

# An Analysis of the Impact of CareCredit on U.S. Dental Practices

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## Executive Summary

The Academy of Dental Certified Public Accountants ([www.adcpa.org](http://www.adcpa.org)), a national association of accounting firms that specialize in meeting the unique financial needs of the dental profession, conducted an analysis of the financial impact of the CareCredit patient financing program on U.S. dental practices. Study results indicate that the introduction of CareCredit patient financing significantly and positively impacted several key financial metrics in the dental practice. Study results were produced from an analysis of financial reports of practices that offered the CareCredit program and practices that did not offer a program. Reports were provided by the practices from their practice management software.

The four report areas analyzed were:

- *Treatment Plan Statistics Analysis*
- *Production Summary by Category*
- *Payment Summary*
- *Accounts Receivable Trends*

The analysis targeted the two year period prior to the introduction of the CareCredit program versus the two year period after the program was implemented.

## Key Findings

Key study findings concluded that practices without a patient financing program increased their gross annual production by 4.1% versus 25.3% for practices enrolled in CareCredit. Practices without a program decreased their Accounts Receivable Aging by 3.8% versus a decrease of 37.7% in practices using CareCredit.

Key Practice Financial Metrics	Practices With CareCredit	Practices Without Program
Production	+25.3%	+4.1%
Reduction in Accounts Receivable Aging	+37.7%	+3.8%

When compared to the average annual gross practice production in the U.S. of \$600,000, a 25.3% increase, as experienced by those practices with the CareCredit program, represents \$151,800 per year. For those practices that did not offer a program, the incremental increase of 4.1% in gross production represents an average of \$24,600 per year. The difference is \$127,200 more per year for those who offer CareCredit.

In addition, key study findings among practices that offer the CareCredit program, also concluded that they experienced on average:

- *25.3% increase in number of “Procedures Completed” in relation to “Procedures Planned”*
- *21% gain in the total dollar amount of procedures for “Procedures Completed” relative to “Procedures Planned”*
- *98% increase for implant services*
- *75% increase in acceptance of oral surgery*
- *71% increase in acceptance of restorative treatment*
- *24% increase in the average payment across all payment methods*
- *41% reduction in the average outstanding payment*

Lastly, when practices were asked to rate CareCredit, survey results indicated an extremely high level of satisfaction. 100% of practices indicated that CareCredit “Met” (11%) or “Exceeded” (89%) expectations, and 98% of practices indicated they were “Likely” (13%) or “Very Likely” (85%) to recommend CareCredit to other practices.