9 Steps to More Dental Patient Referrals

a report for dental specialists

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Referrals Are Key to the Financial Success of Your Dental Practice

Referrals from dentists, physicians and other health care providers are essential to the financial well-being of your dental practice. You know how important referrals are to the short- and long-term success of your practice. You probably also know that the only way to reap those rewards is to make proactive and strategic patient referral marketing part of your business process.

Referrals are a major factor in the way many of the most successful dental specialists have built their practices. A nationwide health care survey found that 70% of patients choose a specialist as a result of a referral. Studies also show that referred patients tend to be more profitable to practices than nonreferred patients.

While some specialists fare well at generating quality referrals, many indicate they are not consistently getting enough of these qualified, high-value leads to grow their practices. This special report is an in-depth look at nine proven steps to measurably increase your high-quality patient referrals.

1. Benchmark and Set Goals

The success of your patient referral program begins with benchmarking and setting goals. Proper planning and reliable measurement criteria are fundamental to the process. To begin, determine the number of patient referrals you receive in an average month. Then calculate the value of those patient referrals based on standard revenue metrics for the most common procedures you perform on referred patients. Use data over the most recent 12 months to create your benchmark.

Next, thoroughly evaluate your historic referral pattern. When were you most successful at generating the highest value referrals? Try to determine the reasons for the best periods. Maybe it was a specific relationship with a referring dentist or physician, or perhaps there were fewer competing specialists in your community. Maybe you were doing more to proactively market yourself to referring health care providers, or certain procedures were more common in previous years.
Then determine whether and why those referrals have declined. This may be a pain-ful part of the process, but it is important. Perhaps communication with referring practitioners was poor, or some key sources retired. Maybe you were too busy to provide feedback on the status of patients or did not make this a formal process. Aim to be honest and identify these pitfalls so you can avoid them with your newly refined patient referral program.

After reviewing your benchmark numbers for the past year and your peak referral numbers, set your **future goals**. Be realistic. Look at the number of dentists, physicians and other referring health care providers in your practice area. Apply any market intelligence data you have, such as the number of patients in your area seeking services like yours.

Establish an **ambitious yet attainable** goal. These numbers will increase as you nurture and build your relationships with other health care providers. It is unrealistic to jump from five referrals in May to 20 in June. Instead, begin with your benchmark of five. Anticipate one or two more per month as you begin to build the program. Some months will peak, and others will level off. Look at the numbers over the long term instead of at an individual month.

For the most meaningful goal, you must also factor in the anticipated revenue for these patients. The best referrals are probably the ones that represent the biggest or most intensive procedures. Include patient lifetime value\(^2\) in your projections. Your goal will not be simply to increase the number of new patients but to increase their overall value.

### 2. Target

Targeting the most appropriate referral providers and their patients is a critical success factor of this program. First, ask yourself what types of patients would you most like to be referred to your practice and then, who is in the best position to refer these patients to you? The answers to these questions depend in large part on your area of expertise and your particular interests.

Also, it is very helpful to look once again at your historical data. Who provided you with the best patient referrals? Was it one or two general dentists or perhaps a certain group of dentists or physicians? Maybe certain populations were referred to you most commonly. Look for common themes among the referral providers.
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Next, look at the types of referrals you received. Perhaps you received five patients from one dentist. You received only two from a pediatrician, but those referrals turned into patient lifetime values that exceeded all five from the dentist. Consider both quantity and quality.

**Do your homework**

It is important to understand the best opportunities for your specialty. For example, pediatric dentists may get better quality referrals from pediatricians and family medicine physicians than they do from other dental specialists. By focusing their outreach on other dentists, they may miss out on better opportunities. Cardiologists who understand the connection between heart disease and periodontal disease may be valuable referral sources for periodontists, for example.

When building your professional referral network, think broadly and creatively. Apply what you know about trends in your specialty. For periodontists, research concludes that a substantial percentage of general dentists refer very few patients for periodontal treatment. Periodontists should know that general dentists who refer a greater number of patients report feeling less prepared by their dental education compared with dentists who refer fewer patients.³

Referrals from other specialists should not be overlooked. For example, prosthodontists routinely refer patients to endodontists, periodontists and oral surgeons for specialty care. A network of specialists who refer to one another can be very rewarding.

Dental specialists need to think innovatively. One example is a periodontist giving grand rounds at a hospital, focusing on the relationship of periodontitis and obstetrical outcomes, or periodontitis and cardiovascular disease.

Also consider the professionals you have approached for referrals, but who have not given you any. Do you have any knowledge of why they have not referred your practice? They may have trusted partners who compete with you, or they may prefer to perform most procedures themselves. One of the best ways to gather market intelligence is to ask straightforward questions. Ask about the procedures they most frequently refer out. If they have patients requiring services you can provide, ask why they do not send them to you.

If they are sending patients to other specialists, try to find out why you are not on the short list. The referral source may perceive that a competitor performs more advanced procedures or has a superior staff. Perhaps a competitor whom the doctor values highly communicates effectively with the referring doctor.
By asking the right questions and doing your homework, you will establish which professionals are good sources for referral initiatives and which ones are not. Your next big referral source may be in an office across the street and may just need some careful nurturing. How do you do that?

3. Develop Your Message

Once you have identified your targets, you must reach them with a meaningful message. The secret to getting more high-quality patient referrals is not simply to tell general dentists, physicians and other health care providers about your specialty. You must tell them why they should trust their reputations and patients to you.

The first step in developing an effective message is to clearly define your ideal market. Importantly, you must communicate this so it benefits referring providers. Develop a single concise sheet consisting of three key elements:

▲ The types of patients you help.

▲ Why you are the top choice for your procedures. Remember, other professionals are competing for your services, and a general dentist may prefer to do the procedure. You can briefly address the cost-effectiveness and reduced patient risk of referring procedures to you.

▲ How you take the absolute best care of your trusted referrals. Discuss how you communicate to their office throughout patient care and how you work collaboratively with referring doctors.

This approach will help boost your referrals. Remember, it is up to you to make referring patients easy for your partners.

It is also your responsibility to shape perception. If professionals in your region have many choices, they will tend to break specialists into categories. For example: One oral surgeon is best with patients presenting oral lesions. Another one can be trusted with difficult cases, but communicates poorly and slowly. The referring health care practitioner may not have used the third surgeon much but knows the office works with a lot of newer and leading-edge technology.

When you represent your areas of strength to referring practitioners, be accurate and honest. If you position yourself as excellent in difficult cases but are unable to solve their patients’ problems, future referrals will be jeopardized. If you tell the referring
dentist or physician that your staff functions smoothly and quickly, but the referral source has to wait weeks for a report, they will likely send patients elsewhere next time.

Consider their risks, build their trust

Your message may focus on helping general dentists understand the risks associated with attempting to do some procedures themselves. According to the American Association of Endodontists (AAE), “The decision that has the greatest impact on the quality of patient care during endodontic treatment is the decision whether or not to refer.”

To prevent treatment errors that cause unnecessary complications, the AAE has developed a Case Difficulty Assessment Form, available on the AAE Web site. While it is designed for endodontists, many specialists can adapt it to help potential referring dentists make decisions about when to treat patients themselves and when to refer them to a specialist. By providing such a resource, you will build trust.

In addition to trusting you to perform quality care, referring dentists also need to believe you will not administer treatments they would prefer to provide to patients they send you. Your collaborative approach should be part of your message and your practice.

While recent research finds that almost all specialists refer their patients back to their referring dentists for treatment, dentists reported being most critical of prosthodontists and periodontists for not referring patients back. Dentists were happiest with oral surgeons, orthodontists and endodontists.

Also, if the specialist determines that additional procedures are indicated but have not been requested by the referring dentist, the referring dentist should be consulted. For example, if a patient is referred for endodontic treatment on one tooth, and the endodontist discovers that another tooth also needs endodontic therapy, the referring dentist should be consulted. Dentists will refer to partners they can trust to both care for their patients and to share them.
4. Accumulate and Augment Data

The first three steps address the strategy for building a successful patient referral program. Steps four and five focus on key elements of execution that will make or break your carefully crafted strategy.

Once you have considered your potential referral sources, all necessary data must be entered into your contact management database. You can purchase a list of practitioners in your geographic area, or WPI Communications can help you compile one. Lists can best be segmented by practice type and geographic location.

Whether you use an ACT!® database or another program, the data you collect will be essential to manage your referral-generating program. Over time, you can make this list far more valuable by augmenting it with additional data. Any compiled or purchased list generally will include basic contact information. However, you and your staff should try to add the following:

- ▲ Names of key staff people
- ▲ E-mail addresses
- ▲ Fax numbers
- ▲ Birthdays
- ▲ Web site addresses
- ▲ Cell-phone number
- ▲ Home address of the practitioner (great for seasonal greetings)
- ▲ Spouse’s name
- ▲ Any notes about the nature of the practice

Then, once you start receiving referrals, you would be well served to record

- ▲ Data on each referral sent to you
- ▲ Preferred method of communicating patient status
- ▲ Relevant notes on handling referrals

Please note: It is critical to ask new patients how they heard of you so every referral and source is captured and properly acknowledged. If you do not record your referral sources, you will have no way to judge how to spend your resources to generate more referrals.
5. Manage Data and Referral Process

Your office should institute a practice of updating contact information every six months so data does not become obsolete. When possible, use this as an opportunity to thank each office for the referrals they have sent you. Keep in mind that it is almost as important to build strong relationships with the support staff of the office making referrals as it is to establish a strong connection with the health care provider. Unhappy staff members can easily torpedo the referral-generating process.

It is absolutely critical that the database includes details on the referral management process. This will be unique for each dental or medical office. To maximize referrals, you need a seamless process. Failure to communicate promptly and accurately about a patient may result in losing future referrals from that office. Follow these steps for the best treatment for your patient—and your relationship with that dentist:

**Acknowledge all referrals.** Demonstrate that you value referrals by thanking the referring professional quickly after the patient makes an appointment or comes to your office.

**Get the details.** Ask the right questions to be sure you understand each patient’s condition and medical history. Research has found that general dentists often do not share important health concerns when they send patients to specialists. Awareness of conditions is critical.8

**See the referred patient as soon as possible.** Your staff must make prompt scheduling of referred patients part of their process. If you do not see a patient in pain almost immediately, you are unlikely to get additional referrals.

**Inform the referring dentist about your treatment plan.** Proactive communication is essential. No dentist or physician wants to be caught unaware of treatment recommendations or treatment to actually provide when that patient returns to the office.

**Provide appropriate feedback.** Work with each office to identify its preferred format for feedback. Some will prefer e-mail while others will request a phone call or letter. Continue to provide status reports to update the patient’s progress.

**Capture performance feedback for your office.** You can ask the dentist for feedback on the patient’s experience at your office and the quality of care received. This will demonstrate your commitment to excellence. It will also enable you to identify problem areas and correct them. You might even want to consider conducting an exit survey of patients. It is far better to learn about a perceived problem or difficulty from a patient than to learn about it from the referring health care practitioner.
Communicate to the patient that you think positively about the referring health care provider. One great practice, when practical, is to telephone the referring dentist or physician right in front of the patient to indicate that the initial diagnosis was accurate. Making the referral source look good in the eyes of the patient is a sure way to get more referrals.

Be certain to return the patient to the referring health care provider. One sure way not to get future referrals is to keep the patient or send him or her to another general dentist.

6. Build Your Referral Network

At this point you will have your goals and targets established, your message clear and your data collection process in place. Next comes promoting your practice. Here are some ways to get the word out, particularly with professionals who have not sent you patients.

Drop by their office. This is a fairly easy initiative. Your database will tell you each practice’s office hours. Try to stop by during nonpeak times. Even if the dentist is not available, you will be able to introduce yourself to the front office staff. Have your referral information sheet handy; treats like bagels, doughnuts and cookies are always a good idea.

Schedule a meeting. The more access you get to the referring doctor, the better the opportunity you will have to build a relationship. The best option is to schedule a breakfast or lunch meeting. If that will not work, consider bringing in lunch for the staff and arranging to talk with the dentist while you are there. Bringing in lunch for the staff will win big points with this influential crowd.

Study clubs. If you do not already belong to a study club, start one. This type of learning environment can really cement referral relationships.

Society meetings. Use local or regional dental society meetings to speak with referral sources. These are great opportunities not only to meet potential referrals sources but to strengthen existing relationships.

Special events. There are many event options to influence referral sources. You can treat colleagues to a reception in your office or at a restaurant. Use this opportunity to pamper dentists and other professionals and demonstrate that you value them. Tell
them about new developments in your specialty or your office. Keep these comments short, and focus on how you can help their patients. You can also use this to say “thank you” for the patients some have sent your way.

Lunch and learns are also popular and are a good way to impress other professionals with your expertise and professional knowledge. According to WPI Communications’ Dental Marketing Barometer Survey, lunch and learns are most popular with periodontists, oral surgeons and endodontists. Many specialists find these educational sessions valuable to position them as competent professionals.9

7. Recurring Communications

Consistent communications will enable you to stay top of mind with dentists and ahead of other specialists. The standard metric is that at least seven exposures to a company, product or service are required before any action is taken. In addition to the referral sheet and Case Difficulty Assessment Form described in step three, here are some of the most proven communications methods to maintain visibility and position your practice as a top choice to generate referrals.

Send a newsletter

A newsletter that contains recent findings and research in your specialty will enable you to consistently reach professionals with valuable information in a manner they will appreciate. You can always add information about your practice, such as recent courses taken or lectures delivered. Highlight new equipment in your office and papers you have had published. Include new services you offer, and continuously list common services you provide.

Recent WPI Communications research has found that specialists anticipate a dramatic increase in the utilization of referral newsletters. In 2009, 29% of specialists surveyed used them. Throughout 2010, 44% have been projected to use referral newsletters.10

Recognize birthdays and holidays

Your database will include birthdays of key contacts for each referral office. You can send a card. For your top referrers, you may want to send a cake or balloons. Holidays represent another opportunity to stay in front of their minds with a personalized card.
Specialty specific news

You want to be the dental specialist your colleagues trust with their patients. Show that you are on top of your field by routinely sending a personalized e-mail with links to relevant research and news.

Referral pads

Make referring patients easy. Send—or hand deliver—a referral pad that will include your business name, phone number, e-mail address, Web site address, directions to your office and a complete list of services.

All your marketing materials must reiterate key messaging themes, as identified in step three.

8. Measure Referrals and Take Action!

The only way to know how well this program is working is to measure results against the goals you set in step one. If your office is properly recording referrals, the data will tell the story. You will know which professionals are providing the referrals with the highest dollar value, which procedures are most commonly referred and the types of patients most frequently sent to you. This data will be critical to planning and implementing your ongoing marketing efforts.

In addition to thanking dentists for their referrals, reward your top performers. Some dental specialists treat their best referring offices to dinner or an upscale lunch. Others send gifts.

By measuring the most commonly referred procedures, you can even approach prospective referring health care providers and remind them of additional services that could benefit their patients. This will help ensure that you get their referrals instead of being perceived as competition.

For those offices still not sending you referrals after you have followed each of the steps above, take a step back. Set aside time to call or visit them to find out why. Maybe they misunderstand how you can help their patients or have been too busy to consider your practice. Personal outreach could change all that.
9. Put Someone in Charge or Outsource

Most dental specialists do not want to see themselves as sales people. They would rather care for patients. For these reasons, many of the referral marketing functions should not fall to the doctor, but to dedicated staff or a consultant.

Your front office staff should meticulously manage the database and ask the established referral questions. Office visits and calls to probe for information could be made by a staff liaison or consultant. Regardless of whether you manage the referral program in-house or outsource it, you need to have someone responsible for managing the plan’s details and keeping it on track. As the dental specialist, you should attend scheduled meetings with referral sources. You may choose to take a trained staff liaison or consultant along to handle the business of the referral relationship. That way, you can continue to focus on patient care while building your referral program.

Conclusion

To generate more and better patient referrals, you will need careful planning, adept execution and process, and an investment of your time, your staff’s time or that of an expert consultant. The rewards, however, will be well worth the investment.

In a very competitive health care market, you must keep your practice in front of your referring health care practitioners and ahead of your competitors. Referrals are worth their weight in gold, but remember that they are also a two-way street. You must actively and consistently work to build these relationships. You must also seek ways to reward referral sources for their business and help build their practices.
References


2. The Lifetime Value of a Patient is the Amount of Revenue that the Average Patient Spends with Your Practice in Total over the Entire Period they are Your Patient. www.attractpatientsnow.com/site/why-knowing-your-patients-lifetime-value-will-help-you-build-your-practice/.


10. Ibid.