

Sikka Software Whitepaper on Fee Optimizer Fee Schedule Optimizer®

Fee Optimizer Fee Schedule Optimizer® (FSO) by Sikka Software Corporation (www.sikkasoft.com) takes the guesswork out of setting fees. The founder of SikkaSoft, Vijay Sikka got into this after he noticed his dentist wife who has practiced for a number of years in San Jose struggle with fee schedules.

As a group dentists in the US leave more than \$2.25 Billion on the table by not updating their fees. Ironically this money doesn't find its way into patient's pockets.

FSO was developed to help Fee for service dentists as well as dentists who accept PPOs, Delta and other insurance companies. More than 1600 customers are using Fee Schedule Optimizer that has helped an average dental office file timely fee schedules with insurance companies. New dentists can use the program to identify where they should set their fees so that they don't sacrifice their profitability by keeping their fees too low or price themselves out of the market by keeping their fees too high. SikkaSoft has put together a database that is the richest in the country with approximately 55,000 dentists at zip code level.

FSO is customized to the dentist not just the zip code

Fee Schedule Optimizer reads procedure composition, frequency, revenue, time units, lab costs, chair time splits, cost of living and current fees among other things by procedure codes automatically from all major practice management systems. This includes, Dentrix®, Softdent®, Eaglesoft®, EasyDental®, PracticeWorks®, Mogo®, OpenDental®, AbelDent®, DentalVision® and others. Consider the following example, two dentists, one spends 90 minutes to do a crown, the other one does it in 45; the first one uses expensive labs, the second one moderate priced labs; the first one does it all himself (loves the quality and his patients love his quality) and the second one uses his dental assistant for half of it including fitting temporaries etc. Now imagine that both of them price their crown at \$800, you can guess who is making money and who probably is not. FSO automatically aligns the profitability vector for the dentist with their unique style and their fees.

Our practices can't be straight jacketed and so can't our style and uniqueness. Clearly, our fees shouldn't be picked out of a zip code list and matched to 70 or 80%ile of that group. Also, what about those of us who are fee for service dentists at or beyond 100%ile of this list? FSO produces a fee schedule for that dentist without concern for the ceiling. Because even a \$2000.00 a crown dentist may not be as profitable as a \$950.00 crown dentist because of the different costs due to unique styles of the two dentists.

FSO can help you analyze your practice in addition to fees

In addition to optimizing fees, FSO can track profitability over a period of time, and is able to analyze our practices. We all strive to be better dentists by getting cutting edge tools and techniques into our practices. Why should we be completely dependent on

outside practice consultants to tell us how our practice is doing. FSO analyzes top 20 procedures, practice profitability analysis and monitors key ratios such as prophylaxis to perio, hygiene to restorative, lab to operative procedures, partial dentures to bridge and so on. It produces several great reports (some of which are shown below). FSO also allows the dentist to play “what-if” scenarios to determine exactly the projections of his revenue this year if he kept doing what he was doing last year with no new patients and no new procedures. This is based on an accurate adjusted production based revenue model. By a click of a button, the dentist can see where his current fees, new proposed fees, frequency, and what the max, 90, 80, 70 th percentiles etc. are in his zip code. It is a self service application that is like a fee consultant sitting inside our practices that the dentist can ask questions to every day of the year.

How does it work for Specialists

FSO works for both GPs and specialists. FSO database has 40% specialists data including Periodontists, Oral Surgeons, Prosthodontists and Endodontists. SikkaSoft customer base includes specialists who have now used the program for more than 4 years and have seen revenue increases of \$100,000 or more. The program aligns frequency vector with profitability vector, with a variable ceiling, so it is very well suited to specialists including those who are pure fee for service dentists. It also gives analysis ability to find out which procedures are impacting your revenue most. As specialists you are working with fewer procedures but each one that is extremely important to your practice. FSO can also show you medical cross coding help and CPT as well as ICD9 procedure codes for select CDT

Go ahead and signup for FSO onDemand. There is no fee to signup. You can see your optimized revenue increase even before you pay. Once you are convinced, you only pay \$795 to get all of your updated optimized fees!!!

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