

CDS voice

**The Dental and Dental
Hygiene Classes of 2022**



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President's Message

Mehrdad Safavian, D.D.S.



An Invisible CE Called “Associating” with Other Dentists

I have always loved the stories of the “Invisible Man” and all the different versions of its books. I remember, growing up as a teenager, reading a couple of age-appropriate versions of it. It’s made me think about the invisible people, forces, and cultural rules that are in effect, but not observed, credited, or realized by people around them. Since serving as the president, I’ve been looking for what the invisible opportunities are for our organization, the Columbus Dental Society, and what brings value to Columbus Dental Society members.

Looking back at my experience serving on the ODA Annual Session Committee, I realized that I have learned tremendously by associating in organizations and talking to people in that organization. I’ve learned from people who have placed more implants and done more endo than I, owned a practice longer than I have, and parented kids older than mine. An invaluable educational opportunity that’s invisible and a by-product of joining organizations like the Columbus Dental Society.

I just sat next to a dentist from Mentor, Ohio during an in-person meeting. He told me how well his EFDA structure works in his office. He even had a full PowerPoint presentation with all the details attached to it that he had made for himself and shared it with me. The presentation was unpublished, unadvertised, and unavailable and yet immediately useful to me and helpful to my practice. It was truly invisible when I first stepped into the room, but only presented itself to me after joining an in-person session and participating in a group that we were in.

Another colleague that I got to know after a CDS meeting, who is a decade ahead of me in his career, told me how raising his teenage son posed challenges and opportunities. He shared with me some of the life hacks he used to balance his dental career with raising a young adult. He described to me how he succeeded in attending his son’s track and field events while being a well-established dentist. I would have paid to sit in a class learning how people have successfully handled what’s coming down the road in my life, dentally or personally, and learn from their mistakes and success stories.

I don’t know any CE courses that offer this much valuable and variable knowledge and support—great life lessons, travel ideas, team member management solutions, investment ideas, clinical pearls, updates on new research, marketing, emotional balance, and on and on.

Not to mention, you get to know some amazing individuals who are role models for dentists with their level of creativity, sincerity, and dedication to this profession. They are the invisible humans of dentistry. The invisible men and invisible women that you would not get to know unless you participate and join in organized dentistry. The warm comradery of our in-person events is the invisible CE course.

If you have been participating, you know exactly what I mean. And if you have not, give it a try. You may pleasantly surprise yourself. Regardless of your current level of participation, join me and other members of the Columbus Dental Society on Thursday, October 20th at 6:30pm at the Marriott OSU hotel at our general membership meeting. You’ll get to enjoy a visible CE, along with the invisible one!

*Mehrdad Safavian, D.D.S.
President, Columbus Dental Society*

Executive Director's Message

Michael O'Toole, CAE



Why Change is Good!

It's natural to think that change is a bad thing. Change can be daunting, change can be scary, it removes us from our comfort zone. You know... that familiar zone we all want to live in forever!

Why is change good? Change in an organization leads to many positive aspects – that lead to retaining a competitive edge and also remaining relevant in your business. Change encourages innovation, develops skills, develops staff and leads to better business opportunities, and improves staff morale.

Change can make us uncomfortable as we step out of what we normally do and attempt new ways of working. Adapting to change is often difficult because it's too easy to stay accustomed to our habits, however... change is essential to many aspects of business and our working life.

Those practices that don't change can stagnate and not develop. Our current world is constantly evolving in terms of technology and many other challenging but innovative ways. Having the ability to face these new challenges head-on will not only develop the company as a whole but also those who work within it.

“Change is essential to many aspects of your practice and working life”

It wasn't that long ago that Blockbuster Video was "King" of the video rental business. At the height of their success, Blockbuster had thousands of retail locations and millions of loyal customers. Unfortunately, their CEO lacked a vision of the future and was resistant to face the inevitable change lurking on the horizon.

In 2000 Reed Hastings, the founder Netflix (which at the time was a struggling startup providing DVD mail order services) proposed a partnership with Blockbuster. Blockbuster laughed in his face and

turned it down. He wasn't laughing long though. For much of the next ten years Blockbuster was in decline, and in 2010 filed for bankruptcy protection.

Innovation and the ability to react to change in your practice come with the possibility of great new business opportunities while ignoring the need to change can come at great peril.

If the last 2 years have taught us anything, its that change is inevitable. Our association needs to help the membership stay nimble and flexible.

Support organized dentistry. In the upcoming months I encourage you to give back to your chosen profession and volunteer with the Columbus Dental Society. We will be reactivating many of our committees that do important work.

The Columbus Dental Society Board of Directors is excited to announce the appointment of Michelle Janetski to the position of Executive Director!



Michelle Janetski

We are grateful to our previous executive director, Michael O'Toole, for all of the work that he has done for our organization these past years and we wish him all the best in this next chapter of his career. Michelle, who assumed the role at the start of July, is a familiar face to many. She has been an integral part of the Columbus Dental Society for 20 years and is a wonderful fit for the role.

The Dental and Dental Hygiene Classes of 2022: Proud Graduates!

By Dean Carol Ann Trotman, OSU School of Dentistry

On Friday, May 6th, the College of Dentistry's staff, faculty, students, and their families and friends gathered for the annual Convocation Ceremony that celebrated the achievements of the graduating Doctor of Dental Surgery (DDS) and Dental Hygiene (DHY) classes of 2022.

Dr. Carroll Ann Trotman, dean of the College of Dentistry, presided over the ceremony that included five honored guests who represented their respective organizations: Dr. Kumar Subramanian, President of the Ohio State Dental Board; Dr. Thomas Kelly, President of the Ohio Dental Association; Ms. Shannon Sweeney, President of the Ohio Dental Hygienists' Association; Ms. Barbara Hickey, President of the Ohio Dental Assistants' Association; and Dr. Jeffrey Kirian, President of Ohio State's Dental Alumni Society.

Dean Trotman presented welcome remarks for nearly 1,000 event attendees. She said, "The Convocation Ceremony is a cherished tradition for the college and it is one of the most significant events in the lives of our students. The degrees they have earned are a testimony to their commitment



Dental and dental hygiene graduates at the reception following the Convocation Ceremony

and hard work during their time in the college, and we all share in their sense of accomplishment."

Addressing the classes of 2022, Dean Trotman said, "As you move forward in your careers as dental professionals, remember to always be true to yourself, never give up on achieving your dreams, take good care of yourselves, and expect the unexpected. There will be events in your personal and professional lives that will take you by surprise, but it's always possible to turn those challenges into successes." She added, "You've been given many talents and opportunities; therefore, much is expected from you. As you've done at the College of Dentistry, work hard, do your best, and make a difference!"



Dental graduates pose with a faculty member

The college's dental and dental hygiene programs are highly competitive, attracting the best students from Ohio and other states. Such high-caliber dental and dental hygiene students are typical for the college as it recruits and graduates outstanding students from a broad range of backgrounds and experiences. The graduates of this year's DDS class

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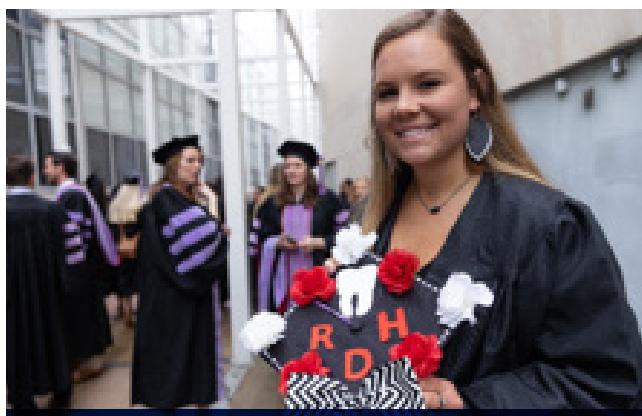


A dental hygiene graduate offers remarks at the ceremony

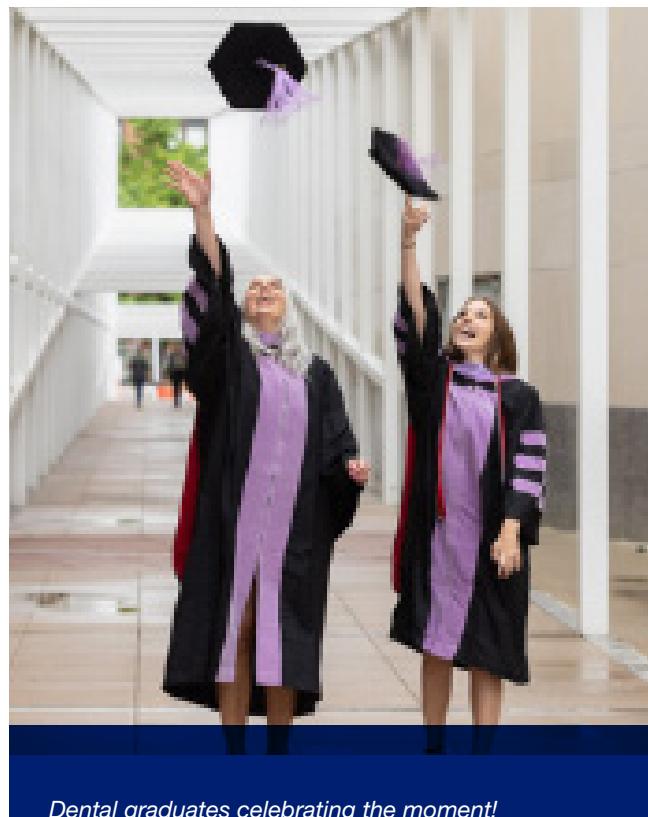


A mortar board proclaims: "Off to Make Smiles Brighter"

had more women than men -- 61 versus 50. There were nine students from underrepresented groups; 104 students from Ohio and 16 from other states; and 12 "first generation" students who were the first members of their families to graduate from college. The DHY class of 2022 included two men and 30 women; five students from underrepresented groups; and nine "first generation" students. Of the 32 students in the class, 29 were from Ohio and three came from other states.



A dental hygiene graduate displays her mortar board and "Registered Dental Hygienist" (RDH) credential



Dental graduates celebrating the moment!

Commenting on the classes of 2022, Dean Trotman said, "I make it a point to be well-informed about our students and their progress as they complete our DDS and DHY programs. It's clear that we are recruiting great students and graduating talented, hard-working dentists and dental hygienists. I am especially proud that our students continue to

meet the most stringent requirements and graduate on time, in spite of the ongoing pandemic." She added, "Like those who have come before them, the classes of 2022 have demonstrated the competence and commitment that will allow them to make substantial contributions to the dental profession and set the highest standards. I know I will hear great things about their accomplishments as graduates of THE Ohio State University College of Dentistry!"

The Importance of Budgeting and Planning to Run a Successful Dental Practice

By Bruce Wickham and Jim Boltz, Zimmerman, Boltz and Co.

One of the biggest challenges owner-dentists face is that they spend most of the operating hours of the practice chairside. In many ways, this is a good thing, even necessary, as this is how dentists generate revenue. However, it doesn't leave much time for management. Furthermore, most doctors don't have any internal resources to help with management or business decision-making. How are they supposed to set expectations for the staff? How and when are the practice goals established? How are strategic decisions made for the practice? Are incentive plans established for the staff? Is the practice able to afford them and how are they communicated? These issues are not stagnant. They are constantly changing, so the plan needs to be flexible.

Most businesses have a process for establishing a plan each year, but this is less common in dentistry. There are many benefits to budgeting and planning, and when done properly, it is well worth the time and effort. Budgeting can help you:

- Feel more in control of your practice
- Have a better understanding of the financial dynamics of your practice
- Have systems in place to aid in establishing expectations and, as a result, make better business decisions

We are going to discuss the budgeting process and some of the benefits that are derived from it.

Understanding the Budgeting Process

In order to establish a solid foundation for a budget, one first must understand what drives the costs and the revenue of dental practices. These are called cost and revenue drivers. For a dental practice, the *cost and revenue drivers* are patients and hours. Why patients and hours? Each hour that a dental practice is open, costs are being incurred. If you open the practice for less hours, then the overall costs of the practice will be less. If you open the practice for more hours, then the costs of the practice will be higher. Each hour that the practice is open is also an **opportunity** to produce dentistry, hence the greater **opportunity** to generate revenue. Additionally, seeing more patients creates greater **opportunity** to generate revenue. For budgeting, we primarily use the hours cost driver and use the patient flow as a variable to see if we think the practice can "fill" the available hours.

This is important because you can establish a historical trend based on these cost and revenue drivers that provide a better opportunity to predict future results. Understanding benchmarks provides much more insight than simply comparing yourself to the industry "norms." For instance, if a doctor historically has produced \$500 per hour, then it is likely that the doctor will continue to produce close to this amount in the future. Then, certain variables must be accounted for, including but not limited to new patient flow and changes to the providers' schedule. An increase in available hours increases capacity, but may reduce productivity per hour. One must weigh these factors to determine how to adjust the expected hourly production.

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Once the productivity expectation is established (each provider's production per hour expectations, including hygiene), one should be able to project the expected revenue of the practice for the coming year. Then, all expected specific costs items should be added to the budget.

A good budget contains all of the details of the practice, including staffing, marketing, cost of services, facilities, other overhead, doctor compensation, debt service, and taxes.

Each of these cost areas should be in detail, so they can be updated as necessary with changes that take place in your practice. As previously mentioned, these costs are not necessarily stagnant and, therefore, must be easily adjusted when necessary. All employees should be listed with their pay rate and hours. Each of the cost line items should be detailed and based on prior year trends with additional information about plans for the coming year.

In doing as previously described, one will have created a budget that is tailored to the practice based on historical results and future plans. Cost and revenue drivers have been used to determine the level of productivity expected. Is it fool proof? No. That is why it is imperative to continually compare actual results to your budget. Comparison to previous year can be helpful, but comparison to budget is, in our opinion, more powerful.

So why go through all of this effort? What are the benefits?

Setting Expectations

If we were to ask you, "If you produce \$500 per hour and each of your hygienists produce \$100 per hour, what would be your expected net after tax cash flow for the year?", would you know the answer? Being able to connect the dots between production per hour or day to your predicted financial results is **powerful**. You may find that the net cash flow of the practice is such that these targets don't work. Or, you may find that it leaves you enough cash flow to re-invest or start incentive plans. It allows you to make better strategic business decisions.

Goal Setting

Now, you are better able to **communicate** the practice goals with the staff because such goals have been established on an hourly basis. The staff should input the goals into your dental software based on each provider's schedule. Your budget contains the hourly goals for each provider that can be used to **communicate** and monitor against the plan. Predicting expected cash flow, if the goals are reached, becomes much easier. By **communicating** goals and measuring their progression, you are able to work to improve more efficiently. This is a key ingredient to running a successful dental practice.

Establishing Incentive Plans

With goals established and expectations set, your staff may be asking, "What's in it for me?" You may want to establish an incentive plan. There are many types of incentive plans that could be the topic for another article. Let's just say that we believe in rewarding performance. But, what's the right amount of reward? What numbers do they have to hit? With a well thought-out budget, you can input the cost of the expected incentive plan. Now expected net cash flow can be determined after the cost of the incentive plan. Doing this exercise allows you to feel more comfortable about sharing in the profits of the practice.

Making Better Business Decisions

Owner-dentists are constantly faced with all kinds of business decisions. When's the right time to add another hygienist? Should I buy a cone beam? Should I expand my hours? Should I bring on an associate? Should I hire an EFDA? How much should I give in raises to my team? In order to make the best **educated decisions**, it is important to understand the financial impact of these decisions, or at least try to predict the financial impact of these decisions. Any of these potential decisions can be modeled in a budget to better predict the potential financial impact. Again, this is an important key in making the best educated decisions as well as gaining a better understanding of the financial context. It's your decision, but you want to be armed with as much information as possible when you make it.

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Peace of Mind

Ultimately, the most important benefit of budgeting and planning is peace of mind. When you have a full understanding of the financial dynamics of your practice, you can sleep better at night. You'll understand what it takes to be successful. You'll also know that you are being proactive and forward-thinking. It's important to meet with your accountant or business advisor regularly to review your budget to make sure you are making any adjustments to your plan that may be necessary. The budget should give you indications ahead of time if any issues may occur. It has been our experience that the "unknown" creates anxiety, while the "known" creates understanding, which tends to reduce anxiety.

With the limited time and resources that owner dentists have today to spend on managing their practices, budgeting and planning can be a "game-changer." We believe all dentists would benefit from adding this to their business tool set.

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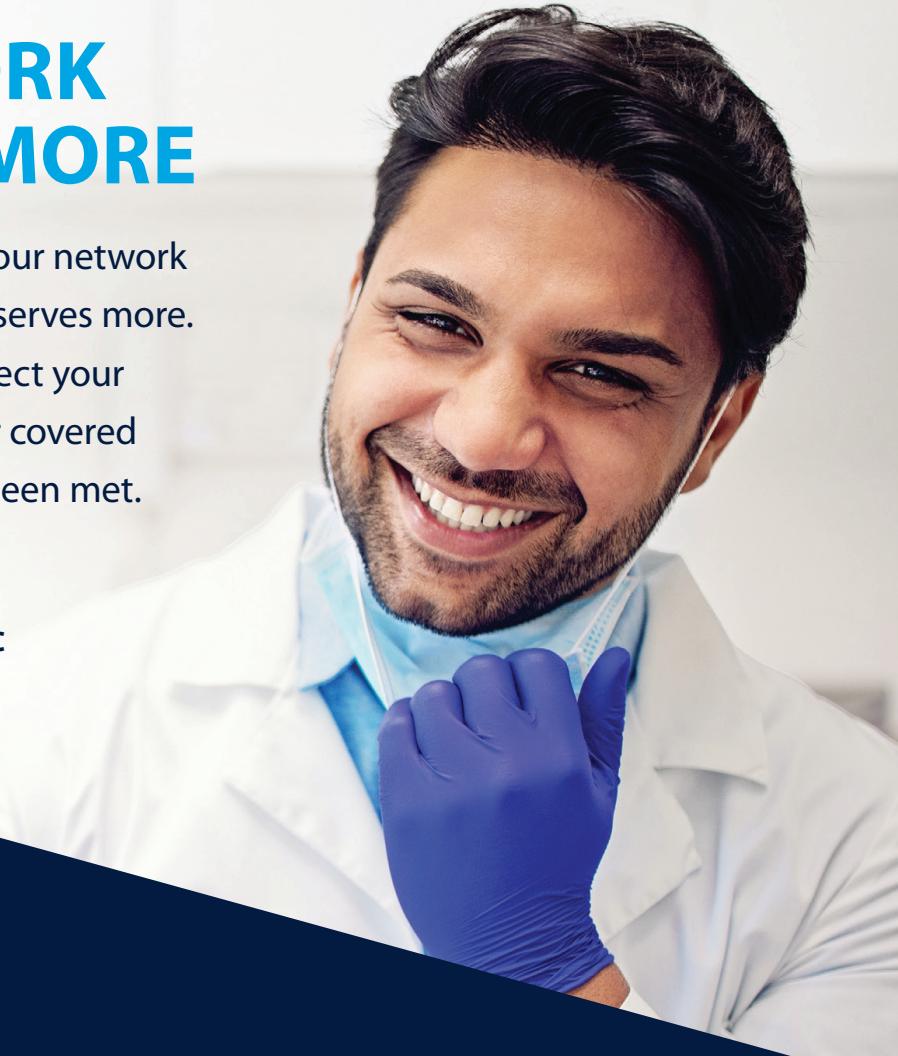
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What Organized Dentistry Means to Me

As the current president of the Columbus Dental Society has strived to reinvigorate our membership as we return from the isolation brought on by COVID, we have spent some time reflecting upon the significance of organized dentistry in today's world. We asked a few of the dentists on our membership committee to share the reason why they joined and have remained members of organized dentistry in their careers. And despite coming from different backgrounds, being from different generations, and practicing dentistry in different ways, it was surprising to see the similarities in their responses.

“When I graduated from dental school [Meharry Medical College], one of the charges the dean gave the graduating class was to not only give back, but to STAY INVOLVED. Dentistry will always be forever changing and the only way to be an efficient provider is staying involved. This affords you to be aware and ahead of the change by which organized dentistry is allowing me to do, all while making my alma mater proud.”

Brian J. Taylor, DDS, MA

“The thing I feel is essential to being involved in organized dentistry is having a voice out there on behalf of those like me. Communicating like-minded successes and struggles, and trying to advocate for change to help the collective. Being involved, it has been great to see the effort of some really outstanding and experienced minds trying to make the profession a sound and secure career for all of us.”

Ian Hall, DDS

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“When I first graduated from The Ohio State University and opened my dental office, I was not a member of organized dentistry. Within a few short years, I understood the need for membership. Membership is more than discounts on continuing education. It is a reliable source of legal information for dentists, medical insurance for dentists and their employees, and disability insurance for dentists. There are so many more things that my tripartite membership has entitled me to, but most importantly, the organization is lobbying for me as an independent business owner and health care provider.”

Helen J. Ashford, RN, DDS

“Organized dentistry has taught me that despite being secluded and scattered in offices, dentists remain tied through their common profession, challenges, and motivations. This experience provides a sense of belonging to a community and allows us to advocate jointly. By addressing impediments and promoting the highest standards of care, organized dentistry advocacy favors both patients and dentists in advancing the profession and improving the treatment experience.”

Leonardo Nassani, DMD

“When I first joined organized dentistry straight out of dental school, I didn’t fully understand what I was getting into. It seemed like the right thing to do and I appreciated the discounted CE courses, but it didn’t mean much to me as a professional at first. Now that I have been practicing for five years, I am just now starting to grasp the importance of being part of something this big. As a dentist in a practice that accepts many PPO insurance plans, there is so much that is out of my control when it comes to the way I can practice and how I am compensated for it. It is important to be able to band together with other dentists and have our voices heard in matters of legislation at a state and national level. Being a member of organized dentistry not only benefits me as an individual practitioner, but the profession as a whole.”

Cindy Ellinger, DDS

“I’m a member of organized dentistry because I know that advocacy for the individual dentist, the group practice or even a corporate dental group requires the power of numbers. Only an organization representing multiple thousands of professionals can successfully lobby at the state or national level to maintain and improve the standards of care common to all dental practitioners. We are stronger together.”

John R. Kalmar, DMD, PhD

A Guide to Payment Fraud Prevention

By Gina Linert, Heartland Payment Systems, LLC

\$34 billion.

Over the next year, that's how much businesses worldwide will lose to payment fraud. If nothing changes, US businesses alone will shoulder roughly a third of that burden (\$11.3 billion), making America the most fraud prone country in the world.

All of that can seem a little overwhelming until you realize this:

What is payment fraud?

At its most basic, payment fraud is when a scammer uses stolen information to make an unauthorized purchase. (Friendly fraud is technically an exception, but we'll get to that later.)

Who is at risk?

Any business that takes payments is a target, no matter their size or industry. But those with lax security protocols — like using traditional terminals to swipe chipped cards instead of dipping them in EMV-enabled terminals, or failing to monitor transaction activity — tend to be easy pickings and face increased risk. Aside from a flair for being jerks, scammers are good at finding and exploiting weaknesses. If a business' defenses have holes, it's only a matter of time before fraudsters will discover and target them.

Fraudulent activity has increased every year since 2001, rising steeply in 2020 due to the pandemic. As more and more businesses were forced to move toward ecommerce to survive, fraudsters saw a rare opportunity to take advantage of merchants and customers who were new to performing transactions online.

While small and mid-sized businesses are not necessarily at greater risk for payment fraud, they are less able to absorb the financial blow fraud can deliver. For companies with millions in the bank, a \$5,000 loss is just a blip on the radar. For a smaller business, that could be the difference between restocking shelves or making payroll.

How does payment fraud affect businesses?

Financially:

You may be wondering why the business would have to absorb any loss when a scammer is the one committing fraud. To find the answer, you have to understand how fraudulent transactions are processed, who is involved, and the roles they play.

When a cardholder sees a bogus transaction on their debit or credit card statement, they can pursue two different methods to get their money back. They can either contact the merchant directly and ask for a refund, or they can dispute the charge with their card issuer by initiating a chargeback, which is typically the cardholder's easier option.

Because most credit card companies and banks offer complete fraud protection, cardholders will likely never pay for transactions their card issuer deems fraudulent.

Historically, the cardholder's issuing bank absorbed the cost of in-person counterfeit credit card fraud. That is, until EMV chip card technology hit the US and the 2015 US EMV liability shift placed responsibility on merchants for helping to combat in-person card fraud. Today, all merchants are responsible for using EMV-capable terminals to process payment transactions involving chip cards. If they don't and a fraudulent purchase is made with

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a counterfeit credit card, they will likely be liable for the cost of refunding the cardholder.

But that's not all. The cost of fraud is three-fold for merchants not using EMV technology.

- 1** The merchant pays the cost of refunding the fraudulent charge to the cardholder account.
- 2** The merchant pays chargeback fees (and potential fines) which vary by institution.
- 3** The merchant also loses the inventory that was fraudulently purchased.

Businesses — or merchants — are at the mercy of the card network's rules. Contesting a chargeback can be time-consuming and tedious. In fact, according to PaymentsJournal, many businesses find it too overwhelming and avoid fighting chargebacks entirely. And if the transaction involved a chip card and the merchant failed to process it with an EMV-capable terminal, they'll likely lose the challenge anyway.

Operationally:

Visa, Mastercard, American Express, Discover and JCB are more than just names or logos on pieces of plastic. These organizations also make up the Payment Card Industry (PCI) Security Standards Council and shape the PCI Data Security Standards (PCI DSS). The standards exist to provide security benchmarks for any entity that processes credit card payments, which includes payment processors and merchants.

Even though PCI compliance isn't a federal law and failing to abide by it isn't illegal in most states, merchants who don't could face significant financial trouble. When businesses contract with card networks and issuers for the ability to process their cards, they enter into a merchant agreement that includes PCI compliance as a condition. Those who don't take steps to meet the standards are in breach of contract and may face consequences.

Businesses that aren't PCI compliant leave themselves vulnerable to fraud, legal liability and financial penalties. PCI DSS is essentially a road map for how businesses can take "reasonable care" toward protecting themselves and their customers' personal data. Not abiding by the standards leads to lax security measures that scammers could easily take advantage of, leaving businesses to deal with the legal and financial fallout.

Any business that has an excessive number of chargebacks and no actionable plan to reduce them will likely face fines and penalties from card issuers. Card issuers can also ban businesses from accepting their cards and fine any payment processor that enters into an agreement with a banned merchant.

So what does that mean exactly? Simply that if a business has too many chargebacks, they could lose the ability to accept credit and debit cards completely. Considering they're the leading method of payment for in-person and online transactions, not being able to accept them could deal a major blow to any business' ability to operate profitably — or at all.

Socially:

Even though the cardholder whose information was used to make a fraudulent purchase had probably never heard of the business that accepted it, that won't necessarily keep them from sharing their story on social media or review sites. Negative word of mouth spreads quickly. And any business that appears as if it can't keep fraud at bay could end up losing its customers' trust and loyalty.

What are the different types of payment fraud?

While many different types of fraud exist, credit card fraud is the most prevalent. Let's dive into different types of payment fraud, and how you can spot and stop them.

credit surcharge program

A turnkey platform for collecting surcharge and staying compliant

Recoup your card payment acceptance costs. We provide you with all the tools, support and answers you need to surcharge with confidence.

When can I begin surcharging?

We take care of card brand registrations and help you remain 100% compliant with card brand rules.

Where can I surcharge?

We ensure you meet regulations in all states where surcharging is legal.

States prohibiting surcharging:
Colorado, Connecticut, Kansas, Maine, Massachusetts, Oklahoma.

When can I apply surcharge?

We make it simple for you to surcharge customers paying by credit card, and avoid accidentally surcharging debit and prepaid cards. It applies to Visa, Mastercard, Discover and American Express credit cards.*

How much can I surcharge?

We enable you to surcharge 3.5% on the published merchandise price and correctly reflect this on the customer's receipt.

What must I disclose to customers?

We provide you with the correct customer signage to be displayed at your business's entry point and point of sale.

How do I ring up sales with surcharge?

We simplify customer checkout with smart, surcharge-enabled terminals that ensure you process transactions correctly.

When can I access surcharge revenue?

We deposit funds into your bank account the next day so you have quick access to your money.

We show you collected surcharge revenue on your monthly Merchant Statement.

What does it cost me?

We charge you \$20 per month plus 10% of the surcharge collected.

Stay competitive by more affordably supporting all the ways your customers prefer to pay. You can turn off surcharge at any time with one call to the Heartland Service Center.

*American Express merchants must be enrolled in the Amex OptBlue program

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In-person Payment Fraud

Luckily, the rise of chipped cards and EMV technology has made it practically impossible for fraudsters to create and use counterfeit credit or debit cards for in-store purchases. But that doesn't mean every card-present transaction is risk-free.

Fraud type: Stolen physical card

- **What it is:** A scammer has stolen a credit or debit card and is attempting to use it to make an in-store purchase.
- **How to spot it:** The person attempting to make the purchase does not have an ID that matches the name on the card, or does not know the information needed to complete the transaction (i.e., four-digit PIN, the card's billing ZIP code, etc.) The thief may claim the chip is broken or have another excuse to swipe the card through the traditional magnetic stripe reader instead of processing the chip via an EMV terminal.
- **How to prevent it:** Stop swiping the magnetic stripes on cards and ensure all customers are tapping or dipping chipped cards on an EMV-enabled terminal at check out. You can also choose to ask for ID to ensure the person attempting to use the card is the rightful owner.

Online Payment Fraud

Because committing card payment fraud is so difficult to do in person, most thieves have moved online where it's easier to steal and use information. This — in conjunction with the rise of online shopping and ecommerce — means that 81% of fraudulent transactions don't happen at the point of sale.

Fraud type: Identity theft and stolen credit card numbers

- **What it is:** A fraudster has stolen someone's identity and is using that person's credit card data to make fraudulent online purchases.

■ **How to spot it:** If the shipping address is different than the billing address, that could be a sign the person receiving the merchandise is not who they say they are. Also, if the customer is only able to enter limited pieces of information at checkout, they may be a scammer.

■ **How to prevent it:** Use technology solutions for online payments that identify discrepancies in billing and shipping information. Use an automated solution to search a card's recent transaction history and find fraudulent purchase patterns. Lastly, make sure your online checkout process requires buyers to enter the CVV. This can help ensure the person making the purchase has the physical card, instead of just the number.

Fraud type: Account takeover (ATO)

- **What it is:** A scammer gains access to a customer's online account and uses it to make fraudulent purchases.
- **How to spot it:** Because a fraudster is trying to break into an account, you will likely see them attempt and fail to log in many times. Once the scammer is into the account, rapid-fire changes to customer information — like shipping address — is a common red flag.
- **How to prevent it:** Using two-factor authentication to verify customers' identity when they sign in can help prevent ATO. According to Chargeback Gurus, you can also require your customers to create safe passwords and lock account logins after too many failed attempts. Keep in mind that adding these steps could complicate the experience and frustrate your customers so be sure to offer responsive customer support. If your customer's account is ultimately compromised, Chargeback Gurus recommends working with the customer to refund their money and secure their account. This may help you avoid having to fight a chargeback.

Fraud type: Phishing

- **What it is:** Phishing isn't exactly a type of payment fraud, but it often leads to it. Phishing is a method scammers use to extract sensitive information from cardholders and businesses alike. Fraudsters use official-looking emails, texts and websites (see pagejacking below) to fool people into giving their personal data to what seems like a trusted source.
- **How to spot it:** Phishing messages use threats of account closure or other serious sounding consequences to pressure recipients into sharing information quickly. They also tend to contain spelling errors, and email addresses and links that don't match the supposed sender's domain.
- **How to prevent it:** Train yourself and your staff to be on the alert for emails and messages that ask you to share sensitive data by creating a sense of urgency. Don't click on anything in the email, search the sender's company online, call the phone number listed on the company's website, and ask about the issue directly.

Fraud type: Pagejacking

- **What it is:** Hackers steal elements of your website's code, use it to create a counterfeit site, deploy phishing emails to drive traffic to the fake site and begin collecting customer data.
- **How to spot it:** Your website's metrics may start to seem abnormal. You may start to see less traffic and fewer sales. If you do, search for your site. If an imposter site shows up in the results, then you've been pagejacked.
- **How to prevent it:** There's no easy, sure-fire solution to prevent pagejacking, but taking steps to protect your source code can help.

Fraud type: ACH and wire fraud

- **What it is:** Fraudsters initiate unauthorized transactions that move money into or out of bank accounts. Scammers who use this technique typically get the information they need to do it from successful phishing tactics.

■ **How to spot it:** Because thieves rely on phishing to commit this type of fraud, they will usually pose as vendors — or other companies you do business with — and urgently request that you wire payments.

■ **How to prevent it:** How to prevent it: Don't let a phishing email fool you into taking immediate action. Stay calm. Take a moment. Then, reach out to whomever is supposedly requesting the wire to confirm it's a legitimate ask.

Fraud type: Friendly fraud

- **What it is:** Cardholders or customers — instead of scammers — initiate chargebacks for items they actually bought and received.
- **How to spot it:** This can be tough to catch, because the people committing fraud are your actual customers. It's hard to be aware that friendly fraud is happening at the moment it's taking place.
- **How to prevent it:** Some friendly fraud occurs because initiating a chargeback is easier than getting a refund. For that reason, PaymentsJournal recommends creating and sharing a clear, convenient return policy. That way, your customers have an avenue to obtain a refund in exchange for returning the item, instead of using the chargeback to make off with both.

Look for Powerful Tech

If you're looking at the list above and wondering how just one person could possibly take all of the necessary steps to stop fraud, take a deep breath. Relax. Because the answer is that one person couldn't. But the right technology can.

Encryption essentially turns credit card data into a unique code that makes it impossible for anyone to read without the decryption key. When credit card numbers don't appear as numbers anymore, it's hard for scammers to steal them and use them to make fraudulent purchases. Tokenization replaces card data with "tokens" which take the credit card information out of the equation, keeping it hidden

from thieves. These data security measures — along with the solutions we've mentioned throughout this blog like address verification services — work like your business' very own security team.

Ultimately, most of the brainpower you need to outsmart scammers exists in modern payments hardware and software. You and your team are your first line of defense against phishing attacks. But when it comes to other types of fraud, you don't have to spend time and energy manually defending your business. And you don't have to go it alone.

Get a team you can count on

While powerful technology should be at the center of your strategy, you also need to ensure your technology provider is in the trenches with you to provide guidance and support when you need it most. Scammers don't punch a clock or observe office hours. And neither do the bots and scripts they deploy to try and breach your online defenses. That's why it's important your payment processing provider offers robust security features and 24/7 customer service.

If you think you're under attack from fraudsters, navigating complicated phone trees, sending an email to a general-reply address, or chatting with a bot is the last thing you want to spend time doing.

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Because preventing fraud goes hand in hand with preventing data breaches, Heartland also offers an unprecedented breach warranty to all merchants who are Heartland Secure and employ Heartland Secure-certified devices — for as long as they're processing with us, at no additional cost. You can also count on 24-hour customer support from US-based live agents.

Today's scammers have a lot of weapons at their disposal. But so do you. Understanding fraud, knowing your risk and leveraging powerful technology to prevent it can thwart would-be thieves and help you protect the business you've built. If you're ready to fight back, we're ready to fight with you. To learn more about the customizable tools we offer and how our teams can help.

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Real Estate: Good Offense, Better Defense

By Kyle Sattler, CARR

Whether your favorite sport is football, foosball or fútbol, you can't win the game unless you have both a good offense and good defense. Bear Bryant echoed this by saying "Offense sells tickets, but defense wins championships."

The same can be said about winning in business and personal finance. In the classic personal-finance book, "The Millionaire Next Door," Thomas Stanley and William Danko liken offense to income and defense to how you spend (or do not spend) that income. Their premise is that to win at personal finance and become wealthy, you must be excellent at producing income (offense) and even better at retaining it (defense).

Clearly, it takes money to make money and some expenses are unavoidable. However, it is important to focus your attention on saving money the right way and looking at big ticket items. That focus can have a huge impact on your personal finance and financial well-being of your healthcare practice.

We recently had two clients who were excellent practitioners; able to produce high revenue for their practice and create significant take-home income. They were great at offense, bringing in income; however, upon reviewing their leases, we found their defense to be lacking.

Client #1

Our client was leasing space in a multi-tenant building. Her lease was set to expire in just over twelve months, so she was considering relocating her practice or purchasing her existing leased space. After reviewing her lease, we noticed she was paying rent on the entire building (nearly 6,000 square feet), rather than her 4,000 square foot space she was practicing in. She was paying for 2,000 square feet that her practice was not occupying, while the

landlord was collecting double rent on the adjoining 2,000 square foot leased space.

Consider the ramifications of this. For the sake of round numbers, let's use a fifteen-dollar per square foot lease rate over a ten-year term.

**$\$15 \times 6,000 \text{ sf} = \$90,000 \text{ (annual rent)}$
 $\times 10 \text{ years} = \$900,000 \text{ total rent}$**

vs.

**$\$15 \times 4,000 \text{ sf} = \$60,000 \text{ (annual rent)}$
 $\times 10 \text{ years} = \$600,000 \text{ total rent}$**

The difference in this scenario is **\$300,000 over a ten-year lease term**. It turns out, there was no malicious conduct or deceptive intent on the part of the landlord (just an honest mistake), but this lease was reviewed by a practice broker, an attorney, two or more doctors and others before it was signed. The space was a part of a practice purchase, so the lease unfortunately was an afterthought.

How long would it take to make up for a mistake like this by cutting back on supplies?

The reality is, no matter how many pennies you pinch on cotton rolls or materials, it's unlikely you could make up for this type of an oversight. Simply assuming that the math on a lease will work out fairly or believing that it is not worth the time or money to have a professional review the terms of a deal may end up being the costliest mistake of your professional career. This is an example of poor defense: not having someone there to protect your bottom line.

Continued on next page

Client #2

The other client was nearing the expiration of his lease, so we reviewed the negotiable terms; namely tenant improvement allowance, free rent, lease rate, operating costs and escalations. The one that stood out the most was the tenant improvement allowance. On the past lease, the landlord's terms were at least ten dollars lower than what the client should have achieved. Doing the math here (\$10 per SF x 3,500 SF = \$35,000).

Another example of poor defense. One negotiable term that seems minor or even "fair" could cost you tens of thousands of dollars.

The hard part about these transactions is that you want to believe you are being treated fairly. The reality is, your definition of fair is most likely very different than that of an opposing party. You must realize you have competing interests with the landlord, broker or investor that is a professional negotiator with full knowledge of their trade. You could say, a landlord's offense is better than an unrepresented tenant's defense.

Real estate is the second highest expense for most practices.

With this much at stake, it's not something you want to take a risk on.

The good news is that buyers and tenants have every opportunity to create a good defense by seeking professional help. Often times healthcare professionals will have an attorney review the legal ramifications and consequences of a lease, but the legal side of a lease and the fair-market-value side of a lease are completely different. Very few attorneys know the going rate for tenant improvement allowance, free rent, escalations or lease rates in a healthcare-real-estate transaction.

Another common mistake is hiring the wrong real estate professional. Be sure to hire a broker or agent with healthcare real estate experience. Failing to understand the electrical, mechanical and plumbing needs of a healthcare practice on the front end can be extremely costly. Additionally, there are many other business deal points that are vastly different in healthcare real estate vs. general commercial real estate.

In summary, a successful practice focuses on production to increase revenue while investing in resources that drive business ***without neglecting to protect what has been earned or could be lost.*** Professional representation protects your interests and the valuable revenue you work so hard to attain. You don't have to choose between having a good offense or better defense; you can have both.

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Don't Be a Snoop!

By Russell Howell, CISSP, Five Elements



I was having my coffee this morning, trying to decide what to base this article on. There is a lot going on in the "Cyber/HIPAA" world, Russian state hacker groups, Whispgate ransomware that just encrypts your data leaving no ransom note, and Zero Day exploits that take advantage of supply chain issues, are just a few possibilities. It was a tough choice, until the phone rang.

On the line was a small Ohio practice, and the exasperated practice manager said, "I think I have a problem." This is never a good 8AM Monday opening line, and they do indeed have an issue. You see, one of their team members used a software portal to the local hospital in order to look up her husband's test result. This is called "Snooping" and is considered a breach of patient information.

The manager received an alert from the hospital for unauthorized access (not a patient of the inquiring practice) and had a meeting with the employee. Just before the call, a second alert was issued for access to another family member by the same employee!

My response to our client was "**Terminate the team member immediately.**" It is never a good feeling to advise a client to terminate an employee, and in this case, an otherwise outstanding one. In reality however, the Team Member in question *should have been terminated on the first offense*, as the HIPAA rule and the practice policy clearly states that it is a violation to access the medical record of a patient not under your care!

Continued on next page

At this point, you are probably asking, "What does this have to do with my dental practice? We don't work with a hospital!" For most readers, this is true, but many of you DO have multiple practices and/or locations.

This is where things can become confusing; if you have one team that moves between offices, you have no issues. However, if you have unique teams or staff for different locations with no movement between locations by patients, it gets trickier.

For instance, if a team member at practice A looks up information containing PHI on a family member or other person at practice B, and that the team member is not involved in their care, this is considered a breach of the HIPAA rule! Of course, if there is a patient-signed HIPAA release in place authorizing access or transfer of records, this can be avoided. HHS and OCR are particularly sensitive about family member and friend records access!

Some general Guidelines

Team Members may NOT access the medical record of family members, friends, co-workers or anyone else for any non-work-related purposes, even with written or verbal authorization.

If you are directly involved in that person's treatment or care (in other words, you're the patient's Dentist, Hygienist, or Dental Assistant):

- You may only access protected health information (PHI) related to your involvement in the patient's care.
- You may share PHI only with the treatment team.
- You may not share information, including the fact that your family member or acquaintance is a patient, with anyone else who does not have a work-related reason to know.

If you are not directly involved in a family member's or acquaintance's treatment or care:

- Do not share even incidental knowledge about that person — including treatment location and details.
- Do not access the patient's health information, even out of concern.
- Do not stop by to visit a patient unless the person has made you aware of their visit and agrees to see you.
- Do not ask anyone involved in the patient's care for information.

This incident highlighted what our firm has been seeing this year from the Office of Civil Rights (OCR) and their enforcement actions. We have seen fewer small practices fined or audited for old fashioned hacker related activity, but more and more small practices writing five figure checks for civil penalty or settlement for Team Member (and sometimes Doctor!) misbehavior!

This has included a single-dentist practice that settled with a patient for \$30,000.00 for simply not meeting the HIPAA requirement to provide that patient with his or her medical record in a timely manner. Another small Mid-Western practice was hit with a civil penalty of over \$50,000.00 by OCR for releasing a patients Protected Healthcare Information (PHI) in a response to a bad online review!

We recently had a client practice that garnered the attention of the OCR by releasing the PHI of a patient to that patient's fiancé (also a patient). The violation? The fiancé was not on the patients HIPAA release, so the patient immediately reported the practice to the Office of Civil Rights! This simple failure to follow policy and check before releasing did not result in a monetary fine, but did result in a lost lunch-hour for the entire practice to retrain and reinforce policy. Evidence of this was then required to be reported back to OCR.

These and other incidents tell us pretty clearly that OCR is shifting its focus to HIPAA issues that can only be addressed with good training, documentation, and a security aware team culture, in short, not the things that software or hardware can fix.

So where did our Monday morning practice fail and what will the ramifications be? Their first failure was a failure to train that employee. The team member in question was a fairly new hire, however, the practice did not take advantage of the online HIPAA training that is available to them. Furthermore, they did not follow their own procedure of terminating on a first offense for unauthorized access.

The practice will now have to self-report to OCR for both breach incidents (snooping is considered a breach) and in addition, the hospital and the software portal provider will also have to report the incidents to OCR. It is also possible because the practice did

not provide the required HIPAA training for the team member, that some legal action could come from the termination!

Frequently when I speak to study clubs or other dental groups, I mention that the technology problems with HIPAA are usually easy to fix, but unfortunately a vast majority of the security and compliance issues we work on every year with clients are "People" issues. These issues can be trained out or addressed with policy or procedure updates, but only if practice owners and Team Leaders make it a priority to do so and lead by example.

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