

KEY DECISIONS THAT WILL DRIVE YOUR ENDODONTIC LIFE

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This article was originally published by the AAE in The Paper Point on June 30, 2021.

As endodontic residents transition to become practicing endodontists, some important decisions are made in a relatively short time frame. Your choices will set up what kind of endodontist you will be and what kind of life you will have. Here are some tips:

STARTING AS AN ASSOCIATE

The chief advantage of becoming an associate in a private practice is the opportunity to begin earning income quickly. This is particularly important for doctors with a high level of educational debt that needs to be paid down before they can consider buying a practice (if that is their goal).

As a rule, practices should be completing 6 to 7 cases per day already (\$1.4+ million in annual revenues) before taking on an associate. This is a sign that the practice has a sufficiently broad-based referral network capable of new growth to integrate an associate. Practices that do not hit this mark almost always struggle with associates because their limited case flow must be rationed between the doctors. Eventually, you'll be seen as taking away rather than adding to the owner doctor's success. The owner isn't earning what they want, and neither are you, which leads to a potentially failed relationship.

STARTING IN CORPORATE DENTISTRY

Associateships in corporate dentistry are a different kind of beast altogether. They have some advantages in that you might be able to find open positions more easily, especially in certain metro areas that are desirable to you. Keep in mind that the corporate entity's over-arching goal is almost always to consolidate and grow value for a private

equity buyout or capital market payday for the entity owners. That's not to say they don't also provide quality care to patients. I know several terrific endodontists who are in the corporate dentistry game. But for you, as a new endodontist, you may feel an additional layer of oversight that makes corporate dentistry only a temporary stopover on your way to something better suited to you.

OVERCOMING YOUR DEBT

If you do begin associating because of debt levels and you want to associate only for the minimum time possible, then work and live with a debt reduction mindset. After living on a student budget for so long, you will be tempted to splurge on some luxuries as your income increases ... a fancy new car or home, luxury vacations and lifestyle, etc. It's very easy to spend very quickly, which only prolongs how long you need to be an associate.

If you join the right practice, live modestly at first, and refinance your debt to the lowest interest rate possible (<https://www.sofi.com/refinance-student-loan/>), you can be debt-free in a few years, and have the ability to pursue your goals without being limited.

STARTING A NEW PRACTICE

There's been a resurgence recently in new endodontists who want to open their own practices from the ground up. This is the result of several factors, such as more older endodontists delaying their retirement and therefore fewer practices are available to buy. In addition, the cost to purchase those practices can be prohibitive on top of educational debt.

Given that nearly 80% of the value of an endodontic practice is in goodwill (i.e., referral relationships), you can open your own practice for a significantly less than buying one. You won't have the income flow from referral relationships at first though. So, the increased debt coupled with lower income is a risk. However, it may be worthwhile, especially if you have a particular locale that you want to practice in, and no other opportunities are available to you.

New practices, like starter homes, are typically smaller and equipped/furnished more modestly. That is preferable to avoid unnecessary debt. They can be expanded in the future when the practice becomes more profitable. Profitability will fundamentally depend on building essential referral relationships, which is why becoming a marketing master right from the beginning is necessary. Recently, at Endo Mastery, we've been working on developing better resources for new endodontists opening their own practice. If you would like to be on the list for more information when it is available, email info@endomastery.com with "Start Up Practice List" in the subject line.

BUYING A PRACTICE

While some endodontists choose to be an associate for life (for better mobility or to avoid ownership headaches if they can associate in a great practice with high income), many doctors want ownership of their practices (either solo or in a partnership).

Keep in mind that almost any practice that you can buy within your debt window will be far from your dream practice. We all go to school and imagine the incredible life and unbelievably successful practice we will have once we graduate. However, it is unlikely you will find a practice that lives up to this dream out of the gate.

What is more likely is that you are going to end up buying an average practice where the previous doctor was completing 3 or 4 cases per day, and maybe they hadn't updated the practice, equipment, or technology in some time. Rather than feel disappointed by this, it is an incredible opportunity. You were able to buy this practice at a low price with unbelievable growth potential. Now you need to focus on creating strong referral

relationships and immediately begin doing everything you can to earn the right to keep those relationships.

The basic practice that you buy should create the initial income you need to maintain your cashflow, pay your debt and live modestly. If you can do that on 3 cases per day (assuming \$1450 per case) like the previous doctor, then every additional case per day (on average) that you complete adds over \$250,000 to your bottom line. Two cases per day would yield over \$500,000. \$500,000 over 5 years is \$2.5 million. That's enough to pay off your school debt, pay off your practice debt, invest in your practice to make it perfect for you, and live well.

ENDODONTIC POSSIBILITIES

Endodontics is a wonderful profession. The key, especially at the beginning, is to not get ahead of yourself. Manage your debt ruthlessly. Control your lifestyle spending. Choose the opportunity and path that sets you up for long-term success. Focus on your efficiency and productivity so you quickly rise above the level of the "average" endodontist. In doing so, you will start a chain reaction of growth that creates an amazing life for you.

To learn more about improving clinical efficiency, practice growth and profitability, check out www.endomastery.com

ABOUT DR. GOERIG

Dr. Albert Goerig is a diplomat of the American Board of Endodontics and a sought-after speaker who has lectured extensively in the field of endodontics and practice success throughout the United States, Canada, and abroad. He is the author of over 100 published articles and a contributing author to numerous endodontic textbooks. Dr. Goerig has a private endodontic practice in Olympia WA in the top 1% nationwide for practice profitability. He has almost 40 years of experience as an endodontic educator and practice coach to nearly 1000 endodontists.

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