

## Calculating Annual and Daily Goals to Understand Meltdown Between Scheduling Goal vs Production Goal vs Collection Goal

\$850,000 annual collection goal calculated by adding:

- Overhead costs
- Dentist's compensation including benefits
- Debt service
- Desired profit for Dr./owner – ROI (return on investment)

$\$850,000 \div 190 \text{ workdays/year} = \$4474/\text{day}$  **collection goal**

$\$4474/\text{day collections @ 95\% collection rate} = \$4709/\text{day}$  **production goal**

- Collection % rate calculated by dividing collections for any period by production for the same period.

$\$850,000$  collection

$\$890,000$  production = 95% collection rate

$\$4709/\text{day production goal @ 84\% show rate (percent of appointments kept as appointed} =$

$\$5606/\text{day}$  **scheduling goal**

- Show rate calculated by dividing number of appointments kept for any period (not counting emergencies, last minute fill-ins, etc.) by number of appointments made for that same period.
- 59 appointments were kept as appointed, not counting emergencies, etc.
- 70 appointments were scheduled during that period
- $59 \div 70 = 84\%$  show rate

$\$5606/\text{day scheduling goal}$

$-\$4474/\text{day collection goal}$

$\$1132/\text{day meltdown between treatment}$  **scheduled vs production vs collections**