A3 Value-Estimate Sheet

What the list is worth in year one, net, one line at a time.

PRACTICE Kestrel Park Family Dental

DATE ______

☐ **Rough**: one row, not yet segmented

Mark every assumption in bold. Beside each one, write what will replace it and when.

On paper: tick the Assumption box, and write what replaces it, and when, under "Where it came from". = marks a formula line.

PART 1 The inputs

Collections, not fees

LINE	YOUR FIGURE	ASSUMPTION	WHERE IT CAME FROM
Clean inactive patients	3,050	☐	A4 Chapter 4 cleaning log
Reachable	2,180	☐	A5 Chapter 5 contact tiers
First visit collected exam, X-rays, cleaning	$290	☐	Last year's collections exam, X-rays and cleaning
Repeat-visit share in year one	50%	☑	Assumption; check this month
Routine visit collected	$180	☐	Last year's collections
First-year base value first visit + share × routine visit	$380	=	Formula
Average old treatment plan inactive patients only	$1,500	☐	Open-plan report inactive patients only
Still-valid share / acceptance in year one	50% / 40%	☑	Agreed with the dentist Assumption, agreed with Dr. Okafor
Plan value still valid × accepted × average plan	$300	=	Formula
Contact cost per reachable patient	$3	☐	
Staff minutes per reachable patient	6 min	☐	
Loaded staff cost per hour	$30	☐	Payroll
Cost per reachable patient	$6	=	Formula Postage quote plus staff time
Baseline: would return anyway, per window	0.5%	☑	Last quarter's unprompted returns Assumption; check this month

WORK IT The three formula lines

First-year base value: $290 (first visit collected) + 50% (repeat share) × $180 (routine visit collected) = $380 (base value)

Plan value: 50% (still-valid share) × 40% (acceptance rate) × $1,500 (average old plan) = $300 (plan value)

Cost per reachable patient: $3 (contact cost) + 6 (staff minutes) ÷ 60 × $30 (hourly staff cost) = $6 (cost per reachable)

COMPOSITE EXAMPLE · KESTREL PARK FAMILY DENTAL IS INVENTED · FIGURES FROM THE BOOK

A PRACTICE OWNER PRESS WORKSHEET

A3 Value-Estimate Sheet

Continued. Run the estimate once for each segment, newest first.

DATE ____________________

PART 2 The segments

Months since the last completed visit

	NEWEST SEGMENT 1 18–24 mo	SEGMENT 2 25–36 mo	SEGMENT 3 37–60 mo	OLDEST SEGMENT 4 61+ mo	TOTAL
Clean patients	640	820	910	680	3,050
Reachable	560	660	620	340	2,180
Open-plan share	25%	20%	15%	10%	*not summed*
Return rate ASSUMPTION assumption until measured	12%	8%	5%	2%	*not summed*
Returners before baseline reachable × rate	67.2	52.8	31	6.8	157.8
Less: baseline patients × baseline rate	3.2	4.1	4.55	3.4	15.25
Incremental returners before baseline − baseline, not below zero	64	48.7	26.45	3.4	142.55
Value per returner base value + open-plan share × plan value	$455	$440	$425	$410	*not summed*
First-year collected incremental returners × value per returner	$29,120	$21,428	$11,241.25	$1,394	$63,183.25
Outreach cost reachable × cost per reachable patient	$3,360	$3,960	$3,720	$2,040	$13,080
Net, first year first-year collected − outreach cost	**$25,760**	**$17,468**	**$7,521.25**	**-$646**	**$50,103.25**

Band edges shown are the book's, with an 18-month cut-off (Chapter 5). If yours differ, cross them out and write your own.

Floor (every old plan set to zero) FIRST-YEAR COLLECTED $54,169 NET $41,089

CHECK The formulas behind each row

Appendix C

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returners before baseline  = reachable × return rate
baseline returners         = patients × baseline rate
incremental returners      = the larger of zero and (returners before baseline − baseline returners)
value per returner         = first-year base value + open-plan share × plan value
outreach cost              = reachable × cost per reachable patient
first-year collected       = incremental returners × value per returner
net                        = first-year collected − outreach cost
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A segment with no incremental returners isn't worked, so it carries no cost. The baseline uses every patient in the segment, reachable or not.

Show the dentist the floor first, then the net. Say "first year" out loud. · Counts and totals only: no patient names on this sheet.