

Dental/DSO Industry Newsletter

Dental/DSO Industry Market Intelligence

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INDUSTRY SPOTLIGHT

Interview with Sean White, Whiteboard Marketing

Sean is the founder of **Whiteboard Marketing**, where his vision and expertise drive the delivery of dental marketing solutions.

With a passion for collaborating with dentists to support and grow their practices, Sean is dedicated to helping clients achieve their goals. He balances leading the company with engaging directly with clients, ensuring their success brings him as much satisfaction as a sports victory.



How was Whiteboard Marketing started? What led you to start the business?

I always love seeing people's reactions when I tell them that Whiteboard Marketing started in 2005 as a home improvement television show called, "Your Home Columbus." We had a 30-minute slot on NBC here in Columbus, Ohio on Sundays. That's right, I was never in front of the camera but always behind the scenes, handling sales, editing, accounting, billing, and all aspects of production. My hand got onscreen here and there opening a window or turning on a thermostat, so that summed up my acting career. With our first baby on the way and a solid corporate career in place, I decided to jump over that line and leave a stable job for entrepreneurship. With my wife's support behind me, I'm thankful for that decision. If you'd like to hear more about that, let me know!

As the years went on and digital marketing became the way of the future, clients began asking me to do more for them, and of course, I said I could. At this point, I was still a one-man show, but as my network grew and the first employee was hired, we started offering various digital services to different verticals, including a few dental practices. Referrals began pouring in from reputable organizations like Seattle Study Club, ACT Dental, The Paragon Program, dental accounting firms, and peer-to-peer. We grew to a point where the majority of our clients consisted of dental practices. From there, I made a strategic decision to focus exclusively on dental practice marketing and build a team of experts in a field that truly needs solid marketing partners who are on top of the ever-changing field of digital marketing. To this day, over 90% of our new clients come directly from referrals.

What services do you offer?

I always emphasize to dental practice prospects that the first service we offer is CUSTOMER SERVICE. From a consumer's perspective, I'm not sure there is anything I appreciate more these days than customer service. When we speak to prospects and uncover their pains with their current marketing partner or multiple partners, we often hear the same frustrations: "I don't get responses," "We ask for website changes and they take forever," "I don't even know what we are paying for." We've built our marketing firm around addressing issues such as these and by providing exceptional customer service. Beyond that, Whiteboard Marketing is committed to helping dental practices grow and succeed with a wide range of specialized marketing services. Here's a look at what we offer:

Dental Websites: We design custom websites that reflect your brand and are optimized for user experience.

Website Management: We keep your website updated and fully functional with regular updates, plugin management, and content adjustments.

Google Advertising (PPC): We implement and manage PPC campaigns to drive traffic and increase conversions, making your practice highly visible.

SEO: Our SEO services improve your online visibility, helping your practice rank higher and attract new patients.

Local Search + Google Business Profile: We optimize your local listings and GBP to boost local search rankings and visibility.

Social Media Marketing: We create and manage social media content, including paid ads, to attract new patients through targeted strategies.

Online Reviews Management: We help generate and manage online reviews, enhancing your reputation and building trust with potential patients.

24/7 Live Chat: Our HIPAA-compliant live chat service captures leads and provides support, even after hours, using real people.

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INDUSTRY SPOTLIGHT (cont'd)

Interview with Sean White, Whiteboard Marketing

Branding Services: We develop a strong brand identity, from logo design to brochures, ensuring your practice stands out.

Insurance Checker: Our tool lets potential patients verify their insurance online, streamlining appointments and reducing your staff's workload.

Dental Blogs: We create keyword-rich blogs that boost SEO, educate patients, and drive traffic, establishing your practice as an authority.

When it comes down to it, our goal is to generate new patient opportunities, retain current patients, and make our dental practice partners look outstanding.

What challenges are you seeing in the dental industry right now? What opportunities?

The dental industry is currently facing several significant challenges in 2024:

Staffing Shortages: One of the most persistent issues has been the difficulty in hiring and retaining staff. It's not often we hear from prospective practices they haven't had to deal with this. The pandemic exacerbated pre-existing staffing issues, and with rising wages and most competing for the same talent, it has intensified this challenge.

Moving from Insurance plans to Fee for Service: With insurance reimbursement rates not keeping pace with rising operational costs, we're seeing more and more practices making moves to FFS. This puts financial pressure on practices even when they have a very good transition plan in place.

Rising Overhead Costs: Inflation and increasing costs for supplies, equipment, and staff wages are squeezing the financial margins of dental practices. Managing these rising costs while trying to provide quality care remains a significant challenge.

Adoption of New Technologies: While new technologies are revolutionizing dental care, their implementation requires substantial investment and training. Smaller practices may struggle to afford these technologies, whereas larger group practices and DSOs are more likely to invest in them due to their greater access to capital.

Workforce Dynamics: Dental practices are also facing some challenges related to the integration of different generational team members. Younger dental professionals and other employees often have different learning styles and technological preferences, which can lead to conflicts and require practices and ownership to adapt and foster a much different work environment than they had!

Addressing these challenges requires strategic planning and partnerships, investment in technology, and innovative staffing solutions to ensure dental practices can continue to thrive and provide quality care to their patients.

What opportunities are you seeing in the dental industry right now?

There's significant buzz around artificial intelligence (AI) and its potential applications in dental practices. The biggest opportunities lie in improving efficiencies and integrating AI to address the daily challenges that practices face. AI is a transformative movement that is here to stay. Dental practices that become AI-emergent, rather than AI-obsolete, will quickly distinguish themselves from the competition.

But what does that mean in practical terms? One solution AI can provide is for problem-based tasks, particularly those that are repetitive. One way to start is by tracking these repetitive tasks. What do you and your staff find yourselves doing repeatedly on a daily or weekly basis? Most likely, there is an AI tool to help reduce these tasks and, according to experts, increase efficiency by 20% or more. Including discussions about AI in your morning huddles can gradually help everyone embrace and understand its potential. Is there someone at your practice who can be your AI Ambassador? FYI, If you are using predictive text on your phone, you're already using AI!

A good first step is to examine your technology stack (current software, products, etc.) and see how your current vendors have integrated AI into their solutions. Learning what AI can do to make you more efficient or productive is a great way to get involved. For example, consider patient analysis and recall. Understanding how to prompt your systems to deliver the information you need for effective targeting is a significant advantage.

Another area is video production. Video is an excellent way to market your staff, your patients, and your practice. However, it is a significant undertaking that very few practices engage in. With AI-driven text-to-video technology improving every day, video production is becoming easier than ever.

I could go on about the opportunities. I encourage all dental practices to embrace AI and gradually chip away at understanding what it can do for your practice.

To contact Sean and learn more about [Whiteboard Marketing](#), you can reach him at (614) 953-6494.





LEGISLATIVE UPDATE

Background on Indiana's "Baby HSR" Law

Indiana passed Senate Bill 9 in March 2024, which requires an Indiana healthcare entity involved in a merger or acquisition with another healthcare entity with a value of at least \$10MM to provide a 90-day pre-closing notice to the Office of the Indiana Attorney General ("Indiana AG") of certain healthcare transactions. [Bill Text: IN SB0009 | 2024 | Regular Session | Enrolled](#). The law took effect July 1, 2024.

Summary of Law Below

1. Does a commonly defined Dental or Medical support organization DSO/MSO deal structure fall under the definition of an "acquisition"?

Relevant Statutory Language: As used in this chapter, "acquisition" means any agreement, arrangement, or activity the consummation of which results in a person acquiring, directly or indirectly, the control of another person.

Response: Yes, the DSO/MSO deal structure contemplates an effective change in the ownership of the business aspects and decision-making power at the practice.

2. And, more specifically, is the definition of "acquisition" intended to apply to administrative services arrangements in a DSO structure? DSOs only provide administrative support for the non-clinical business aspects of a dental practice, and DSOs do not acquire any direct or indirect control over the clinical aspects of a dental practice or the dentists practicing there.

Response: Yes, the fact that the DSO/MSO will have control over the business decisions at the practice is the type of change that the statute broadly encompasses, and qualifies as a transaction of which the Indiana Attorney General's office wants to be notified.

3. Is the definition of "merger" intended to apply broadly to any transfer of assets, or a transfer of a certain amount or value of assets? For example, would "merger" as defined encompass the sale of non-clinical assets of a dental practice to a DSO?

Relevant Statutory Language: "Merger" is defined as "any change of ownership, including: an acquisition or transfer of assets." I.C. 25-1-8.5-3(1)

Response: Yes, the DSO/MSO deal structure contemplates a transfer of non-clinical assets and looking past the minutiae of which assets are transferred, this kind of transaction is the type of transaction about which the Indiana Attorney General's office expects to be notified.

4. Does the inclusion of private equity partnerships in the definition of "healthcare entity" intend to broadly encompass private equity-backed DSOs as healthcare entities?

Relevant Statutory Language: "Healthcare entity" is defined to include "a private equity partnership, regardless of where the private equity partnership is located, seeking to enter into a merger or acquisition with an [other healthcare entity]"; I.C. 25-1-8.5-2(a)(6).

Response: PE-backed DSO/MSO transaction structures as described are in the spirit of the transactions of which the Indiana Attorney General's office wants to be made aware.

5. Can you please clarify whether this \$10MM threshold applies to: (1) only one of the healthcare entities that is party to the transaction, (2) the aggregate of both healthcare entities that are party to the transaction, or (3) the value of the transaction?

Relevant Statutory Language: There is a \$10MM threshold set forth in the statute. I.C. 25-1-8.5-4(a).

Response: Unlike the federal HSR law, which is concerned with the total value of the transaction, the \$10MM threshold in the Indiana law is meant to capture the value of the total combined assets of the parties post-closing, inclusive of any assets held by the parent company of either party.

CALENDAR OF EVENTS

Becker's Healthcare Dental + DSO Virtual Event

AUGUST 28, 2024

Navigate the ever-changing dental landscape at the insightful Dental + DSO Virtual Event hosted by Becker's Healthcare. Gain expert insights on maximizing DSO growth strategies, even in challenging economic times. Learn how to identify and overcome the biggest threats impacting dental practices and discover effective solutions. Finally, explore the latest trends in the dental workforce, equipping yourself with the tools to address current challenges and plan for a successful future. This comprehensive event offers invaluable knowledge for both DSOs and individual dental practices, empowering you to thrive in today's dynamic environment.

For more information, please click [here](#).

DSO Technology Summit 2024

SEPTEMBER 4-6, 2024, Nashville, TN

Recognized as the "Premier Technology Event" for DSOs, Group Practices, and Industry Partner Organizations, this year, the DSO Tech Summit will dive deep into helping you understand that the integration of hardware and software systems is a major factor for optimizing practice revenue and efficient business management.

For more information, please click [here](#).

DentalForum USA

SEPTEMBER 9-10, 2024, Bonita Springs, FL

OpenRoom is hosting this event on a biannual basis, which will connect DSOs from across the country with a wide range of product and solution providers. The unique format combines talks from industry leaders, hosted roundtable sessions, and its signature program of speed meetings based on mutual interest.

For more information, please click [here](#).

20 Year Anniversary PDA Conference

SEPTEMBER 12-14, 2024, Frisco, TX

This full-immersion conference is proven to reduce the stress of practice ownership, so you can focus on great patient care with a streamlined team and boost income with more time off.

For more information, please click [here](#).



Please contact us if you would like to post information regarding your upcoming events or if you'd like to guest author an article for this newsletter.

lluna@beneschlaw.com

CALENDAR OF EVENTS (cont'd)

DSO Leadership Summit 2024

SEPTEMBER 26-28, 2024, Atlanta, GA

The DSO Leadership Summit is where the best dental service organizations come together to network, learn, and grow. This dental event brings together a community of professionals who want to take their organizations to the next level.

For more information, please click [here](#).

Supercharge Your Dental Practice

SEPTEMBER 27-29, 2024, Scottsdale, AZ

This is a concentrated two-day session that focuses on the marketing and business sides of running a dental practice. This event is ideal for the dental professional who is struggling to find new patients, thinking about selling to a DSO or looking to boost their skills outside of the clinical realm.

For more information, please click [here](#).

The Ormco Forum 2024

OCTOBER 3-5, 2024, Phoenix, AZ

This is a premier clinical event specially crafted for orthodontists and their teams. It will propel you and your team to the forefront of orthodontics by providing education on advanced clinical techniques, applications, and methodologies. World-renowned experts will share insights and learnings using the latest orthodontic innovations in aligners, wires & brackets, indirect bonding combination treatment, and retention. This includes techniques and tips you can take back to your practice. Ormco's focus on orthodontic specialists means that no other educational experience can provide this breadth of depth on orthodontic-specific topics.

For more information, please click [here](#).

SmileCon 2024

OCTOBER 17-19, 2024, New Orleans, LA

Registration is open for SmileCon 2024, where participants can join dental professionals on Oct. 17-19 in New Orleans.

For more information, please click [here](#).

The Future of Dentistry Roundtable

OCTOBER 30-NOVEMBER 1, 2024, Chicago, IL

Join Becker's Healthcare live in Chicago for high-level strategic discussions and panels about the future of dentistry. Attendees can expect lively panels and valuable networking opportunities at this one-of-a-kind dental event featuring more than 70 elite DSO speakers.

For more information, please click [here](#).

KEY FINDINGS

Many dentists feel dental insurance legislation is falling short.

Although a large portion of the legislation being passed is improving the industry, it is not addressing dentists' top priorities.

Nine states enacted a total of 16 dental benefit laws in the first half of 2024, addressing issues like assignment of benefits, claims review transparency, downcoding and bundling, medical loss ratios, prior authorization, provider network leasing, virtual credit card payments, and insurer business practices review, according to the [ADA](#).



However, the legislation has not addressed the primary concerns of many dentists, such as insurance reimbursement, which has not kept pace with inflation. *Becker's Dental & DSO Review* [reports](#). Only a few have increased dental reimbursement rates, even though it is a major concern for dentists. Some dentists are calling for a change in the annual maximum coverage amount, which has barely increased over the past four decades. "This is the biggest factor limiting insured patients from obtaining optimum care," said David Graham, DMD, a dentist in Pittsburgh, Pa.

Many dentists also insist the insurance process is outdated and are calling for an overhaul of the verification process and the breakdown of benefits. "This antiquated way of doing business needs to be updated and changed for the patient and doctors," said Raj Puri, DDS, a dentist in Wood Dale, Illinois.

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KEY FINDINGS (cont'd)

Nevertheless, the dental communities in the following states have experienced Medicaid wins over the past few months, per the [ADA](#):

- **Georgia** approved an \$11 million increase in adult dental benefits for people enrolled in Medicaid.
- **Nebraska** increased the reimbursement rate for dental services provided under Medicaid by 12.5% for fiscal year 2025 and removed a \$750 annual cap on dental services for adults enrolled in Medicaid.
- **West Virginia** took an innovative approach to the state's Medicaid dental coverage annual benefit limit of \$1,000. The state doubled the term, resulting in a maximum benefit of \$2,000 over two years. This allows coverage for dental service costs that might exceed \$1,000.
- **Colorado** allocated \$78 million in the state budget toward Medicaid funding for fiscal year 2024-2025. The funds will increase reimbursement rates for Medicaid dental providers.
- **Ohio** now mandates that all managed care plans use the Council for Affordable Quality Healthcare for credentialing. Additionally, the state's fiscal year 2024 budget included a significant additional investment into dental Medicaid reimbursements. Effective earlier this year, dental reimbursements in Ohio's Medicaid system increased by 93% on average per procedure.
- **Missouri** raised the reimbursement rates to 80% of the 50th percentile.
- **Rhode Island** adjusted the Medicaid reimbursement rate for dental procedures performed in ambulatory surgical care centers by adding a dental rehabilitation code to the list of procedures eligible for Medicaid reimbursement.

Rhode Island and Louisiana also recently joined Virginia in passing dental loss ratio legislation this year. The laws regulate the portion of insurance premiums spent on patient care rather than overhead, according to the [ADA](#).

Meanwhile, the Ohio House passed Senate legislation to end the artificial capping of fees by insurance companies in the dental industry, a practice that state Rep. Nick Santucci claims is "unethical," [WFMJ reports](#). The legislation would allow dentists to negotiate their fees for services directly with patients if the service is not covered by the patient's insurer. The dentist would be required to provide an estimated cost of each dental service before the work is done. The legislation has been sent to Gov. Mike DeWine for his consideration.

In Illinois, a [bill](#) has been sent to Gov. JB Pritzker that would create guardrails to protect state residents using direct-to-consumer clear teeth aligners, [WGEM reports](#). The measure would require patients to see a dentist within a year of ordering the aligners and submit those records when buying them.

In Florida, two bills championed by dental and orthodontic groups became law on July 1 after being signed by Gov. Ron DeSantis in late May, per [Florida Politics](#). They are:

- [HB 855](#), which establishes new standards for the practice of dentistry and creates new requirements that specifically apply to providers using telehealth.
- [SB 938](#), which alters requirements for the Board of Dentistry.

Sources: [ADA](#), [Becker's Dental & DSO Review](#), [WFMJ](#), [WGEM](#), [Florida Politics](#)

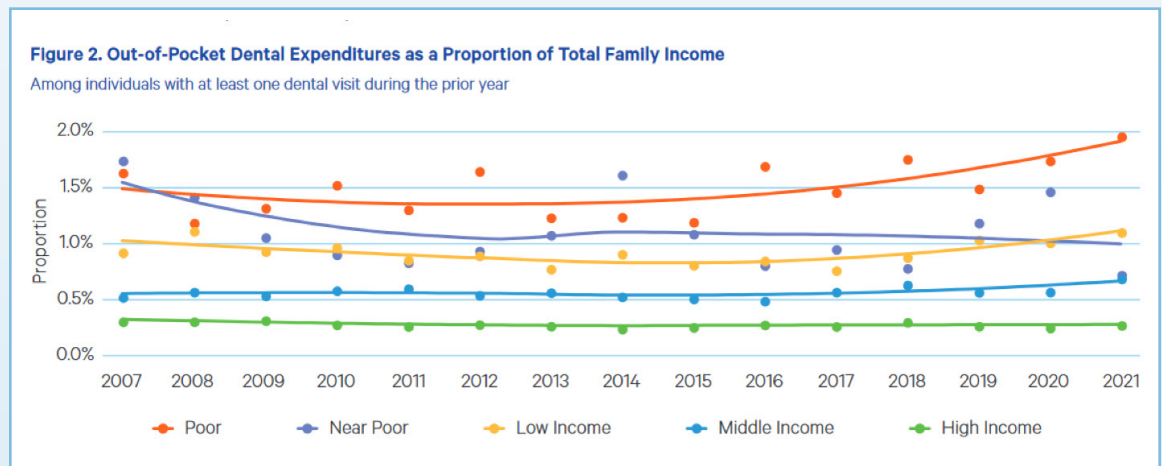
KEY FINDINGS (cont'd)

Dental leaders are growing increasingly concerned about the impact of Medicaid disenrollments.

Their concerns come as income-based disparities in dental care spending are growing, highlighting the need to address gaps in insurance coverage.

Roughly 12 million adults and children across the U.S. lost their dental coverage between April and September 2023 due to Medicaid redeterminations, according to the [CareQuest Institute for Oral Health](#). It is estimated that an additional two million people lost coverage between September and December 2023, per [Becker's Dental & DSO Review](#). DSO Benevis CEO Bryan Carey said many patients are either unaware that their coverage has been terminated or are experiencing administrative challenges keeping them from accessing Medicaid coverage. It is "extremely concerning that people are losing dental coverage in these numbers," said Melissa Burroughs, Director of Public Policy at CareQuest. She warned that the loss of coverage could significantly impact overall health and health equity and lead to an influx of patients seeking care at dental clinics servicing low-income and uninsured people. She listed some suggestions for improving accessibility for patients who were disenrolled, including supporting patients through the re-enrollment process if they are eligible and expanding dental coverage in other areas, such as states adding dental care as an essential health benefit to their benchmark plans.

Their concerns come as inequities in out-of-pocket expenditures between the poorest and wealthiest families in the U.S. have [continued](#) to grow. Poorer families paid 7.4 times more in out-of-pocket expenditures for dental care compared to high-income families between 2007 and 2021, up from 5.5 times in 2007, according to a [report](#) from CareQuest. In addition, out-of-pocket expenditures for dental care accounted for a higher proportion of family income among families in the poor and near-poor categories than those with high income. For example, among high-income households, dental expenditures represented less than 1% of their total family income in 2007 (0.3%) and 2021 (0.3%). Meanwhile, among individuals in poor households, the proportion of out-of-pocket spending was substantially higher, representing 1.6% of total family income in 2007 and 2% of total family income in 2021.



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KEY FINDINGS (cont'd)

The report stresses that solutions are still needed to make dental coverage and care more accessible and affordable for low-income families. It recommends comprehensive Medicaid adult dental benefits in all states, increased dental provider participation in Medicaid, and support for safety-net providers serving low-income patients. The report adds that incentivizing oral health providers to practice in Dental Health Professional Shortage Areas can also help improve access to affordable oral healthcare in these geographies.

In addition, between 30% and 35% of lower-income adults have not obtained needed dental work in recent years because of the cost, *The Seattle Times* [reports](#), citing the ADA. The affordability of dental care is a complicated problem. Washington state Rep. Michelle Caldier argues that the low annual caps on dental plans are the No. 1 barrier to affordability and access. She suggested that state legislation might be needed to force dental insurance companies to increase coverage amounts. Advocates say access to reasonably priced dental care will remain an issue until dental plans more closely resemble medical insurance, though some fear that could lead to a spike in premiums and employers dropping plans. Advocates also say access to care must greatly expand for people with lower incomes.

The ADA and Washington State Dental Association are [calling on](#) Washington lawmakers to address the underlying issues with dental benefits in the state. While comprehensive reform is needed, the organization pointed out that one important step the Legislature could take during the next session is to enact legislation ensuring that patients get their money's worth from the premiums they pay. This could be done by requiring that at least 83% of the money insurance companies collect be spent on actual dental care. Plans that are unable or unwilling to meet that percentage would either be required to issue refunds or be prohibited from operating in Washington.

Enable Dental recently [partnered](#) with Subscribili to offer discounted dental plans starting at \$49 per month, plus an additional upfront charge, to alleviate the financial burden of dental care. These plans make services like routine cleanings, x-rays, and more extensive procedures more affordable with transparent pricing and no hidden costs. Unlike traditional dental insurance, these plans have no waiting periods, annual maximums, or deductibles. Those who sign up can start using their benefits immediately without worrying about spending limits. They cover a wide range of preventive dental services and include discounts for major procedures. Although these plans are currently only available in California, Washington, and Missouri, Enable Dental intends to expand to all locations nationwide in the coming months.

Sources: The CareQuest Institute for Oral Health, *Becker's Dental & DSO Review*, *The Seattle Times*, Enable Dental

GENERAL DENTISTRY NEWS

[ADA warns NIH spending bill rider would threaten nation's leading position in dental research](#)

The ADA is opposing language in the fiscal year 2025 Labor, Health and Human Services, Education and Related Agencies Appropriations Act that calls for consolidating the NIH's 27 institutes and centers into 15 newly renamed entities. The current version of the House appropriations bill would place the National Institute of Dental and Craniofacial Research (NIDCR) under the jurisdiction of the Institute of Neuroscience and Brain Research. Doing so would diminish the NIDCR's institute-level status and threaten the nation's position as the world's leader in dental, oral, and craniofacial health research, the ADA warned. The organization is pushing for the removal of the language that would reorganize the NIH.

Source: ADA News

[ADA files amicus brief for insurance reform with U.S. Supreme Court](#)

The American Dental Association is [asking](#) the U.S. Supreme Court to review a decision by the Tenth Circuit, which held that ERISA preempts provisions of an Oklahoma law regulating pharmacy benefit managers. The association [argues](#) that the decision takes "a very expansive view of ERISA preemption" and conflicts with a 2020 Supreme Court decision that limited its reach. This comes as the ADA continues to advocate that most state laws, particularly those that protect patients and dentists from abuse by dental insurers, can be applied to all carriers, including those administering self-funded dental plans for employers.

Source: ADA

[ADA urges members to voice support for reimbursement eligibility for OTC oral healthcare products](#)

The ADA is asking members to urge their congressional representatives to support [H.R. 8599](#), which would amend the Internal Revenue Code to include over-the-counter oral healthcare products as qualified medical expenses that can be purchased with funds from health savings accounts and flexible spending accounts. "Americans should not be taxed on products like toothbrushes, toothpaste, and dental floss that are necessary for maintaining their health," the ADA said.

Source: ADA News

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GENERAL DENTISTRY NEWS (cont'd)

Dental laser maker BIOLASE delisted from Nasdaq amid ongoing financial difficulties

Nasdaq delisted BIOLASE after the dental laser manufacturer failed to satisfy the \$1 minimum bid price listing requirement and comply with the \$2.5 million minimum stockholders' equity requirement. The move reflects a period of continued financial difficulties for BIOLASE, which reported a net loss of \$28.6 million in 2023, according to [Dental Tribune](#). Although the reasons underlying this financial downturn are varied, the company appears to be significantly influenced by the slower-than-expected adoption of laser technology by the dental industry. Nevertheless, BIOLASE believes there is still "a significant untapped opportunity in the dental market" for its lasers, with more than 90% of dentists yet to embrace all-tissue laser technology.

Source: BIOLASE

DSO EXPANSION & CONSOLIDATION

Smilebliss Orthodontics' alternative DSO model looks more like a franchise concept

The company provides orthodontists with marketing, operational, and equipment support without requiring them to give up a portion of ownership. The alternative model has been shown to be successful with its current network of 30 offices in 14 states. President Angela Weber said Smilebliss' growth has been very measured and thoughtful, and a big part of its model is ensuring it has the right doctors. Unlike a traditional DSO, the company does not own the practices and is more like a franchise concept, though it provides similar support services. Another alternative to a DSO is [SPP Dental Partners](#), which [allows](#) dentists to reap the benefits of a group while running their practice without interference. Dr. Lance Alder, who joined the company a year ago, said SPP is currently the only model that is "a true minority stake partner." Those who join the group get to build wealth as joint owners of SPP while receiving ongoing support in the form of human resources, billing, marketing, inventory management, business development, and more.

Source: *Becker's Dental & DSO Review*

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DSO EXPANSION & CONSOLIDATION (cont'd)

The Smilist Management's acquisition of SBS was the industry's largest deal in June

Even as the dental industry continues to experience economic pressure, June saw no shortage of DSO activity. Some highlights include:

- The Smilist Management further expanded its reach into Maryland and upstate New York through the acquisition of Simply Beautiful Smiles (SBS), a regional group that began with a single office in 2000. The acquisition included 23 locations, putting The Smilist at nearly 100 practices in six states.
- MB2 Dental **entered** its 42nd state through a partnership with [Pray Family Dentistry](#) in Anderson, S.C. The dental partnership organization also acquired the following five practices across five other states, bringing its 2024 total new practice count to 66:
 - [La Jolla Family Smile Design](#) in La Jolla, California
 - [Children's Dentistry of Abilene](#) in Abilene, Texas
 - [DeLaura Dental](#) in Romeo, Michigan
 - [Burch Court Dental](#) in Frankfort, Kentucky
 - [Parker Orthodontics](#) in Mayfield Village, Ohio
- GPS Dental hit 90 partnerships after **adding** five practices to its network, including two in Colorado, two in Illinois, and one in Florida.
- U.S. Oral Surgery Management (USOSM) continued its growth momentum, **adding** three partner practices to its network. Collectively, they included four doctors and four locations across three states, including California, Colorado, and Kansas.
- Straine Dental Management **expanded** into Maine—its 14th state—through affiliation with Breakwater Dental, Mountain View Dentistry, and Tory Hill Dental.
- Qualitas Dental Partners expanded in Rhode Island when it **welcomed** a general dentistry practice, an established multi-specialty practice, and an oral and maxillofacial surgery center.
- Dental365 **acquired** Shoreline Dental Associates in Guilford, Connecticut, marking its fourth acquisition in the state.
- Specialized Dental Partners **added** Midlands Endodontics in Lexington, South Carolina. The DSO has **expanded** its network in nine other states so far this year.
- Bright Direction Dental **added** Garfield Dental Group in Traverse City, Michigan, to its network.
- Sage Dental will strengthen its footprint in the southeastern U.S. by expanding into Tennessee with the **opening** of four practices in Smyrna, Lebanon, Alcoa, and Franklin.
- Pacific Dental Services **opened** its 999th and 1000th supported practices in Folsom, California, and Charleston, South Carolina, respectively.
- National Dental Healthcare REIT **completed** the acquisition of nine properties across seven states, bringing its portfolio to 174 locations in 21 states.

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DSO EXPANSION & CONSOLIDATION (cont'd)

- Premier Dental Services (d/b/a Sonrava Health) completed a distressed exchange transaction with its existing lenders. The lenders received less than the original promise and did not receive adequate compensation for lower priority, lower cash interest for the first two years post-transaction close, and less debt amortization.

Some of these transactions were among the [list](#) of Q2 2024 DSO affiliations, openings, and acquisitions compiled by *Becker's Dental & DSO Review*. The list includes more than 60 moves, with California, Florida, and Pennsylvania [seeing](#) the most activity.

Source: Group Dentistry Now

Six dental practices that closed in Q2 2024

Becker's Dental & DSO Review covered the closures of the following six dental practices during Q2 2024:

Wright Dentures and Implants, a dental practice in Independence, Missouri, [closed](#) suddenly due to "unforeseen circumstances," leaving patients searching for answers.

In Flora, Illinois, the office of Robert Marley, DDS, [closed](#) after he retired on June 26.

Rochester, New York-based Mosaic Health is [closing](#) two of its dental clinics after experiencing changes in funding and workforce shortages.

The office of Paul Jeffrey Lowe, DMD, [closed](#) indefinitely after the North Carolina dentist had his license suspended for allegedly being impaired at his dental office and unfit to practice.

A dental practice in Omaha, Nebraska, permanently [closed](#) following the death of Scott Green, DDS, the dentist at the practice.

Moya Dentistry, a dental practice in San Antonio, Texas, [closed](#) abruptly, leaving patients unsure of its future and without treatment for procedures they already paid for.

Source: *Becker's Dental & DSO Review*

OTHER DSO NEWS

DSOs prepare for a potentially more optimistic economy

Despite economic challenges, several DSOs gained new investments this year to fuel their growth, including U.S. Oral Surgery Management (USOSM), Gen4 Dental Partners, and The Smilist. They are now preparing for improved economic conditions amid expectations that interest rates will be reduced later in the year, which may generally square the economy and boost the capital markets, according to USOSM CFO Henry Moomaw. In addition, the second half of the year has historically been much more vibrant from an M&A perspective than the first half of the year, he said. As a result, more deals on the sale side from DSOs are anticipated, as are some combinations. Although it experienced a less active H1 than planned, USOSM is [planning](#) to expand its network later this year by entering new states and recruiting more surgeons. Moomaw said the DSO has a strong pipeline, as it is currently in negotiations with "a lot of potential partners."

Source: *Becker's Dental & DSO Review*

PRIVATE EQUITY DEALS

Dental implant maker Zimvie mulls sale, could be a target for PE firms

Zimvie is reportedly working with an adviser as it considers a sale and other options after receiving takeover interest from potential buyers, including buyout firms and industry players. Per [MedTech Dive](#), this comes after the company became a pure-play provider of implants and other dental products when it [sold](#) its spine business to H.I.G. Capital for \$375 million in April. Zimvie has a market capitalization of about \$481 million, making it a potential tuck-in acquisition for another medical device company. Other potential acquirers could include medtech companies and private equity.

Source: Bloomberg

Sheridan Capital Partners-backed Oral Surgery Partners gets \$75M credit expansion

Oral Surgery Partners, a management services provider to oral surgery practices across 20 states, closed on a \$75 million credit expansion. The facility expansion, provided by existing lending partners, will allow the company to continue to grow through 2024 and beyond. It comes as OSP actively targets new add-on acquisitions and recruits new surgeons across the U.S.

Source: Sheridan Capital Partners

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PRIVATE EQUITY DEALS (cont'd)

Dental revenue cycle automation company Zuub obtains \$9M in Series A funding

Zuub, a leading provider of dental revenue cycle automation software, secured \$9 million in a Series A funding round led by Vertical Venture Partners, with participation from existing investors Bonfire Ventures and MTech Capital. The company plans to use the funding to expand its reach and continue delivering solutions that address the unique challenges faced by dental practices.

Source: Zuub

PARTNERSHIPS AND INNOVATION

Productive Dentist Academy teams up with dental service providers to offer the best tools to dentists via its Alliance Partner Program

As part of its commitment to providing dental professionals with comprehensive tools and solutions to enhance financial management, improve patient outcomes, streamline operations, and ensure overall practice growth, dental practice management and coaching company Productive Dentist Academy (PDA) announced its [Alliance Partner Program](#). The program provides customized options at three levels of participation tailored to help service providers and dental professionals build successful relationships through consistent exposure. This year, the program's partners include AcceptCare, Dentist Advisors, Dentist Job Connect, Five Lakes Dental Practice Solutions, Mango Voice, Medix Dental IT, Overjet AI, Perio Protect, Professional Transition Strategies, ProFi 20/20, Support DDS, CariFree, E-Assist Dental Solutions, Financially Led (f/k/a Cash Flow Coach), Smile Advantage, The Mint Door, and Tasty Clean.

Source: Productive Dentist Academy

Guardian becomes first dental insurer to offer tobacco cessation program in workplace-sponsored plans

Through a partnership with Pelago, the leading digital clinic partner to U.S. businesses and health plans for substance use management, the Guardian Life Insurance Company of America has become the first dental insurer to offer members a comprehensive tobacco cessation program with their dental benefits. Pelago will guide and support Guardian members with workplace-sponsored dental insurance through a personalized and confidential tobacco cessation program that leverages digital solutions and human coaching.

Source: Guardian

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PARTNERSHIPS AND INNOVATION (cont'd)

Cordental, Heartland Dental feel a positive impact from partnering with dental AI companies

AI is becoming more common throughout the healthcare industry, and the dental sector is no different. After taking the time to gather opinions from providers and employees, Cordental Group and Heartland Dental partnered with Overjet and VideaHealth, respectively. Despite differences in network size and AI providers, both DSOs have felt a similar positive impact since rolling out AI to their dentists. Since the integrations, both DSOs have seen an increase in their patient acceptance rates. This comes as more dentists are shifting their perspectives and becoming more open to adopting AI technology at their practices, according to [VideaHealth CEO Florian Hillen](#). VideaHealth also recently [partnered](#) with oral health company vVARDIS to further enhance VideaAI to better detect cavities early on.

Source: *Becker's Dental & DSO Review*

First-of-its-kind dental practice management platform incorporates Pearl's dental AI capabilities

Ora, which recently [became](#) the first platform to deliver on the promise of providing "all-in-one" practice management software to dental practices, has partnered with Pearl to bring seamlessly integrated imaging backed by AI to dental practices across the U.S., ensuring more effective treatment planning. As a result of the partnership, Pearl's pioneering Second Opinion AI radiologic detection aid, designed to read x-rays and deliver real-time radiologic findings for chairside case presentation and patient communication, is now available as a fully native offering within Ora's dental imaging feature set. Meanwhile:

- Pearl's Second Opinion was also recently integrated within [Archy's](#) native imaging platform and [tab32's](#) all-in-one cloud-based practice management and imaging platform.
- Midwest Dental Equipment & Supply [selected](#) Pearl as its preferred AI solutions provider. Through the partnership, Midwest Dental offers Pearl's dental AI suite, including Second Opinion and its Practice Intelligence clinical performance platform, to customers throughout Texas, Oklahoma, New Mexico, and Arkansas.
- Pearl [launched](#) Precheck, a groundbreaking AI-powered insurance eligibility and benefits verification tool. Available as an add-on to Practice Intelligence, Precheck leverages natural language processing to streamline the insurance verification process and provide dental practices and their patients with comprehensive coverage information.

Source: Pearl

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PARTNERSHIPS AND INNOVATION (cont'd)

Overjet launches AI program for dental schools and educators

Overjet for Educators, which uses the only FDA-cleared AI technology to detect, outline, and quantify oral diseases in X-rays, allows educators to show students the precise size and shape of pathologies, anatomical structures, and restorations. Once they graduate, these students will be prepared to apply the same skills with their own patients. The University of Florida College of Dentistry, the first dental school in the U.S. to implement Overjet's AI into its curriculum, [found](#) that students who used the technology improved their ability to detect cavities in X-rays by more than 40% after just one hour of training. Overjet's chief dental officer, Teresa Dolan, [told Becker's Dental & DSO Review](#) that the program allows the company to collaborate with faculty at various dental schools for research. In addition, she sees a huge opportunity to incorporate the technology into patient care.

Source: Overjet

LITIGATION

CDA will appeal the dismissal of its lawsuit against Delta Dental

As part of its efforts to fight for meaningful dental plan reform, the California Dental Association will appeal a San Francisco Superior Court judge's decision to dismiss its lawsuit [challenging](#) the changes to Delta Dental of California's reimbursement rate structure and provider agreements that had a significant impact on many members. The judge [held](#) that Delta Dental has unfettered discretion to set or change contractual terms without regard to the impacts on dental providers and patients. The CDA, however, disagrees and insists it cannot allow the dismissal of its case to go unanswered. It intends to seek dismissal of the decision.

Source: CDA

Texas Supreme Court reverses dentist's \$16M Medicaid fraud penalty

In what Texas Dentists for Medicaid Reform [described](#) as a "bombshell decision," the Texas Supreme Court [threw out](#) a \$16 million Medicaid fraud judgment against All Smiles Dental Center founder Richard Malouf. The court found that the state failed to prove wrongdoing or demonstrate that it suffered harm from what the dentist chalked up to a clerical error. It also granted Dr. Malouf's original no-evidence summary judgment motion to end the prosecution, which the trial and appeals courts had denied.

Source: Bloomberg Law

STAFFING

ADA backs U.S. bill that would address ongoing dentist shortage

The ADA is supporting the [Providing Resources and Opportunities for Health Education and Learning \(PRO-HEAL\) Act](#), which would allow the Health Resources and Services Administration (HRSA) to award grants totaling \$215 million over five years to states and institutions of higher learning. These organizations can use the funds to create or expand healthcare provider pipeline programs, including those aimed at increasing the number of dentists. The ADA said the bill would allow the HRSA to regularly increase the number of healthcare professionals who are eligible for the grants, including dental professionals, based on areas of need and shortages across the U.S.

Source: ADA News

ADA, others call for increased resources for the Indian Health Service

The AI/AN Health Partners, a coalition consisting of the ADA and eight other health organizations dedicated to improving healthcare for American Indians and Alaska Natives, is urging Congress to increase funding and resources for the Indian Health Service (IHS). The group says the IHS is critical to how healthcare is accessed by American Indians and Alaska Natives, who face higher mortality and morbidity rates than the general population. In particular, the ADA emphasizes the need to address workforce shortages, update medical equipment, and modernize electronic health records.

Source: ADA News

Dental practices may not see any relief from workforce shortages for years

Some dentists hoped that many of the issues plaguing the dental industry would subside when the COVID-19 pandemic ended. However, the pandemic exacerbated ongoing workforce shortages, particularly affecting the recruitment of dental assistants and hygienists. In Virginia, dental practices are [facing](#) scheduling backlogs due to a shortage of both dental hygienists and dental educators. Although many states and dental schools have rolled out initiatives to bolster the dental workforce, some dentists predict it could be years before practices see any relief. GoTu CEOs Ed Thomas and Cary Gahm [say](#) it is clear that addressing the dental staffing crisis requires a multilayered approach that includes new recruitment technologies, license portability, robust employee retention strategies, investing in dental education, and revamping the office experience. They stress that policymakers, dental professionals, and public health stakeholders must collaborate to implement these strategies and initiatives.

Source: *Becker's Dental & DSO Review*

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STAFFING (cont'd)

Two North Carolina schools in talks to jointly develop dental residency programs

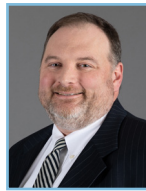
High Point University's Workman School of Dental Medicine and Wake Forest University School of Medicine have signed a letter of intent to discuss developing dental residency programs for post-doctoral training in specialties such as general practice, pediatric dentistry, oral medicine, orofacial pain, and dental anesthesiology. While discussions are still in the early stages, it is envisioned that Workman School of Dental Medicine faculty would also hold faculty appointments within the Wake Forest University School of Medicine and provide training to residents working at the Atrium Health Wake Forest Baptist Medical Center.

Source: Wake Forest University School of Medicine

For more information regarding our Dental Industry/DSO Practice, or if you would like to contribute to the newsletter, please contact:



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