

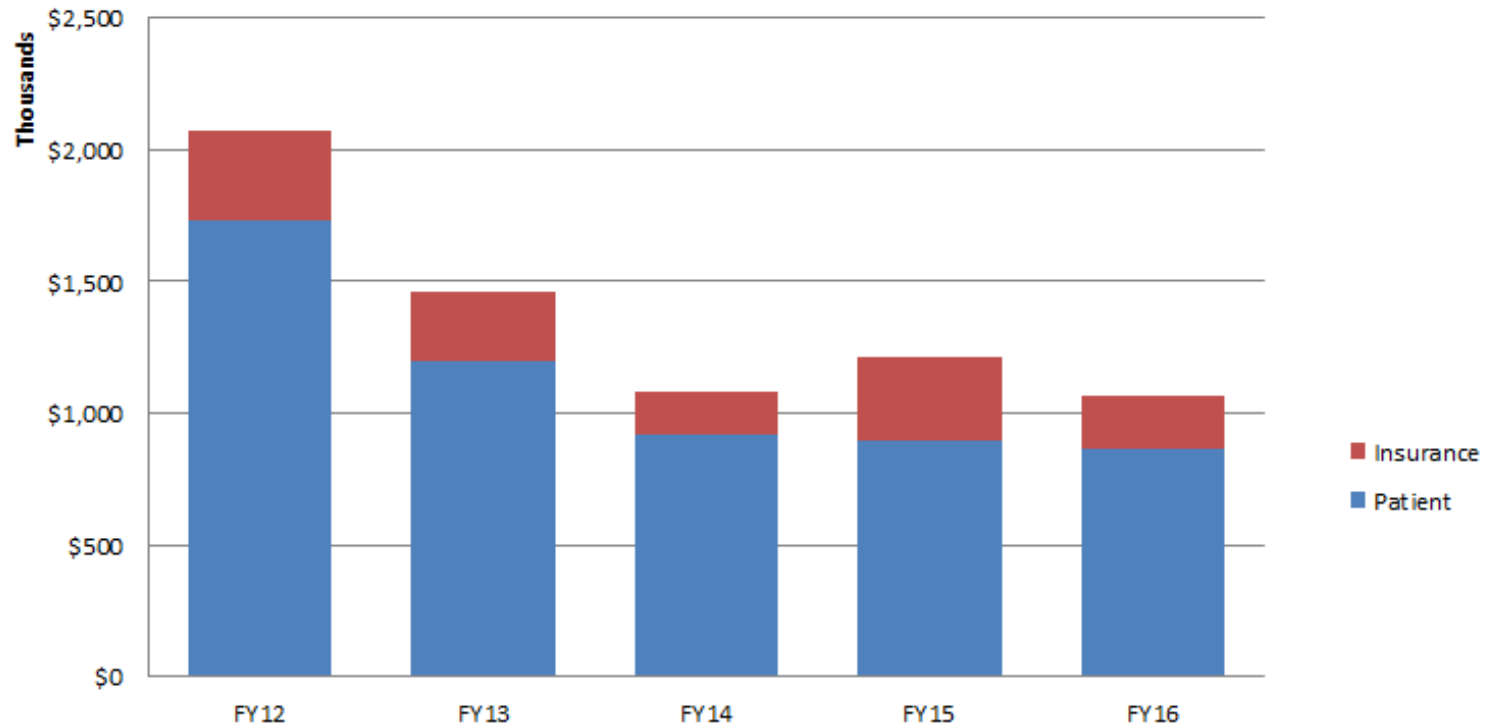
Clinic Finances

School of Dentistry

FY 2016



Accounts Receivable Over 120 Days

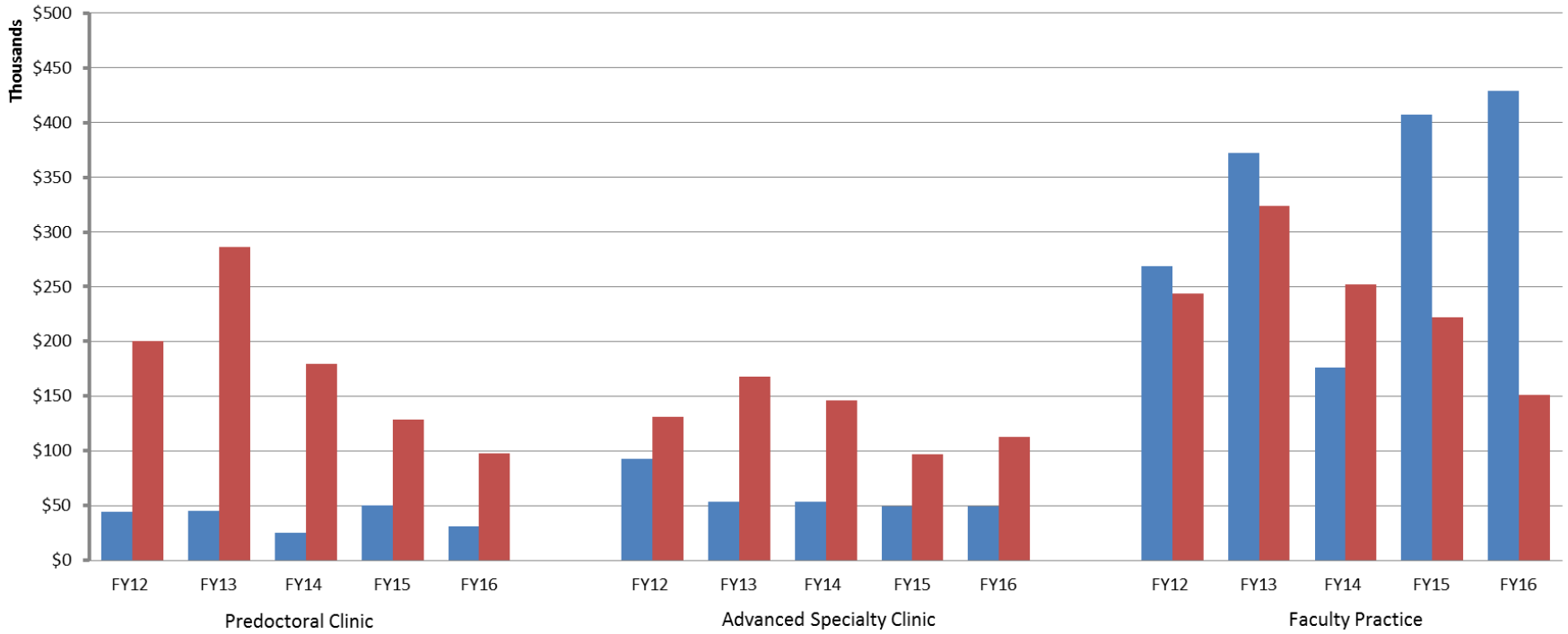


Charges	\$22,154	\$21,666	\$22,424	\$24,050	\$23,908
Collections	\$16,099	\$16,577	\$17,090	\$17,106	\$18,574
(Thousands)					

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.

Write Offs by Clinics

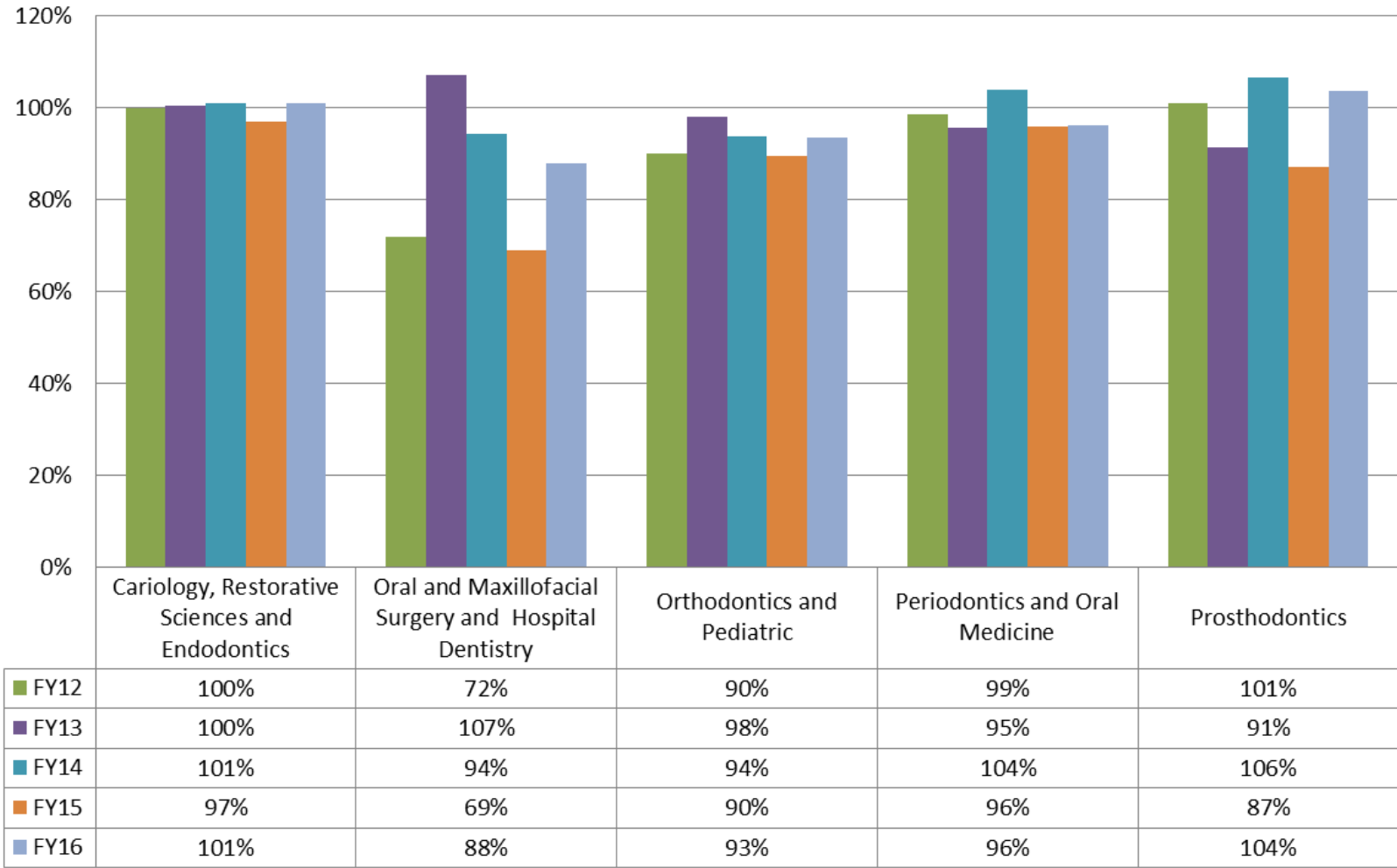
Insurance Accounts Patient Accounts



Net Charges (Thousands)	4,635	4,579	4,546	5,004	5,391	5,913	6,112	6,391	6,524	6,457	6,425	5,481	5,963	7,129	6,430
Collections (Thousands)	4,369	4,505	4,478	4,771	5,361	5,730	5,929	6,327	6,244	6,534	5,484	5,517	5,837	5,800	6,073

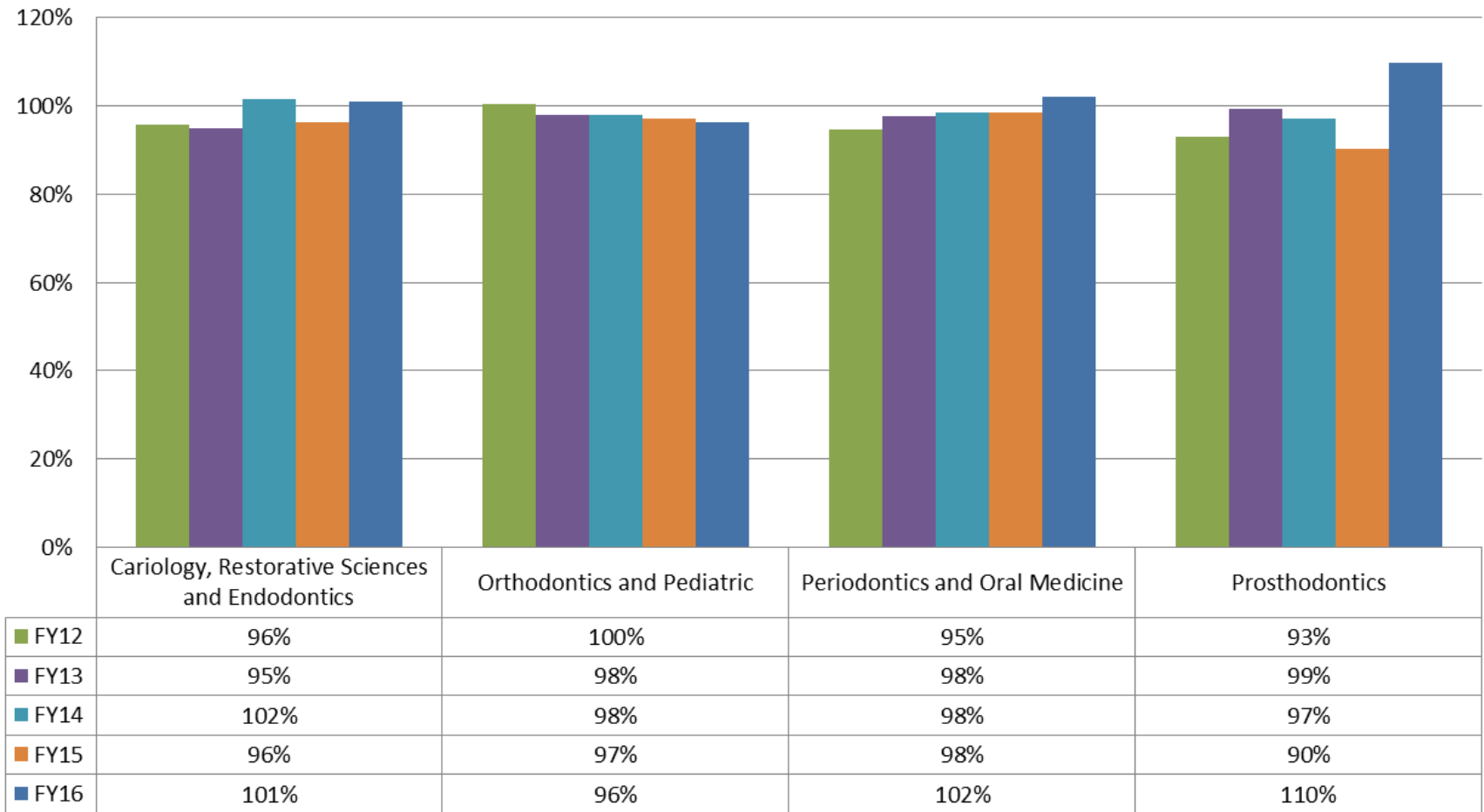
The dollar level of write offs for insurance-related patients and for those without insurance is shown by clinic. Net charges and cash collected for each clinic are shown to provide some perspective for how the Clinic Billing Office is performing. Contractual agreements and professional courtesy adjustments 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



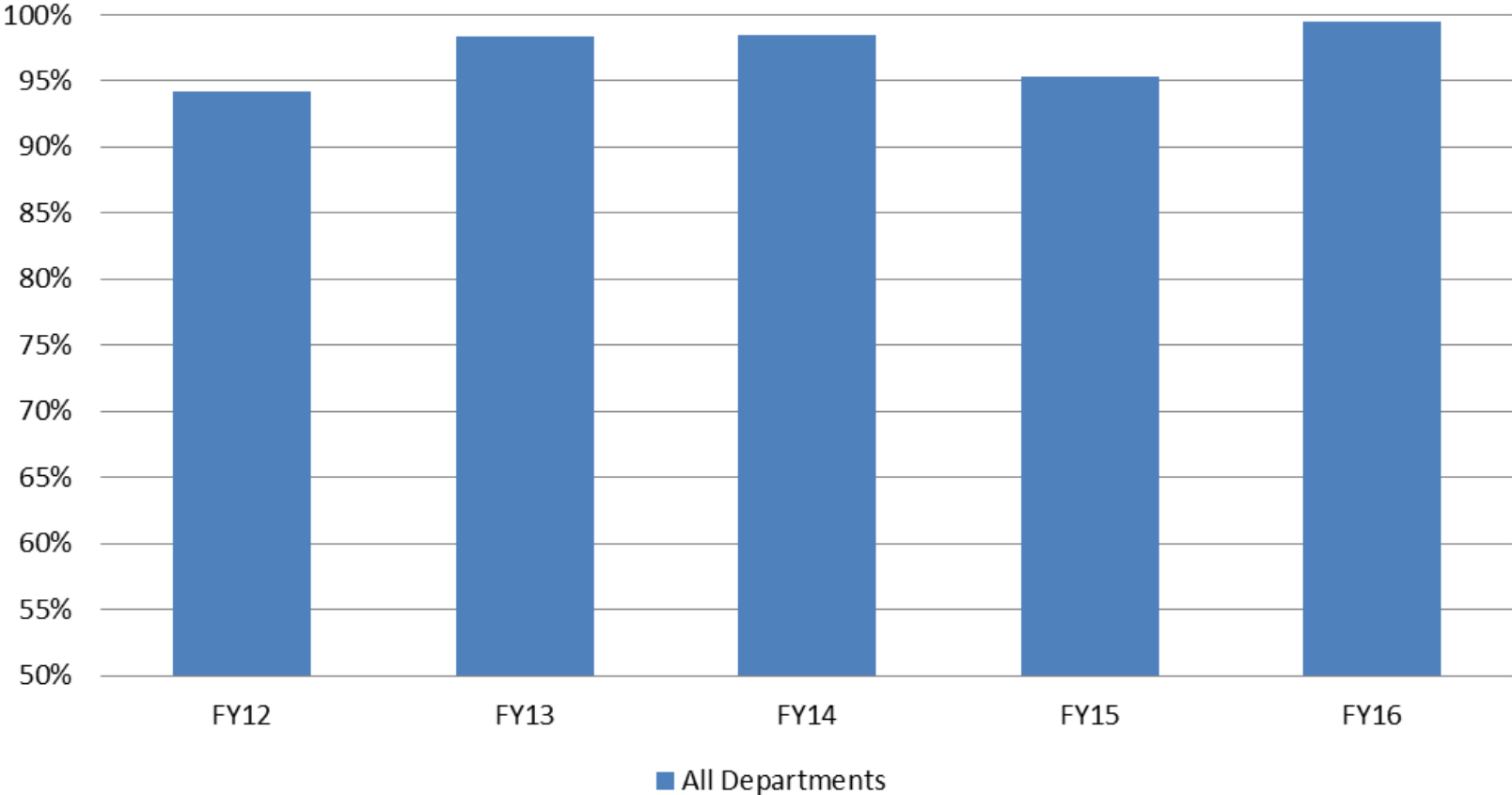
The industry standard for collections is to collect 95% of net charges to patients. The Clinic Billing Office (CBO) has been fairly consistent in meeting that standard, but has seen some deterioration in performance in the last fiscal year. Collections for faculty practice in Oral Medicine are done by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

Cash Collections as % of Net Charges Advanced Specialty Clinic



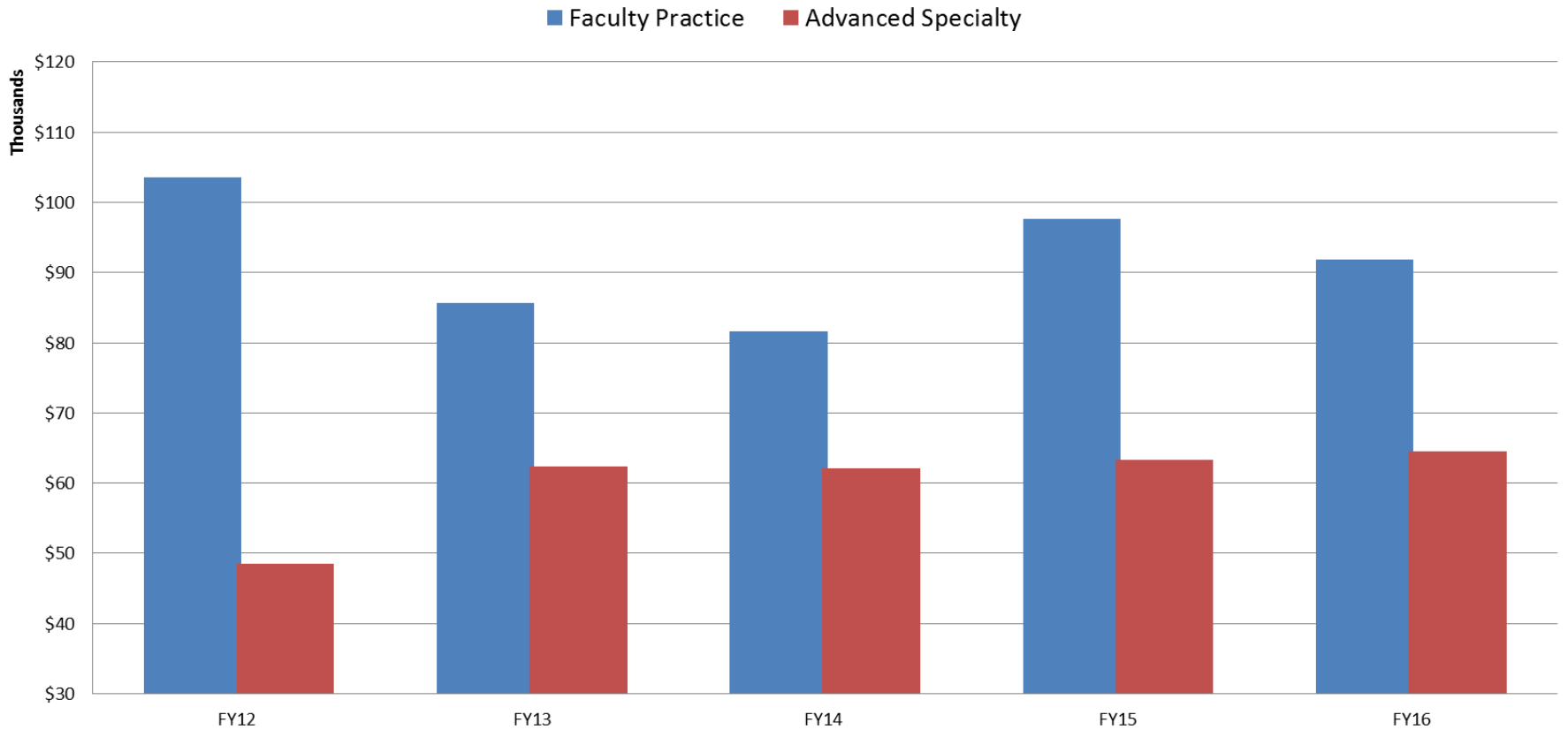
The academic departments that house the received funds only to the extent that cash is collected on procedures performed.

Cash Collections as % of Net Charges Predoctoral Clinic



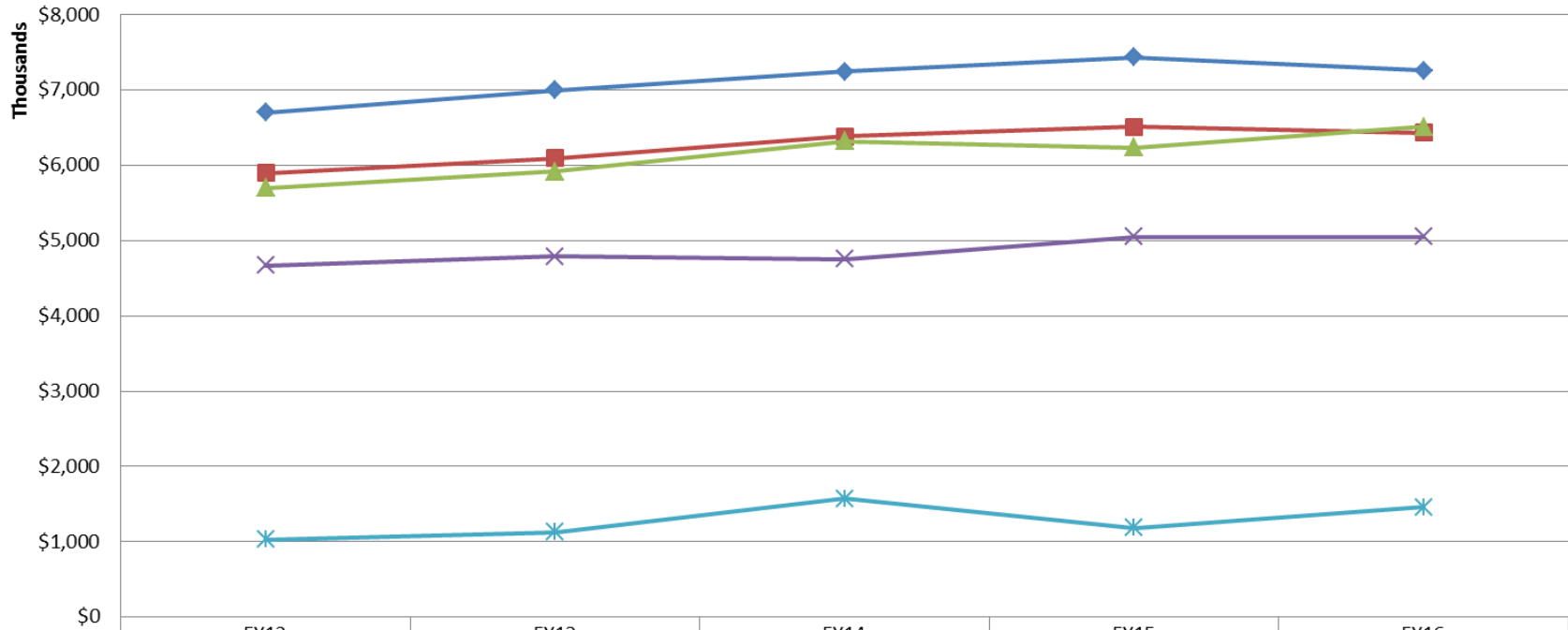
Predoctoral clinics' cash collections as percentage of net charges has been consistently 94% and higher over the last six years. These cash collections are used to fund the expenses of the predoctoral student clinics.

Net Charges per Provider



Advanced service providers (graduate students) have seen the average dollar level of service provided have grown consistently over the last four years.

Advanced Specialty Clinic Activity Summary

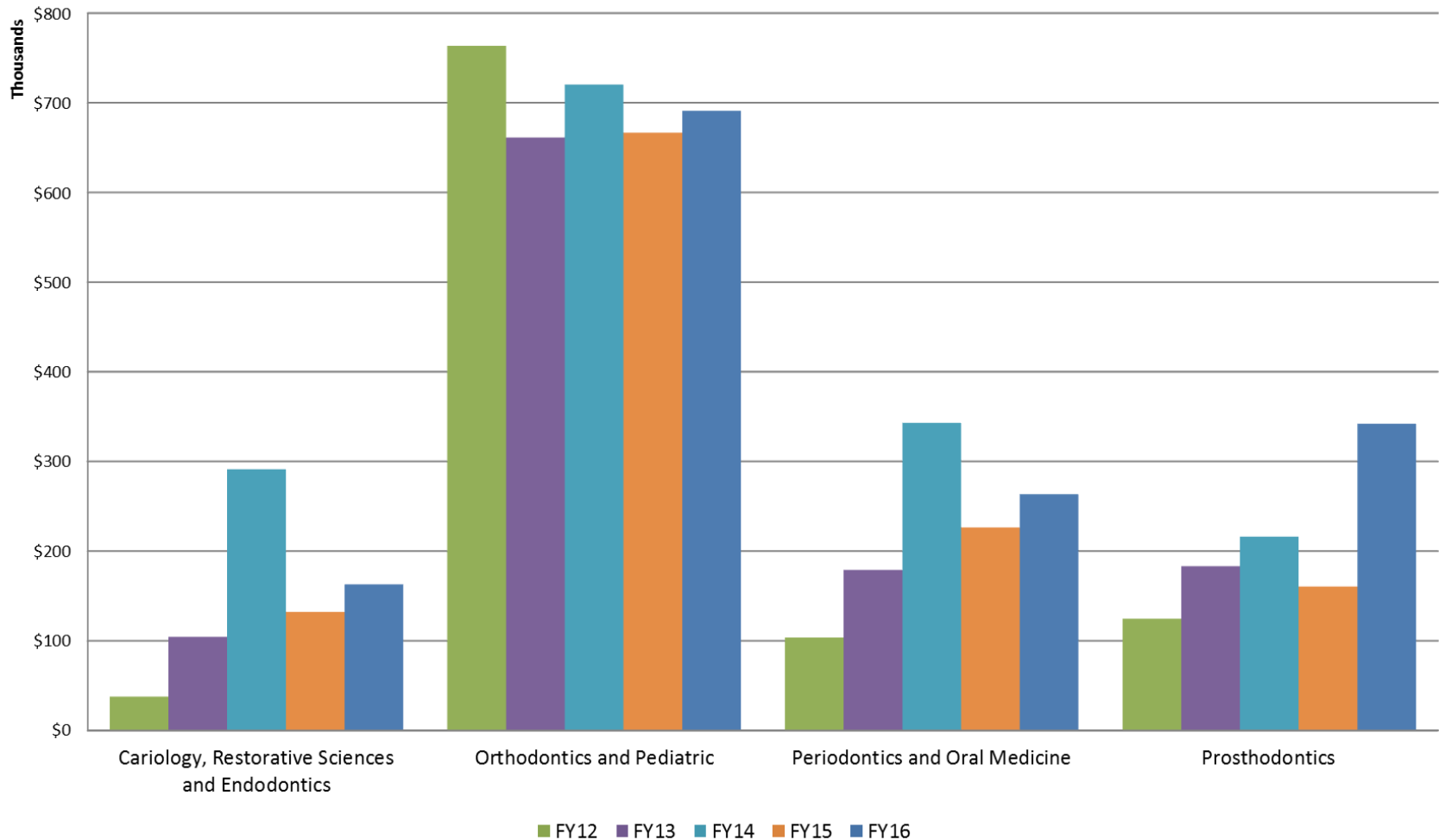


	FY12	FY13	FY14	FY15	FY16
◆ Gross Charges	6,701,292	6,999,310	7,243,332	7,432,144	7,256,455
■ Net Charges	5,896,546	6,097,377	6,384,064	6,511,296	6,433,756
▲ Cash	5,695,408	5,915,921	6,320,601	6,233,574	6,507,644
× Direct Operating Expense	4,665,927	4,788,169	4,749,932	5,047,659	5,048,127
* Contribution Margin	1,029,481	1,127,752	1,570,669	1,185,915	1,459,517

Contribution margin for Advances Specialty Clinics (revenues, or cash, less direct expenses) has grown significantly over the last 5 years.

Advanced Specialty Clinic Contribution Margin

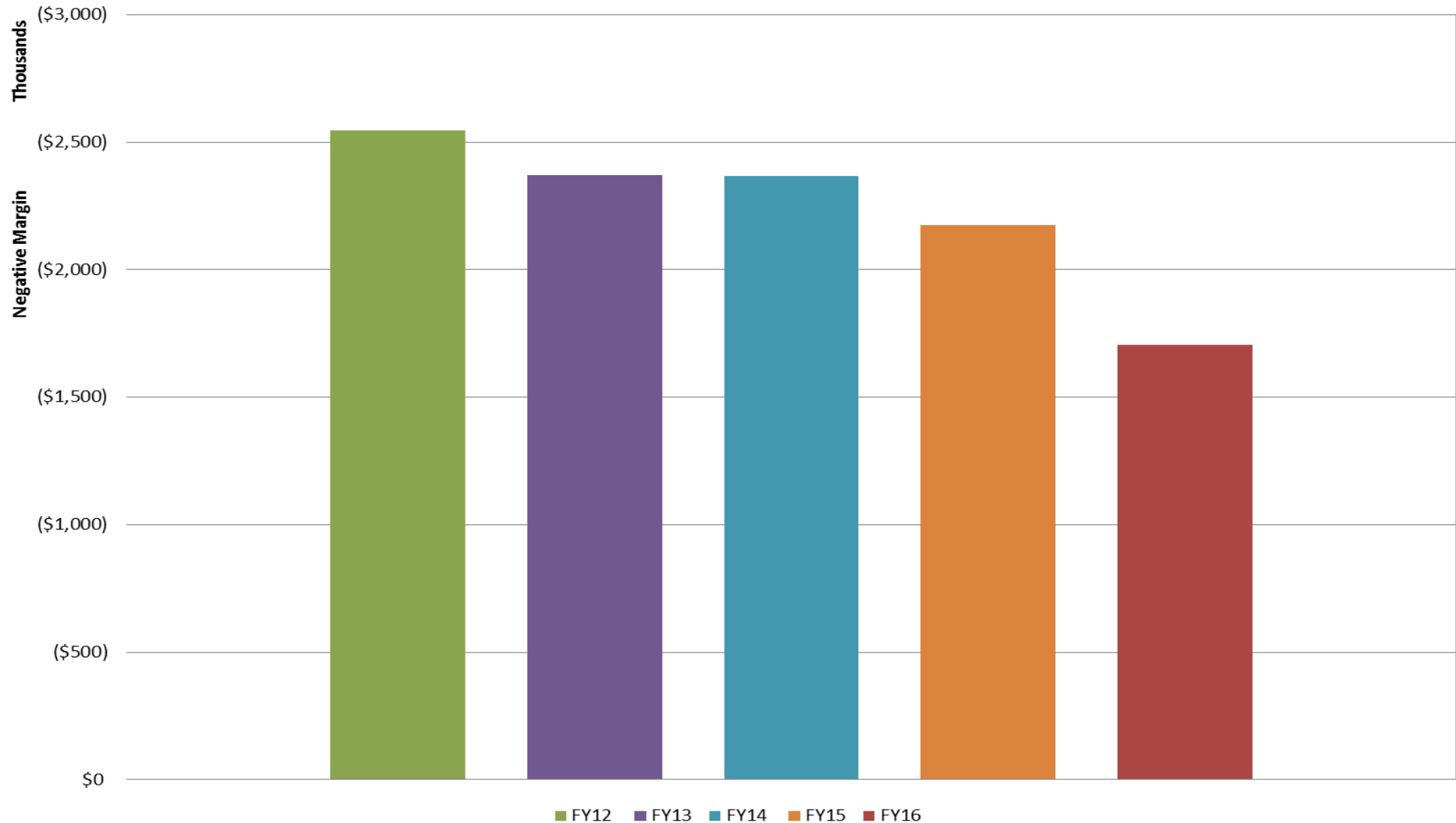
(revenue less expense)



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)

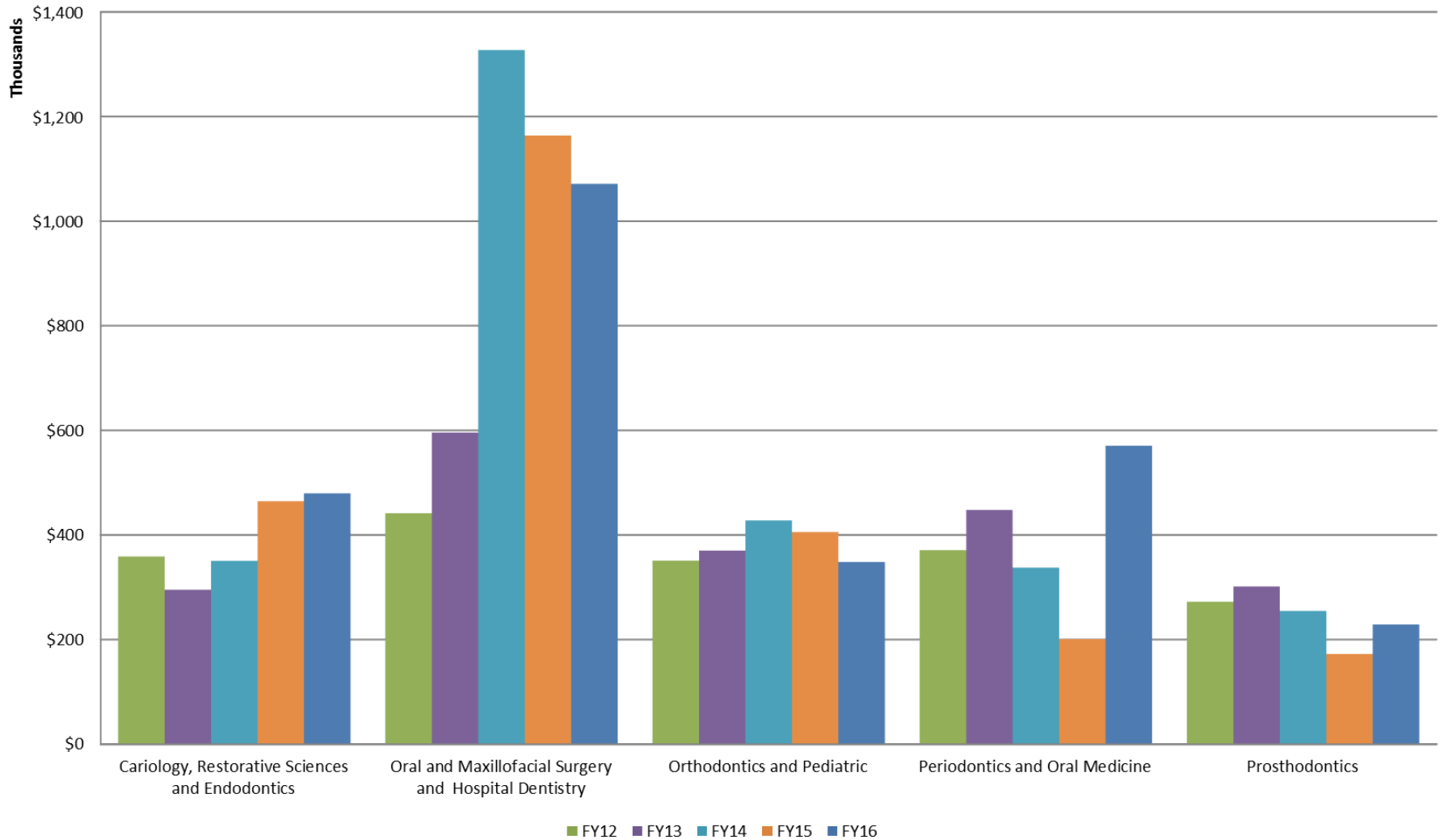
(revenue less expense)



Students charge their services at a much lower rate than faculty or graduate students in the Advanced Specialty clinics. Also, predoctoral students work at a much slower pace to complete the same procedures.

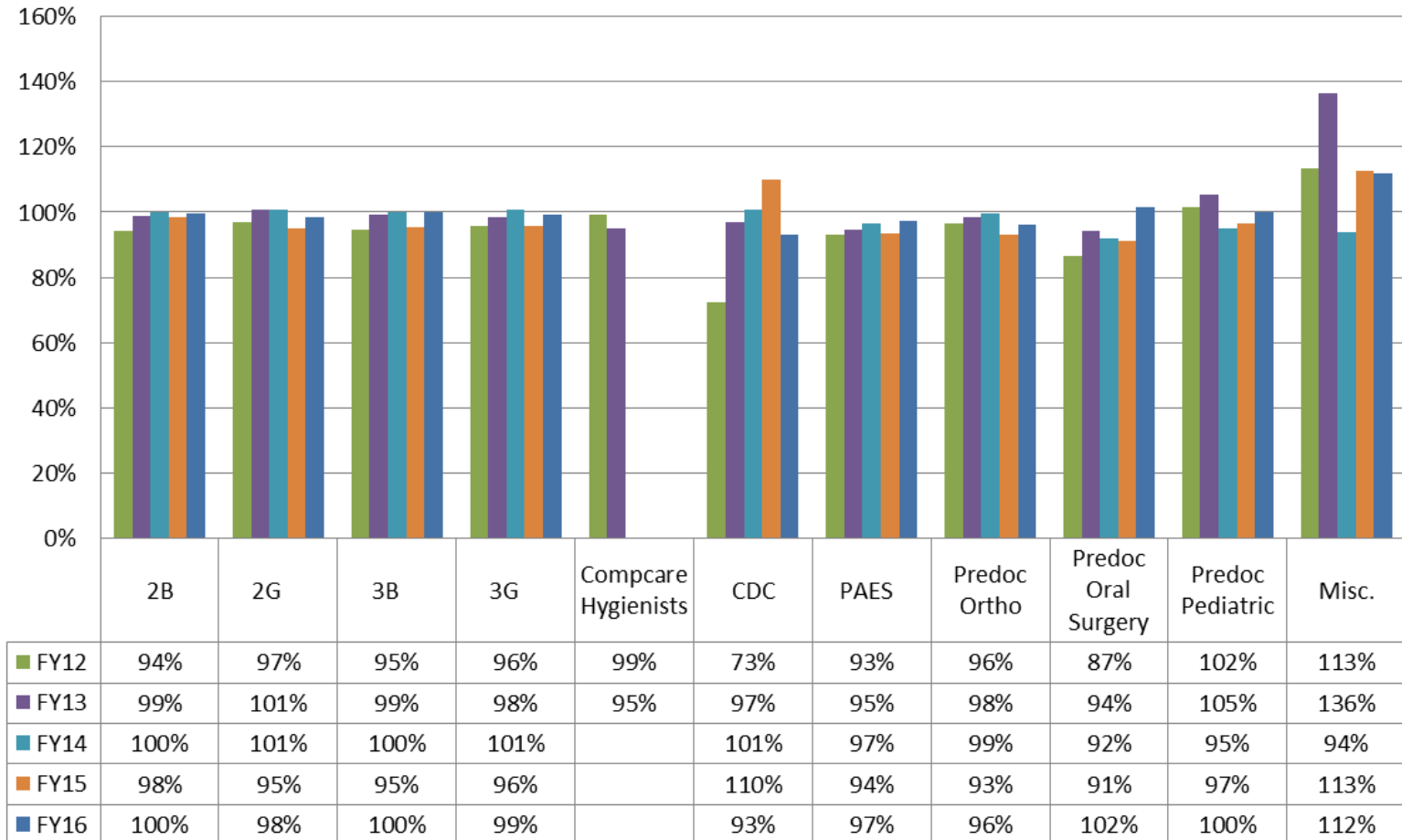
Faculty Practice Contribution Margin

(revenue less expense)



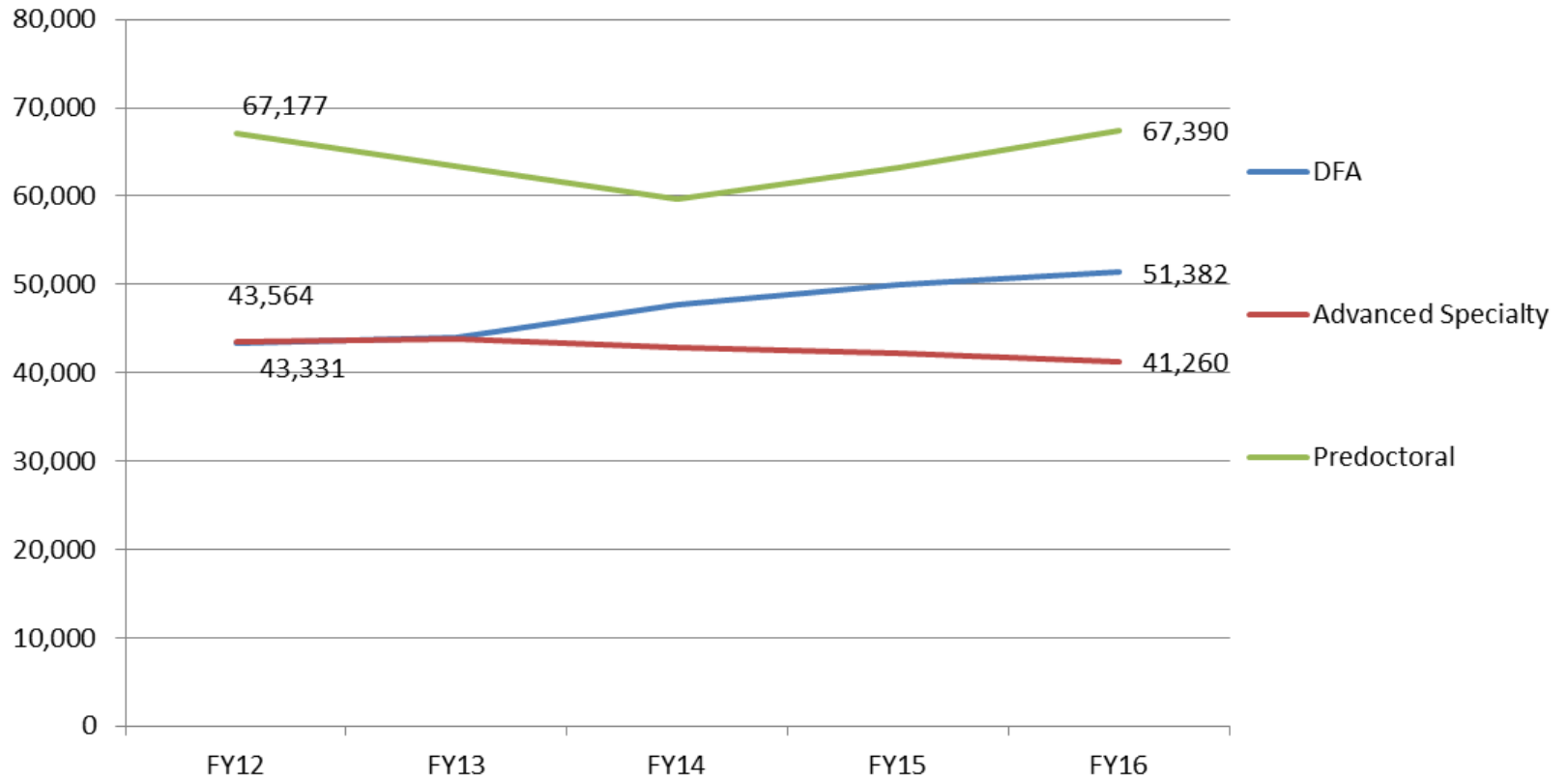
The spike in activity for Oral & Maxillofacial Surgery/Hospital Dentistry was due to a shift in scheduling of wisdom teeth and implant patients from predoctoral clinics to faculty practice.

Cash Collections as % of Net Charges Predoctoral Clinic by Discipline



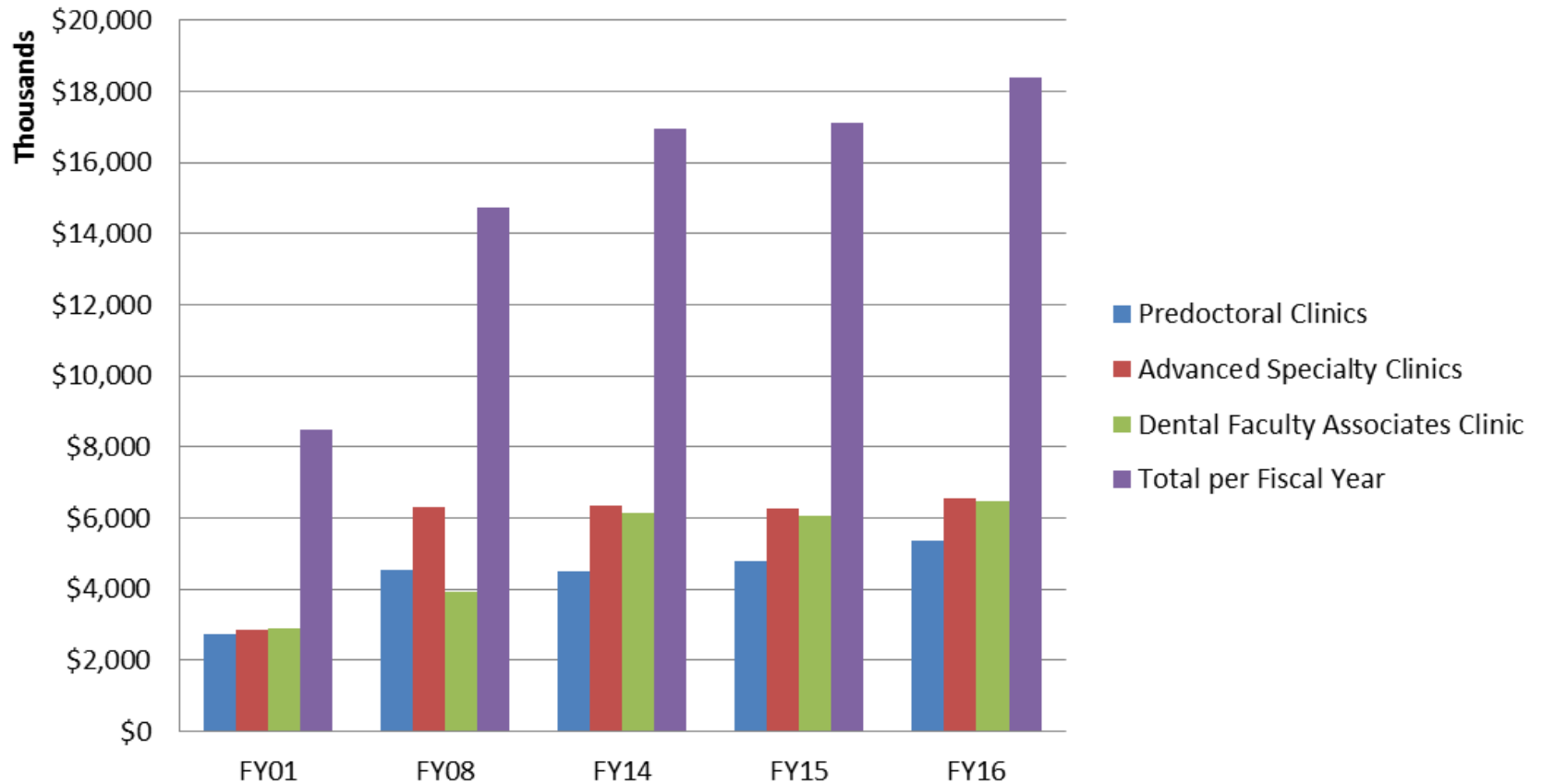
Discipline is the location where the work is done by the predoctoral students. The Compcare Hygienists program discontinued after FY13.

Patient Visits by Clinic



The faculty practice has grown, while clinic patient visits have declined.

Clinic Cash Collections



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