

## **ECONOMICS / THIRD PARTY COVERAGE COMMITTEE REPORT**

With the economic situation in Canada and Saskatchewan at its current activity level, the dental economics have been affected. We are seeing the belts tighten in most areas where the cost of doing our business continues to go up.

The NIHB contract negotiated for us by the CDA has seen further slippage away from our fee guide.

The election in spring of this year has delayed negotiations with MSB and Sask Health but we will be resuming negotiations between composing this and printing this. As the negotiations continue, I will update our members on progress but with the current government's financial strategy, I expect further deterioration from our peak agreement several years gone by. The chances of getting closer to our guide are very slim.

We have entered into fee guide research and development with a new company, with some experienced employees. Impact consultants have taken over from RK House, with several of the staff making the transfer to the new company. This has led to changes in the information collection. We will do the traditional fee guide survey every third year instead of yearly, with the procedure frequency report (a simple print off from your practice management software) providing the bulk of the information we need. I ask you to reconsider if you have not participated with this survey that comes out in early January as it has become much less cumbersome. We are attempting to develop more relevant information for associates and hope to see their participation as well. We are anticipating some changes in the report participants receive as well and hope to see the interest increase.

As part of this committee for many years now, I have seen changes in dentistry in our province. We are seeing our gross increase but true net income stagnant. We have a recent large increase in our membership which means more competition than we are used to. We have dentists concerned with their level of busyness. Most of us have general concerns about the future of dentistry and its earning potential. And the more participation we get in the fee guide survey, the more accuracy and predictability we will have when it comes to determining the proper adjustments to the fee guide to help our members maintain an adequate remuneration level. Our fee guide is utilized by all of us. Even if an office doesn't charge the suggested fee guide, they often use it as a base and adjust above or below as they see fit. It is at least a reference. And while the guide may not be followed to the letter, we would also like to see those members who adjust their fees participate so we can evaluate the differences they have employed and possibly incorporate them in to the guide. As dentistry changes with higher expenses and more competition, we hope to keep our members financially healthy, and the fee guide is one of those tools.

Another touchy subject on this committee is insurance company audits. The insurance companies are trying to maximize profits. One of the ways they do this is by not paying out as many benefits. So to increase their profit, they are auditing offices in an attempt to not pay for covered procedures. If you are sent one of these notifications, let the college office know and they can pass on the information so we can formulate a strategy to deal with these audits. On the flip side, make sure your charting is thorough, and appropriate radiographs and photos are taken in situations where it is out of the ordinary.

Respectfully submitted by:

Dr. Michael Prestie