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Want less stress, more liquidity, cutting edge tools, and more? An IDSO might be for you

THOUSANDS OF DOCTORS ACROSS THE U.S. have or will partner with an invisible dental support organization (IDSO) in 2023 by selling 51% to 90% of their practice, then continuing to lead their practice for years as owners with full autonomy. Others will sell 100% to a DSO or to another doctor as their transition strategy.

Practices with less than \$1.5 million in collections have the option to achieve a value of around 70% to 100% of collections in a 100% sale to a DSO or to another doctor. However, large practices of all specialties may have the option to achieve a far higher value in an IDSO partnership, which sometimes exceeds 400% of collections. IDSOs have been quietly partnering with great practices for more than three decades, and hundreds of them are contacting doctors in all 50 states, eager to become the doctor's silent partner. Doctors should understand all their options as consolidation accelerates.

DEVELOP A BETTER WORK/LIFE BALANCE

IDSOs enable doctors to monetize a part of their practice value now and provide support and resources to help the practice grow bigger, faster, and more profitably. IDSO silent partners can also improve a doctor's work/life balance. Knowing what support resources are available from each IDSO is a key element in choosing the right IDSO partner.

Any great practice will have six or more qualified IDSO bidders to choose from in a properly advised process. Every IDSO is different, but in general their support includes many elements that can free a doctor from administrative minutiae. Doctors often report gaining a half a day

or more of their valuable time in an IDSO partnership.

GAIN LIQUIDITY

Doctors monetize a portion of the value of their life's work for cash at today's low, long-term capital gains tax rates. They diversify their portfolio and reduce risk in what is likely their most valuable asset—their practice. No debt and cash in the bank are a comforting event during troubled times.

REDUCE HEADACHES, DECREASE COSTS, INCREASE COLLECTIONS

IDSOs will typically relieve the doctor of having to manage banking, accounting, payroll, benefits, compliance, credentialing, tax, legal, IT support, and vendor and payor negotiations. An IDSO pays less for supplies, benefits, equipment, and technology. In many cases they're also achieving higher reimbursement rates from payors.

ENJOY UNIQUE RECRUITING TOOLS

In today's competitive labor market, IDSOs can recruit all types of team members and associates by using tools that are unavailable to independent dentists. Many offer ownership opportunities in the IDSO as an inducement to attract star players to their partner practice's teams. Equity ownership has the added value of reducing turnover.

DIGITAL MARKETING EXPERTISE FOR NEW PATIENTS

Another powerful weapon in an IDSO arsenal is new-patient generation skills. Most IDSOs have full-time marketing teams that are dedicated to the growth of their partner practices. They have data, knowledge, and budgets to effectively market for their partner practices at lower costs with better results than independent practices can achieve.

NEW TECHNOLOGY IMPLEMENTATION

In 2022, LPS completed more than \$100 million of IDSO transactions for doctors in their 30s. Part of young doctors' eagerness for an IDSO partnership is driven by their desire to adopt and implement new technologies, such as artificial intelligence, for superior patient care. IDSO partner practices are often the earliest adopters because technology creators use them as beta testers for the latest technology.

Doctors of all ages should understand the IDSO option. Despite interest rates, bank crashes, and inflation, LPS client practices are still choosing from a record number of bidders and achieving record values. Contact us to understand the value of your practice.



Chip Fichtner is the cofounder and principal of Large Practice Sales, which specializes in Invisible DSO (IDSO) transactions for large practices of all specialties. LPS completed over \$600 million in IDSO partnerships in 2022.

LPS | Large Practice Sales
Monetizing Larger Dental Practices

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