

GETTING STARTED

AND

ON YOUR OWN

*H*ave you ever dreamed of someday opening your own practice? Why not make it a reality? Most of us entered dental school with just that ambition. Do you know where to begin or would you just “fly by the seat of your pants?” This information has been compiled to assist you in beginning your career as an owner/dentist. It does not pretend to cover every detail you need but is an attempt to get you started with some bits of helpful information.

This information has been gathered by the Northern Virginia Dental Society Committee for the New Dentist (Dr. Gary Johnson, Chair) with much assistance provided by the North Carolina Dental Society and Dr. Russell Mosher of the Richmond Dental Society. Many thanks for their input and sharing with us.

The material utilized in this booklet does not necessarily reflect the position of the Northern Virginia Dental Society. Names and phone numbers listed do not constitute an endorsement by dental society, nor is accuracy guaranteed. An update and revision is planned for a future date.

4/17/97

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American Dental Association Membership

Become involved in your professional association. Not only will its benefits and services be of great value but the contacts you make in the local group will be of help to you in getting your business started. The Mentor Program is especially beneficial in this way, matching new dentists with experienced colleagues.

Membership is made at the local level. Applicants must be licensed in Virginia and can obtain applications by contacting the Northern Virginia Dental Society, 4330-N Evergreen Lane, Annandale, VA 22003, 703/642-5298 (private unlisted number).

Membership in Virginia is tripartite. One membership fee includes the ADA, Virginia Dental Association, and Northern Virginia Dental Society. Members receive publications from all three levels.

ADA Benefits and Services -1-800-621-8099

1. Information on OSHA regulations and infection control
2. Practice management information, resources, and seminars.
3. Demographic reports
4. Patient education materials
5. Legislative representation at state and national levels
6. Journal of ADA and ADA News
7. Annual Session, Annual Meeting on the New Dentist, and other meetings
8. Financial services (i.e., bankcards, mortgages, credit union, practice finance, etc.)
9. Group insurance coverage
10. Dental School Accreditation
11. World's largest dental library access

12. Dental Research
13. Product Research and standards
14. Contract analysis service
15. Equipment leasing program
16. ADA dues payment program

*** Manuals especially helpful in starting your own practice

1. DENTAL PRACTICE INFORMATION MANUAL
2. EMPLOYEE OFFICE MANUAL
3. OSHA REGULATIONS & INFECTION
4. AMERICANS WITH DISABILITY ACT

Virginia Board of Dentistry
1601 Rolling Hills Drive
Richmond, Va 23229-5005
1-804-662-9906

Dental License

Contact the Virginia Board of Dentistry to request information and an application for a license to practice dentistry in Virginia. A passing score on the Southeast Regional Boards is required. Licensure by credentials is not available nor is reciprocity recognized. Licenses are renewed in March. Fifteen hours of CE directly relating to clinical patient care are required for license renewal. The NVDS provides enough courses during the year to satisfy this requirement. Once licensed, be sure to obtain and become familiar with the Board of Dentistry Statutes and Regulations.

Where to practice

Choosing a location

Investigate various areas. Decide if you want to practice in an established area or a growing area. Consider the type of practice that will make you happy, the population segment you wish to serve, and where you would like to live. Local Chambers of Commerce and county governments have information about present and future development and demographics. They may often have specific information, even maps, showing development allowing you to locate in a favorable area. Consult with commercial real estate brokers/developers. Local full-service dental dealers can also be very valuable in helping you evaluate the type and location of practice. The dental society sometimes lists offices or space available in their newsletter. An attorney should be consulted to review lease/purchase agreement. Work with your dealer to complete your office

design. An occupancy permit must be obtained, usually from the county or city zoning office, before any work can begin. In Fairfax County, call 222-1082 for this application. In Alexandria City call 838-4360.

Evaluating a facility

- Conveniently accessible to the target population you wish to serve
- Convenient to major traffic arteries and public transport
- Away from congestion that will hinder access to your facility
- Adequate parking facilities
 - Handicapped spaces near building and clearly marked
- Appropriate professional signage in compliance with Board of Dentistry Regulations
- Outside approach (sidewalk, foyer, hallway) clean, well-lit, clear of obstacles and unpleasant odors
- Building and landscaping maintained attractively during all seasons
- Main entrance and suite handicapped accessible
- Main entrances and parking areas cleared of snow & ice during winter months
- A building directory immediately obvious and clearly marked upon building entry
- Room for expansion
- Adequate and clean restroom facilities for both staff and patients
 - Accommodate the handicapped
- Cost saving idea—look for built out medical/dental offices particularly if such a facility would fit well with your office design

Lease

- Obtain proposal from broker/leasing agent.
- Based on merits of location and the market environment, decide additional items that may be important to you, i.e. lower rent, inclusion of build-out costs, options for purchase or expansion.
- Once you have found a space or location and prior to signing a lease, have a construction company familiar with dental offices to evaluate space and give estimate of build-out costs. This will help to determine if the space is appropriate for a dental office.
- Either you, your broker, or your agent should now negotiate a final proposal.
- Have lease agreement reviewed by an attorney.

Office design

Work with architect and dental supplier to develop your design. Consider the following:

- Reception desk visible upon entry to the office
- Waiting area clearly and entirely visible to receptionist
- Place to hang coats
- Sufficient space for writing on the patient side of the check-in and check-out counters
- Plan for 8'x10' at a minimum or preferably 9'x11' or larger operatories
- Adequate and clean restroom facilities for both staff and patients that accommodate the handicapped
- After architectural engineer plans are completed, through references from other dentists, choose several construction companies to bid on your plans.
In evaluating construction proposals, consider not only the budget, but their record on timeliness and quality of work.

Developing a Business Plan - A Necessary Step Before Applying for a Loan

Helpful Sources/Hints

- Acquire an accountant, familiar with dental offices, who can help draw up a plan.
- Keep a record of your sales and gross receipts monthly early in your career particularly the development of new clients or patients as well as lab and other expenses.
- The Money Store has a superb guideline/outline for a comprehensive business plan (1-800-523-0035).
- There are two excellent software programs that will prompt you step-by-step through a business plan (both compatible with Windows and Mac):
 - Tim Berry's Business Plan Pro
 - JIAN BigPlan BuilderBookstores and libraries have literature specifically on this topic.
- Some accountants and proposal writers specialize in business plans.

Loan information

- SBA loans are offered by most banks for small businesses.
It is desirable to work with a banker who knows you personally. If not familiar with a banker, develop a relationship with one. Private banking services are available at most banks.
- SBA loans are backed by the federal government, offer the lowest rates, and require a business plan.
- Small banks are often more in touch and personal with local businesses and may be easier to work with.
- The ADA and AGD have information on larger banks who specialize in SBA and other loans.
- Other commercial loans - These loans generally have a higher interest rate than SBA loans. Dental suppliers are usually aware of these lenders.
- Leasing loans – Allows for leasing of equipment with option to buy. This is more expensive than other forms of financing.

Insurance

The ADA and VDA both offer group and some individual coverage for members. Contact the NVDS office (703/642-5298) or the ADA for more information on health, disability, malpractice, business liability, overhead protection and workman's compensation. Things to consider:

- Insurance policies are business contracts. Be informed before signing.
- It is best to compare at least two competing policies before choosing one.
- Know the financial ratings of the companies you are comparing. However, the rating does not consider the quality of the policy, the servicing of the policy, nor the insurer's inclination to pay.

Review the insurance assessment below:

⇒Professional liability (Individual & Corporate Policies)

- 1) Evaluate "consent to settle" clause
- 2) "Occurrence" is more common than "claims made" in Virginia

⇒Business owners policy: includes coverage for property and general liability:

- ◇Valuable papers & records (x-rays, molds, patient charts)
- ◇Employee dishonesty
- ◇ERISA bond (retirement plan coverage)
- ◇Non-owned & hired auto liability

- ◇Practice interruption
- ◇Premises & products liability
- ◇Glass coverage
- ◇Computer coverage
- ⇒Workers' compensation – a must if you have employees. Is dentist covered?
- ⇒Disability income policy
- ⇒Business overhead policy – provides income if you become disabled.
- ⇒Health insurance - know total out of pocket expense under the worst case scenarios.
- ⇒Life insurance - required by lender for loan.
- ⇒Automobile insurance (personal & commercial) VA Insurance Commission has good consumer information.
- ⇒Homeowners/Renters insurance – same comment as above – Phone # 1-800-552-7945.
- ⇒ Umbrella Coverage – supplements auto and home policies – a wise protection.

Anesthesia and Analgesia

Contact the Virginia Board of Dentistry for regulations and requirements for use of general anesthesia and parenteral sedation.

Narcotic Dispensing License

Application must be made to obtain a license to prescribe drugs. Licenses are valid for three years at a cost of \$210.00. Call the Federal Drug Enforcement Agency (Washington, D.C.) 202/307-7255 to request an application. Also request the manual on DEA rules and regulations on prescription requirements.

Bureau of Radiological Health 1-804/786-5932 or 1-800/468-0138

Call the above number to request the packet for dentists setting up a practice. This packet will provide you with information you will need regarding registration of your x-ray machines, use of badges, radiation protection, etc.

Infection Control

OSHA (Philadelphia Regional Office 215-596-1201

Local office – Manassas – 703/392-0900

The Occupational Safety and Health Administration has multiple requirements concerning infection control, employee safety and training, waste disposal, and hazardous chemicals. Your office needs a copy of the Bloodborne Pathogens Regulation which can be obtained from the ADA or OSHA. You can also obtain a DENTAL OFFICE OSHA COMPLIANCE CHECKLIST from the ADA or the NVDS. You must maintain and upgrade a written exposure control plan with record keeping of training and practices. You and your staff are required to undergo annual training on infection control. The ADA has several video tapes available through the catalogue sales division that can provide this training. There are also several individuals in the area that offer these courses (call NVDS central office for these) as well as the Annandale campus of the Northern Virginia Community College (703/323-3168). You must also maintain a manual of material safety data sheets on any chemical or product used in your office. These sheets may be obtained from the manufacturer. OSHA requires a number of posters to be displayed prominently in your office. (Poster #2203 – Job Safety and Health Protection). Posters and help in compliance with OSHA Standards may be obtained through the ADA or the US Department of Labor, Region IV, 1375 Peachtree St., NE, Suite 587, Atlanta, GA 30367, 404\347-3573.

Medical Waste Disposal

Medical waste should be disposed of in accordance with state and local regulations. Several waste disposal companies are available and can be found in the Yellow Pages under “Rubbish”. BFI is one of the largest in the area (1-800-234-7822).

Americans With Disabilities Act

Department of Justice – 202/514-0301

This is a federal law that regulates how you treat patients and employees that have disabilities. There are guidelines on how you must design your office in order to make it handicap accessible. Contact the American Dental Association (800/621-8088) and they will send you the information that you need in order to comply with these requirements.

Employees

Begin to consider your possible candidates at least 4-6 weeks prior to opening, most importantly the office manager. Look for qualities of compatibility, loyalty, and reliability. Your future depends on it!

If you have employees, you must request an application from the Virginia Employment Commission (VEC). State and unemployment taxes must be withheld for employees. Quarterly reports will be sent for you to fill out and return. When you pay withholding taxes at the end of the first quarter of business, a number is assigned to you. Your accountant can take care of this for you.

Dental Hygienists and Dental Assistants

Dental hygienists must practice with a Virginia dental hygiene license. Contact the Virginia Board of Dentistry for regulations regarding the licensing of dental hygienists as well as the duties and regulations regarding hygienists and assistants. Hygienists are required to accumulate 15 CE credit hours for license renewal. Hygiene licenses are renewable each year by March 31. The NVDS and the Northern Virginia Dental Hygiene Society offer courses throughout the year to satisfy these requirements. Assistants must be x-ray certified. This can be accomplished through the Annandale Campus of the Northern Virginia Community College, 703/323-3168.

Virginia Worker's Compensation Commission

You are required to maintain worker's compensation insurance for your employees. You should see your insurance agent about this. The Virginia Worker's Compensation Commission is the agency that enforces payments made as a result of claims. Contact them at 1-804/367-8699 for a booklet explaining their function and your responsibilities.

New Employee Sources

Both the Northern Virginia Dental Hygiene Society and the Northern Virginia Dental Assistants Society have placement persons with a limited list of those seeking employment. Call the NVDS central office (703/642-5298) for the current telephone number of these individuals. There are several placement agencies in the area that also place dental auxiliaries for a fee. The Annandale campus of the Northern Virginia Community College may be able to give you names of recent hygiene graduates 703/323-3436. The Chantilly High School Dental Careers Program (222-7470) and the Fairfax County Office of Adult Education (227-2267) have programs that train assistants.

Internal Revenue Service (800) 829-3676

Request an application SS-4 to obtain a federal tax ID number. This is required for all businesses with employees. The following forms should be sent to you:

- Circular E Employer Tax Guide
- W2
- W4
- 941 Quarterly Tax Return
- 8109 Tax Deposit Coupons

You are required to withhold federal taxes and FICA (Social Security), medicare taxes, and federal unemployment taxes (FUTA) from each paycheck. Payroll tax deposits must be made on the 15th of each month to your local bank. Those self-employed must make quarterly estimated tax deposits based on salary. Consult your accountant on these matters to properly maintain tax credits in good standing.

Taxes

Personal Property Taxes

Call your County Tax Assessor (Alexandria-838-4560; Arlington, 358-3135; Fairfax City, 222-8234; Fairfax County, 222-8234) to request an application for listing personal property taxes. Tangible assets of your practice (i.e. equipment and furnishings) should be listed. The listing is due January 1st each year.

Business tax

Fairfax County requires payment of a business tax based on gross receipts of previous year.

Sales and use taxes

This must be paid on all purchases made out of state. Virginia heavily regulates this. Many of your dental supplies will be purchased out of state and if your supplier does not charge for and pay your tax on these purchases, you will be responsible.

Employee Taxes

See earlier section on employees. For a handbook regarding payroll tax information contact one of three regional offices: Alexandria, 813-1300; Chantilly, 803-1100; Woodbridge, 494-2184.

Business License

Contact your county or city to obtain a license to do business. This must be renewed yearly. Alexandria City, 838-4680; Arlington, 358-3060; Fairfax County, contact Mary Dykes 385-7880.

CHECKLIST

- Certificate of successful completion of State Board Exam
- Location –make sure properly zoned
- Develop business plan
- Obtain loan and CPA
- Lease/purchase agreement (reviewed by attorney)
- Design facility
- Order equipment
- Order initial supplies, instruments, etc.
- Establish bank connections
 - Checking and savings accounts
 - Business credit card
 - Merchant credit card & machine – This can take 3 – 4 weeks. Check Mellon Bank for favorable ADA rates-also Rocky Mountain Bankcard System 703/379-1500 as well as local banks
- Obtain necessary permits: occupancy, business, construction (ask your dealer for assistance, your construction company can obtain some of these.
- Complete all necessary requirements for regulatory agency permits-locally, & state and federal levels
- Apply for Tax ID number 1-800-829-3676
- Apply for Federal Employer Identification Number through a local IRS office or Social Security office
- Establish connections with consumer credit companies, & local or regional credit bureaus
- Obtain narcotic dispensing license from D.E.A. 202/307-7255
- Reserve telephone numbers with yellow and white pages of local directories. You will need these numbers in advance to order your personalized office stationery.
- Order telephone system – If plans are to use five lines and under, Bell Atlantic can create a system inexpensively from their central office using software call CENTREX CUSTOPAK call 954-6282. Otherwise, an in office system may cost considerably more.
- Start utility services

- Obtain phone numbers of local fire, police, hospital emergency rooms, ambulance service
- Put insurance requirements in place
- Establish accounts with:
 - Dental supply house
 - Dental laboratories
 - Pharmacies
- Establish a fee schedule and credit policy (put in writing)
- Choose bookkeeping system
- Arrange for competent tax council and periodic review of books from an outside source. This will help in detecting embezzlement by employees.
- Sign up with insurance plans, especially Delta Dental Plan of Virginia (1-800/367-3531, ext 155 or 169) and any local or regional plans which may be in operation in the area.

NOTE: Dental Provider Contract

Before signing any dental provider contracts, contact the ADA or the NVDS for a copy of the ADA information sheet, "What Every Dentist Should Know Before Signing a Dental Provider Contract". Call the Virginia Dental Association (1-800-552-3886) for an analysis of dental provider contracts you are considering. This service is available to members only.

- Place order for non-dental supplies, including office supplies, equipment (include computer, fax machine, copier) and related items.
- Make arrangements for answering system when away from office.
- Order sound system.
- Arrange for announcement of your new practice, subject to local practice and ethical considerations.
- Select design for office stationery and place order for
 - Letterhead stationery and envelopes
 - Business cards for you and the office manager
 - Rolodex cards
 - Appointment cards
 - Medical/personal history & consent form
 - Superbill
 - Referral pads
 - Prescription pads
 - Patient charts
- Re-direct or begin publication subscriptions to your new address.
- Hire staff. Advertise approximately 4-6 weeks prior to opening office.
- Arrange for janitorial services
- Establish connections with local fraternal, service, religious, sports and alumni clubs and groups.
- Apply for membership in local, county, district, state and other dental societies, to receive schedules of meetings. (Northern Virginia Dental Society, 703/642-5298)