

Dreaming About Dollars:



The Economics of Dental Sleep

BY PAYAM ATAII, DMD, MBA

Since October 2017, when the American Dental Association (ADA) adopted a policy that calls for every dentist to screen and treat appropriately for sleep-related breathing disorders,^(a) many of us have been considering how to get involved.

With a prevalence of nearly **30 million people** in the United States with obstructive sleep apnea (80% of them still undiagnosed)^(b), many of us are compelled by the good we can do in our communities to help patients in need. However, one of the first questions we must evaluate is:

“Does this make financial sense for my practice?”

We hear that treating dental sleep patients can be lucrative. Is it true? We have also heard about difficulties getting paid from medical insurance. Is this true? Having treated dental sleep patients for the past 10 years, I can tell you that, although seemingly contradictory, both statements are true.

MAKING MONEY BY TREATING SLEEP

Because dental sleep therapy is not yet widespread, there is a wide range of prices that are charged in the market. In the United States, revenue per dental sleep treatment can range from \$2,000 to \$20,000, depending on the complexity of the treatment plan, the local market, the doctor's reputation and experience, and of course, the staff's ability to convince the patient to accept treatment. While the range is wide, most practitioners should be able to collect \$5,000 to \$8,000 per treatment. Since an average dental sleep course of treatment utilizes approximately two to three hours of chair time, this puts the revenue per chair hour at some of the highest currently in the industry (approximately \$1,667 to \$4,000 per hour).

Revenue is typically collected from both medical insurance and/or patient out-of-pocket pay. **Oral appliance therapy (OAT) is widely covered by medical insurance.** Patients are also often willing to pay significant amounts out of pocket, especially if they have been struggling with complying with continuous positive airway pressure (CPAP) therapy.

GETTING PAID PROPERLY FOR TREATING SLEEP

The reality is that many dentists who treat sleep today do not recognize the true value we are providing with this treatment. Clinicians may only be charging a patient \$2,500 for oral appliance therapy while simultaneously charging \$5,500 or more for clear aligner treatment. **We must stop thinking of oral appliance therapy as only the device itself.** The typical dental sleep treatment, with proper follow-up, spans two to three years and can consist of ten to twelve patient visits. While many of the follow-up and adjustment visits are short (similar to clear aligner treatment), the therapy requires longer term management than typical dental procedures. In addition,

dentists may also be facilitating the diagnosis by working with medical sleep doctors and collaborating on a treatment plan.

The length and comprehensiveness of dental sleep treatment warrants a fee at least equal to that of clear aligner treatment, if not more. If you think about level of impact, the positive impact of oral appliance therapy goes well beyond the oral cavity. **Restoring a patient's sleep to a healthy level may potentially also reduce the risk of cardiovascular disease, high blood pressure, diabetes, stroke, and depression^(c)** We as clinicians need to fully recognize the value that we are providing when treating sleep related breathing disorders.

If a patient has medical insurance coverage, you can obtain at least part of your fee by submitting a claim to their medical insurance. This is similar to orthodontic work when a patient's dental insurance may, for example, cover \$1,000 of a \$4,000 orthodontic treatment. However, billing medical insurance is difficult to do and dental professionals aren't set up to do it. The patient's insurance company often needs to be contacted to verify benefits and obtain pre-approval before you can even submit a claim. Billing medical insurance also requires documenting and collecting specific pieces of information and then submitting them in specific formats.

GET HELP – IT'S WORTH IT!

Due to all of these complexities related to medical billing, I highly recommend working with a company that provides outsourced medical billing for dental procedures. Many of us are allured to sending one of our staff members to a medical billing course; however, it is difficult to be effective at medical billing after just taking courses. Rules for working with medical insurance companies change all the time and it takes a dedicated, consistent effort to work successfully with insurance companies. Our office staff typically does not have the capacity to dedicate this focus and consistent effort.

REAL NUMBERS

I have been treating dental sleep patients for over 10 years. I started tracking the numbers over the past three to four years and found that on average, **I collect \$5,750 of revenue per sleep case**, which is a combination of medical insurance reimbursement and out-of-pocket pay from the patient.

Discussion with a colleague on the East Coast confirmed that this experience is not geography specific. Dr. Dennis TeeKing of Pleasant Dental in Newtown, CT has recently started treating sleep patients. His **sleep treatments have brought revenue \$5,400-\$6,000 per patient with a combination of medical insurance reimbursement and patient pay.** He has successfully expanded his practice with a high-quality service that differentiates him in his local market.

In addition to this revenue related to the sleep treatment, my experience has been that **patients whom I treat for sleep are more willing to accept the additional dental treatments such as restorative and/or implants, when I determine those treatments are clinically necessary.** They are also more interested in clear aligner therapy since fixing crowding of teeth can also add to the oral cavity volume and create tongue space which benefits the patient's overall sleep treatment. **This has resulted in approximately \$3,900 of additional dentistry revenue per sleep patient.**





Another benefit of providing dental sleep is that patients treated for sleep are typically happy, grateful patients. They can be a great source of referrals for more patients to your practice.

Overall, I have found that my dental sleep patients have each referred 2.2 new patients to my practice. With these adjunctive revenue sources from sleep patients, the average total revenue generated by each sleep patient is \$12,950. Thus, **treating just one sleep patient per month (12 per year), has increased my practice revenue by over \$155,000. Most practices will be able to treat several patients a month just by serving the existing patient base.**

THE ADA IS CALLING

In October 2017, the ADA adopted a policy on the dentist's role in treating sleep-related breathing disorders. This policy calls for every dentist, among other things, to be educated on sleep-related breathing disorders, systematically screen patients, and be involved with treatment with oral appliances when appropriate. The fortunate thing for us is that this new service can also be added in a way that brings additional revenue and profits to our practices.

Both Dr. Atai and Dr. TeeKing are clients of SleepArchiTx, an end-to-end solution provider that helps dentists to screen, receive sleep apnea diagnoses, treat patients, and get paid.

To learn more practical tips from Dr. Payam Atai on the economics of dental sleep, visit [link](#) for a free 1-CE webinar.

REFERENCES:

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Dr. Payam Atai is an award-winning graduate of Tufts Dental School who has treated more than 1,000 patients with clear aligners and sleep oral appliances as mono- and combo-therapies at his private practice in Laguna Hills, California. Dr. Atai has been an Invisalign faculty member for more than 10 years and was recently awarded the North America Educator of the Year in 2016 and North America Contributor of the Year in 2017.

As an author, Dr. Atai has been published in national and international peer-reviewed publications, as well as mainstream press and television. Over the years, Dr. Atai has presented lectures to thousands of his peers, sharing the results of his research and his innovative practice growth techniques. As an inventor, Dr. Atai has contributed in the development of patented technology to improve and simplify how dentistry is delivered to patients. Currently, Dr. Atai serves on multiple company boards and is a recognized key opinion leader in the field of dentistry. Dr. Atai is on the advisory board of SleepArchiTx.