

An awkward but important topic: The art of setting fees

Story by Rick Willeford, MBA, CPA, CFP. Fee information provided by Sikka Software Corporation

Fees are always an awkward topic. The self-esteem of the doctor plays a major role in the fee setting process. As a caregiver first and a businessperson second, most dentists are concerned that patients believe their fees are too high. We can lay that vague fear to rest — patients *do* think our fees are too high!

In ADA focus groups and other studies, two things always stand out — about 90% of your patients love you, and about 90% think your fees are “a little high,” but they keep coming back. If BMW or Lexus invited you to a focus group, wouldn’t you say that their prices are “a little high?” But you keep on buying. What do we make of this?

1. It is human nature for people to remember what they paid for dentistry in the past. They forget that they thought the fees were too high back then, too.

2. Regardless of the fee amounts, focus group participants had the same “a little high” response. Whether you charged \$500 or \$950 for a crown, both fees drew the same comment. You are not appeasing your patients if you keep your fees too low. Regardless of your current fee level, the typical patient is already driving past five offices with lower fees in order to visit your office.

3. The fee is about the only tangible part of the dental transaction that a patient can comment on other than the finished procedure.

4. The fee is about the only tangible thing the insurance company can focus on, and any fee is too high to them. It is only natural to get defensive after continual buffeting by insurance companies. But remember, they are not exactly disinterested parties. Keep up the good fight, and avoid setting your standards based on theirs. You need to set your standards and nail that flag to the flagpole!

5. I wish patients were talking about you as much as you are afraid they are. Think about it. The last time you raised fees, how many folks complained? How many folks even noticed? Dr. Joe Blaes tells a great story about Dr. Omer Reed who always told dentists at the end of one of his classes to go back to their offices and raise their fees 20% — no one would notice. And they never did. Then think of all the soul searching and anguish you put yourself through before raising your fees.

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6. Be sure that your team buys into these fee increases. A team member that thinks you are charging too much can undermine your practice and cause far reaching problems. Team members need to understand the process and enthusiastically support any fee increases.

7. My clients’ standard of care, choice of materials, lab quality, etc., cannot be matched. But then I find one of my clients charging fees at the 50th percentile. If his work is that much better, why isn’t he charging for it, at least at the 75th percentile? (Contact Dr. Charles Blair for information about percentiles.) Often the doctor and team need to learn how to communicate such value to their patients.

8. Dr. Tom Orent made an interesting observation about the danger of being in the middle of the pack with your fees. Such a fee won’t appeal to the totally price conscious shopper because it is too high. It may not appeal to the quality shopper because it seems suspiciously low. Go figure. You think you are delivering a good value, but you have already alienated both ends of the spectrum.

What all this means is a) you’re more sensitive about your fees than your patients are, and b) it is obvious patients are aware of your fees, but they are not driven by them, as long as they perceive value.

Setting proper prices is a problem for every business. In fact, an entire specialized area of cost accounting is devoted to the process. Unfortunately, even a purely mathematical approach is not as precise as you would think. Whatever theoretical figure you come up with — given your best estimates of time, material, etc. — has to be tempered with reality. Some procedures simply are not perceived by the public to be as valuable as others.

NORTHWEST (WA,OR,ID)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	79	87	105
D0210	FMX-Including BWX	121	130	148
D0274	4 Bite-wing X-rays	60	65	74
D0330	Panoramic X-RAY	105	113	126
D1110	Prophylaxis - Adult	87	93	109
D2150	Amalgam - 2 Surfaces	155	173	207
D2620	Inlay-porcelain 2 Surfaces	902	972	1106
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	1008	1077	1217
D2750	Crown- Porc. High Noble Metal	1045	1119	1285
D2950	Core Buildup' Including Any Pins	259	278	320
D2954	PreFab Post & Core	320	345	404
D2962	Porcelain Veneer	995	1079	1238
D3310	Root Canal- Anterior	676	737	823
D3320	Root Canal- Bicuspid	799	861	954
D3330	Root Canal- Molor	978	1045	1143
D4341	Perio S/RP - 4+ Teeth per Quadrant	240	259	296
D5110	Maxillary Upper Denture	1536	1690	1966
D5120	Mandibular Lower Denture	1536	1690	1966
D9110	Emerg. Palliative/O&D/Endo I	112	124	154
D9940	Occlusal Guard	557	620	738

SOUTHWEST (CA,AZ,NV,UT)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$90	\$98	\$119
D0210	FMX-Including BWX	\$137	\$148	\$168
D0274	4 Bite-wing X-rays	\$68	\$73	\$84
D0330	Panoramic X-RAY	\$119	\$129	\$143
D1110	Prophylaxis - Adult	\$98	\$105	\$124
D2150	Amalgam - 2 Surfaces	\$177	\$196	\$236
D2620	Inlay-porcelain 2 Surfaces	\$1,026	\$1,106	\$1,258
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$1,146	\$1,224	\$1,384
D2750	Crown- Porc. High Noble Metal	\$1,188	\$1,272	\$1,461
D2950	Core Buildup' Including Any Pins	\$294	\$316	\$364
D2954	PreFab Post & Core	\$364	\$392	\$459
D2962	Porcelain Veneer	\$1,131	\$1,227	\$1,408
D3310	Root Canal- Anterior	\$769	\$838	\$935
D3320	Root Canal- Bicuspid	\$909	\$979	\$1,085
D3330	Root Canal- Molor	\$1,111	\$1,188	\$1,300
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$273	\$294	\$336
D5110	Maxillary Upper Denture	\$1,747	\$1,922	\$2,236
D5120	Mandibular Lower Denture	\$1,747	\$1,922	\$2,236
D9110	Emerg. Palliative/O&D/Endo I	\$128	\$140	\$175
D9940	Occlusal Guard	\$634	\$705	\$839

So, if we presume market forces work reasonably well, it is not unfair to look at market comparisons as a starting point in establishing your own fees.

Raymond F. "Rick" Willeford, MBA, CPA, CFP, PFS, is a national speaker. He is the founding partner of The Willeford Group, which began as a dental CPA firm in 1975. He and his three partners now handle all aspects of the "business of dentistry" — accounting, tax planning, retirement design, wealth management as a Registered Investment Advisor, practice-management consulting, and practice transition consulting and brokerage. Mr. Willeford is the founding president of the Academy of Dental CPAs (www.ADCPA.org), an association of 26 firms that provide specialized services to 7,000 dentists nationwide. Contact him at rickw@TheWillefordGroup.com.



SOUTH CENTRAL (TX,OK,KS,CO,NM)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$79	\$86	\$104
D0210	FMX-Including BWX	\$120	\$129	\$147
D0274	4 Bite-wing X-rays	\$60	\$64	\$74
D0330	Panoramic X-RAY	\$104	\$113	\$125
D1110	Prophylaxis - Adult	\$86	\$92	\$108
D2150	Amalgam - 2 Surfaces	\$155	\$172	\$206
D2620	Inlay-porcelain 2 Surfaces	\$897	\$967	\$1,100
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$1,002	\$1,071	\$1,210
D2750	Crown- Porc. High Noble Metal	\$1,039	\$1,112	\$1,277
D2950	Core Buildup' Including Any Pins	\$257	\$277	\$318
D2954	PreFab Post & Core	\$318	\$343	\$401
D2962	Porcelain Veneer	\$989	\$1,073	\$1,231
D3310	Root Canal- Anterior	\$673	\$732	\$818
D3320	Root Canal- Bicuspid	\$795	\$856	\$949
D3330	Root Canal- Molor	\$972	\$1,039	\$1,137
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$239	\$257	\$294
D5110	Maxillary Upper Denture	\$1,528	\$1,680	\$1,955
D5120	Mandibular Lower Denture	\$1,528	\$1,680	\$1,955
D9110	Emerg. Palliative/O&D/Endo I	\$112	\$123	\$153
D9940	Occlusal Guard	\$554	\$616	\$734

MIDWEST (IA,NE,SD,ND,WY,MT)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$76	\$84	\$102
D0210	FMX-Including BWX	\$117	\$125	\$143
D0274	4 Bite-wing X-rays	\$58	\$63	\$72
D0330	Panoramic X-RAY	\$102	\$110	\$122
D1110	Prophylaxis - Adult	\$84	\$90	\$105
D2150	Amalgam - 2 Surfaces	\$150	\$167	\$200
D2620	Inlay-porcelain 2 Surfaces	\$871	\$939	\$1,068
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$973	\$1,040	\$1,175
D2750	Crown- Porc. High Noble Metal	\$1,009	\$1,080	\$1,240
D2950	Core Buildup' Including Any Pins	\$250	\$269	\$309
D2954	PreFab Post & Core	\$309	\$333	\$390
D2962	Porcelain Veneer	\$960	\$1,042	\$1,195
D3310	Root Canal- Anterior	\$653	\$711	\$794
D3320	Root Canal- Bicuspid	\$772	\$831	\$921
D3330	Root Canal- Molor	\$944	\$1,009	\$1,104
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$232	\$250	\$285
D5110	Maxillary Upper Denture	\$1,483	\$1,631	\$1,898
D5120	Mandibular Lower Denture	\$1,483	\$1,631	\$1,898
D9110	Emerg. Palliative/O&D/Endo I	\$109	\$119	\$149
D9940	Occlusal Guard	\$538	\$598	\$712



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NORTH CENTRAL (OH,IN,MI,IL,WI,MN,MO)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$83	\$91	\$110
D0210	FMX-Including BWX	\$127	\$135	\$155
D0274	4 Bite-wing X-rays	\$62	\$67	\$78
D0330	Panoramic X-RAY	\$110	\$119	\$131
D1110	Prophylaxis - Adult	\$91	\$97	\$114
D2150	Amalgam - 2 Surfaces	\$162	\$180	\$216
D2620	Inlay-porcelain 2 Surfaces	\$943	\$1,016	\$1,156
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$1,053	\$1,125	\$1,271
D2750	Crown- Porc. High Noble Metal	\$1,091	\$1,168	\$1,342
D2950	Core Buildup' Including Any Pins	\$270	\$291	\$334
D2954	PreFab Post & Core	\$334	\$360	\$422
D2962	Porcelain Veneer	\$1,039	\$1,127	\$1,293
D3310	Root Canal- Anterior	\$706	\$769	\$859
D3320	Root Canal- Bicuspid	\$835	\$899	\$997
D3330	Root Canal- Molor	\$1,021	\$1,091	\$1,194
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$251	\$270	\$309
D5110	Maxillary Upper Denture	\$1,605	\$1,765	\$2,054
D5120	Mandibular Lower Denture	\$1,605	\$1,765	\$2,054
D9110	Emerg. Palliative/O&D/Endo I	\$117	\$129	\$161
D9940	Occlusal Guard	\$582	\$647	\$771

NORTHEAST (ME,NH,VT,MA,CT,RI,NY)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$80	\$88	\$106
D0210	FMX-Including BWX	\$122	\$131	\$150
D0274	4 Bite-wing X-rays	\$60	\$65	\$75
D0330	Panoramic X-RAY	\$106	\$115	\$127
D1110	Prophylaxis - Adult	\$88	\$94	\$110
D2150	Amalgam - 2 Surfaces	\$157	\$175	\$209
D2620	Inlay-porcelain 2 Surfaces	\$912	\$983	\$1,118
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$1,019	\$1,088	\$1,230
D2750	Crown- Porc. High Noble Metal	\$1,056	\$1,130	\$1,298
D2950	Core Buildup' Including Any Pins	\$261	\$281	\$323
D2954	PreFab Post & Core	\$323	\$348	\$408
D2962	Porcelain Veneer	\$1,005	\$1,091	\$1,251
D3310	Root Canal- Anterior	\$683	\$744	\$831
D3320	Root Canal- Bicuspid	\$808	\$870	\$964
D3330	Root Canal- Molor	\$988	\$1,056	\$1,155
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$243	\$261	\$299
D5110	Maxillary Upper Denture	\$1,553	\$1,708	\$1,987
D5120	Mandibular Lower Denture	\$1,553	\$1,708	\$1,987
D9110	Emerg. Palliative/O&D/Endo I	\$114	\$125	\$156
D9940	Occlusal Guard	\$563	\$626	\$745



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MIDATLANTIC (NC,VA,MD,NJ,PA,WV,KY)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$78	\$86	\$104
D0210	FMX-Including BWX	\$119	\$128	\$146
D0274	4 Bite-wing X-rays	\$59	\$64	\$73
D0330	Panoramic X-RAY	\$104	\$112	\$124
D1110	Prophylaxis - Adult	\$86	\$92	\$108
D2150	Amalgam - 2 Surfaces	\$154	\$171	\$205
D2620	Inlay-porcelain 2 Surfaces	\$891	\$961	\$1,093
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$996	\$1,064	\$1,202
D2750	Crown- Porc. High Noble Metal	\$1,032	\$1,105	\$1,269
D2950	Core Buildup' Including Any Pins	\$256	\$275	\$316
D2954	PreFab Post & Core	\$316	\$340	\$399
D2962	Porcelain Veneer	\$982	\$1,066	\$1,223
D3310	Root Canal- Anterior	\$668	\$728	\$812
D3320	Root Canal- Bicuspid	\$789	\$850	\$942
D3330	Root Canal- Molor	\$965	\$1,032	\$1,129
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$237	\$256	\$292
D5110	Maxillary Upper Denture	\$1,518	\$1,669	\$1,942
D5120	Mandibular Lower Denture	\$1,518	\$1,669	\$1,942
D9110	Emerg. Palliative/O&D/Endo I	\$111	\$122	\$152
D9940	Occlusal Guard	\$550	\$612	\$729

SOUTHEAST (FL,GA,AL,SC,MS,LA,AR,TN)

CODE	Description	50th	70th	90th
D0150	Comp Oral Eval-New Or Estab Patient	\$82	\$90	\$109
D0210	FMX-Including BWX	\$125	\$134	\$153
D0274	4 Bite-wing X-rays	\$62	\$67	\$77
D0330	Panoramic X-RAY	\$109	\$117	\$130
D1110	Prophylaxis - Adult	\$90	\$96	\$112
D2150	Amalgam - 2 Surfaces	\$161	\$178	\$214
D2620	Inlay-porcelain 2 Surfaces	\$932	\$1,005	\$1,143
D2643	Onlay-Porcelain/Ceramic-Three Surfaces	\$1,041	\$1,112	\$1,257
D2750	Crown- Porc. High Noble Metal	\$1,079	\$1,156	\$1,327
D2950	Core Buildup' Including Any Pins	\$267	\$288	\$331
D2954	PreFab Post & Core	\$331	\$356	\$417
D2962	Porcelain Veneer	\$1,027	\$1,115	\$1,279
D3310	Root Canal- Anterior	\$699	\$761	\$850
D3320	Root Canal- Bicuspid	\$826	\$889	\$985
D3330	Root Canal- Molor	\$1,010	\$1,079	\$1,181
D4341	Perio S/RP - 4+ Teeth per Quadrant	\$248	\$267	\$305
D5110	Maxillary Upper Denture	\$1,587	\$1,746	\$2,031
D5120	Mandibular Lower Denture	\$1,587	\$1,746	\$2,031
D9110	Emerg. Palliative/O&D/Endo I	\$116	\$128	\$159
D9940	Occlusal Guard	\$576	\$640	\$762



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