

ADVERTISEMENT FEATURE

NHS? Retain and gain

Simon Reynolds, commercial director of Patient Plan Direct, explains how the UK's fastest growing plan provider is currently managing successful 'principal only' NHS conversions

With the NHS dental contract reform on the horizon, the future of NHS dentistry is a popular topic of discussion. Many considered the last reform in 2006 not necessarily to be the best step forward for dentistry and indeed there was a noticeable increase in dentists 'going private'.

Regardless of what the new contract looks like, one thing for sure is that there will be change and these changes won't be for everyone. As such, in anticipation of such changes there are some practices planning ahead and opting to make the switch to practice privately and leave the NHS

for good. Others are keen to maintain their NHS contract and the guaranteed income it represents, but are looking to grow private revenue streams and create less dependence on their NHS contract. In either scenario a correctly positioned private dental plan that proves profitable and is attractive to patients is an excellent vehicle to achieve such objectives.

In speaking to dentists from day to day I have seen an increase in the number of dentists exploring the option of a 'principal only' NHS conversion; the principal opts to practice privately, leaving NHS appointments to associates and providing patients with the choice to continue visiting under the NHS or visiting the principal privately. As a means of managing this change for patients, practices often introduce a dental plan to enable patients to budget for accessing their principal privately.

As the UK's fastest growing dental plan provider, this is a process we are currently completing with a number of practices and as such I wanted to share the key considerations and tactics in ensuring a successful transition.

The objective

A dental practice is a business and as such any business' core objectives may not be limited to, but will certainly include, maximising income and profitability. In order to achieve these objectives in the scenario of a dental plan being launched as part of a principal only NHS conversion, there are two key tactics; maximise the potential of plan uptake and plan income by making the plan as attractive as possible to patients, and secondly, keep the costs of administering the plan as low as possible ie, the fee paid to a plan provider.

Price point and positioning

To cover the first tactic, it is important to ensure the way the plan is positioned and communicated to patients is presented in a manner that is very attractive and therefore encourages uptake. There needs to be obvious differentiation between the NHS service and the new option of a private dental plan and the associated benefits eg, more time in the chair, a programme geared towards prevention, more choice and availability of appointments, the incorporation of worldwide dental A&E insurance that most plan providers include etc.

In terms of what a plan includes, in our experience we have seen a decline in the appetite to introduce and offer a capitation based dental plan. By definition because this type of plan incorporates preventative and restorative elements it costs more for a patient to access. Because of a patient's familiarity of the costs associated with visiting on an NHS basis (typically lower cost than private) and in consideration of the recent economic conditions and the impact this has had on consumer spending habits, patients are usually less willing to commit to the costs associated with a capitation plan.

Instead, a simple maintenance plan with a lower price point representing marginal discount in comparison to private fee per item pricing has proved most successful in our experience.


Maximising income

To cover the second tactic, keeping plan administration costs to a minimum; this is where Patient Plan Direct differentiates and excels in comparison to other plan providers. Patient Plan Direct is by some margin the most cost effective plan provider in the market proving to be two-three times more cost effective than the majority of other plan providers.

Quite simply other plan providers' fee structures can make the profitability of a principal only NHS conversion very challenging. This is because plan income can be eaten up by the excessive fees applied by other plan providers.

Take as an example a maintenance plan introduced as part of a principal only NHS conversion with a price point of £8.95 per month to patients. Some plan providers' fee structures can start out at more than £3 per patient, per month that would represent over 34% of the practices plan income. Clearly this makes any sort of profit very challenging. With Patient Plan Direct's fee structure ranging from £0.85 to £1 per patient per month, then clearly costs are minimised and income maximised. This is why we should be the first port of call if you are considering a NHS principal only conversion.

Worth exploring?

Despite our low cost fee structure, Patient Plan Direct's support and expertise is first-class. Our team is made up of highly educated and experienced consultants on hand to guide you in identifying the right approach for your practice and your patients to achieve a successful NHS 'principal only' or full conversion. At the very least it's probably worth keeping your options open and understanding more about what we have to offer. 

Patient Plan Direct is the UK's fastest growing and most cost-effective dental plan provider, experts in dental plan launches, plan provider transfers and introducing private dental plans into NHS practices.

Tel: 08448486888

Email: info@patientplandirect.co.uk

Visit: www.patientplandirect.co.uk

Considering a principal only or full NHS conversion?

Look no further.
Maximise your income potential

CALL 0844 848 6888

info@patientplandirect.co.uk

www.patientplandirect.co.uk

 @patientplan



Patient Plan Direct

"Your Patients...Your Plan"



MORE AT DENTISTRY.CO.UK
dentistry.co.uk/news