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SURVIVING PRACTICE CHALLENGES: A JOURNEY THROUGH DENTISTRY, BANKRUPTCY, AND REINVENTION WITH DR. SUE KELLER (PART I)

David Mandell:

Hello, this is David Mandell, host of the program. We've got a really interesting topic and guest today. Let me tell you about Dr. Sue Keller, and then we'll have her start in with me.

So Dr. Sue Keller is a graduate at Harvard University. Now she also is a classmate of mine. We're both class of 1990, so that's exciting. My first classmate on the podcast. She earned her doctorate in dental medicine at the University of Connecticut School of Dental Medicine, and trained at Hartford Hospital in Connecticut as a general practice resident in dentistry. She now pursues several career passions. She's a community vaccinator all over Massachusetts, a life coach, supporting people who want to live their best lives. We're going to talk a bit about that. An oral health prevention coach for groups and individuals, and oral health consultant patient advocate for patients struggling to navigate complex dental recommendations and care. Now she's got a pretty significant bio. We're going to put that in the show notes, but she's involved with a number of not for profits in the dental area, and I'll tell you a couple things about her personally. She lives in Deerfield, Mass. and Hammond, Connecticut is a new empty-nester with two young adult children. She spends times with friends, rowing, sculling, hiking, swimming, playing symphonic double bass. I might have to hear about what that is, making pottery and performing musical improv. So Sue, welcome to the program.

Sue Keller:

Thank you, David. Thank you for having me. I'm really happy to be here and be able to share some of the wisdom that I've gathered over the years through my experience and with with your listeners.

David Mandell:

Yeah, absolutely. And we're representing class of 1990 today.

Sue Keller:

Go, '90s.

David Mandell:

Yeah. So that's exciting.

Sue Keller:

Should we tell them that it's our 35th reunion coming up next May?

David Mandell:

We can. They can do the math, and I'm excited to go. 30 we missed because of Covid and that bummed me out a lot. I had such a great time at the 25th and catching up with people, so I'm super excited. Okay, so let's talk about the first question I ask basically every doc who comes on, which is tell us where you grew up, what made you become a dentist?

Sue Keller:

Okay. Well, I grew up outside of Erie, Pennsylvania in a small town called Fairview, and I knew that I wanted to be a dentist since I was at the age of six.

David Mandell:

Okay.

Sue Keller:

That was because that was when I got my first loose tooth, and I discovered that when you have a loose tooth, you cannot eat the cookies in the elementary school cafeteria. So it was my mission to figure out how to get those teeth out as quickly as possible. I went through several of the wives tales about the floss on a string and a doorknob and things, but by my 20th primary tooth or baby tooth, I did figure out the best way to get them out, which I will let you guys know to wiggle it until it's really loose. And then a quick twist. The quick twist is everything. And at that point, first of all, I had a little bit of a sweet tooth when I was growing up, and I got a few cavities when I was little, and I went to a dentist who was fantastic.

I always felt comfortable. They used nitrous oxide gas. They would sometimes leave me in the room and I would play with the instruments when they weren't looking. They always told me I was a great patient. I got two prizes when I left. So I'm like, dentist, cool. This is great. And yet I would hear people talking about how they didn't like going to the dentist and it was like a disaster for them, and they were so afraid. I'm thinking like, well, my dentist is really good. I like going to my dentist. And so I knew that there was a disconnect between what some people were experiencing, what I was experiencing. And I knew that dentistry could be comfortable, but that was what I, even at an early age, under 10 at this point, and I'm hearing that people don't like going to the dentist and I can't figure it out, why. Because I've had a good dentist.

Meanwhile, my teeth came in kind of crooked, but my brother's teeth came in even more crooked. And my dad was a machinist at a small shop, and it was not a foregone conclusion that he could afford braces for both of us. So it was going to go to my brother. Ultimately, I got braces too, but I also, before I got them, I knew what it was like to walk around kind of covering up my hand when I smiled. I knew that there was a very high psychological impact when people can't smile. And I had a friend who had teeth that were... A musical friend of mine that were very, very, very crooked, and her family made her choose between getting a viola or getting her braces. She got the viola went on to become a professional musician. Still is, ultimately got braces as an adult, but those are choices that families have to make sometimes. And so I was super interested in going to orthodontics, originally. Fast-forward when I was at Harvard, I got to spend some time up in Maine with an alum during just a little break, and they sent me to their dentist, and that's when I got interested in general dentistry. He said, "If you pick a specialty, it can get boring. You're kind of doing the same thing all the time." He liked to call himself the decathlon dentist because he did all the events.

David Mandell:

Right, right, right. Very apropos, as we're recording this in the Olympics, by the time this comes out, it will not, but there might even be a decathlon.

Sue Keller:

It can get boring being a specialist, right?

David Mandell:

Yeah.

Sue Keller:

And so the idea of being able to do different things appealed to me, and ultimately I became a general dentist.

David Mandell:

Yeah, yeah, that makes sense. Yeah. I mean, listen, we have got a bunch of clients who are orthodontists and family friends, and they've had great careers, but I could imagine if you're doing that same thing every time, every day, that it may not be as stimulating as where you got to deal with something new, every patient or there's a lot of variety.

So let's talk about our main focus today is going to be two topics. One is going to be your private practice and the financial issues that you dealt with, and then a shift in your career and kind of your second career and the things you're doing. I think there's a lot of docs who have private practices who listen and a certain percentage of them are going to have financial issues, and I want them to hear from someone who's gone through it.

So let's talk about the practice. Did you open it straight out of career? Did you join an existing practice? Tell us how you... Because I know it was almost 25 years you were in this practice, so how did it start?

Sue Keller:

That's a great question. I did a residency, which is not required of doctors, dentists. And so one thing I'd recommend for folks is absolutely do a residency because you are exposed to a bunch of different people and different ways of doing things, I think that's really important training now, I think it ought to be mandatory. And so I did this residency and I would've liked to have associated in a practice. I didn't set out to want to start my own practice, but we were already living in Deerfield. My husband already had his job and I knew that if I associated within, let's just say within 30 miles

of my practice, I might be then required to sign a restrictive covenant. Now I think laws have now changed, and those have been held up to be well-

David Mandell:

Right now we're going to have a speaker on this in one of the lawyers that I'm going to have on the season about what's going on with non-competes and it's a little bit unclear about exactly what's going to happen. But yeah, there's some vulnerability there, but we'll leave that for another time. But yeah, go ahead.

Sue Keller:

So that came into my initial decision-making because I would've had to go say down to Springfield and associate down there if I ever wanted to end up owning a practice in the area that I lived in. And at the time it came out of school, which it came out of, my residency was in '95. I couldn't find anybody hiring at that point in time. And so there was a dentist up in Greenfield, which is seven minutes from my house, and he was in his forties. He was an excellent dentist. He did excellent quality work. He got burned out. He was really burned out. That should have been a sign by the way here. Red flag. Red flag. But I took over his practice, he was taking excellent care of his patients. I bought the practice from him. And so from there it was a family practice. Now you have to remember, this is 1995. We're still using fax with fax machines with thermal paper, and that's new, right?

We were using a DOS system for computers and we had a computer like other offices, colleagues in town who didn't have a computers. Technology, that's another issue. So keep that in mind. This is all going on, early on, I took over a practice where the patients were well taken care of. I've had colleagues who've taken practice of older dentists where the patients aren't well taken care of. And so when you're making suggestions to patients who've never had suggestions to them before, that's a problem when you're thinking about going into a practice. I actually didn't have that problem. I just had to build the practice. Being a woman in the environment, I became very attractive as a dentist for kids. A lot of people ended up bringing their kids to me and I enjoyed the kids, but the parents not so much; because how the parents interact with you determines on how successful their kids are going to be doing that. And so I spent from '95 when I purchased the practice, a bank would not give me a loan. I had to get a private loan source from a friend of my dad's who was

an ophthalmologist who just told me, "Pay it back in the future." I paid him back, of course, but he just help people out when they're getting started out. It's not always easy to get loans when you don't actually have a business to start.

And so by '98, I was able to acquire the practice of another dentist who was retiring. He had a home practice. There's a top tip. Don't put your practice in your home because when you go to sell it, you have nothing to sell other than the patient charts. So we had an arrangement, and that is also a great way to build a practice, is to notice if there's dentists who have gotten ill, if they have died, that you can often get the charts and make an arrangement with them to pay a certain amount for the patients who show up at your practice. Those are ways to consolidate and that can help you build a practice.

So in that point, I've been in practice for three, four years. I keep getting adults coming in who have not been to the dentist for a long time. They're afraid of going to the dentist. They say, "Doc, can't you just knock me out?" Well, it turns out that I was going through... I would go through a ton of continuing education. I was going every month. I highly recommend staying up on things, learning new things. And so I learned how to do oral conscious sedation, give people pills, help them relax and be able to focus. And ultimately, I decided I wanted to focus my practice on that because it was a niche that nobody was taking care of. That's a red flag. If nobody else is doing it, it could be a reason. We'll go back to that.

So I realized that I wanted to have this niche practice with anxious adults, taking care of them doing sedation, and the old house that I was in up in Greenfield was not an ideal site for that. Greenfield's a dead end address. People weren't going to come. I was already having people come from an hour away from the rural areas, but no one was going to come up from Northampton or Springfield up to that area even if I was doing that.

So I decided around 2006, 2005, I really wanted to move the practice. Now in amongst this, I had, had two children in 2002 and 2004, so that's another thing you need to consider. When are you planning to have your family? What I did is I went and I got a bunch of advanced education. I went out to the Kois Center in Seattle and

I was at the top of my game. I had the sedation skills. I did all of this before I had the kids because I knew I was going to be less likely to go out to a lot of continuing education for a while, and I really felt like I couldn't take the vision forwards of taking care of anxious adults where I was at that time in the place I was. So I started looking for other places and I ended up moving the practice about 26 miles south to an area of Northampton. We have five college area, Northampton, Amherst, that area.

So I was just on the western part of Northampton. I found a great brick mill building, built it out from a vanilla box, had large 14 foot ceilings, giant windows that looked out on the west, got the great sun, got trees in even though we were in a little town. And also I set up that office to make it super comfortable. I had reception area that looked like a living room big enough to hold community events and jazz events in, and all the equipment was always behind the patients. I no longer used the pullover lights. I used a headlamp. I was using magnifying glasses, and so patients could literally look out the window and all the stuff was behind them. So I had the whole thing set it up for comfortable care for adults. What you need to know is that I built that out and moved that practice in April of 2007. Do you remember what happened in 2008?

David Mandell:

Yeah. Yeah. So let me jump in for a second. You brought up a lot of good sort of, "Hey, red flag here, red flag there." Etc. We'll get to what's coming and obviously nobody could anticipate 2008. I mean, obviously you can watch the big short and there are people who might have understood in the financial world a year, 18 months out, but not dentists in Massachusetts. No one's blaming anybody for not knowing what's coming in '08. But you did mention a couple of red flags. Two of them I want to point out. One was you said, Hey, if no one else is doing it, that could be an issue." I mean, there could be an opportunity there. It could be like you're the first one to market, but it also could be other people have looked at it and have decided not to.

We had a dermatologist on season two who's also an attorney and a law professor, Goldberg, and he talked about not jumping into because he does a lot of cosmetic, every new thing that comes down the road because you don't know liability wise where it's going to come out.

There's that old saying, the tallest blade of grass gets cut. Now you're not talking about liability wise, but you're talking from a business stance of is it going to work financially to be a little bit cautious about jumping into an area that no one else is doing because there may be a reason no one else is doing it. Was that your point there?

Sue Keller:

That's exactly my point. I had my own practice for almost 24 years, and it was only at the end when I became an associate. And so ultimately, I was starting with families. That went well. I got a bunch of extra training that went well. Then I decided I'm going to build the big dream practice and take care of patients who don't like going to the dentist. There were a lot of other things happening. We were transitioning from Yellow Pages to internet, doing reviews. There's a whole bunch of stuff that's going on there in this time. I was also transitioning from taking a couple of insurances to going fee-for-service, to moving, to then not being able to afford to be fee-for-service, to taking insurances back just as insurances actually cut their reimbursements more than 30% in Massachusetts. Thank you, Delta Dental, that's a whole other thing.

And then going back, realizing I can't make it happen keeping... I can't provide good quality, personal service, taking lower fees, so going back to fee for service, but again, changing markets of how you advertise, how you get patients, how you network, all those sorts of things. So in all of that, if I had been in a city, I would've had enough clientele to run a niche practice. I wasn't. People were going to have to come in from over an hour away, which they did. But by the time you have adults who have neglected their health for 10, 20, 30 years, they can no longer tolerate treatment and they can't afford the treatment. It's a problem.

David Mandell:

Right. Well, I think that's another point to mention. I want to get through it because I want to get to the coaching and other stuff too, but know where you are, right? It seems so obvious, but you had extremely high training and the continuing education and niche, and while there is some wealth in Western Mass or around the universities, etc., it's not being in Boston, right? It's not being in a major metro area where some of these things may have been mitigated by the fact that, hey, I can pull up patients

and they can pay fee-for-service and I'm specialized, and it's different. Again, for a firm like ours, we have a specialization. It's not that we charge more than any other firm, but we don't need to put our hands on our patients. We're doing this virtually, you need to be there. And docs listening, this obviously need to do. Okay, so let's fast-forward now 2008, okay?

Sue Keller:

I want to take you one more step back and love this part. Okay. I only had \$70,000 in debt. I had \$10,000 from Harvard. I was a scholarship student and I only had \$60,000 coming out of UConn. I know that there are doctors graduating right now with \$400,000 to \$800,000 in debt. I don't know how they're doing it. Quite frankly, that is a huge, again, issue. But I was so burdened by the \$70,000 plus the \$135,000 loan I took out. I didn't take a salary for the first three years of my practice. I just worked to pay down my debt. That was a huge mistake. I should have paid down the debt slower. I should have invested in retirement, and I should have let that money grow, young doctors, you to put money into your retirement right away because you cannot make up for the compounding interest that you lose by holding it off. You have to invest in yourself, and you have to do that right away. I just want to get that.

David Mandell:

Yeah, no, that's a great point. We talk about this being the pay yourself first. There's a lot of consultants who sort of have a different way of approaching it, but that's a very good point. It's extremely relevant to a wealth planning podcast, so I'm glad you made that point. And a lot people have emotional issues with debt. I mean in debt doesn't... Again, there's debt that folks who can't afford to make the payments becomes overwhelming and unmanageable and can ruin their finances. And then there's debt that is part of a business structure that you can manage and you refinance it. You try to get the rates as reasonable as possible. You don't ignore it, but you don't generally, again, in every circumstance is different. I'll just say myself for example, I have used debt, whether it's business, whether it's personal, HELOCs, etc. As long as the interest rate was reasonable, low, etc. I'm not rushing to pay that down because I can do better in my investments than that. Now that's changed over the last couple of years. Interest rates have risen. So it may be more of a priority pay down, but I'm glad you made that point. Okay, so let's go to 2008.

Sue Keller:

2008. So I was able to get loans to build out the new practice. That seems to be something that banks were allowed to do, but not quite enough. So that's a red flag being underfunded for what you need to happen. Because when the move actually happened, I lost two thirds of my practice. I went from 600 patients, which is still a low. I really should have had 1,000, 1,500 patients, 2,000 patients, 600, and I lost two thirds of them. I ended up with 150 patients as we hit the recession in 2008. And then my IT guy forgot to quote me \$40,000 of installation costs. He only quoted me for the hardware and the build out took more. So now I'm taking on more debt, putting it on some credit cards. People are no longer going to the dentist during the recession. And I'm trying to hire staff in a new area and all that kind of stuff.

So then the next factor is staff turnover. I have a high level of education. I want to do the best for my patients. I'm providing something that most people aren't providing in the sedation care realm of things. I can't find staff who are motivated to learn, to stay learning and to... So constant turnover. If I can practice at level 20, I'm actually practicing, struggling to practice at level seven because I keep rolling over people starting at zero, training them to five, having them leave, training them to three training then they leave. You know what I'm saying?

David Mandell:

Yeah.

Sue Keller:

All this education I got, I actually could never put it into use other than the fact that I knew what not to do, how not to hurt people. But I always went back to doing the bread and butter dentistry.

I never got to go ahead and do the advanced stuff. And that's not a bad thing because quite frankly, unless you're doing the advanced stuff all the time, you actually aren't going to get the experience that you need in order to take care of the difficult cases. And when people come in with difficult cases, they have expectations. And if you can't meet those, you're going to actually going to lose money on the

complex cases and you actually make more money on the bread and butter kind of cases.

Another advice to folks, use your specialists. They're there for a reason. Have specialists that you sent to regular basis, not just because you screwed something up or because something didn't go the way you wanted it to. Use them all the time for their expertise. It's in your best interest for your patients. Even if your patients say, "Why can't you do it, doc?"

It's like, well, I went to a class to learn how to do root canals with a rotary system back in the early 2000s. I left the class saying, "I'm never going to do root canal again. I'm not going to break 20 files learning how to do this for my patients when I only do two per month. I have a great endodontist in my area that I'm going to send to, but I like digital X-ray, so I'm actually going to get digital X-ray system that's going to save me time and money." And I was one of the first dentists in 2001 to get a digital X-ray system. That was a good decision. That was great, right?

David Mandell:

So yeah.

Sue Keller:

Do well in what you don't want to do well.

David Mandell:

Right, exactly.

Sue Keller:

So now I've brought up a whole bunch of debt, right?

David Mandell:

Yeah.

Sue Keller (22:05):

And the market crashes, and I'm struggling. I refinance at least three times between 2008 and 2017. 2017 was my last chance to refinance. The ship had was turning over and then it had righted itself just enough for me to get refinancing before-

David Mandell:

Since the-

Sue Keller:

... It crashed over the other side.

Tune in for part 2 of David's conversation with Dr. Sue Keller on December 25, 2024.