

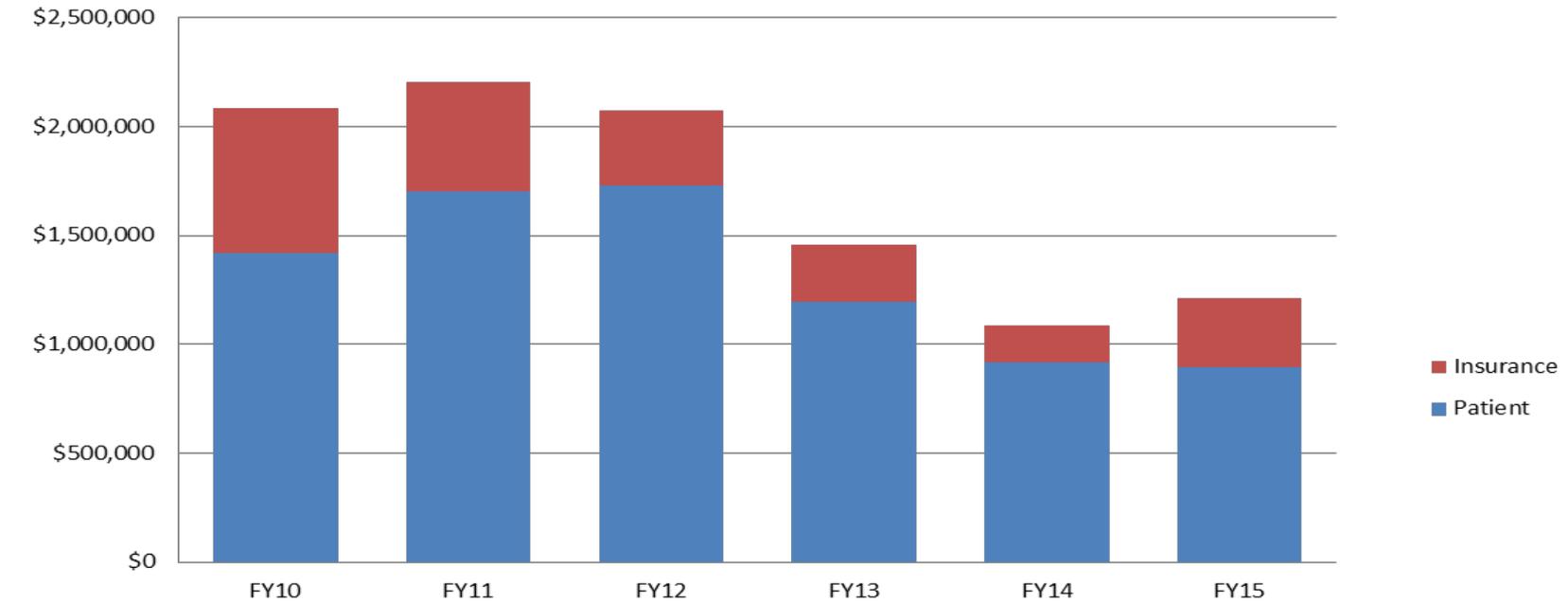
Clinic Finances

School of Dentistry

FY2015



Accounts Receivable Over 120 Days

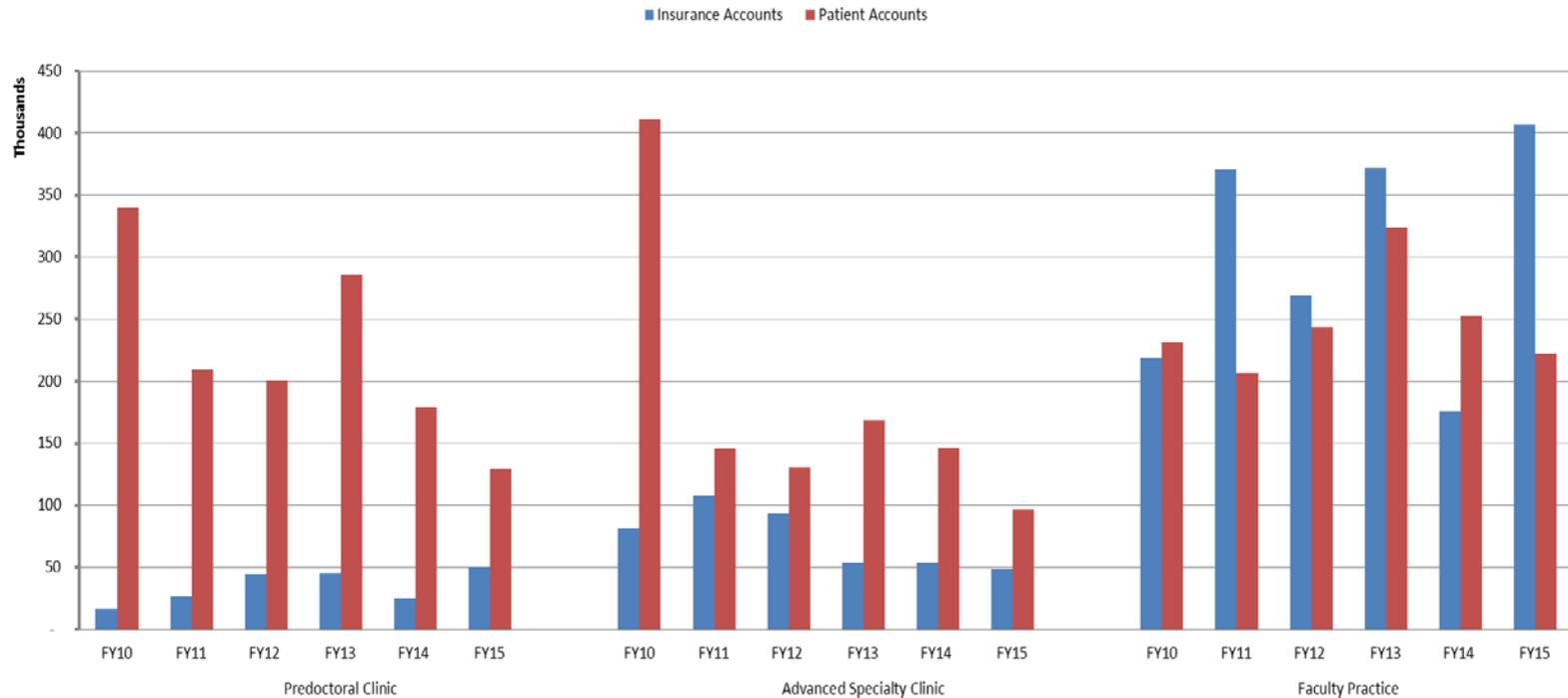


Charges	\$21,177,068	\$21,381,911	\$22,153,911	\$21,666,318	\$22,423,675	\$24,049,989
Collections	\$16,544,803	\$16,403,056	\$16,099,307	\$16,576,526	\$17,089,622	\$17,105,874

The School's Clinic Billing Office collects for patient services performed. Resources are only available for academic departments' use if they are collected. The older an account gets, the less likely it will be collected.

Receivables over 120 days old are an indication as to how well the collection process is working. There is progress over the past six years in collecting from patients directly and from those paying through insurance. Aged (over 120 days from the time of service) receivables for patients paying through insurance have improved 52% over that time. Receivables from patients paying directly have improved by 37%. Charges and dollars collected have risen over this time.

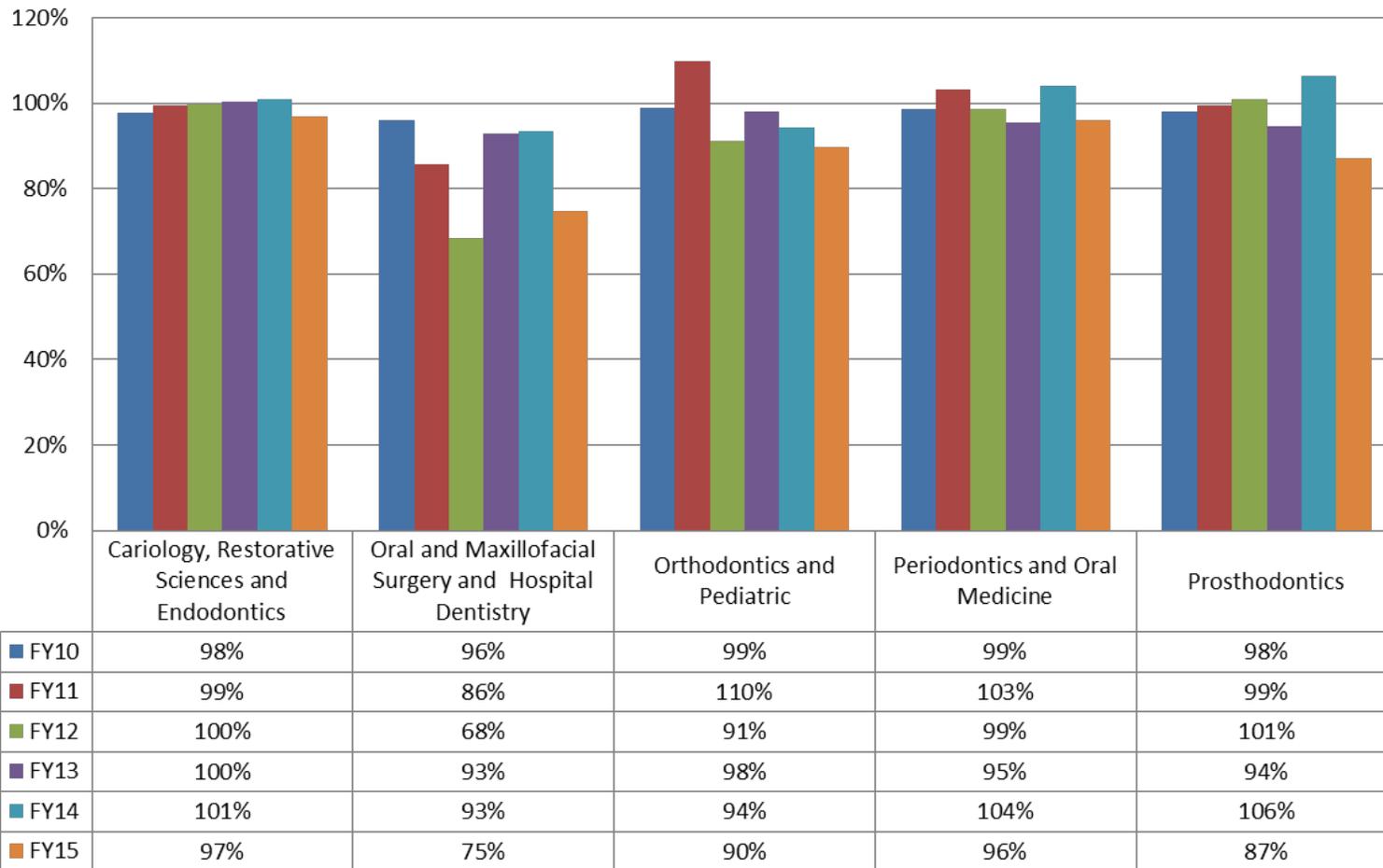
Write Offs by Clinics



Net Charges (Thousands)	4,823	4,827	4,635	4,579	4,546	5,004	7,334	6,022	5,913	6,112	6,391	6,524	4,417	5,709	6,425	5,481	5,963	7,129
Collections (Thousands)	4,550	4,537	4,369	4,505	4,478	4,771	6,771	5,905	5,730	5,929	6,327	6,244	4,321	5,128	5,484	5,517	5,837	5,800

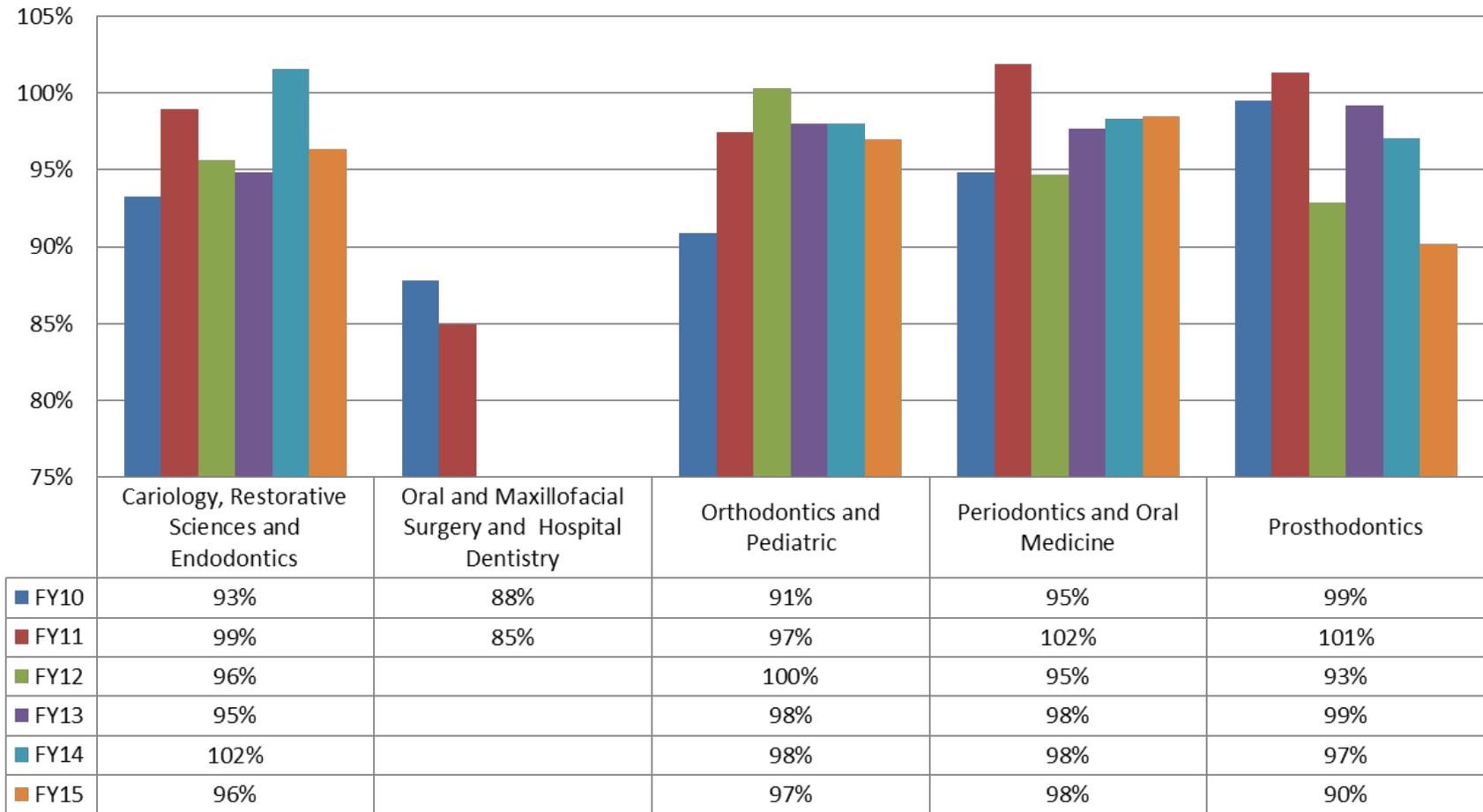
The dollar level of write offs for insurance-related patients and for those without insurance is shown by clinic. Net charges and cash collected for each clinic are shown to provide some perspective for how the Clinic Billing Office is performing. Contractual agreements and professional courtesy adjustments are subtracted from gross charges to get to net charges. We collect on net charges. What we cannot collect, we write off.

Cash Collections as % of Net Charges Faculty Practice



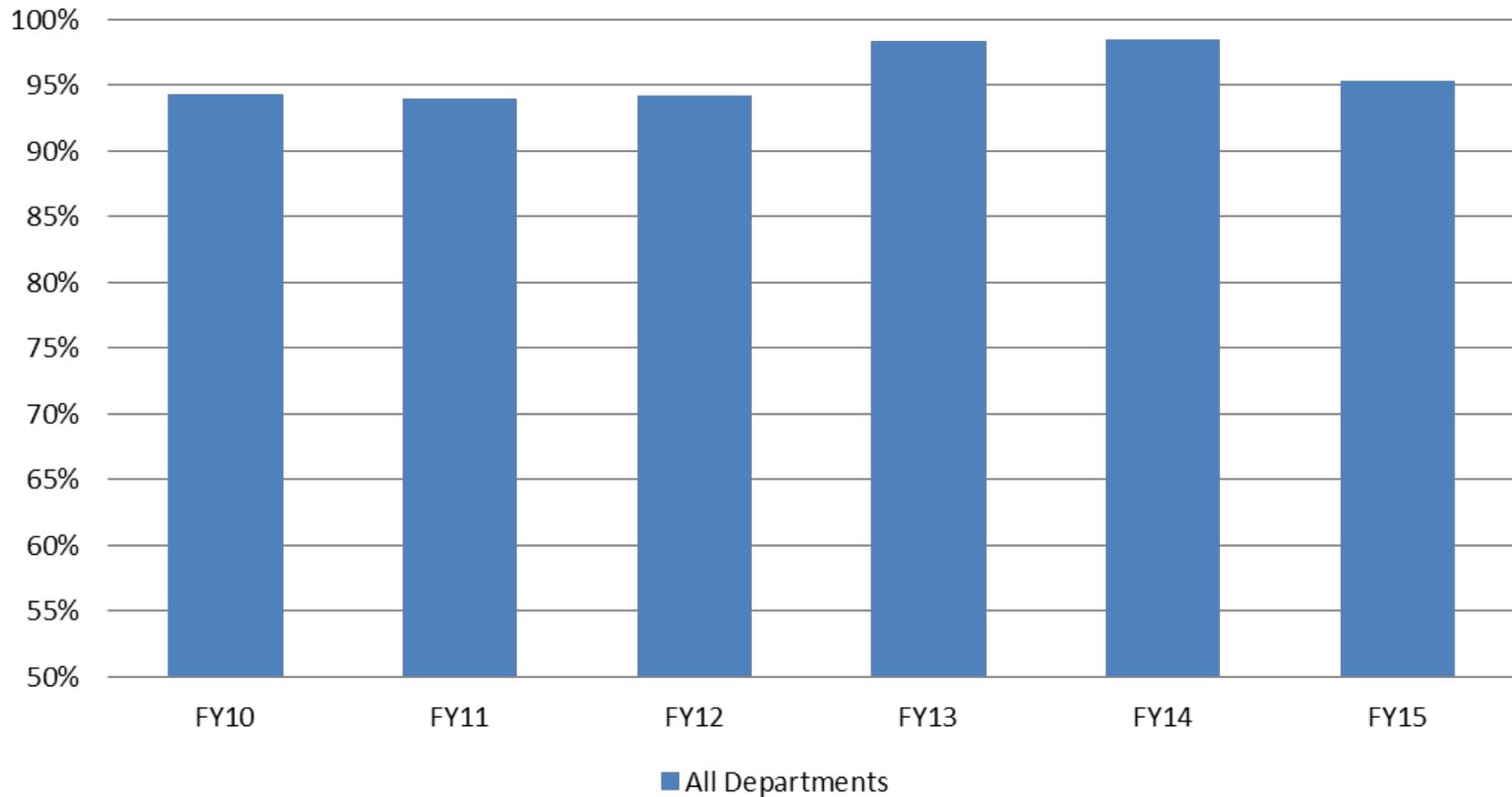
The industry standard for collections is to collect 95% of net charges to patients. The Clinic Billing Office (CBO) has been fairly consistent in meeting that standard, but has seen some deterioration in performance in the last fiscal year. Collections for faculty practice in Oral Medicine are done by an outside firm.

Cash Collections as % of Net Charges Advanced Specialty Clinic



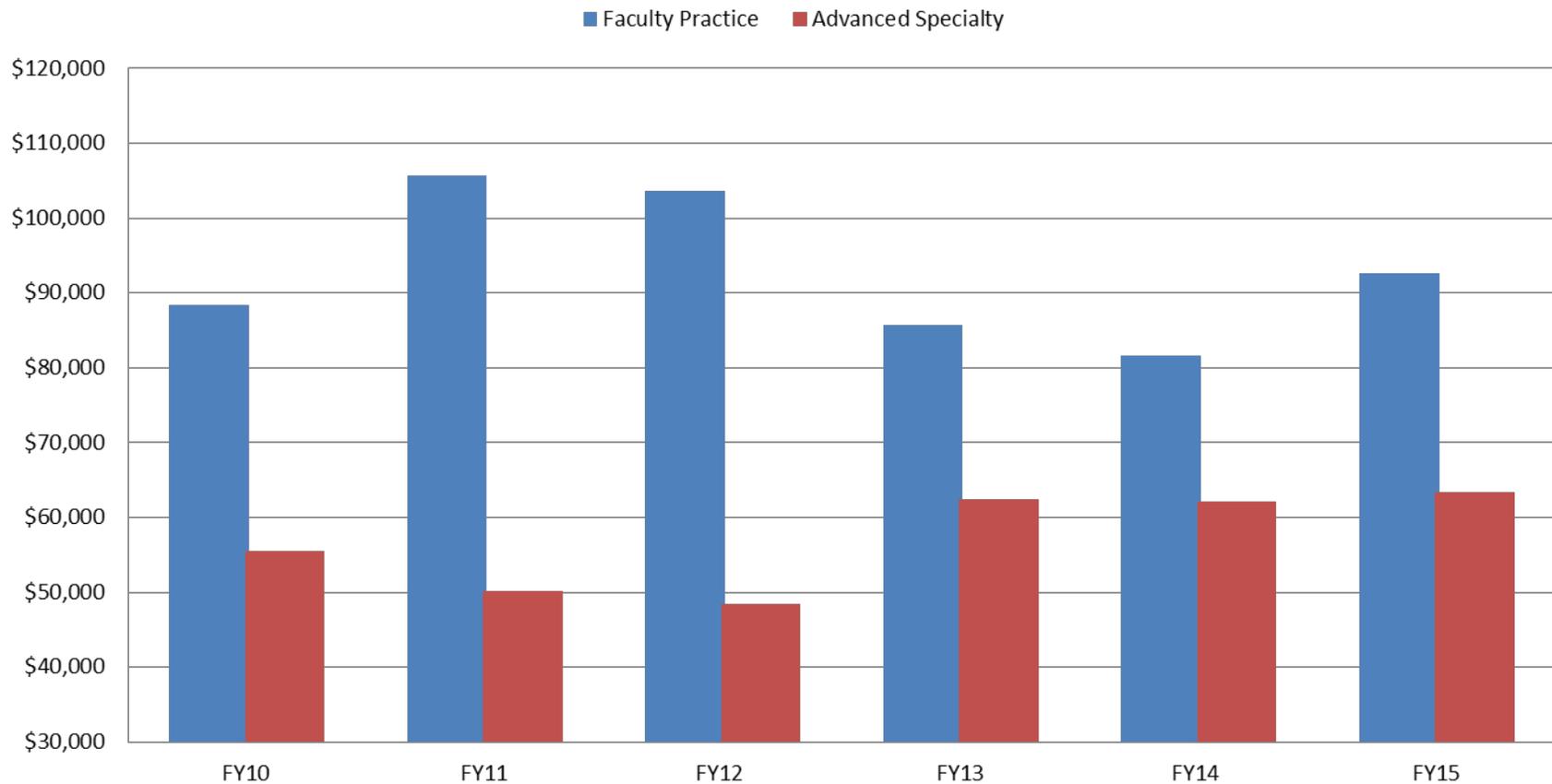
The academic departments that house the Advanced Specialty Clinics receive funds only to the extent that cash is collected on procedures performed.

Cash Collections as % of Net Charges Predoctoral Clinic



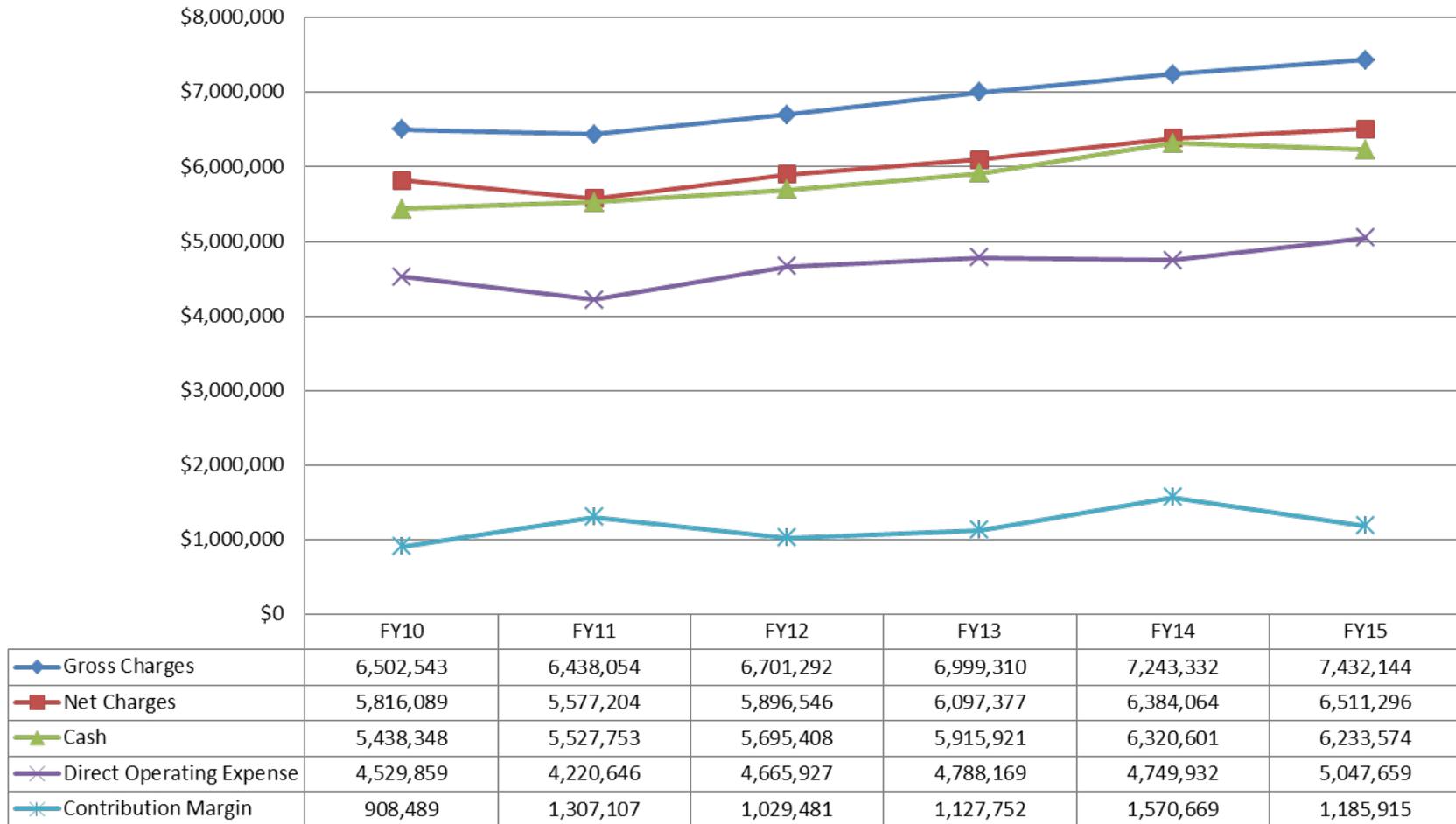
Predoctoral clinics' cash collections as percentage of net charges has been consistently 94% and higher over the last six years. These cash collections are used to fund the expenses of the predoctoral student clinics.

Net Charges per Provider



Advanced Specialty service providers (graduate students) have seen the average dollar level of service provided grow by 31% over the last four years. Average charges generated by faculty practice members have increased by 22% over the last two years.

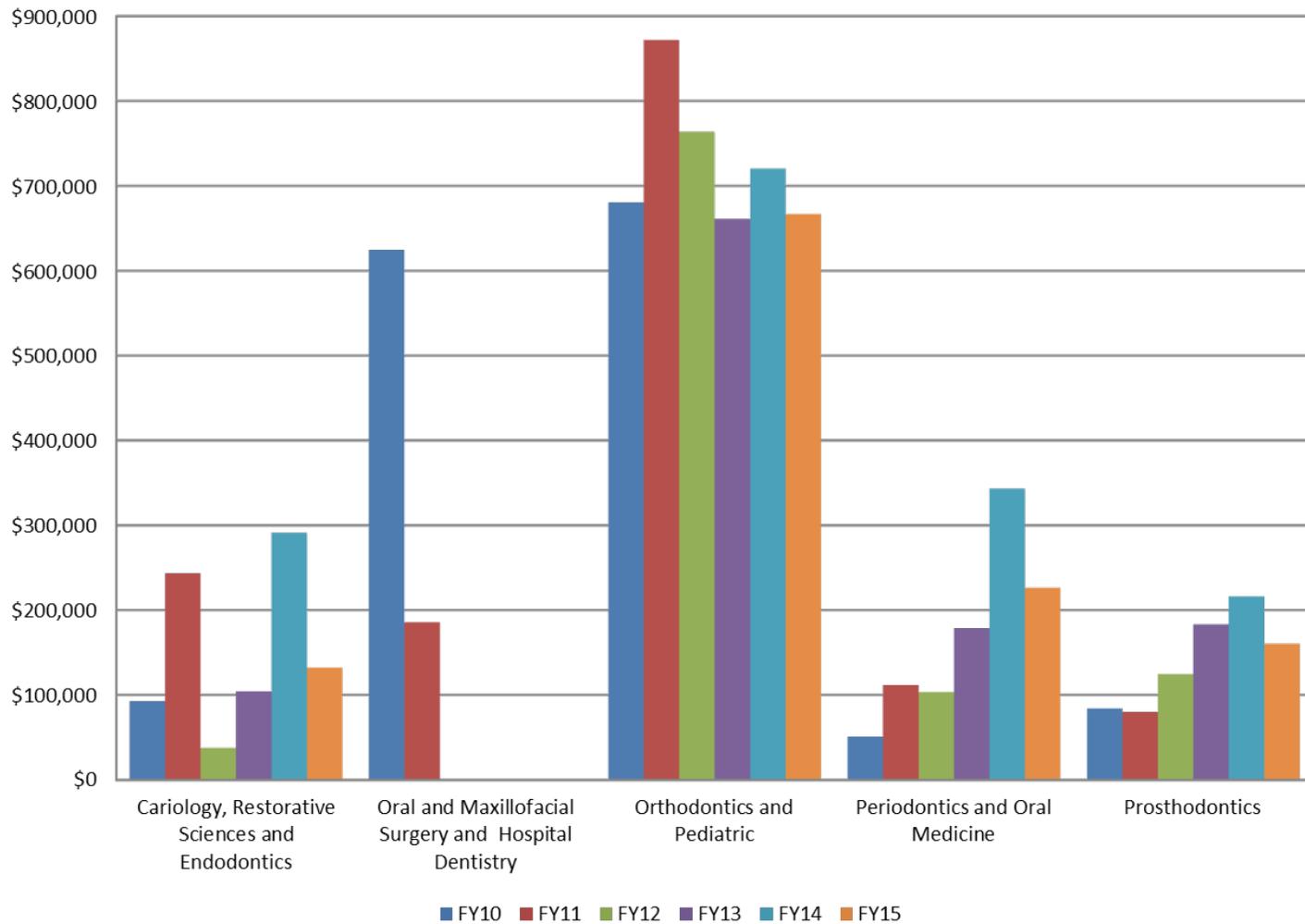
Advanced Specialty Clinic Activity Summary



Combined results for Advanced Specialty Clinics have seen charges grow 14% in six years. Contribution margin (revenues, or cash, less direct expenses) has grown by 31%, while direct operating expenses have risen by 11%.

Advanced Specialty Clinic Contribution Margin

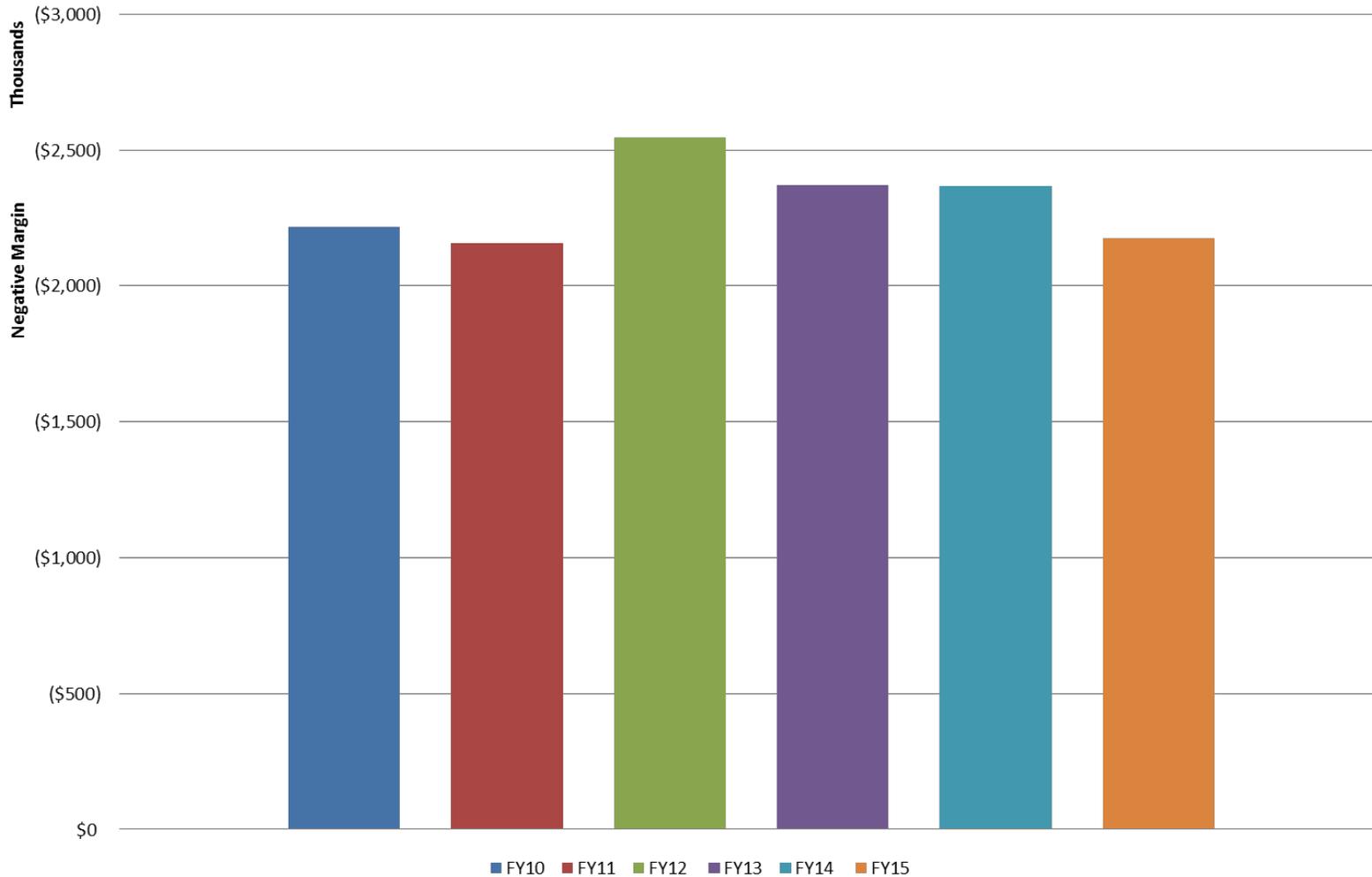
(revenue less expense)



Advanced Specialty Clinics' overall revenues less direct expenses (contribution margin) by academic discipline are shown over 6 years. Orthodontics and Pediatrics by far generate the largest dollars within the school.

Predocloral Clinic Contribution Margin (loss)

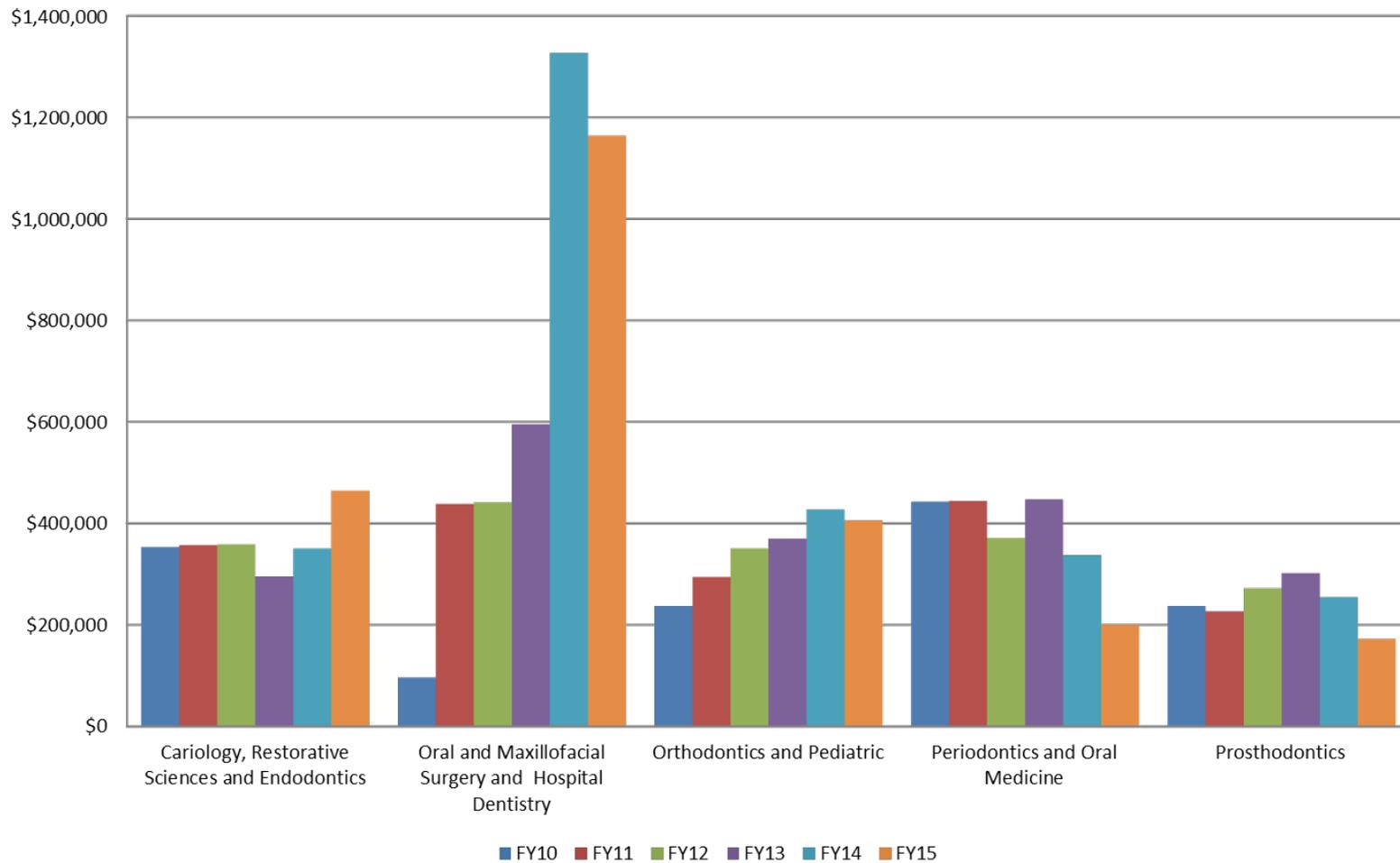
(revenue less expense)



Predocloral clinics cost much more than the revenue that they generate. Costs exclude faculty costs for instruction and supervision of students in the clinic. Students charge their services at a much lower rate than faculty or graduate students in the Advanced Specialty clinics. Also, predocloral students work at a much slower pace to complete the same procedures.

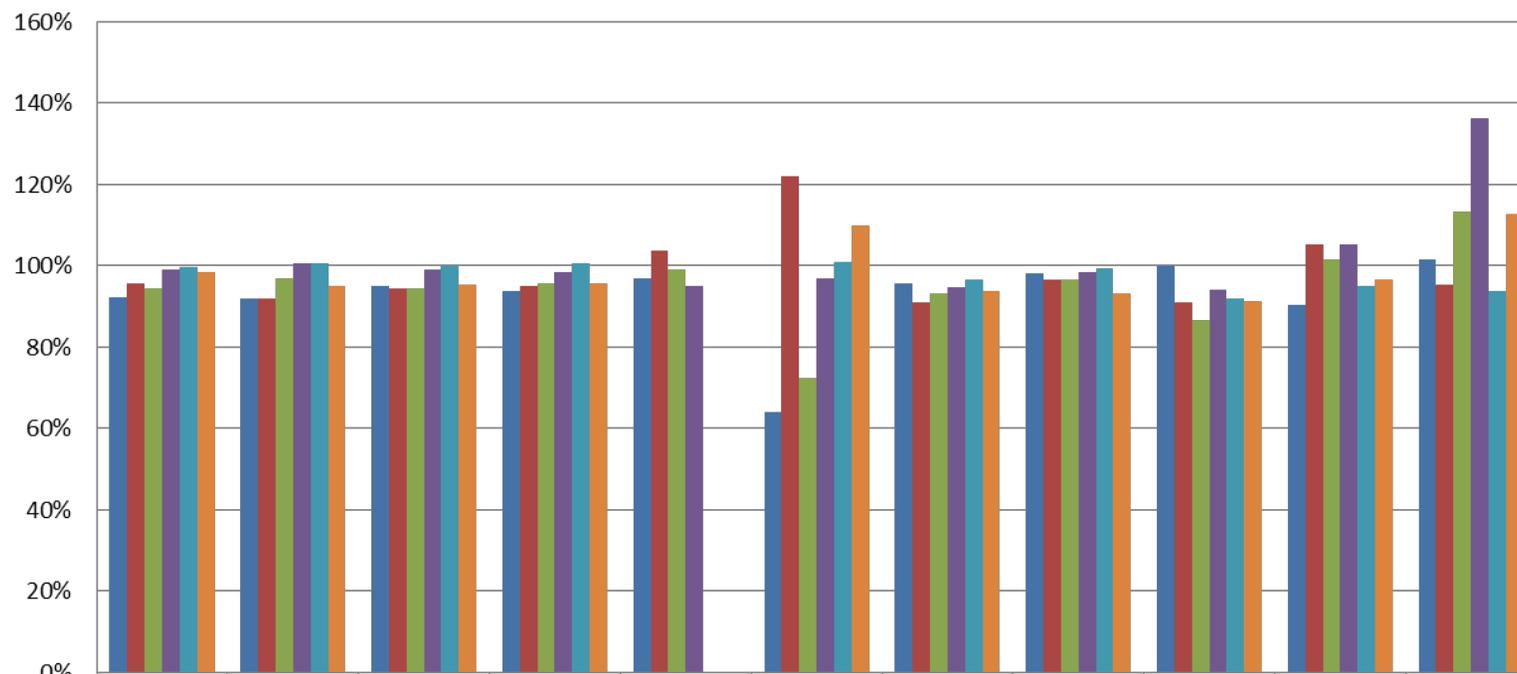
Faculty Practice Contribution Margin

(revenue less expense)



The spike in activity for Oral & Maxillofacial Surgery/Hospital Dentistry was due to a shift in scheduling of wisdom teeth and implant patients from predoctoral clinics to faculty practice.

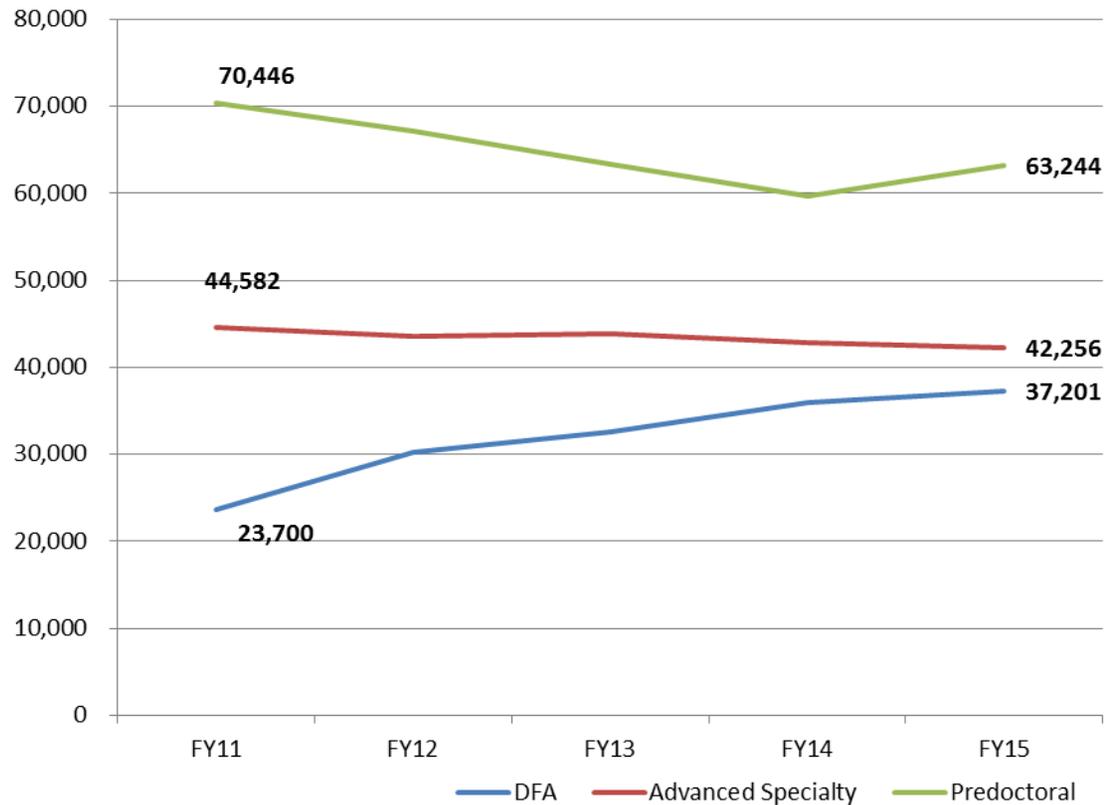
Cash Collections as % of Net Charges Predoctoral Clinic by Discipline



	2B	2G	3B	3G	Compcare Hygienists	CDC	PAES	Predoc Ortho	Predoc Oral Surgery	Predoc Pediatric	Misc.
FY10	92%	92%	95%	94%	97%	64%	96%	98%	100%	90%	102%
FY11	96%	92%	94%	95%	104%	122%	91%	97%	91%	105%	95%
FY12	94%	97%	95%	96%	99%	73%	93%	96%	87%	102%	113%
FY13	99%	101%	99%	98%	95%	97%	95%	98%	94%	105%	136%
FY14	100%	101%	100%	101%	0%	101%	97%	99%	92%	95%	94%
FY15	98%	95%	95%	96%	0%	110%	94%	93%	91%	97%	113%

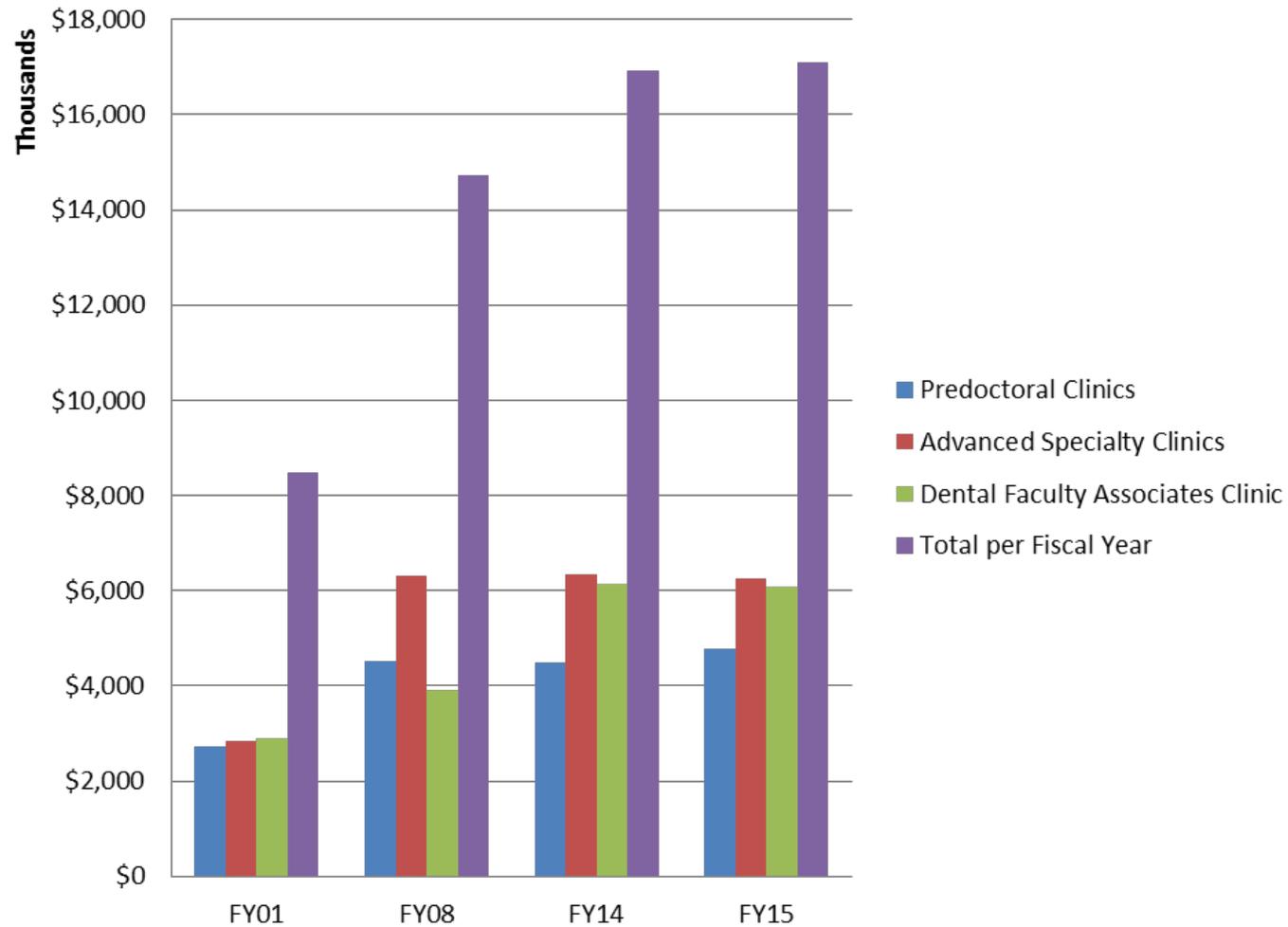
Discipline is the location where the work is done by the predoctoral students. The Compcare Hygienists program discontinued after FY13.

Patient Visits by Clinic



The faculty practice has grown 57% to 37,201 in FY 2015. Advanced Specialty clinics patient visits have decreased slightly, just over 5%. Patient visits in the Predoctoral clinics were lowest in FY 2014, and increased again in FY 2015.

Clinic Cash Collections



Total clinic collections have doubled since FY2001. All three clinics are responsible for this growth.