

How Does Your Dental Practice Compare?

2018 Edition



About Cain Watters & Associates

The relationship makes us different.

Many financial services firms work with dentists, the CWA difference is the relationship we build with our clients. Long-term financial success is a journey that plays out through a series of decisions throughout the course of your life. Our goal is to empower you through education, and support you with sound guidance using the knowledge we've gained from working with dental professionals across the nation for more than 35 years.

Our specialized services include:

- Personal and business financial planning
- Personal and business budgeting
- Pension planning strategies
- Practice overhead and production analysis
- Strategic tax planning
- Tax preparation and filing services
- Compilation accounting services
- Practice acquisition and expansion
- New doctor business and practice planning
- Investment strategies and solutions

A CONFIDENT PATH

You may be confident in the details of your patient's oral health, but what about your practice's financial health?

We are all too familiar with that feeling of uncertainty that's always just below the surface. Without knowledge, it is impossible to chart a confident path to success. It is exactly why we created this report, offering data and insights from our community of dentists.

For over 35 years, Cain Watters & Associates (CWA) has worked with dentists and their practices to answer the questions that are always looming in the back of their minds: am I on track to reach my financial goals? Is there something I'm overlooking or that I don't even know about, impacting the profitability in my practice?

This report tracks six years of data aggregated from CWA accounting clients nationwide including net income averages, collections, detailed expenses, and salary trends. It's a useful benchmarking tool to gauge your business's financial health and to direct the goals of your practice.

Through their work on this report and decades of experience, our financial teams empower business owners with the knowledge they need to overcome uncertainty and reach their goals. CWA is always there to answer your looming questions with the advice and tools you need to succeed.

Sincerely,
Cain Watters & Associates

General Dentist 1 Doctor Practice 5

General Dentist 2 Doctor Practice 6

General Dentist 3 Doctor Practice 7

General Dentist 4+ Doctor Practice..... 8

Pediatric Dentist 1 Doctor Practice 9

Pediatric Dentist 2 Doctor Practice 10

Pediatric Dentist 3+ Doctor Practice..... 11

Orthodontist 1 Doctor Practice 12

Orthodontist 2 Doctor Practice 13

Periodontist 1 Doctor Practice 14

Periodontist 2 Doctor Practice 15

Oral Surgery 1 Doctor Practice..... 16

Oral Surgery 2 Doctor Practice..... 17

Endodontist 1 Doctor Practice 18

Average Revenue and Overhead for 1 Doctor Practices in 2018 19

Average Revenue and Overhead for 2 Doctor Practices in 2018 20

National Average Comparison by Dental Intelligence 22

General Dentist 1 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$1,237,351	100.00%	\$1,241,699	100.00%
Direct Expenses				
Salaries - Office	80,482	6.50%	88,009	7.09%
Salaries - Hygiene	106,813	8.63%	104,130	8.39%
Salaries - Chairsides/Other	76,860	6.21%	83,953	6.76%
Payroll Tax Expense	33,140	2.68%	35,362	2.85%
Lab Fees	72,018	5.82%	85,715	6.90%
Drugs & Supplies	87,195	7.05%	87,658	7.06%
Office Supplies/Expense	29,921	2.42%	26,911	2.17%
Total Direct Costs	486,429	39.31%	511,738	41.21%
Gross Profit	750,922	60.69%	729,961	58.79%
Fixed Expenses				
Legal & Accounting	20,899	1.69%	21,536	1.73%
Advertising & Promotion	25,526	2.06%	29,034	2.34%
Continuing Education	7,198	0.58%	5,642	0.45%
Credit Card & Bank Fees	14,304	1.16%	15,372	1.24%
Insurance Practice	16,536	1.34%	18,614	1.50%
Meals & Entertainment	10,303	0.83%	11,860	0.96%
Rent	46,865	3.79%	51,633	4.16%
Telephone & Utilities	14,923	1.21%	15,683	1.26%
Travel & Lodging	9,280	0.75%	12,692	1.02%
Other Fixed Costs*	43,975	3.55%	50,594	4.07%
Total Administrative Costs	209,809	16.96%	232,660	18.74%
Net Income	\$541,113	43.73%	\$497,301	40.05%
(Before Non-Operating & Doctor Costs)				

General Dentist 2 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$2,315,425	100.00%	\$2,293,938	100.00%
Direct Expenses				
Salaries - Office	150,230	6.49%	149,610	6.52%
Salaries - Hygiene	212,010	9.16%	214,520	9.35%
Salaries - Chairsides/Other	149,441	6.45%	150,918	6.58%
Payroll Tax Expense	48,917	2.11%	47,711	2.08%
Lab Fees	128,250	5.54%	128,976	5.62%
Drugs & Supplies	154,419	6.67%	162,964	7.10%
Office Supplies/Expense	36,881	1.59%	36,561	1.59%
Total Direct Costs	880,148	38.01%	891,260	38.85%
Gross Profit	1,435,277	61.99%	1,402,678	61.15%
Fixed Expenses				
Legal & Accounting	23,747	1.03%	22,921	1.00%
Advertising & Promotion	41,331	1.79%	46,240	2.02%
Continuing Education	8,844	0.38%	7,660	0.33%
Credit Card & Bank Fees	30,080	1.30%	29,755	1.30%
Insurance Practice	26,930	1.16%	27,733	1.21%
Meals & Entertainment	8,775	0.38%	9,728	0.42%
Rent	87,247	3.77%	91,365	3.98%
Telephone & Utilities	19,041	0.82%	19,943	0.87%
Travel & Lodging	7,739	0.33%	6,203	0.27%
Other Fixed Costs*	66,089	2.85%	67,904	2.96%
Total Administrative Costs	319,823	13.81%	329,450	14.36%
Net Income	\$1,115,454	48.18%	\$1,073,228	46.79%
(Before Non-Operating & Doctor Costs)				

INSIGHT:

Staff Salaries

Staff salaries and payroll tax expenses have decreased year over year as a percentage of receipts for one-doctor general dentistry practices. This could be the result of doctors running more lean offices with more efficient scheduling, which results in less down time for staff.

General Dentist 3 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$3,545,184	100.00%	\$3,307,928	100.00%
Direct Expenses				
Salaries - Office	245,427	6.92%	226,758	6.85%
Salaries - Hygiene	360,010	10.15%	323,756	9.79%
Salaries - Chairsides/Other	253,292	7.14%	240,157	7.26%
Payroll Tax Expense	74,937	2.11%	70,164	2.12%
Lab Fees	190,143	5.36%	181,953	5.50%
Drugs & Supplies	244,340	6.89%	234,579	7.09%
Office Supplies/Expense	49,262	1.39%	52,894	1.60%
Total Direct Costs	1,417,411	39.98%	1,330,259	40.21%
Gross Profit	2,127,773	60.02%	1,977,669	59.79%
Fixed Expenses				
Legal & Accounting	27,875	0.79%	27,861	0.84%
Advertising & Promotion	73,167	2.06%	83,052	2.51%
Continuing Education	8,581	0.24%	11,599	0.35%
Credit Card & Bank Fees	47,188	1.33%	46,830	1.42%
Insurance Practice	38,503	1.09%	37,588	1.14%
Meals & Entertainment	9,362	0.26%	11,546	0.35%
Rent	129,783	3.66%	137,184	4.15%
Telephone & Utilities	25,287	0.71%	25,452	0.77%
Travel & Lodging	5,106	0.14%	5,781	0.17%
Other Fixed Costs*	106,274	3.00%	102,435	3.10%
Total Administrative Costs	471,126	13.29%	489,328	14.79%
Net Income	\$1,656,647	46.73%	\$1,488,341	44.99%
(Before Non-Operating & Doctor Costs)				

General Dentist 4+ Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$4,255,419	100.00%	\$3,895,454	100.00%
Direct Expenses				
Salaries - Office	276,872	6.51%	240,162	6.17%
Salaries - Hygiene	412,228	9.69%	392,887	10.09%
Salaries - Chairsides/Other	317,610	7.46%	282,088	7.24%
Payroll Tax Expense	86,324	2.03%	80,420	2.06%
Lab Fees	256,577	6.03%	237,109	6.09%
Drugs & Supplies	309,350	7.27%	265,569	6.82%
Office Supplies/Expense	71,629	1.68%	69,872	1.79%
Total Direct Costs	1,730,590	40.67%	1,568,107	40.26%
Gross Profit	2,524,829	59.33%	2,327,347	59.74%
Fixed Expenses				
Legal & Accounting	29,452	0.69%	26,989	0.69%
Advertising & Promotion	65,358	1.54%	61,718	1.58%
Continuing Education	9,239	0.22%	9,088	0.23%
Credit Card & Bank Fees	56,630	1.33%	53,992	1.39%
Insurance Practice	48,281	1.13%	41,238	1.06%
Meals & Entertainment	10,296	0.24%	8,499	0.22%
Rent	138,329	3.25%	138,943	3.57%
Telephone & Utilities	29,450	0.69%	28,399	0.73%
Travel & Lodging	2,827	0.07%	3,155	0.08%
Other Fixed Costs*	109,516	2.57%	97,743	2.51%
Total Administrative Costs	499,378	11.73%	469,764	12.06%
Net Income	\$2,025,451	47.60%	\$1,857,583	47.68%
(Before Non-Operating & Doctor Costs)				

INSIGHT:

Gross Receipts

On average, gross receipts for larger multi-doctor general dentistry practices have increased significantly from the prior year. In the new world of hygiene consultants, an emphasis on scheduling efficiencies and expanded hours has increased patient flow and revenue for owners.

Pediatric Dentist 1 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$1,236,495	100.00%	\$1,304,821	100.00%
Direct Expenses				
Salaries - Office	94,739	7.66%	93,802	7.19%
Salaries - Hygiene	61,947	5.01%	64,800	4.97%
Salaries - Chairsides/Other	83,593	6.76%	93,955	7.20%
Payroll Tax Expense	35,376	2.86%	35,199	2.70%
Lab Fees	5,782	0.47%	12,913	0.99%
Drugs & Supplies	76,810	6.21%	73,923	5.67%
Office Supplies/Expense	29,994	2.43%	31,136	2.39%
Total Direct Costs	388,241	31.40%	405,728	31.11%
Gross Profit	848,254	68.60%	899,093	68.89%
Fixed Expenses				
Legal & Accounting	24,539	1.98%	24,830	1.90%
Advertising & Promotion	16,374	1.32%	22,003	1.69%
Continuing Education	3,282	0.27%	3,254	0.25%
Credit Card & Bank Fees	11,129	0.90%	8,754	0.67%
Insurance Practice	22,021	1.78%	15,835	1.21%
Meals & Entertainment	11,600	0.94%	12,497	0.96%
Rent	67,142	5.43%	60,432	4.63%
Telephone & Utilities	15,795	1.28%	15,150	1.16%
Travel & Lodging	10,602	0.86%	10,206	0.78%
Other Fixed Costs*	54,387	4.40%	64,495	4.94%
Total Administrative Costs	236,871	19.16%	237,456	18.19%
Net Income	\$611,383	49.44%	\$661,637	50.70%
(Before Non-Operating & Doctor Costs)				

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$2,216,943	100.00%	\$2,172,578	100.00%
Direct Expenses				
Salaries - Office	177,965	8.03%	166,108	7.65%
Salaries - Hygiene	104,679	4.72%	132,122	6.08%
Salaries - Chairsides/Other	227,501	10.26%	193,168	8.89%
Payroll Tax Expense	56,226	2.54%	62,127	2.86%
Lab Fees	21,801	0.98%	6,140	0.28%
Drugs & Supplies	114,548	5.17%	109,987	5.06%
Office Supplies/Expense	50,877	2.29%	50,941	2.34%
Total Direct Costs	753,597	33.99%	720,593	33.16%
Gross Profit	1,463,346	66.01%	1,451,985	66.84%
Fixed Expenses				
Legal & Accounting	24,907	1.12%	20,063	0.92%
Advertising & Promotion	43,112	1.94%	34,117	1.57%
Continuing Education	6,023	0.27%	6,557	0.30%
Credit Card & Bank Fees	15,542	0.70%	12,733	0.59%
Insurance Practice	29,079	1.31%	28,892	1.33%
Meals & Entertainment	5,802	0.26%	9,317	0.43%
Rent	113,852	5.14%	108,885	5.01%
Telephone & Utilities	21,959	0.99%	22,741	1.05%
Travel & Lodging	16,074	0.73%	11,877	0.55%
Other Fixed Costs*	80,200	3.62%	80,496	3.71%
Total Administrative Costs	356,550	16.08%	335,678	15.46%
Net Income (Before Non-Operating & Doctor Costs)	<u>\$1,106,796</u>	<u>49.93%</u>	<u>\$1,116,307</u>	<u>51.38%</u>

INSIGHT:

Rent

Rent has increased slightly year over year for pediatric dentists. As a general rule, anything below 5% of collections is good and typically signals full utilization of space. Practices over 5% could be overpaying or may own the building and are paying inflated rent for cash flow or tax planning purposes.

Pediatric Dentist 3+ Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$4,313,311	100.00%	\$4,091,820	100.00%
Direct Expenses				
Salaries - Office	344,501	7.99%	311,195	7.61%
Salaries - Hygiene	233,011	5.40%	219,673	5.37%
Salaries - Chairsides/Other	341,776	7.92%	327,623	8.01%
Payroll Tax Expense	98,819	2.29%	91,944	2.25%
Lab Fees	16,845	0.39%	19,299	0.47%
Drugs & Supplies	274,420	6.36%	248,163	6.06%
Office Supplies/Expense	79,443	1.84%	72,300	1.77%
Total Direct Costs	1,388,815	32.19%	1,290,197	31.54%
Gross Profit	2,924,496	67.81%	2,801,623	68.46%
Fixed Expenses				
Legal & Accounting	29,629	0.69%	28,276	0.69%
Advertising & Promotion	63,138	1.46%	56,803	1.39%
Continuing Education	4,591	0.11%	3,556	0.09%
Credit Card & Bank Fees	34,337	0.80%	29,179	0.71%
Insurance Practice	61,720	1.43%	51,244	1.25%
Meals & Entertainment	12,831	0.30%	15,720	0.38%
Rent	207,500	4.81%	181,842	4.44%
Telephone & Utilities	46,995	1.09%	41,525	1.01%
Travel & Lodging	13,318	0.31%	9,503	0.23%
Other Fixed Costs*	116,854	2.71%	104,574	2.56%
Total Administrative Costs	590,913	13.71%	522,222	12.75%
Net Income	\$2,333,583	54.10%	\$2,279,401	55.71%
(Before Non-Operating & Doctor Costs)				

Orthodontist 1 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$1,949,164	100.00%	\$1,790,853	100.00%
Direct Expenses				
Salaries - Office	145,739	7.48%	133,201	7.44%
Salaries - Chairside/Other	222,236	11.40%	200,421	11.19%
Payroll Tax Expense	43,555	2.23%	40,393	2.26%
Lab Fees	102,478	5.26%	102,105	5.70%
Drugs & Supplies	141,257	7.25%	142,591	7.96%
Office Supplies/Expense	57,344	2.94%	54,735	3.06%
Total Direct Costs	712,609	36.56%	673,446	37.61%
Gross Profit	1,236,555	63.44%	1,117,407	62.39%
Fixed Expenses				
Legal & Accounting	23,589	1.21%	22,016	1.23%
Advertising & Promotion	56,548	2.90%	54,689	3.05%
Continuing Education	5,821	0.30%	4,056	0.23%
Credit Card & Bank Fees	35,103	1.80%	33,725	1.88%
Insurance Practice	21,484	1.10%	21,786	1.22%
Meals & Entertainment	15,020	0.77%	17,446	0.97%
Rent	111,631	5.73%	114,559	6.40%
Telephone & Utilities	20,455	1.05%	21,992	1.23%
Travel & Lodging	17,025	0.87%	17,620	0.98%
Other Fixed Costs*	89,118	4.57%	76,462	4.27%
Total Administrative Costs	395,794	20.30%	384,351	21.46%
Net Income	\$840,761	43.13%	\$733,056	40.93%
(Before Non-Operating & Doctor Costs)				

INSIGHT:

Net
Income

Gross receipts increased for both one and two-doctor orthodontic practices, while fixed costs decreased as a percentage of collections. This is a reflection of how practices can capitalize on a higher net income percentage by growing their top line collections, and keeping expenses consistent.

Orthodontist 2 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$3,968,435	100.00%	\$3,283,436	100.00%
Direct Expenses				
Salaries - Office	265,759	6.70%	295,823	9.01%
Salaries - Chairside/Other	367,594	9.26%	267,059	8.13%
Payroll Tax Expense	68,277	1.72%	67,588	2.06%
Lab Fees	263,690	6.65%	234,817	7.15%
Drugs & Supplies	345,837	8.71%	167,377	5.10%
Office Supplies/Expense	67,240	1.69%	58,007	1.77%
Total Direct Costs	1,378,397	34.73%	1,090,671	33.22%
Gross Profit	2,590,038	65.27%	2,192,765	66.78%
Fixed Expenses				
Legal & Accounting	24,927	0.63%	26,418	0.80%
Advertising & Promotion	115,090	2.90%	84,187	2.56%
Continuing Education	6,794	0.17%	3,467	0.11%
Credit Card & Bank Fees	47,138	1.19%	48,404	1.47%
Insurance Practice	26,321	0.66%	42,340	1.29%
Meals & Entertainment	13,716	0.35%	14,557	0.44%
Rent	145,106	3.66%	216,488	6.59%
Telephone & Utilities	33,260	0.84%	28,724	0.87%
Travel & Lodging	12,638	0.32%	8,920	0.27%
Other Fixed Costs*	148,124	3.73%	98,811	3.01%
Total Administrative Costs	573,112	14.44%	572,316	17.41%
Net Income	\$2,016,926	50.82%	1,620,449	49.37%
(Before Non-Operating & Doctor Costs)				

Periodontist 1 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$1,904,359	100.00%	\$2,070,132	100.00%
Direct Expenses				
Salaries - Office	134,281	7.05%	117,772	5.69%
Salaries - Hygiene	107,022	5.62%	108,032	5.22%
Salaries - Chairside/Other	91,279	4.79%	129,136	6.24%
Payroll Tax Expense	38,756	2.04%	35,621	1.72%
Lab Fees	22,796	1.20%	62,111	3.00%
Drugs & Supplies	223,858	11.76%	259,462	12.53%
Office Supplies/Expense	43,815	2.30%	51,110	2.47%
Total Direct Costs	661,807	34.76%	763,244	36.87%
Gross Profit	1,242,552	65.24%	1,306,888	63.13%
Fixed Expenses				
Legal & Accounting	22,859	1.20%	23,578	1.14%
Advertising & Promotion	36,750	1.93%	20,312	0.98%
Continuing Education	6,119	0.32%	3,432	0.17%
Credit Card & Bank Fees	37,474	1.97%	45,481	2.20%
Insurance Practice	25,951	1.36%	20,028	0.97%
Meals & Entertainment	12,194	0.64%	6,842	0.33%
Rent	85,327	4.48%	121,914	5.89%
Telephone & Utilities	12,577	0.66%	14,233	0.69%
Travel & Lodging	45,348	2.38%	11,664	0.56%
Other Fixed Costs*	57,097	3.00%	58,416	2.82%
Total Administrative Costs	341,696	17.94%	325,900	15.74%
Net Income	\$900,856	47.30%	\$980,988	47.39%
(Before Non-Operating & Doctor Costs)				

INSIGHT:

Advertising Expenses

Periodontists have seen an increase in the dollar amount spent on advertising & promotional expenses from the prior year for both single and multi-doctors practices. It is possible that as general dentists begin doing some periodontal procedures in-house, periodontists are beginning to seek new patients from sources outside of referrals.

Periodontist 2 Doctor Practice

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$3,450,915	100.00%	\$3,445,570	100.00%
Direct Expenses				
Salaries - Office	235,382	6.82%	237,069	6.88%
Salaries - Hygiene	159,121	4.61%	172,754	5.01%
Salaries - Chairsides/Other	282,528	8.19%	245,167	7.12%
Payroll Tax Expense	69,558	2.02%	60,229	1.75%
Lab Fees	15,966	0.46%	19,821	0.58%
Drugs & Supplies	489,295	14.18%	533,808	15.49%
Office Supplies/Expense	73,016	2.12%	76,161	2.21%
Total Direct Costs	1,324,866	38.40%	1,345,009	39.04%
Gross Profit	2,126,049	61.60%	2,100,561	60.96%
Fixed Expenses				
Legal & Accounting	20,891	0.61%	22,637	0.66%
Advertising & Promotion	32,320	0.94%	29,975	0.87%
Continuing Education	10,950	0.32%	6,014	0.17%
Credit Card & Bank Fees	53,913	1.56%	48,383	1.40%
Insurance Practice	42,926	1.24%	42,419	1.23%
Meals & Entertainment	14,905	0.43%	12,024	0.35%
Rent	143,876	4.17%	111,722	3.24%
Telephone & Utilities	25,599	0.74%	23,191	0.67%
Travel & Lodging	5,090	0.15%	8,064	0.23%
Other Fixed Costs*	94,349	2.73%	100,378	2.91%
Total Administrative Costs	444,819	12.89%	404,807	11.75%
Net Income	\$1,681,230	48.71%	\$1,695,754	49.22%
(Before Non-Operating & Doctor Costs)				

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$1,903,419	100.00%	\$1,948,525	100.00%
Direct Expenses				
Salaries - Office	200,080	10.51%	169,952	8.72%
Salaries - Chairside/Other	112,162	5.89%	114,695	5.89%
Payroll Tax Expense	37,554	1.97%	34,530	1.77%
Lab Fees	3,516	0.18%	5,047	0.26%
Drugs & Supplies	235,935	12.40%	207,448	10.65%
Office Supplies/Expense	43,546	2.29%	46,773	2.40%
Total Direct Costs	632,793	33.25%	578,445	29.69%
Gross Profit	1,270,626	66.75%	1,370,080	70.31%
Fixed Expenses				
Legal & Accounting	27,160	1.43%	20,551	1.05%
Advertising & Promotion	47,282	2.48%	48,404	2.48%
Continuing Education	9,392	0.49%	5,351	0.27%
Credit Card & Bank Fees	37,641	1.98%	36,837	1.89%
Insurance Practice	35,613	1.87%	41,921	2.15%
Meals & Entertainment	15,198	0.80%	17,407	0.89%
Rent	86,349	4.54%	79,758	4.09%
Telephone & Utilities	16,801	0.88%	19,131	0.98%
Travel & Lodging	14,248	0.75%	13,276	0.68%
Other Fixed Costs*	106,002	5.57%	98,206	5.04%
Total Administrative Costs	395,686	20.79%	380,842	19.55%
Net Income	\$874,940	45.96%	\$989,238	50.77%
(Before Non-Operating & Doctor Costs)				

INSIGHT:

Direct
Costs

This category has increased significantly year over year for both one and two-doctor oral surgery practices mainly due to staff salaries and drugs and supplies. Doctors should continue to monitor these areas. Drugs and supplies can be regularly shopped out, or consider a group buying membership.

	2018 YEAR END		2017 YEAR END	
GROSS RECEIPTS	\$3,592,407	100.00%	\$3,643,328	100.00%
Direct Expenses				
Salaries - Office	173,996	4.84%	209,238	5.74%
Salaries - Chairside/Other	406,316	11.31%	304,081	8.34%
Payroll Tax Expense	57,588	1.60%	51,923	1.43%
Lab Fees	23,184	0.65%	23,077	0.63%
Drugs & Supplies	393,549	10.96%	243,927	6.70%
Office Supplies/Expense	70,246	1.96%	74,504	2.04%
Total Direct Costs	1,124,879	31.31%	906,750	24.89%
Gross Profit	2,467,528	68.69%	2,736,578	75.11%
Fixed Expenses				
Legal & Accounting	43,627	1.21%	41,258	1.13%
Advertising & Promotion	40,780	1.14%	44,826	1.23%
Continuing Education	9,429	0.26%	2,670	0.07%
Credit Card & Bank Fees	69,505	1.93%	52,695	1.45%
Insurance Practice	96,869	2.70%	82,946	2.28%
Meals & Entertainment	20,416	0.57%	30,581	0.84%
Rent	155,833	4.34%	164,429	4.51%
Telephone & Utilities	24,514	0.68%	24,274	0.67%
Travel & Lodging	48,169	1.34%	19,752	0.54%
Other Fixed Costs*	133,276	3.71%	140,470	3.86%
Total Administrative Costs	642,416	17.88%	603,901	16.58%
Net Income	\$1,825,112	50.80%	\$2,132,677	58.54%
(Before Non-Operating & Doctor Costs)				

	2018 YEAR END		2016* YEAR END	
GROSS RECEIPTS	\$1,181,660	100.00%	\$899,946	100.00%
Direct Expenses				
Salaries - Office	72,881	6.17%	65,916	7.32%
Salaries - Chairside/Other	84,004	7.11%	72,056	8.01%
Payroll Tax Expense	30,344	2.57%	23,715	2.64%
Drugs & Supplies	83,171	7.04%	74,332	8.26%
Office Supplies/Expense	20,152	1.71%	22,966	2.55%
Total Direct Costs	290,553	24.59%	258,985	28.78%
Gross Profit	891,108	75.41%	640,961	71.22%
Fixed Expenses				
Legal & Accounting	17,021	1.44%	18,665	2.07%
Advertising & Promotion	10,050	0.85%	11,128	1.24%
Continuing Education	2,837	0.24%	1,839	0.20%
Credit Card & Bank Fees	18,327	1.55%	13,806	1.53%
Insurance Practice	23,073	1.95%	11,316	1.26%
Meals & Entertainment	2,070	0.18%	4,415	0.49%
Rent	66,948	5.67%	54,418	6.05%
Telephone & Utilities	18,755	1.59%	17,445	1.94%
Travel & Lodging	24,775	2.10%	4,544	0.50%
Other Fixed Costs*	47,906	4.05%	38,263	4.25%
Total Administrative Costs	231,762	19.61%	175,839	19.53%
Net Income (Before Non-Operating & Doctor Costs)	<u>\$659,346</u>	<u>55.80%</u>	<u>\$465,122</u>	<u>51.69%</u>

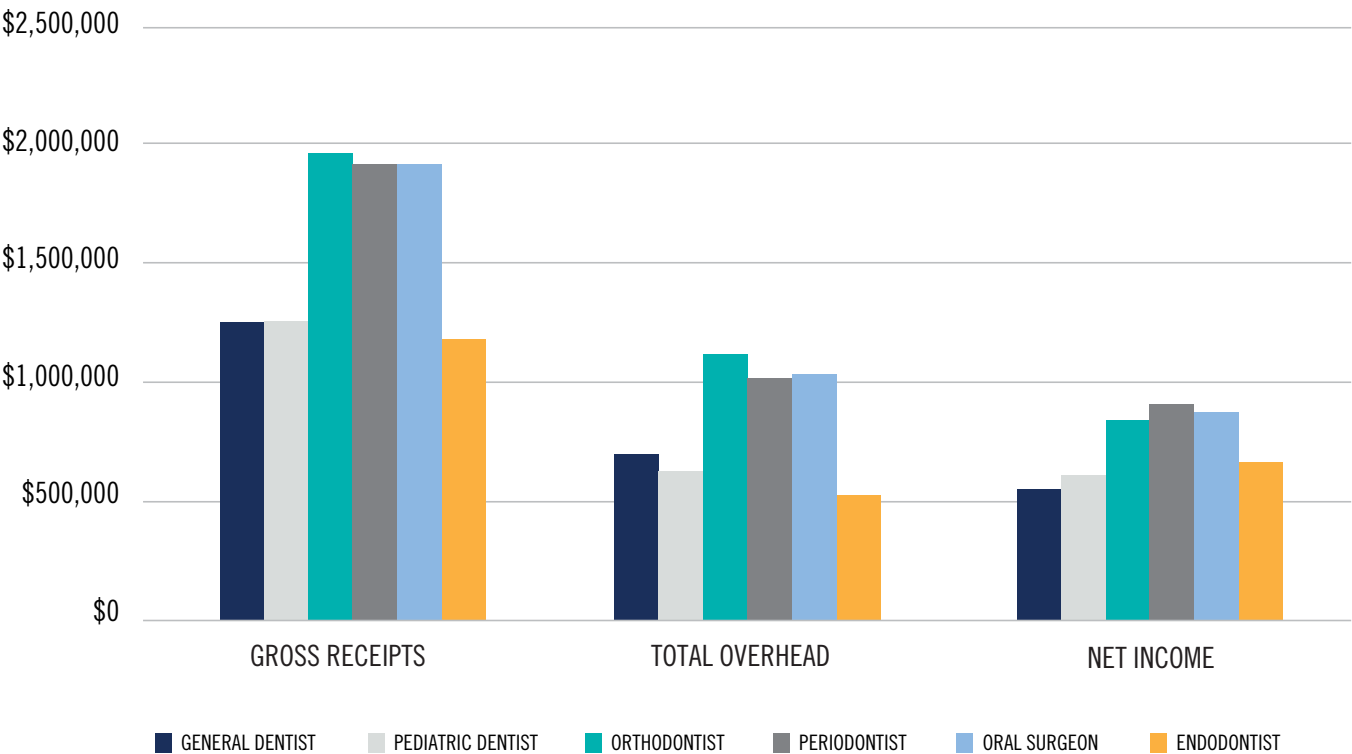
*The Endodontist sample size for 2017 was insufficient for reporting.

INSIGHT:

Credit Card
& Bank Fees

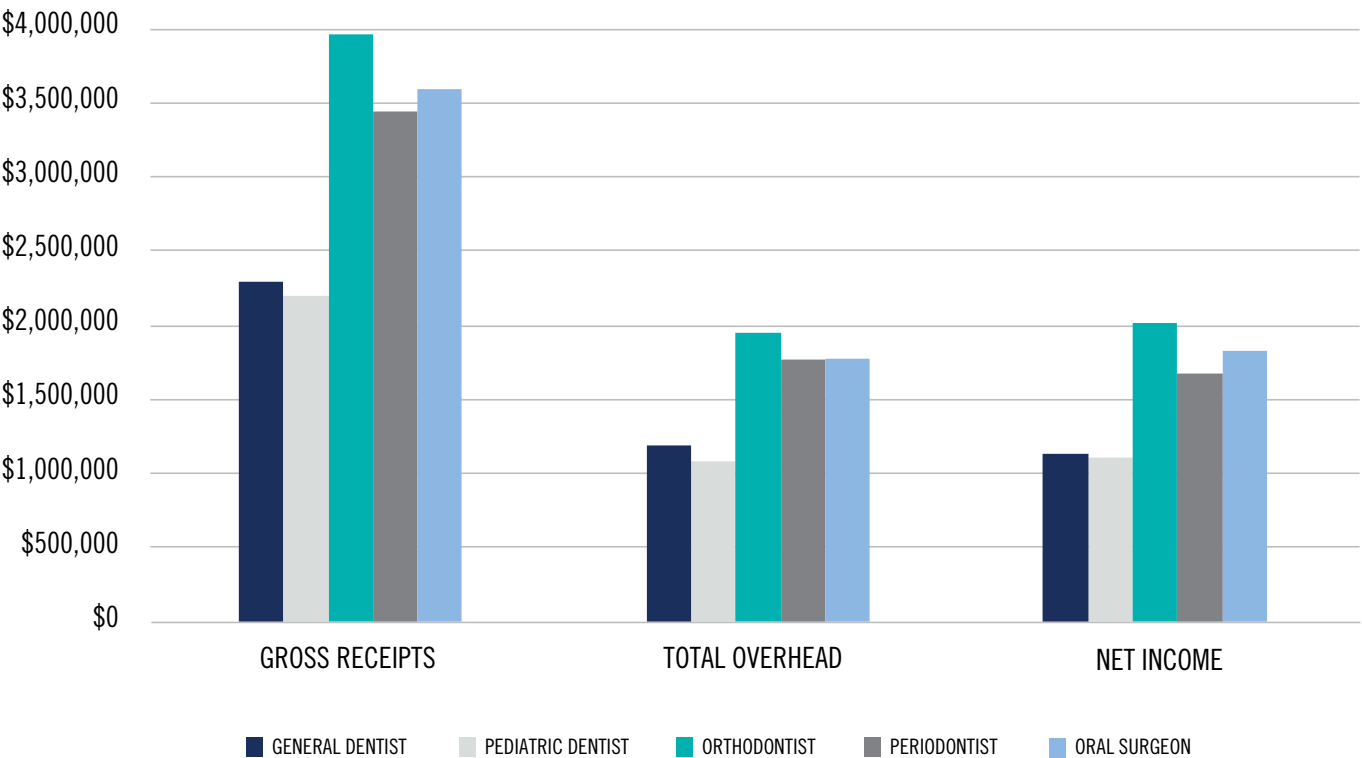
This category is the fee paid to credit card companies when a patient's credit card is swiped. Doctors should shop this cost annually. This is similar to a cable bill where most carriers offer a low introductory rate that tends to increase over time.

Average Revenue and Overhead for 1 Doctor Practices in 2018



2018	GROSS RECEIPTS \$	TOTAL OVERHEAD \$	% OVERHEAD	NET INCOME \$	% NET INCOME
GENERAL DENTIST	1,237,351	696,238	56.27%	541,113	43.73%
PEDIATRIC DENTIST	1,236,495	625,112	50.56%	611,383	49.44%
ORTHODONTIST	1,949,164	1,108,403	56.87%	840,761	49.37%
PERIODONTIST	1,904,359	1,003,503	52.70%	900,856	47.30%
ORAL SURGEON	1,903,419	1,028,479	54.03%	874,940	45.97%
ENDODONTIST	1,181,660	522,315	44.20%	659,345	55.80%

Average Revenue and Overhead for 2 Doctor Practices in 2018



2018	GROSS RECEIPTS \$	TOTAL OVERHEAD \$	% OVERHEAD	NET INCOME \$	% NET INCOME
GENERAL DENTIST	2,315,425	1,199,971	51.83%	1,115,454	48.17%
PEDIATRIC DENTIST	2,216,943	1,110,147	50.08%	1,106,796	49.92%
ORTHODONTIST	3,968,435	1,951,509	49.18%	2,016,926	49.37%
PERIODONTIST	3,450,915	1,769,685	51.28%	1,681,230	48.72%
ORAL SURGEON	3,592,407	1,767,295	49.20%	1,825,112	50.80%

Now that you know
the numbers, are you
confident on your
path to success?

Take the first step: schedule a complimentary,
one-hour consultation with CWA. Our experts
will look at your numbers and empower you with
knowledge to achieve your financial goals.

GET STARTED TODAY.

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How Do Cain Watters Clients Compare?

A comparison of CWA clients and national averages.
Powered by Dental Intelligence.

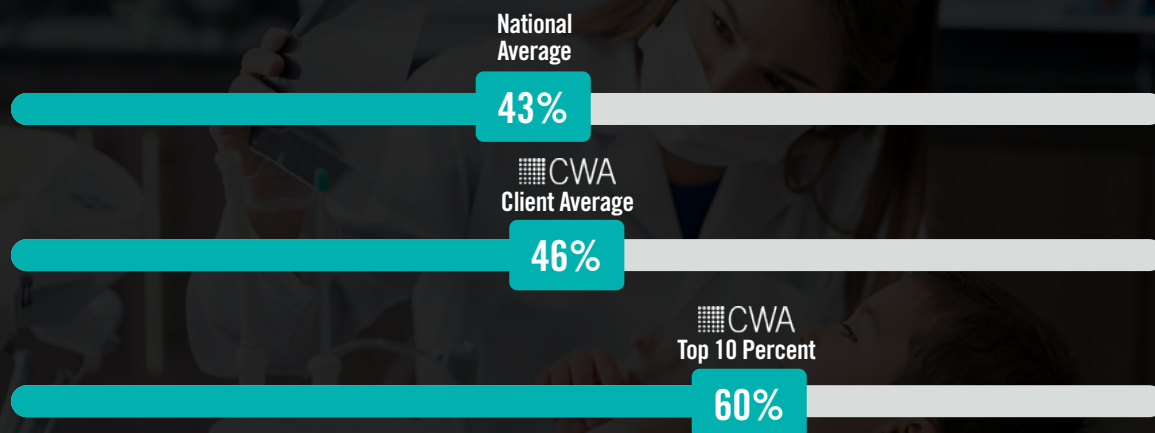


DENTALINTELLIGENCE

Cain Watters & Associates and Dental Intelligence are not affiliated entities. The metrics provided in the following pages was compiled utilizing a sample size of CWA clients currently connected with Dental Intelligence.

New Patient Retention

National Average versus CWA Clients



Where does your patient retention stand?

The reality is that you may not need more new patients. Most practices are getting more than enough patients. The real issue is retention.

43% is the national average in converting new patients into ongoing hygiene patients. In other words, 57% of new patients are falling through the cracks in the average practice.

The average CWA client has a 46% retention rate, and the top 10% are retaining 60%. Because new patient acquisition is expensive, focusing efforts on the 40-54% of patients you may be losing might be a cost effective strategy for your business. There is a significant opportunity here by focusing on the new patient experience, ensuring the correct processes are in place and improving the type of new patients that are coming in.

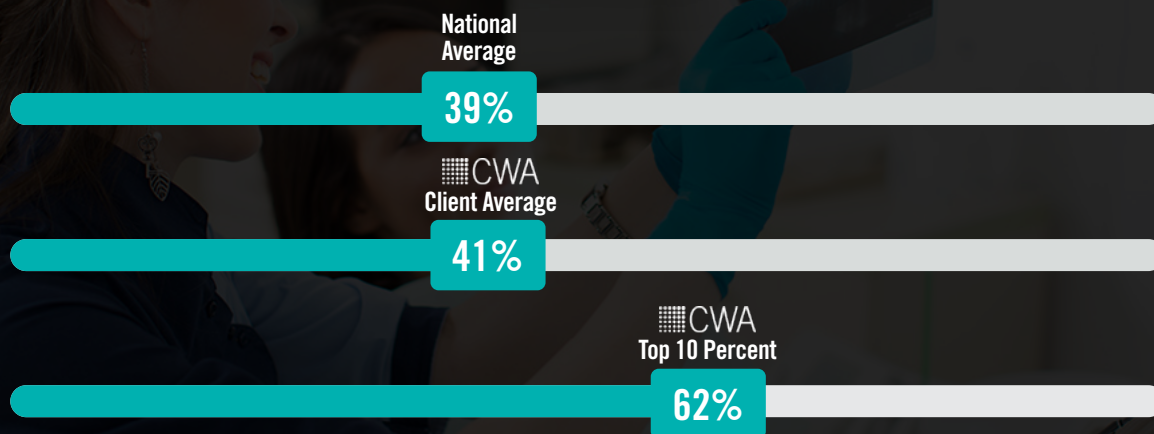


Find out exactly how many of your new patients are leaving out the back door by receiving a free Practice Analysis from Dental Intelligence.

get.dentalintel.com/elite

Case Acceptance

National Average versus CWA Clients



Where does your case acceptance stand?

Did you know that on average a practice producing \$1M actually diagnoses \$2.4M in dental care?

That means a loss of potentially \$1.4 million in revenue each year.

39% is the national average in restorative case acceptance. In other words, 61% of potential production falls through the cracks.

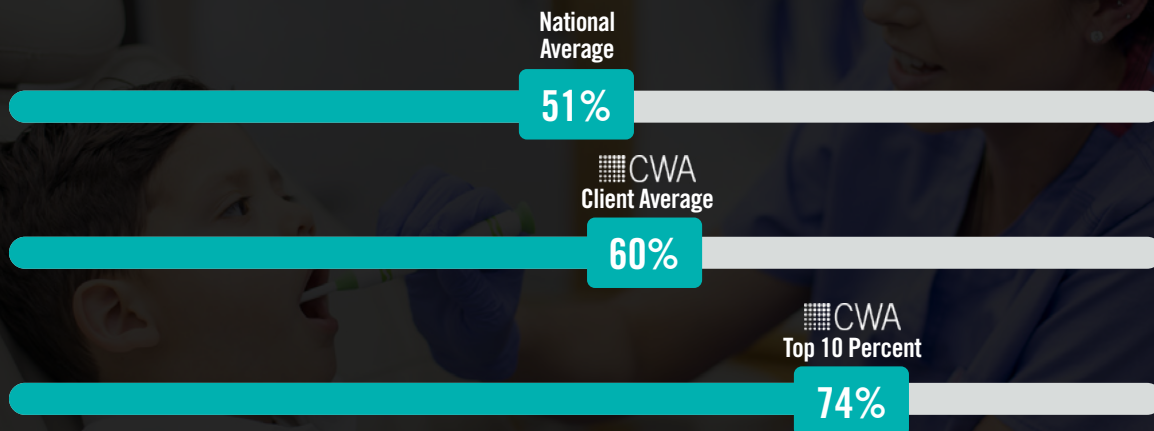
CWA clients average 41% case acceptance, while the top 10% are averaging 62% case acceptance.

Does your case acceptance stack up against others?

Revolutionize your practice by increasing your case acceptance. Identify solutions with Dental Intelligence's free practice analysis at get.dentalintel.com/elite.

Pre-Appointment

National Average versus CWA Clients



Is your pre-appointment percentage as good as you think?

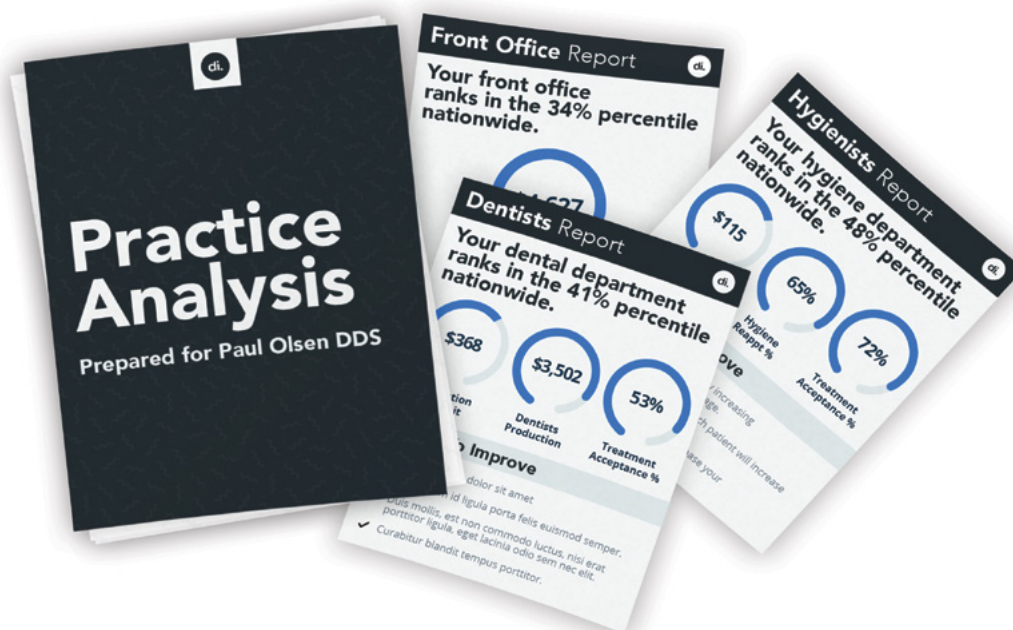
Chances are your pre-appointment percentage is much lower than you think it is.

Pre-appointment is defined as active patients that currently have any future appointment scheduled. Most practice owners are convinced that nearly all their patients are being pre-appointed. The reality is eye-opening: 51% is the national average in pre-appointment. This means nearly half of patients are leaving your office without scheduling their next appointment, running the risk they won't come back. 60% is the Cain Watters average while the top 10% of CWA clients are pre-appointing 74%.



Think about it: Beginning with 1,000 active hygiene patients, at a 70% pre-appointment rate, only 700 patients will return in 6 months. Six months later at this same rate, they are down to 490 active patients. In this example, with a 70% pre-appointment rate for this practice, half of the patient base has been lost in 12 months.

How Elite Is Your Practice?



Get your free Practice Analysis from Dental Intelligence

In this eye-opening dental practice analysis, see exactly how your practice is performing across dozens of key metrics.

This report allows you to:

- Learn your case acceptance percentage
- Identify specific production opportunities
- See where you rank with pre-appointment
- Discover how many of your new patients are falling through the cracks

Visit the website below to get your free practice analysis

Get yours at:

get.dentalintel.com/elite



For more information, please contact our team:



info@cainwatters.com



972.233.3323



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**Other Fixed Costs* expense category is a representation of Consultant Fees, Dues and Subscriptions, Pension Administration, Repairs and Maintenance, Licenses and Taxes, as well as additional small costs that may have been unique to each individual practice.

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