



# Will that amazing high-tech gizmo pay for itself or is it just a pricey toy?

For more on this topic, go to [www.dentaleconomics.com](http://www.dentaleconomics.com) and search using the following key words: *dental technology, return on investment, Dr. Larry Emmott.*

Part 2

In January, we introduced a project to help dentists evaluate the return on investment (ROI) of high-tech products. We chose three very different products: the CEREC AC impression system; Cubex, a high-tech inventory management solution; and Practice Activator, a Web-based e-service.

**This month, we will meet two of the participating dental offices and get a preliminary feel for THE COSTS INVOLVED WITH EACH OF OUR SELECTED TECHNOLOGIES.**

## Practice Activator

Practice Activator was purchased and set up by Dr. Irina Ganzha in San Jose, Calif. Dr. Ganzha has been practicing for 10 years; however, she purchased her current practice just two years ago. She has a full-service general practice with four staff members. She uses SOFTDENT as a practice-management system and Demandforce online communication service. She averaged close to \$72,000 in monthly production last year before she added Practice Activator.

Practice Activator is an e-service. As such, there is no software to buy or hardware to install.

To get started, Dr. Ganzha filled out some basic forms and then, based on the practice volume, simply paid the first month's fee of \$300.

Practice Activator uses an intelligent data mining application to find inactive, nonresponsive patients. This data mining application is much more sophisticated than a typical patient search that might simply return a list of patients who have not been seen in 18 months or so. Practice Activator also looks for clinical reasons for patients to return, much like a dentist examining a chart, and then customizes a contact letter for each person.

For example, if the system finds a patient who had a posterior root canal done last year but no final crown, it will generate a personalized letter advising the patient to return for treatment or risk fracturing the untreated tooth.

In the first month, after one mailing, Practice Activator generated \$1,139 of additional income and an additional \$1,276 was scheduled, for a total of \$2,415.

Based on past findings, the ROI will increase over the first six to seven months that the system is in use. We will check

back with Dr. Ganzha in two months to see how she is doing.

## Cubex

Cubex was installed by New England Dental Group in Marlborough, Mass. This office (one of three in the group) averages \$200,000 in monthly production. In the 12 months prior to having Cubex, they spent about 6% of gross, or \$12,000 per month, on supplies. Like most dentists, they did not have a real inventory system, but estimated they had just under \$20,000 in practice inventory.

Tatiana Ruas, a dental assistant, is assigned as a part-time supply clerk. Last year, she spent at least four to five hours a week on inventory — that is, monitoring the supplies on hand, keeping track of the stock level of critical items, creating a weekly shopping list, placing the supply order with her rep, and following up on deliveries and back orders.

They chose a Cubex 2000 Main Cabinet with four supply drawers and a Cubex 1000 Auxiliary with one supply drawer. The cost was \$28,450, which includes delivery, setup, and basic training. They financed the purchase; the monthly payment is \$550. In addition, there is a \$129 monthly fee for the Cubex SIM (Smart Inventory Management), the online service that tracks inventory and orders supplies for you.

Cubex will pay for itself by reducing the amount of expensive dental inventory on hand and by doing most of the busy work Tatiana was doing in order to track supplies and place orders.

In the next installment of this series, we will meet our CEREC AC user. CEREC AC is an innovative offshoot of the CEREC CAD/CAM system. AC, which stands for Acquisition Center, uses the proven technology of the CEREC CAD/CAM product, but is an impression-only system. We will also follow up with New England Dental to see how they are doing and if they are really saving money, and we will see how much added income has been generated for Dr. Ganzha using Practice Activator.

Sometimes it may seem as if technology is just expensive and annoying. However, good technology will pay for itself. *The future is coming and it will be amazing!* **DE**

*Dr. Larry Emmott is the leading authority on dental high tech and one of the most entertaining speakers in dentistry. He is also a writer and consultant. To find out about his high-tech training programs, technology guides, and other services, call (602) 791-7071 or visit [www.drllarryemmott.com](http://www.drllarryemmott.com).*