Gain-sharing: Effective Marketing Strategy or Ethical Dilemma?

• Barry Schwartz, DDS, Cert ADR •

© J Can Dent Assoc 2004; 70(11):756–7

It is 7:30 am and the entire team — assistants, hygienists, receptionist and office manager — is assembled for the final weekly meeting of the month. There is a giddy sense of anticipation as the dentist walks in, carrying the latest billing summaries. "Good news, everyone!" he announces as he takes his seat. "We've reached our monthly target already. Now, let's see how well we can do this week." The day's cases are then discussed, with an emphasis on previous recommendations for major dentistry that have yet to be approved by the patients. The staff members already know to first engage the patient in warm small talk and then remind him or her about that important bridge or other procedure, stressing that they themselves would accept the dentist's recommendation despite the cost. "Build trust, and then work in the reminder" is the mantra from the latest dental consultant hired by the dentist. As Cathy, one of the dental assistants, heads to her first appointment, she muses aloud, "I wonder how I'll reward myself this month with the extra money. Maybe I'll get that new purse in the window down the street. Gain-sharing is such a good idea. What a great place to work!"

As dentistry becomes more competitive and expenses for staff, rent, materials and infection control lead to higher costs for patients, new marketing techniques are blossoming. One such technique, gain-sharing, is a system in which financial measurement and feedback are used to monitor company performance and gains are distributed in the form of bonuses; the system also incorporates focused involvement to eliminate barriers to improving company performance by being active participants in a program that increases office revenues.[1] In the scenario presented above, the staff shares a percentage of the profit above a typical month's billings, but that extra profit depends on the employees encouraging patients to follow the dentist's recommendations. Gain-sharing differs from profit-sharing in that the employees have a direct impact on any extra incentive, and they know what they need to do to make it a reality — ensure that patients choose higher profit procedures. On the surface this approach may appear not only effective but also beneficial to the patient, albeit in a paternalistic way, in that it leads patients to accept recommended treatment that they have previously considered and declined. Certainly replacement of missing teeth can have important long-term implications from a dental perspective alone; however, the costs need to be budgeted and prioritized appropriately by the patient. If the patient's choice is between a new bridge and smoking, and the patient gives up smoking so that money previously spent on cigarettes can be put toward the dental work, then the decision to proceed leads to a win–win situation. If, on the other hand, the dental work would be undertaken at the expense of the children's college fund or paying down credit card debt, then the choice becomes less obvious.

Two ethical issues are at play here: conflict of interest and informed consent. The primary obligations of dentists and their staff are to provide service to the patient for the benefit of his or her well-being, as well as to uphold the honour and dignity of the profession. The very nature of fee-for-service dentistry can present an unmanageable conflict of interest if recommendations to the patient for dental services are influenced by the dentist's need for income. If the dentist is to act in the patient's best interest, he or she must be willing to exercise good judgement and occasional selflessness.[2]

With regard to informed consent, it is accepted that providing important information to a patient repetitively, over a sustained period, can result in better understanding and retention than giving the patient the same information, but just once, at a stressful moment.[3] For proper informed

consent to occur, dentists must involve patients in the decision-making process and must also strive to understand the patient's values, concerns and rationales. In this way, informed consent becomes an integral part of the dentist–patient relationship. In the scenario presented here, I see no problem with staff reinforcing the recommendations of the dentist, provided they would do the same with a close family member in the same circumstances *and* provided they inform the patient of the gain-sharing policy (i.e., the staff member stands to gain personally from certain decisions made by the patient). This, to me, is the essence of informed consent. Not only should the patient's decision to proceed take into account all the pros and cons of the procedure for that particular patient, but it should also take into account the potential conflict of interest that lurks beneath the sincere and trusting relationship between staff and patient.

Over the years, the patients in my own practice have come to know and trust my staff members, and I have overheard patients discussing potential procedures with my employees, asking what they would do regarding a particular recommendation that I have made. What patients may not realize is that purchasing a procedure from a dentist is a bit like buying a new car. We all know that the salesperson who tells us that we look great in that expensive new car is on commission, and we take such comments in stride. The same principle applies in the dental office, where the appearance is of strictly professional interactions but where a commercial model is sometimes present below the surface. As more patients become aware of marketing strategies such as gain-sharing, the principle of *caveat emptor* (buyer beware) may affect the entire trust-based relationship. In fact, dentistry's position of respect has been eroded, and these marketing approaches may be at the root of the decline. In the latest Gallup poll, dentistry has slipped to fifth place (from third and, before that, first place) in the list of most respected professions or occupations.[4] Patients are beginning to question the honesty and integrity of their dentists more often.[5] The Third Ethics Summit, held in Orlando in January 2004, dealt with truth claims in dentistry. Leaders in dental education and ethics, as well as representatives of regulatory bodies, the insurance field, dental manufacturers and dental consultant services, examined the possible causes of the decrease in truth telling in dentistry. One of the conclusions arising from the summit was that the "truth climate" in oral health care can best be improved through greater transparency, ethics education, new regulations and promotion of general awareness of the problems.[6] All of these issues appear to be at play in this case.

I am all for team-building and for staff being supportive of recommendations made by their dentist/boss; however, these activities must be tempered by the values of our patients and the ethics of our profession through which patient trust is earned and maintained. Losing sight of those objectives may have initial short-term personal rewards, but at what cost to our integrity, professional values and long-term patient relationships? It is incumbent on all dentists to be aware of these profit-raising strategies and to advocate on behalf of all patients by taking a more active role in promoting ethics and professionalism first and putting profit second. Maybe then we can earn our way back up on the next Gallup poll. ➧

Dr. Barry Schwartz is an adjunct professor in practice administration at the University of Western Ontario, School of Dentistry. He is currently completing his Master of Health Sciences in Bioethics at the Joint Centre for Bioethics, University of Toronto, and has a certificate in Alternate Dispute Resolution.

Correspondence to: Dr. Barry Schwartz, 14 Ravencliffe Rd, Thornhill, ON L3T 5N8. E-mail: bschwar@uwo.ca.

The views expressed are those of the author and do not necessarily reflect the opinions or official policies of the Canadian Dental Association.

References

1. Gainsharing Inc. Available from: URL: www.gainsharing.com/gsqa.html.
2. Peltier B. Some observations on truth claims in a profession. *J Am Coll Dent* 2004; 71(2):14–5.
3. Berg JW, Appelbaum PS, Lidz CW, Parker L. Informed consent: legal theory and clinical practice. 2nd ed. New York: Oxford University Press; 2001. p.167–87.
4. American Dental Association. Dentistry — the model profession. Available from: URL: www.ada.org/prof/resources/positions/statements/statements_dentistry.pdf.
5. Schwartz B. Dental ethics: our future lies in education and ethics committees. *J Can Dent Assoc* 2004; 70(2):85–6.
6. Report on ethics summit. Initiative of oral health organizations. *J Am Coll Dent* 2004; 71(2):4–6.