workforce.

The curricula is made up of 6 training modules which have been made available through the generous support of the following organizations and agencies:

- Rhode Island Department of Health
- Rhode Island Executive Office of Health and Human Services
- Rhode Island Dental Association
- Medicaid | Medicare | CHIP Services Dental Association
- Health Resources and Services Administration
Goals of the Course

To provide professional education and training to dental personnel in an effort to:

1. Improve the quality oral healthcare services;
2. Improve the oral health outcomes of all;
3. To lower the costs of oral healthcare across the healthcare delivery system.
Overview of the Course

I. Introduction

II. Learning Modules:
   1. Principles of Quality Improvement
   2. Principles of Medicaid Dental Practice Management-Part 1
   3. Goal Setting
   4. Process and Outcome Measurement
   5. Principles of Medicaid Dental Practice Management- Part 2
   6. Principles of Case Management
   7. Module Post-tests

III. 1.5 Continuing Education Units (CEU) will be granted upon completion of each module and submission of the respective post-test.

IV. RI EOHHS Certification will be granted upon completion of all modules and post-tests and submission of all post-tests.
Advisory Team and Faculty

- Robert Bartro, DDS
- Paul Calitri, DMD
- Marty Della Penna, RDH, MEd
- Jeff Dodge, DMD
- Mary Foley, RDH, MPH
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- Laurie Leonard, MS
- Beth Marootian
- Timothy Martinez, DMD
- Lynn Douglas Mouden, DDS, MPH
- Joan Pillsbury
- Renee Rulin, MD
- John Verbeyst, DMD
Module 3 Learning Objectives:

- Upon completion of this learning module, learners will:
  - Understand goals designed for dental office sustainability.
  - Define overall dental office capacity.
  - Set practice goals for their dental office based on their capacity.
  - Identify at least 3 barriers that might prevent them from achieving those goals.
Practice Goals

Access - # Patients
- Total Visits
- Number of Unduplicated Patients
- Number of New Patients

Productivity
- Visits per Day
- Procedures per Day
- Revenue per Day
- Number of no-shows

Financial
- Gross charges
- Net Revenue
- Bottom Line

Quality
- Number of children ages 6-9 years and 12-14 years who receive at least one dental sealant on a permanent tooth
- Number of at-risk children who receive 2 or more fluoride varnish treatments in a year
- Number of pregnant women who received a dental exam, and at least one preventive service
- Percentage of dental patients with a Phase 1 Completed Treatment Plan
Defining “Access” Goals
Access Goals

- Based on capacity
- Total number of visits
- Total number of unduplicated patients who have had at least one visit- [for anything]
- Total number of new patients
Setting Goals: Access

- Determine annual potential capacity (total visits)
- Total visits/2.5 = number of unduplicated patients per year
- Total number of completed treatments = number of new patients
Setting Goals: Access

- Visit goals should be based on realistic assessment of each dental provider’s capabilities
- Assess resources available to each provider
  - number of operatories
  - hours scheduled
  - support staff
- Assess scope of services provided
- Assess type of patients being served
- Assess national benchmarks
- Define the visit goals based on your capacity
STOP RECORDING

Consider access goals for your office.
Defining “Productivity” Goals
Setting Goals: *Productivity*

**Step 1- Procedures Per Visit**

- Consider your office’s findings from *Exercise 3* information.
- Total number of procedures/total number of visits = procedures/visit.
- Break out procedures by type:
  - diagnostic
  - preventive
  - restorative
  - specialty
  - prosthodontics
  - oral surgery
  - emergency
- Calculate percentage of each type to reveal scope of service.
STOP RECORDING

Consider productivity goals for your office.
Defining “Financial” Goals
Financial Goals

- Break even; *then*
- Create a surplus

- Expand
- Upgrade Equipment
- Reward Staff
Financial Metrics

Gross charges
Net revenue
Profit and Loss
Balance Sheet
## How to Break Even

### I. Net Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Care Revenue</td>
<td>$1,290,000</td>
</tr>
<tr>
<td>Non-patient-care Revenue</td>
<td>300,000</td>
</tr>
<tr>
<td><strong>Total Net Revenue</strong></td>
<td><strong>$1,590,000</strong></td>
</tr>
</tbody>
</table>

### II. Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$1,639,500</td>
</tr>
<tr>
<td>Indirect</td>
<td>125,000</td>
</tr>
<tr>
<td><strong>Total Direct and Indirect Expenses</strong></td>
<td><strong>$1,764,500</strong></td>
</tr>
</tbody>
</table>

**Loss**

$(174,500)$

Net Revenue Goal = $1,764,500
Cost Per Clinic Day

- Divide total net expenses by the number of clinic days.

- 5 days per week x 46 weeks = 230 clinic days
  - $1,764,500/230 days
  - Break even amount =$7,672 per day
## Average Revenue and Cost per Visit

<table>
<thead>
<tr>
<th><strong>Average Revenue</strong></th>
<th><strong>Average Cost</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Divide total net revenue by the total number of patient visits</td>
<td>Divide total net expenses by the total number of patient visits</td>
</tr>
<tr>
<td>$1,590,000 / 13,018 = $122.13 average revenue per visit</td>
<td>$1,764,500 / 13,018 = $135.154 expenses per visit</td>
</tr>
</tbody>
</table>
Financial Target Revenue per Visit

- Average Revenue per Visit = $122
- Average Cost per Visit = $136
- Revenue needed to break even = $136
Gross Charges

- The full fee→ amount billed out to insurance and charged to your patients
- Not what the practice collects
- Assess
- Charges too low?
  - Productivity
  - Fees
  - Fee schedules not set up properly in the EDR

- Determine the Collection Rate:
  Look at gross charges and compare to net revenue to determine the percentage of net revenue collected (Net Revenue x 100/Gross charges)
Setting Goals: Gross Charges

**Example 1: Break Even**
- Net revenue goal for the year is $1,764,500
- $1,764,500/230 clinic days = $7,672 in net revenue per day
- Practice historically nets 65% of gross charges; thus, daily gross needs
- Daily gross charge goal = $11,803
  - $7,672/65%

**Example 2: Profitability**
- Net revenue goal for the year is $1,300,000 (minus $100,000 grant) = $1,200,000
- $1,200,000/230 clinical days = $5,217 in net revenue per day
- Daily gross charges per day need to be $8,026
STOP RECORDING:

Exercise #4
STOP RECORDING: Set your Financial Goals now.

**Exercise #4: Setting Financial Goals**

**Goal 1: Revenue per Year**

Refer to the profit and loss statement using the sample provided [for your dental office] to fill in the blank.

Determine if your goal is to break even, or to generate a surplus to add additional staff, equipment, or other resources. Fill in **Option 1 if your goal is to breakeven**. Fill in **Option 2 if your goal is to generate a surplus**.

**Option 1 Goal: Breakeven**

What is your total Indirect plus Direct Expenses $ __________________

Financial Goal 1: Revenue per Year Goal $ __________________
(Same as direct + indirect expenses)

**Option 2 Goal: Generate a Surplus**: (Skip if your goal is to breakeven)

How much do you expect the dental program to generate in profit: $________

Add the amount the dental program needs to generate in profit to your total indirect and direct expenses:

Financial Goal 1: Revenue per Year Goal $ __________________

**Goal 2: Revenue per Day**

Divide the “Revenue per Year” Financial Goal 1, by the number of clinic days your program operates per year:

Financial goal 2: Revenue per Day $ __________________

**Goal 3: Revenue per Visit**

Divide the “Revenue per Year” goal Financial Goal 1, by the “Visits per Year” Productivity Goal 2.

Financial Goal 3: Revenue per Visit __________________

STOP RECORDING: Set your Financial Goals now.
Discussion

• Do you think these goals are achievable?
• What are some potential barriers will prevent you and your team from achieving these goals?
• What strategies will you and your team implement to overcome barriers?
• What recommendation in your enhancement plan will you and your team focus on in the next month to achieve the above goals?
Barriers to Reaching Financial Goals

- Billing process is flawed -> high number of unreimbursed or denied claims
- Inconsistent collections from self-pay patients
- Payer mix is unfavorable and is negatively impacting financial sustainability
- Revenue per visit too low
  - Revenue per visit and or by payer type
- Full fee is below the usual and customary for your area
Consider financial goals for your office.
Defining “Quality” Goals
Quality Goals

- Number of children ages 6-9 years and 12-14 years who receive at least one dental sealant on a permanent tooth
- Number of at-risk children who receive 2 or more fluoride varnish treatments in a year
- Number of pregnant women who received a dental exam, and at least one preventive service
- Percentage of dental patients with a Phase 1 Completed Treatment Plan
Example of Quality Measurement

Track:

- Completed treatment plans to determine the number of patients (daily, weekly, monthly) whose dental problems are eliminated—this is the number of new patients that can be brought into the dental program without bogging things down.

- Benchmark=75% patients treatment completed
STOP RECORDING:

Consider *quality* goals for your office.
Practice Goals

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Goal Setting

Take Module 3 Post-Test Now
Ms. Martha Dellapenna is the MSDA Center Director. In this role, Ms. Dellapenna provides oversight to the projects and activities of each of the five divisions within the Center. She is the former Project Manager for the Rhode Island Oral Health Access Project. Ms. Dellapenna joined the RI Department of Human Services in the Center for Child and Family Health in 2003 through its project management contractor, Xerox. Ms. Dellapenna’s primary role at that time was to manage the development of RIte Smiles, the state’s first managed care dental program for young children. Ms. Dellapenna is also the current Chair of the Center for Medicare and Medicaid Services (CMS) Oral Health Technical Advisory Group.
Ms. Mary E. Foley is the Executive Director of the Medicaid|Medicare|CHIP Services Dental Association (MSDA). Ms. Foley is a dental hygienist and holds a Masters Degree in Public Health with a concentration in Epidemiology and Biostatistics from the University of Massachusetts School of Public Health and Health Policy. Earlier in her career, she served as the Director of the Massachusetts Department of Public Health, Office of Oral Health. In this role she had oversight of state dental public health programs addressing surveillance; access; prevention; and education. Just prior to her current position, Ms. Foley served as the Dean of the Forsyth School of Dental Hygiene at the Massachusetts College of Pharmacy and Health Sciences in Boston, Massachusetts. Since joining the Medicaid|Medicare|CHIP Services Dental Association, Ms. Foley has been instrumental in broadening national stakeholder collaboration, and advancing state program policy and protocols to improve the health, health care and costs for all Medicaid programs and their beneficiaries.
Timothy S. Martinez, DMD, is the Associate Dean of Community Partnerships and Access to Care at the UNE College of Dental Medicine. Dr. Martinez recently relocated to the New England area after spending six and a half years developing the community-based dental programs for Western University of Health Sciences College of Dental Medicine in Pomona, California. He served as program evaluator at the Forsyth Institute from 2010 to 2011; state dental Medicaid director at the Commonwealth of Massachusetts, Executive Office of Health and Human Services from 2006 to 2009; and dental consultant at the Office of Public Protection, Board of Registration in Dentistry, Massachusetts Department of Public Health from 2005 to 2009. Dr. Martinez also served as dental director for Harbor Health Services Inc. from 1999 to 2003 and dental director at Boston Healthcare for the Homeless from 1994 to 2003. He earned a Doctor of Dental Medicine degree from the Harvard School of Dental Medicine.