

Financial Management in Dentistry

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The nature of medical and dental claims can vary, but generally medical notifications focus more on communication issues, procedural concerns and broader matters such as contractual and workplace concerns and disputes and boundary violations.

In the dental environment, however, a major factor behind notifications often relates to procedural errors, the lack of communication relating to this outcome, as well the issue of financial management, where a refund or the cost of remedial treatment is involved.

As the financial aspect is a major driver in dental notifications, when providing advice to members about communicating with patients, it is recommended that discussions involving a third party such as an insurer is avoided as once an insurer is involved, the financial impact can escalate.

A review of more recent dental claims would indicate that whilst the majority have a modest financial impact, compared to some medical claims, there is a small segment of practitioners who seem to incur larger claims, on a repeated basis, often involving similar treatment. It may be a consideration for MIPS to focus on certain practitioners where there is already a pattern of increased risk behaviour.

Trends

Certain trends have become more visible at MIPS, particularly in the last two to three years and these do not appear to be transient, but rather ongoing, including:

- Increased uptake of additional/external funding to pay for dental treatment. The offer of loans to fund treatment, along with other mechanisms such as early withdrawal of superannuation, raise concerns as the patient tends to be more critical of the treatment outcome if money has been borrowed to fund the treatment. Current statistics highlighted in [This Dental Week, 25 Aug 2022](#) from the indicate annual superannuation withdrawals in the order of \$1.6b to fund medical and dental treatment, with the figure steadily increasing.
- An increase in the need for solicitors to be appointed, due to matters progressing along the legal pathway more frequently.
- Longer delays and more unpredictable outcomes in the area of regulatory complaints. Notifications to the regulatory bodies (HCCC, OHO, Ahpra and others) are often being used as a “sounding board” or precursor to intended legal action. Whilst 65+% of matters result in no further action, the rationale for this can sometimes be difficult to follow, particularly when a similar matter may result in conditions being placed or other sanctions as highlighted in the [Ahpra Annual Report 2020-21](#). Many dental members report that the investigation process is both disturbing and protracted, with some matters taking months or even years before an outcome is reached.
- Member queries relating to issues such as scope of practice. The Dental Board of Australia has become less prescriptive regarding the scope of practice, while the range of duties and treatment options has consistently expanded. Members often turn to their indemnity provider for guidance and direction, which is outside of the scope of advice we can provide.

The dental space is indeed a very small part of the medical indemnity area, but one where there are issues peculiar to dentistry, and notifications where the financial aspect of treatment and patient management are often of paramount importance.

Any queries, [contact MIPS](#)

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