

## **Transcript**

### *Episode 31: Specific steps to reduce your first couple of PPO plans*

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#### **Naren:**

Hello everyone, welcome to another amazing episode of the Less Insurance Dependent Podcast show. This is Naren, and I'm delighted to join you today with my dear friend, Gary. Gary Takacs. How are you Gary this morning?

#### **Gary:**

Hey Naren, it's Gary, and it's fantastic to hear your voice and very excited to record another Less Insurance Dependence Podcast.

#### **Naren**

I know we got an email recently to the Less Insurance Dependent Podcast about, you know, can you give more specific details on how to, you know, get out of insurance plans? I would love to kind of have some conversations around that today, Gary.

#### **Gary:**

So your timing on this, Naren, couldn't be better, and let me explain what I mean by that. So right now, in my client base, in my coaching client base, we have a number of clients that are in the early stages of reducing their insurance dependence, and we have just resigned from the first couple of PPO plans in their practices. So this is very fresh on my mind, because in these practices, we've gotten to the point where they were ready to do this, and now we've taken the action steps to resign. And it's very fresh on my mind because this has all happened in the last little while, so a great time to talk about the very specific steps that our listeners need to follow to successfully reduce insurance dependence. And the key point that I want to make is the readiness factor. The readiness factor. Your practice needs to be ready to do this and sometimes the impatience of the dentist doesn't match up with the practice readiness. Naren, does that make sense?

#### **Naren:**

Impatience of the dentist does not match up the practice readiness, absolutely. You're saying you have to get your ducks in a row before you can—

**Gary:**

Well, let me, let me, let me make a personal reference to this. So yesterday, I had the wonderful privilege of running a 5K race with my granddaughter. Now, she's ten years old, and 5K is 3.1 miles. Now she didn't just, this was part of a program by the way through her school called Girls on the Run. It's a wonderful program that teaches confidence, character, and healthy habits. And these are for girls age 8 to 12, and my granddaughter is ten years old. And they have been training for this every week, they've been training three days a week for the last three months. So notice that my granddaughter didn't just sign up for this 5K and then go do it. And by the way, they had to pick a running buddy, it had to be an adult that was going to run the 5K race with them yesterday. And I was very honored to have been chosen by her and to be her running buddy. So yesterday we went out and ran a 5K. And she did so well, pardon my pride, but she did so well and she did so well because she was ready, she prepared for it. So doctors follow the guidance, the wisdom of a ten year old. Do your preparation! I understand your impatience, and I understand your desire to just cut the cord. But if you do that and you haven't done the prep time, you may have more train wreckage to deal with than if you do it properly. So let's talk about some things that you need to do in order to get ready, and this is in no particular order. But I'll name some things that need to be in place. One would be, you need to have a membership plan. An in-office membership plan in place. By the way, you will find two episodes about in office membership shows in the archives of our Less Insurance Dependence Podcast. So I won't go back and review those, but you need to have a membership plan in place. Second, so I'll number them, they're not numbered in order but they're numbered so that you can remember, I can remember to cover them. You want to have four specific things in place. Number one, you want to have an in-office membership plan in place. Number two, you want to have some very specific training with your team members on what to say when patients ask them questions about being out of network. What to say. And as part of those communication skills, you want to know how to answer the question that comes in on the phone, do you take my insurance? Do you take my insurance? And again, we have specific episodes about communication skills in past episodes of the Less Insurance Dependence Podcast. Number three, you want to have all your data in place. what I mean by your data is you want to know about every individual plan, you want to know how many patients you currently have on that plan, what the discount rate is—the average discount rate across your fee schedule is to participate in that PPO plan, and you want to know what the resignation time table is. So for

example, in our own practice, all of the plans that we resign from had a 30, 60, or 90 day advance notice. So in other words, you had to give 30 days, or 60 days, or 90 days depending on the contract, before you were out of the PPO plan. For example, the one that had a 30 day, the ones that had a 30-day plan, meant that once we resigned, we had to stay in-network for another 30 days and then we were done. And the same was true with the 60-day notice, the same was true the 90-day notice. Find out what that is and have that data for every single plan. So again, the data that you want in every single plan is, are these pieces of data, the number of patients that you have, the average discount rate, and the resignation time table. And number four, and this one might be most important, you want to have your marketing in place and in particular, digital marketing in place, and you want to have achieved the goal of replacing the average number of new patients that come from a particular plan each month. For example, the first one we resigned from, we had 30 total patients, it was a smaller PPO plan, but we were receiving two new patients a month because we were listed as an in-network provider in that plan. So before we resigned from that plan, we had a marketing activity in place that consistently provided us two new patients a month, because then we knew we could resign and we already had the flow replaced. Because as soon as you go out of network you're going to stop getting new patients from the network, stop getting those new patients from the insurance company. So let's say it's a bigger plan, let's say it's Delta or Aetna or Blue Cross Blue Shield, and let's say that number is 15 or 20 new patients a month, you want to make sure you have a marketing activity that's going to have proven to you that you can get 15 or 20 new patients a month before you resign from that plan. Naren, you have, you have enlightened me so much about marketing. I want to kind of test that last point by you. Does that make sense in terms of a strategy before they resign, to have replaced any patients they might lose because you're outside of network, replace them proactively before you pull the plug on a particular insurance plan. Does that make sense?

**Naren:**

Absolutely, absolutely, yes.

**Gary:**

And for example, I'll give you a classic one with you, you know, as our listeners know, we use Ekwa as my digital marketing agency, and we are seeing consistence new patients from our Google Adwords, our Google ads, and also from our Facebook campaigns. So for example, you might choose to do a

Facebook campaign and prove that you get x number of new patients before you pull the plug and then you resign. And then, by doing so, you're going to proactively replace those patients rather than, you know, sort of hoping that you're going to have those replaced. You're going to be proactive about it, and I see that as critically important. That was one of the strategies that we used that allowed us to successfully navigate our insurance resignations and do it in a very consistent way. And those are essentially the four steps. So again, to recap, make sure you have an in-office membership plan in place, and that's very, very important because that gives you a way to roll the red carpet out, figuratively, to people that don't have insurance in your community. Secondly, work on training your team when it comes to communication. How to talk to your patients about going out of network, how to answer the question, do you take my insurance? And again, you'll find very specific granular detail about that in past episodes of the Less Insurance Dependence Podcast. Number three, know your data. Know how many patients are involved, what your average discount rate is, and what the resignation schedule is for every single PPO plan that you're going out of network. And then number four, have your marketing in place, funded, and proving to you that you have a consistent source of new patients before you go out of network. With those in place, I would say you are now ready. Now it's time to take the leap, resign, and go for it! Now, let me tell you that the one reality of this that has been a constant in all my experience, hundreds of practices now reducing insurance dependence, the one reality is this: you get to find out who's really with you as a patient and who really isn't. And the sad reality of this, and doctors, I'm sharing this with you to sort of brace yourself emotionally, there will be people in your practice that you look at their name when you look at your patient roster and you say, this patient will absolutely stay with me thick or thin. They are a loyal patient. They're going nowhere. You go out of network, and they do a burnout out of the parking lot, never to be seen again! Now, that hurts emotionally. But those will be counteracted by many patients that you're not quite sure where you stand. You know, you're looking at your patient list and you're kind of thinking, maybe, maybe not, I don't know. But they stay with you. Now I want to give you a goal for this, and this is a goal that I really want to have front and center when it comes to you and your team member's goals. And that is, I want you to do better than we did in my practice. We retained 84% of our in-network patients, 84%, when we went out of network. The best that we've achieved so far in my client base is 89%. 89%. So I want you to do better than 84% because you have all the accrued knowledge and the accumulated knowledge that I've had since we started this, so you can do better, you can

come in on our shoulders, and hey, why not a big hairy audacious goal? You know, Jim Collins created that term, BHAG, B-H-A-G, and that stands for big hairy audacious goal. And why don't we make it your goal to be the best yet, above 89% retention, above 89% retention. Now, to get that goal, in addition to the readiness factors that I listed, there's really one feature, and there's one characteristic that we want in your practice, and we want to be A++ on this. And that's that we want you and your team members to raise the bar on the patient experience in your practice, regardless of what you're doing today. And today, you might be really good. You might consider yourself an A on the report card, maybe even an A+. Whatever it is you're doing today, I want you to raise the bar on that and do even better because patients are not going to, if they have an incredible patient experience, or as my friend Fred Joyal likes to call, a remarkable patient experience, they are not going to want to go anywhere else. So what does that mean? Let's double down on knowing their names, their family member's names, their dog's name, their hobbies, their interests. Let's really raise the bar for our team member that's in that greeting position, kind of in that front-line position. Make sure she greets every patient when they come in, make sure we greet them by name. A simple thing that you can do, hopefully you're taking digital photos for patient education, again, that's another way that we can reduce insurance dependence in your practice, taking digital photos for patient education, and the first photo is a head and shoulders photo, just a mugshot type photo. In your morning huddle, review those patient photos for every patient. Because hypothetically, let's say Kelly, my hygienist, and let's say, her new patient is Linda. Or her 8:00 patient is Linda. And you know, we have a lot of patients. Kelly has a great memory, and she remembers the vast majority of her patients, but you know, we do have many, many, many patients as you do and you might not be able to remember every one of them. I don't want her coming out into the reception room to get her patient and let's say, hypothetically, there's four women sitting in the reception room, I don't want her looking around the room saying, you know, which one of you is Linda. Linda, Linda. Which one of you is Linda? That's the opposite of a remarkable patient experience. By looking at the photo in the morning huddle, she's going to have imprinted in her mind who Linda is, and when she comes out into that reception room, she's going to look Linda right in the eyes and say, Linda, it's so good to see you! Come on back. So I want you to double down on your patient experience. And I hope you, I want you to maintain that, not just be a flash, but I want you to maintain that, but this is the time to double down on that, because people aren't going to want to leave your practice when they know they're being taken care of by people who they

know, like, and trust. So with those in mind, all those goals in mind, it's exciting to hear that you are now ready and now it's time to send that resignation notice and start that snowball rolling downhill to eventually get to the point where we resign from the number of plans you ultimately would like to resign from. And I want to take a minute and pat you on the back and recognize your courage for doing this. This is a courageous decision. However, it is the single most important, strategic decision you could ever make, and this is the kind of decision that's going to allow you to create the legacy in your practice that your patients deserve and you deserve, so it's time to burn the bridges, resign from those PPO plans, and do so with as much success as possible. Naren, how do you feel about the step by step instructions we've given in this episode?

**Naren:**

I love it, Gary. I think you know, like your ten-year-old, having a clear-cut plan and then executing on the plan is key, right? I mean, like, five miles is a lot of distance, I mean, five kilometers, 5K's, so for a ten year old, if somebody didn't take her through that plan and get her ready for it, she's going to struggle and she's going to fail and then the thing is, then she will not try it again. You know, so you don't want because it's not just you doing this, it's your team doing it. So you want to make sure that all the people are on board and you're doing it step by step so everyone sees a victory in that first experience and then they can go on and do bigger and bigger things.

**Gary:**

You know, and Naren, as we kind of come into the home stretch here, one other point I'd like to make is this is the time for strong, confident leadership on the part of the doctor. Because you know, your team is, and yourself, are going to hit some stages of this where you might second-guess yourself. Am I doing the right thing? By the way, if you have those feelings, those are normal, because you are stepping outside of your common experience to do this. The truth is, the vast majority of practices are heavily infected with PPOs, and you're making the very bold decision to step outside of it. So it's entirely realistic to expect some self-doubt. But the way you come through that is with strong, confident leadership. Remind your team members that you're doing the right thing, remind them why we're doing this, which is to be able to take care of patients the way we'd like to be taken care of yourself, and be an encourager. Pat them on the back, and you know, this is maybe a good point to direct our listeners to our ILoveDentistry.com Facebook group Naren, because



that group was created to provide encouragement. So if you're listening to this podcast, you'd be a wonderful member of the ILoveDentistry.com Facebook group. It is a closed group, you can request membership. Request membership, and there's a spot that will ask you how did you hear about the group, and tell them the Less Insurance Dependence Podcast and we'll let you in. But they might want to spend a little bit of time on the ILoveDentistry Facebook group that we have to you know, just recharge the batteries and remember why it is that we're doing what we're doing.

**Naren:**

Absolutely. Thank you so much for all your wisdom, Gary, and thank you for this episode. Thank you so much. And I want to—

**Gary:**

It's been fun, hasn't it?

**Naren:**

Yeah, it's been awesome! And so join us on I Love Dentistry online, it's a Facebook group, and we would love to see you there. It's a free group, we have quite a large number of members already, it's just only like a very new, but we have more than 1400 members, so join us and we would love to have you there!