



# The State of Dental

Sunbit's official report on the state of patient financing, technology adoption, insurance, the economy, and AI based on survey data from hundreds of dental practices like yours.



2024 Edition

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# Introduction

In recent years, dental practices have faced an increasingly challenging economic climate characterized by many obstacles. Amidst soaring inflation and fluctuating interest rates, two particularly persistent challenges have surfaced: the pressure of low insurance reimbursement rates and the demand for higher wages due to staffing shortages.

However, even in the face of these challenges, there is cause for optimism. Remarkably, many dental practices are seeing significant growth. They are finding reason for hope and resilience by embracing cutting-edge technologies, the

power of artificial intelligence, and the strategic deployment of patient financing solutions. These innovative approaches are proving to help practices acquire and retain patients and ensure they receive the comprehensive treatment they need, ultimately paving the way for a brighter future in dentistry.

Our Annual Survey of Dental Professionals helps provide clarity and understanding around how your peers are approaching this tenuous economic environment and adapting in the face of new technology to drive patient acquisition and revenue growth.

**Innovative approaches are proving to help practices acquire and retain patients and ensure they receive the comprehensive treatment they need, ultimately paving the way for a brighter future in dentistry.**

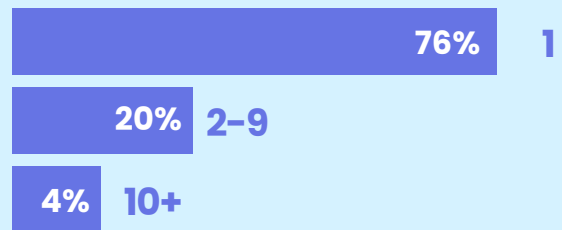


# Survey Demographics

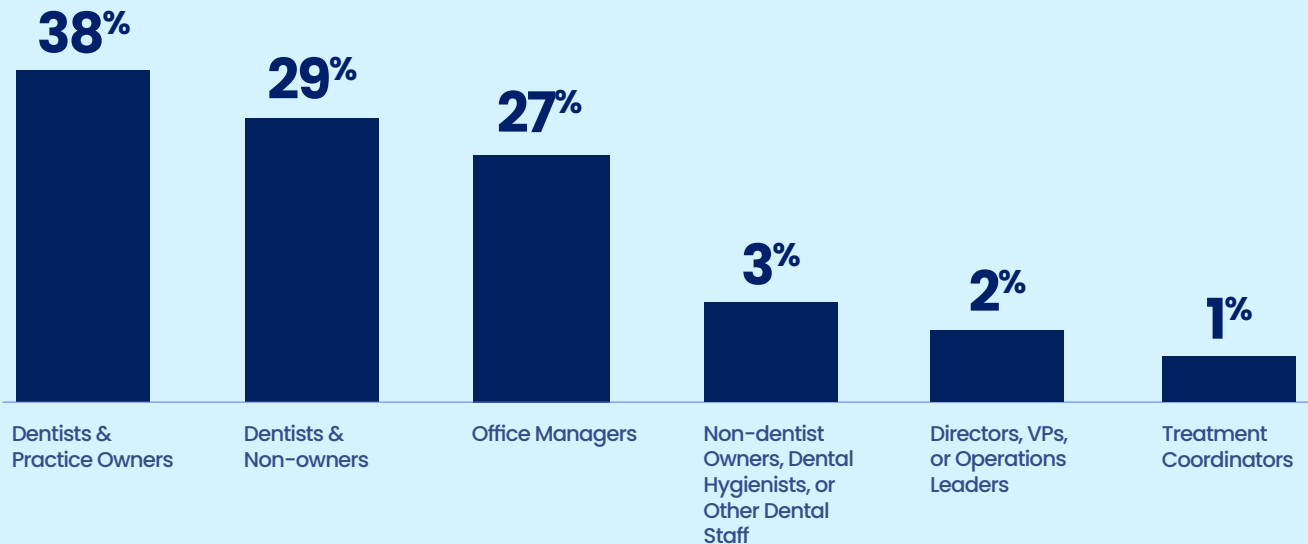
Sunbit surveyed nearly 400 dental professionals from August 1 to September 8, 2023. Approximately 67% of all respondents are dentists. 38% are practice owners, 29% are non-owners, 27% are office managers, 2% are directors, VPs, or operations leaders, 1% are treatment coordinators, and the remaining 3% are made up of non-dentist owners, dental hygienists, or other dental staff.

**Over three-quarters of respondents work at single-point locations, one-fifth work at 2-9 location emerging groups, and 4% work at DSOs with 10 or more locations.**

## Number of Practice Locations



## Survey Participants



# Economic Challenges Continue to Impact Patients' Treatment Decisions



Comparing data from our 2022 Annual Survey of Dental Professionals, this report reveals that the current financial landscape continues to present challenges for treatment acceptance. Notably, 80% of survey respondents this year indicated that the state of the economy has influenced patients' decisions to delay treatment, which mirrors the data from 2022.

Furthermore, the data shows a slight but significant shift in patient behavior. When asked if patients are forgoing treatment more often, 73% answered affirmatively, marking a slight increase from the previous year. This underscores the growing trend of patients delaying or avoiding dental treatment, potentially due to financial concerns.

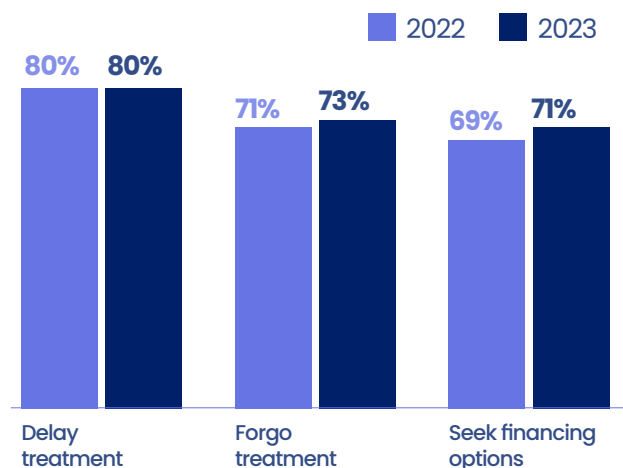
Additionally, our survey indicates that patients are becoming more proactive in seeking

**Our survey indicates that patients are becoming more proactive in seeking patient financing options.**

patient financing options. In 2023, 71% of respondents reported that patients seek these options more often than before, representing a slight uptick from the 69% reported the previous year. This suggests that patients are actively exploring financial solutions to address their dental needs, signaling an opportunity for dental professionals to offer flexible payment plans and investigate partnerships with financing providers to cater to this growing demand.

## Has the state of the economy/inflation influenced your patients' decisions to...

Those that answered yes:



# Insurance Reimbursements are a Major Concern

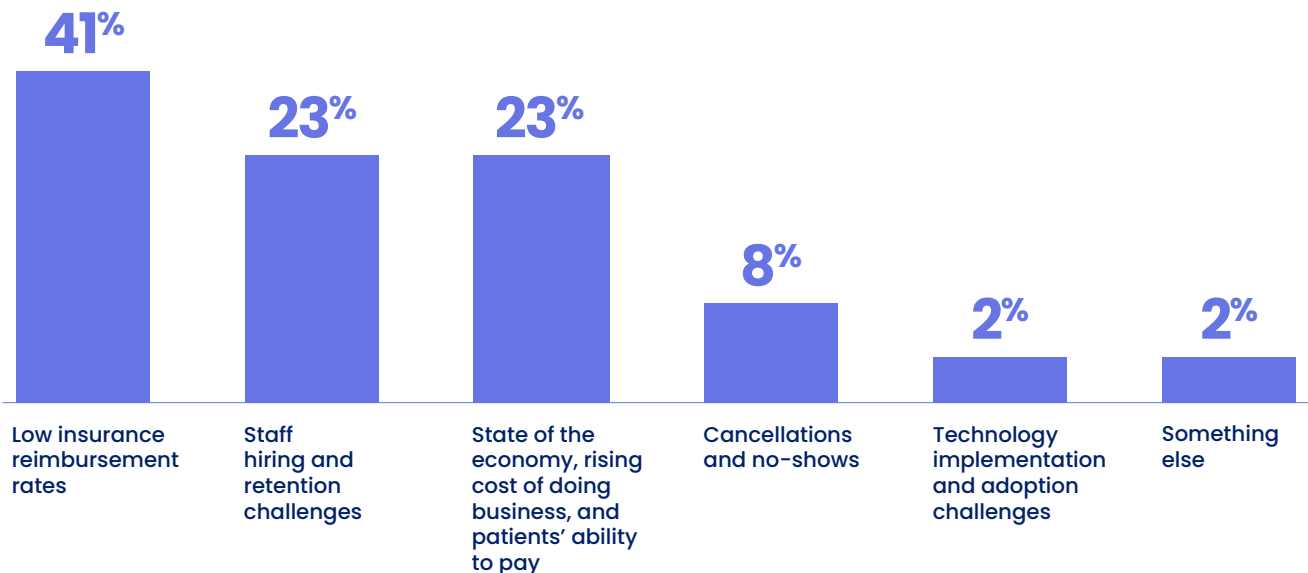
The predominant concern for dental practices, as expressed by 41% of survey respondents, is the low reimbursement rates from insurance companies. Tied for the second greatest concern was staff recruitment and retention challenges (23%) as well as the rising cost of doing business and patients' ability to pay (23%). In alignment with these concerns, a recent poll by the ADA's Health Policy Institute found that insurance reimbursement rates [remained stagnant](#) for dentists this year, creating financial strain for dental professionals.

Teams are also grappling with a [rise in operational costs](#) in various aspects of their practice, including supplies, staff wages, lab

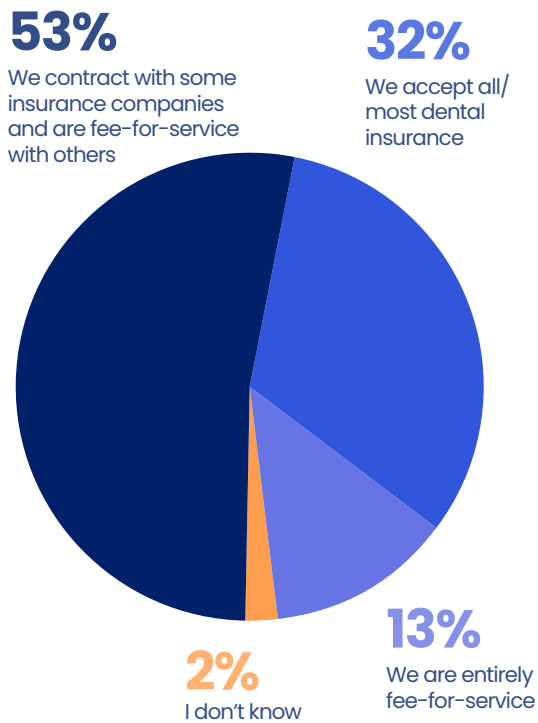
fees, personal protective equipment, and rent or mortgages. More than 42% of dentists reported a substantial 11-20% increase in these costs. This imbalance has intensified pressure on practices seeking innovative ways to boost their revenue streams.

Even with stagnant reimbursement rates, 85% of dental practices continue to work with at least some dental insurance companies. However, over a third of practices (35%) plan to take this reimbursement issue into their own hands by working with fewer insurance companies in the next 12 months. Only 7% say they plan to work with more insurance companies in the future.

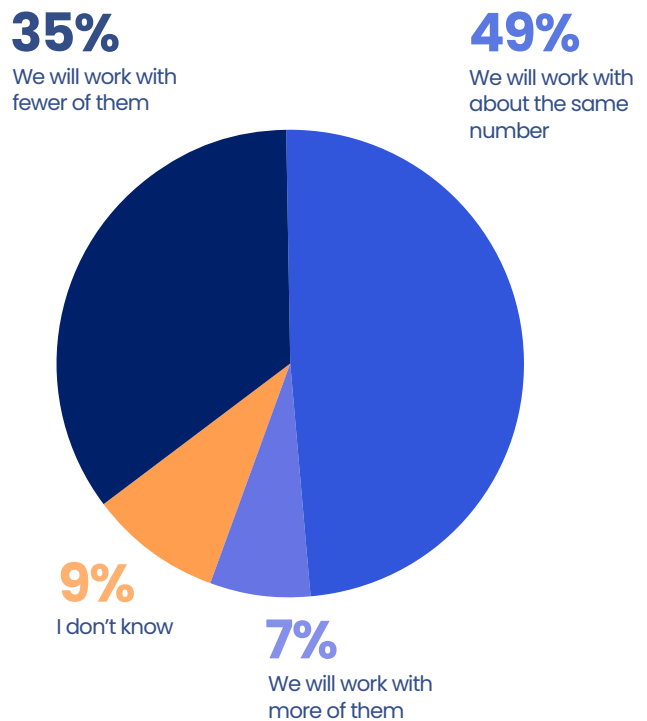
## What topic are you most concerned about for your practice right now?



### Describe Your Current Relationship with Insurance Companies



### Describe How Your Relationship with Insurance Companies will Change in the Next 12 Months



**“Insurance issues are a critical pain point for our members, so many of our legislative efforts focus on insurance reform. Success in these areas means a real difference to organizations’ insurance reimbursement and revenue.”**

**Andrew Smith**  
Executive Director  
Association of Dental  
Support Organizations





# More than Half of Practices Report Revenue Growth

Despite grappling with insurance challenges and rising operating costs, practices have demonstrated their resilience by devising innovative strategies to boost their revenue. Remarkably, more than 60% of survey respondents reported increased revenue over the past year. One-third of practices reporting growth experienced substantial growth of 20% or more, referred to in this report as “High Growth Practices.” The other two-thirds fell into the category of moderate growth, with their revenue growing by less than 20%—we will refer to these practices as “Moderate Growth Practices.”

Conversely, approximately 21% of respondents noted that their annual revenue remained unchanged (“No Change Practices”), while another 13% said their revenue declined in the last twelve months (referred to as “Decline Revenue Practices”).

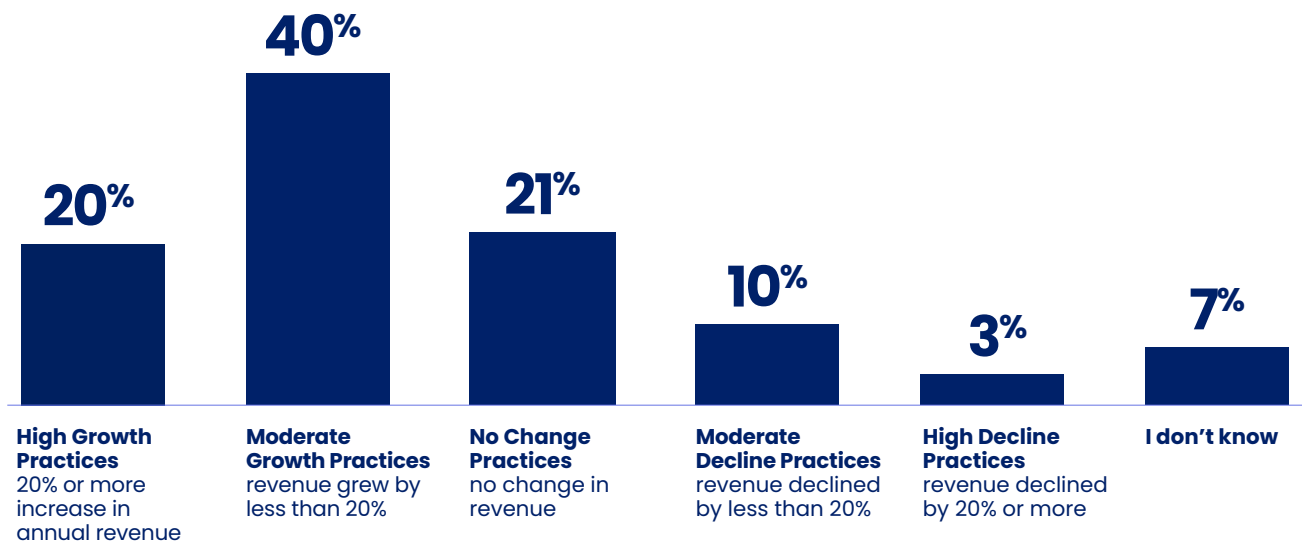
60%

of survey respondents reported increased revenue over the past year.

20%

of practices experienced substantial growth of 20% or more over the past year.

## Revenue Growth in Last 12 Months





# Dental Practices Leverage Patient Financing More Often

Dental professionals understand the financial challenges many patients face when it comes to deciding whether to proceed with treatment. In fact, the [number one reason](#) patients avoid the dentist is cost—regardless of income, age, or dental benefits. With [two-thirds of Americans](#) unable to cover a \$400 emergency expense, and the average [annual dental expenditure](#) much more than that, there is a massive need for patient financing. For dental teams seeking improved case acceptance rates, reduced no-shows and cancellations, and ultimately more revenue, patient financing has become an indispensable offering.

**With two-thirds of Americans unable to cover a \$400 emergency expense, and the average annual dental expenditure much more than that, there is a massive need for patient financing.**

Our Annual Survey underscores this need. Between 2022 and 2023, the percentage of dental teams without patient financing solutions dropped from 17% to 10%. There is also a growing trend toward offering two or more



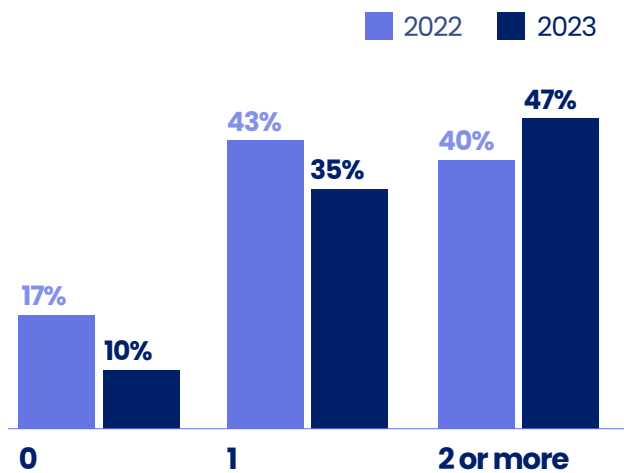


**There’s a growing sense of trust in patient financing. Presently, 66% of dental teams believe that providing swift, reliable, and secure financing options enhances the overall patient experience.**

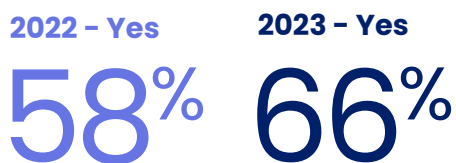
financing choices, with figures climbing from 40% in 2022 to 47% in 2023. This shift reflects the evolving landscape in dental practices, where diversifying financing options has become important in addressing the financial challenges patients and dental professionals face. Furthermore, it suggests that relying solely on legacy traditional financing options may be inadequate, underscoring the demand for newer solutions that approve more patients and offer a smoother, faster application process.

Moreover, there’s a growing sense of trust in patient financing. Presently, 66% of dental teams believe that providing swift, reliable, and secure financing options enhances the overall patient experience, a notable increase from the 58% reported in 2022. This trend is supported by data from [Sunbit](#), a patient financing technology provider, which reveals that patients feel even more trust; a considerable 91% of patients using Sunbit express satisfaction with their experience. This impact extends to practices’ bottom lines. The same Sunbit patient survey shows a substantial 58% increase in treatment acceptance when financing options are offered.

**Number of Patient Financing Options Offered**



**Does offering fast, safe, secure patient financing improve the overall patient experience?**



**“The biggest barrier to starting treatment for patients is financing. With Sunbit, we have been able to approve more patients and get them the smile they deserve.”**

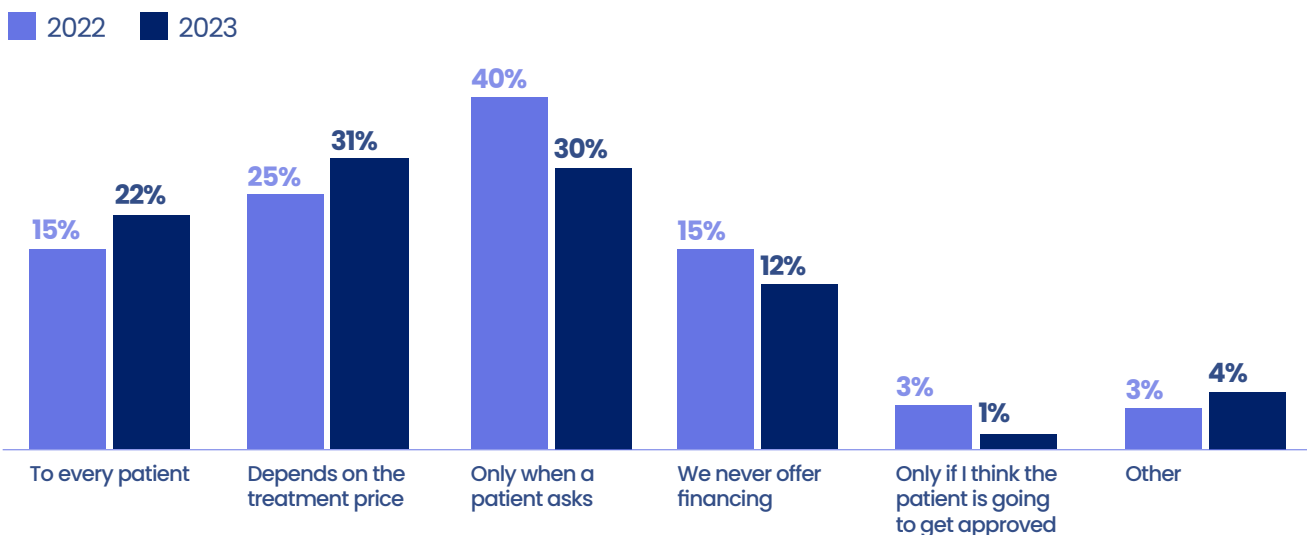
**Caitlin Maehr**  
 Vice President  
 of Operations  
 Areo Dental  
 Group



Dental practices are experiencing the impact that patient financing can have on treatment acceptance, especially with innovative solutions that can be easily integrated into the case presentation process. As a result, patient financing is being offered more often. Of note, in 2022, only 15% of survey respondents said they offered financing to every patient, whereas

today, 22% do. Additionally, today dental teams are less likely to offer patient financing only when a patient asks (30%) compared to 2022 (40%). While there is still considerable work to do, it's promising to see the growing trend of financing being offered to all patients so they know all their options.

### How often do you offer patient financing?



# Technology Adoption Has Room to Improve

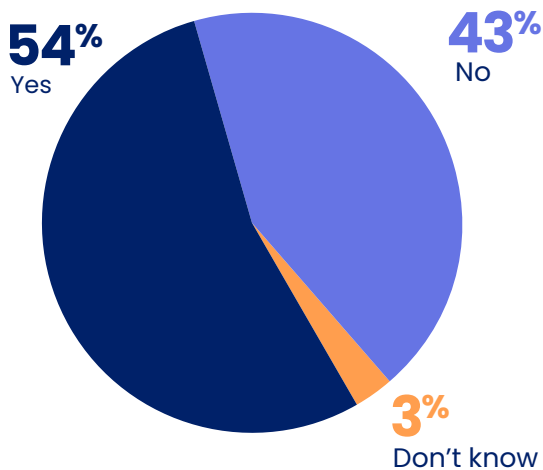
More than 43% of survey respondents have not implemented new technology in their practice in the last year. This could imply either that they were early technology adopters, having previously introduced new solutions before this year, or they might be technology “laggards”, approaching innovation with caution and skepticism, even when more efficient options are available.

However, half of survey respondents intend to introduce technology into their practices within the next year, while 26% still need to determine their future adoption plans. The sizable portion of respondents expressing uncertainty about future technology adoption underscores the level of caution that dental

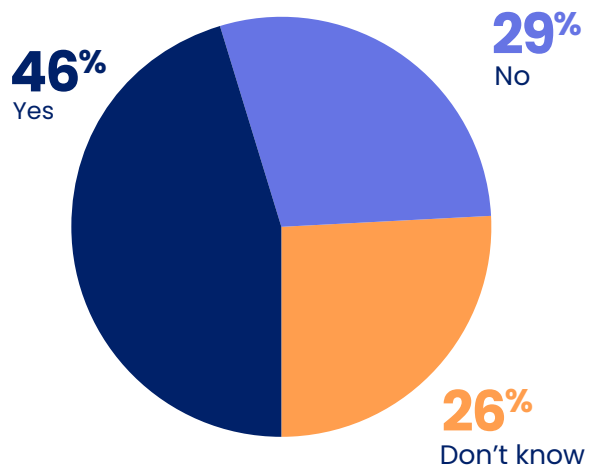
teams may carry with them as they evaluate new solutions. It also sheds light on the potential ambivalence, fears, or constraints that may hinder the implementation of new technology. However, it’s worth noting that they may not fully grasp that the advantages of technology adoption often outweigh potential drawbacks.

Among those practices implementing technology, diagnosis and clinical technology are implemented most often (35%), followed by practice management software (18%), patient communication and experience technology (16%), and patient financing and payment technology (15%).

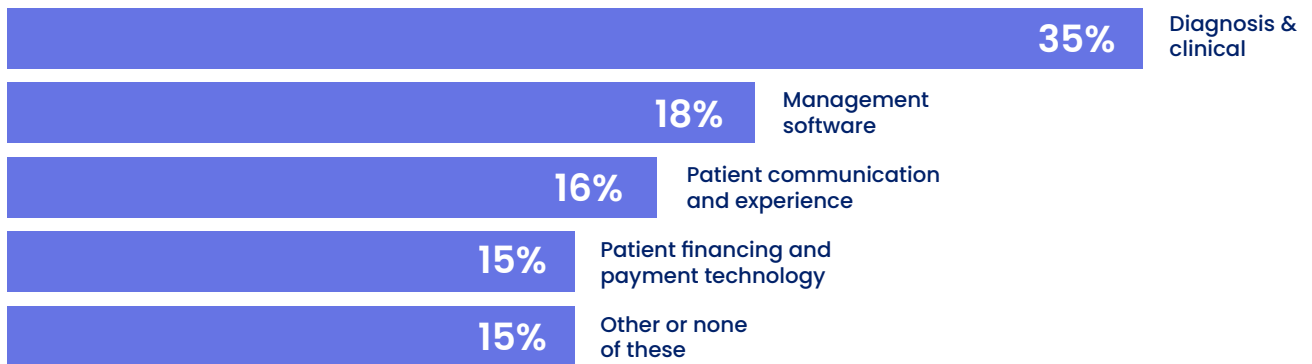
**Have you added technology to your practice in the last 12 months?**



**Do you plan to add new technology in the next 12 months?**



### Types of Technology Practices Have Implemented in the Last 12 Months



Among survey respondents who incorporated technology into their practices within the past year, the leading driver behind this decision was the pursuit of improved clinical outcomes, with 53% of respondents ranking this as their foremost motivation. The second most crucial factor was enhancing patient satisfaction, as indicated by 14% of respondents. Saving time closely followed, with 13% placing it in the top spot. Notably, the desire to increase revenue did not emerge as a top priority, ranking fourth in importance

## The leading driver behind incorporating technology into practices is the pursuit of improved clinical outcomes.

among the reasons for adopting technology in their practice. However, many practices recognize that improved clinical outcomes, increased patient satisfaction, and time-saving benefits can indirectly contribute to financial growth and stability.

### In what order of importance would you rank the following reasons for implementing technology in your practice?

- Most Important
- 2<sup>nd</sup> Most Important
- 3<sup>rd</sup> Most Important
- 4<sup>th</sup> Most Important
- 5<sup>th</sup> Most Important

#### Better clinical outcomes



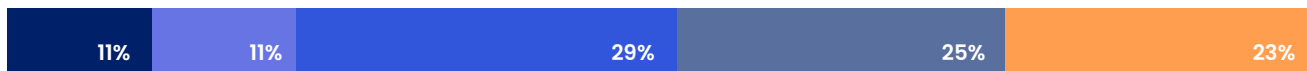
#### Increased patient satisfaction



#### Save time



#### Increased revenue



#### Less team burnout/stress



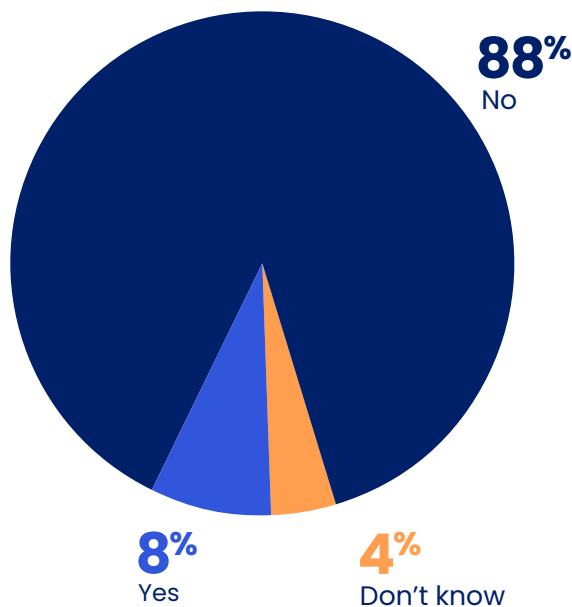


# Slow Onset in Leveraging Generative AI

It would be remiss not to address the topic of artificial intelligence (AI), considering the attention it has garnered in the last year. With generative (content-based) AI chatbots like ChatGPT, Google Bard, and Jasper gaining widespread recognition, alongside the growing use of dental-specific AI for clinical diagnostics, it's evident that AI has firmly established its presence. Yet, the question remains: to what extent has the dental industry embraced this transformative technology?



**Do you use ChatGPT, Google Bard, or another similar generative AI technology for your practice?**



**The low usage of generative AI may be due to the lack of awareness of these tools or simply not understanding the ways they may be leveraged.**

Currently, only 8% of dental practices are leveraging generative AI, such as ChatGPT, Google Bard, or another similar technology. These tools are employed for various purposes, including drafting job advertisements, generating blog posts, editing emails, formulating Standard Operating Procedures, brainstorming ideas for social media posts, and serving as virtual assistants. The low usage of generative AI may be due to the lack of awareness of these tools or simply not understanding the ways they may be leveraged.



# High Revenue Growth Practices Act Differently

When stratifying survey respondents by their revenue growth rate over the last 12 months, it's clear that High Growth Practices—those that saw revenue grow by 20% or more in the last year—exhibit unique behaviors and hold different belief systems compared to their counterparts:

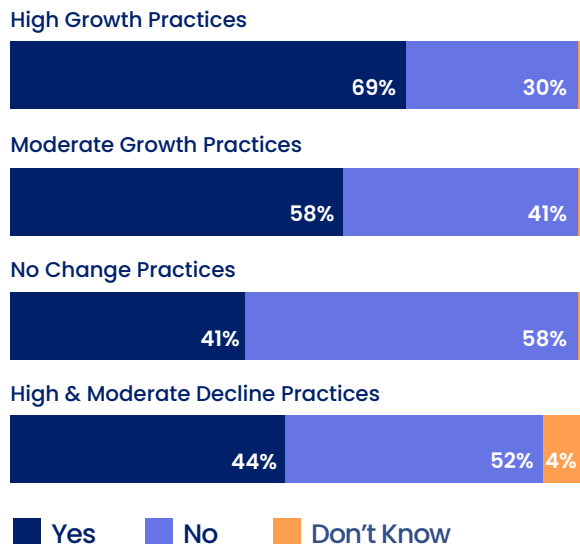
## When it Comes to Technology Adoption

When asked about recent technology adoption in their practices, 69% of High Growth Practices confirmed such adoption, compared to 44% of practices that experienced a revenue decline in the last year. Interestingly, those with no revenue change showed the lowest rates of technology adoption in their practices (41%). This phenomenon could stem from their contentment

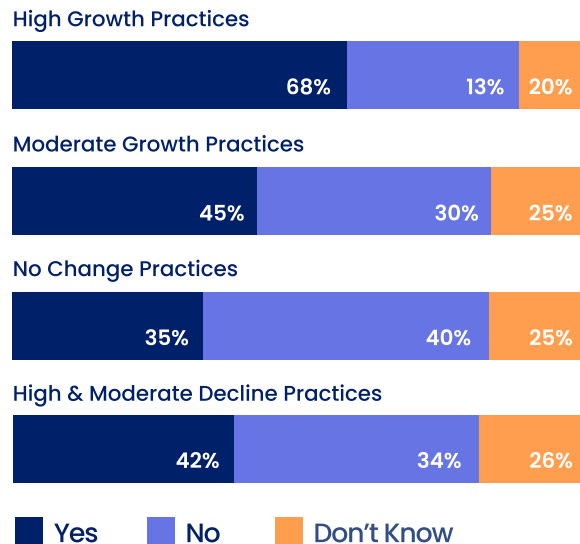
with their revenue and business operations, which might lead them to be somewhat reluctant to embrace technology, perceiving it as more troublesome to implement or potentially costlier than it's worth.

The trends persist when looking at future technology adoption. When asked about their intentions to introduce technology into their practices over the next 12 months, 68% of High Growth Practices expressed intent to do so. This is a strikingly higher percentage than every other revenue group, including 23% higher than practices that saw moderate revenue growth last year and 26% higher than practices that lost revenue last year.

### Have you added technology to your practice in the last 12 months?



### Do you plan to add technology in the next 12 months?



**“As a Practice Manager juggling many different tasks, technology has enabled our team to operate with greater efficiency and higher satisfaction, directly impacting the patient experience, our operations, and the overall prosperity of our practice.”**

**Leslie Lytle**  
Diplomate  
American Association of  
Dental Office Management

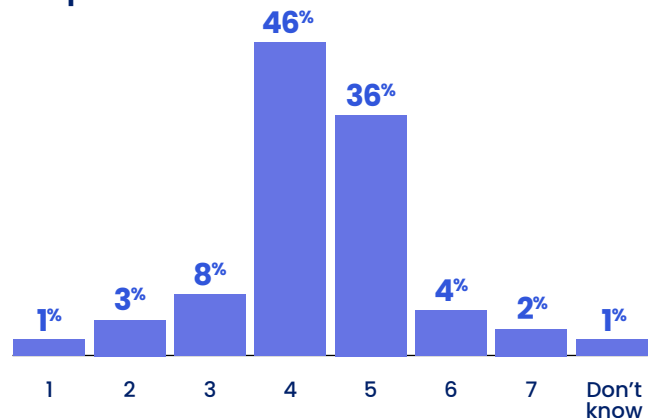


What’s driving technology adoption among High Growth Practices? It appears to be their steadfast commitment to modernization, driven by a determination to advance patient outcomes, enhance satisfaction, and optimize time management. These practices recognize that technological advancements in the dental field can lead to more precise diagnostics, improved treatment planning, and ultimately better patient results. Moreover, the understanding is that integrating technology into daily operations can streamline administrative tasks, reducing wait times and enhancing the overall patient experience. In essence, for high-revenue dental practices, technology is not merely an option but a strategic imperative for maintaining their position at the forefront of dental care, all while ensuring patients receive the best possible treatment.

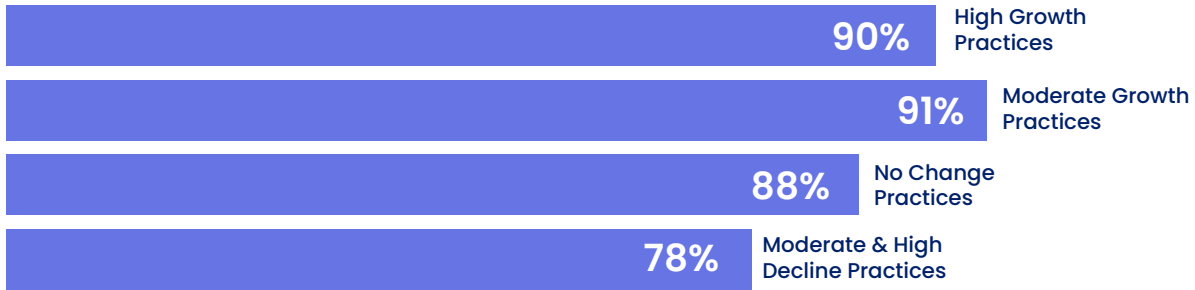
### **When it Comes to the Number of Days per Week Seeing Patients**

While 88% of dental teams in total see patients at least 4 days per week, 91% of practices that increased revenue in the last 12 months see patients at least 4 days a week, compared with 78% of practices that lost revenue. It should be no surprise to dental professionals that the more days available to see patients, the more likely you are to increase your revenue.

#### **How many days a week do you see patients?**



### Percentage of Practices Seeing Patients 4 Days or More by Revenue Level



### When it Comes to Leveraging Generative AI

In terms of utilizing AI, only 8% of practices are currently doing so. High Growth Practices, however, are over four times more likely to adopt generative AI than practices experiencing revenue declines in the past 12 months. They are also eight times more likely to

leverage generative AI than practices that saw no change in revenue in the same timeframe. This trend is driven likely by their proactive stance on innovation and a commitment to enhancing efficiency and productivity. Despite the initial learning curve, they recognize and have an interest in the potential benefits, including improved patient communication,



## High Growth Practices are 4X as likely to use generative AI than Declined Revenue practices.

streamlined administrative tasks, increased office output, and enhanced diagnostic capabilities. These practices position themselves as early adopters in the dental industry, aiming to stay at the forefront of technological advancements, ultimately improving the quality of care and the financial performance of their practice.

### Do you use ChatGPT, Google Bard, or another similar generative AI technology for your practice?

High Growth Practices



Moderate Growth Practices



No Change Practices



Declined Revenue Practices



■ Yes ■ No ■ Don't Know

**“I save time and money by using AI technology like ChatGPT to create and optimize my websites and content while presenting a professional and polished online presence. The days of my team spending time on content creation, social media posts, and optimization are almost over, thanks to the cutting-edge technology provided by companies like ChatGPT.”**

#### Dr. Kathryn Alderman

CEO & Founder  
Progressive Practice  
Solutions and Nebraska  
Family Dentistry



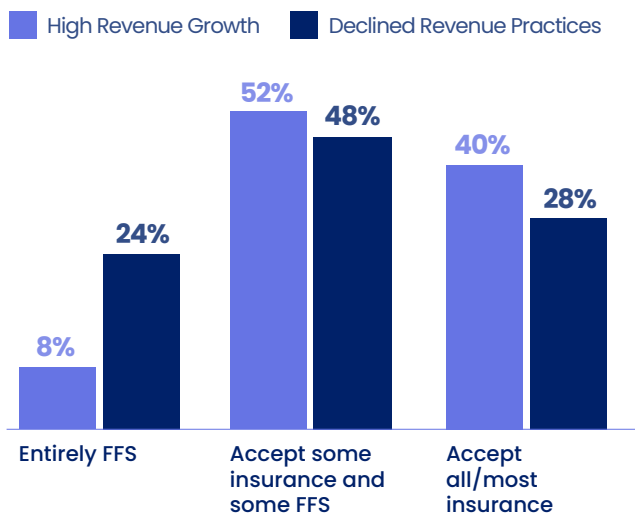


### When it Comes to Relationships with Insurance Companies

Practices that lost money in the last 12 months are three times as likely to be entirely fee-for-service (24%) as compared to High Revenue Growth Practices (8%). Additionally, 40% of High Growth Practices accept all or most insurance, compared to 28% of practices that lost revenue

**65% of dental patients ranked finding a dentist that accepts their insurance as the most important consideration when selecting a dental practice.**

### Practices' Current Relationship with Insurance Companies



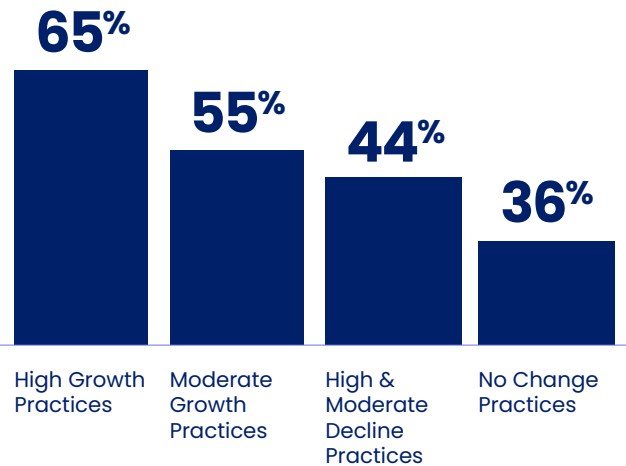
in the last 12 months. This contrast suggests that High Growth Practices may strategically align themselves with multiple insurance plans to enhance their competitive edge, effectively catering to a broader patient base. This approach not only appeals to patients seeking the convenience of insurance coverage but also extends accessibility to those who may otherwise face financial barriers to dental care. This resonates with Sunbit's annual customer survey results, which found that 65% of dental patients ranked finding a dentist that accepts their insurance as the most important consideration when selecting a dental practice.

## When it Comes to Patient Financing

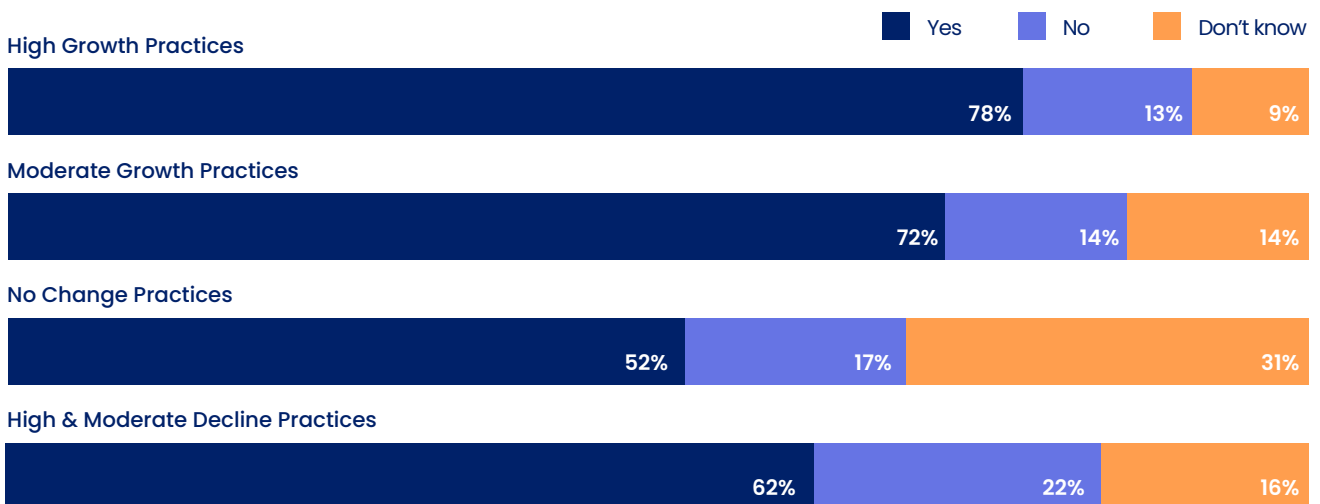
High Growth Practices are most likely to believe in the positive impact of fast, safe, and secure patient financing on the overall patient experience. This is unsurprising when you consider that 68% of High Growth Practices offer at least two patient financing solutions, significantly more than the 50% of practices that lost revenue in the last 12 months and the 37% of practices that experienced no change in revenue in the same timeframe. Furthermore, 65% of High Growth Practices are at least somewhat satisfied with their patient financing options, compared to 44% of practices that lost revenue. Practices with no change in annual revenue in the last 12 months had the lowest satisfaction levels (36%).

## Satisfaction Level with Patient Financing

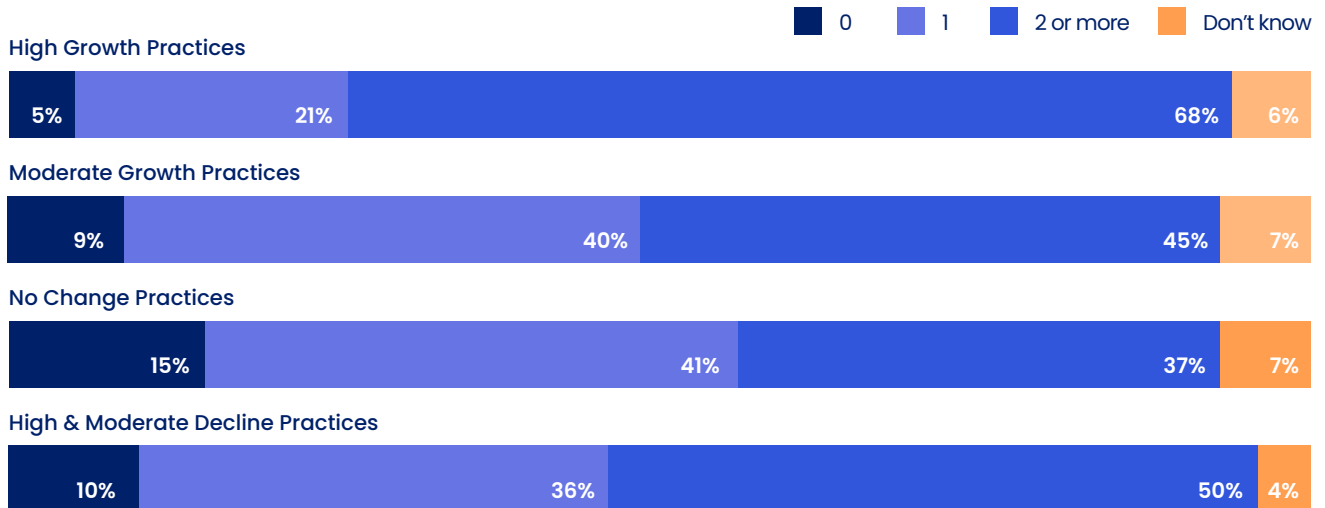
Practices that are at least somewhat satisfied:



## Does offering fast, safe, secure financing solutions improve the overall patient experience in your practice?



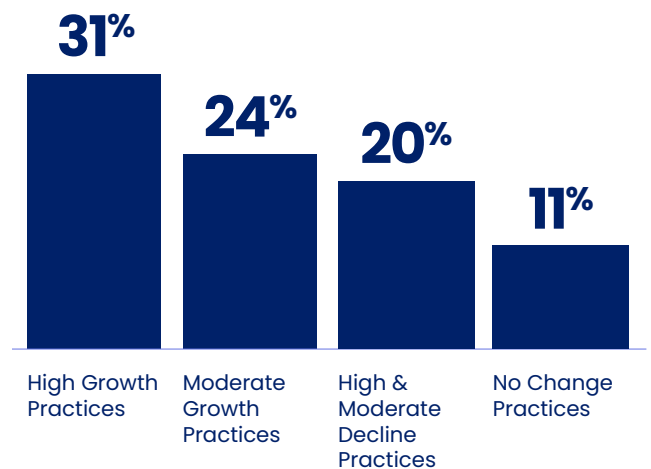
### Number of Patient Financing Options Offered By Revenue Growth Group



### High Growth Practices are the most likely to offer patient financing.

Additionally, the same trends continue when we look at how often financing is offered to patients. High Growth Practices are most likely to offer patient financing, with 31% saying they offer it to every patient, whereas 20% of practices that lost money in the last 12 months said the same. It is also interesting that practices that indicated no change in revenue in the last 12 months were the least likely to offer patient financing, with only 11% saying they offer it to every patient.

### Percentage of Practices That Offer Financing to Every Patient





**“In my office, we mention financing to every new patient during their intake phone call. When you offer your patients financing options for any type of treatment, they will be more likely to accept the treatment they need. Always offer financing!”**

**Daniel Schriftman**  
Business Manager  
The Philadelphia  
Dentist



What explains the association between revenue growth and 1) offering patient financing, 2) satisfaction with financing, and 3) the number of financing solutions offered? For one, higher revenue practices may be more likely to appreciate that patient financing reduces financial barriers to care, and by offering financing options, they can assist patients in managing the cost of necessary procedures, which in turn encourages patients to seek timely and complete treatment. Secondly, patient financing can help enhance patient retention rates. High-revenue practices understand that patients are more likely to stay with a practice that provides flexible payment options, ensuring they can continue to receive ongoing care and maintain their oral health.

**High-revenue practices understand that patients are more likely to stay with a practice that provides flexible payment options.**

# Embracing Innovation: Paving the Path Forward

While it's been a difficult economic climate further amplified by a lack of insurance reimbursement increases, there is opportunity for dental practices to thrive in today's market. It's clear that dental practices are still seeing

success, with many reporting revenue growth over the last 12 months. Drawing insights from our survey data and the experiences of your peers, here's how you can achieve growth:

- **Adopt technology** that helps modernize your practice to improve clinical outcomes, increase patient satisfaction, and save time.
- **Explore generative AI** to streamline your administrative tasks and save money and time on your marketing initiatives.
- **Ensure that patient financing options are readily available for every patient** who walks through your doors, as some may not vocalize their need for it.
- **Accept insurance if you can**, but if you move to a fee-for-service model, ensure you offer patients flexible ways to pay by offering financing to all patients.
- **Consider transitioning to a schedule that allows you to see patients four or more days per week**, optimizing your practice's availability and patient engagement.

For more information on how you can streamline your patient financing process with a single solution that optimizes speed, inclusivity, and ease of use, schedule a demo at [sunbit.com/dental](https://sunbit.com/dental).

[Learn more](#)

The Annual Survey of Dental Professionals was conducted by Sunbit from August 1–September 8, 2023 with 393 dental professionals. The Annual Customer Survey was conducted by Sunbit from June 12–June 20, 2023 with 1,816 respondents. Loans are made by Transportation Alliance back, Inc., dba TAB Bank, which determines qualifications for and terms of credit.

