



# Dental Practice Financial Health Checklist 2026: Overhead & Profitability Analysis

## Revenue Cycle Management (RCM) Audit

Verification of billing accuracy, aging accounts receivable, and collection rates to ensure consistent cash flow.

### Current Accounts Receivable (Over 90 Days)

### Net Collection Rate (%)

### Insurance Claim Denial Rate

- ☐ Low (Under 5%)
- ☐ Moderate (5% - 15%)
- ☐ High (Over 15%)

### Common Denial Reasons Identified

- ☐ Missing/Incorrect Patient Info
- ☐ Lack of Pre-Authorization
- ☐ Coding Errors (CDT Codes)
- ☐ Timely Filing Limit Exceeded
- ☐ Coordination of Benefits Issues

### Discrepancy Notes & Action Plan

Write something...

### Monthly AR Aging Report

 Upload File

### Audit Verification

## Overhead & Fixed Cost Analysis

Review of recurring monthly expenses including rent, utilities, insurance, and software subscriptions.

### Monthly Rent & Facility Costs

Enter a number...

### Utility & Communication Expenses

Enter a number...

### Fixed Software Subscriptions

- ☐ Practice Management Software (PMS)
- ☐ Digital Imaging/X-Ray Software
- ☐ Email/Cloud Storage Services
- ☐ Accounting/Payroll Software
- ☐ Marketing Automation Tools

### Insurance & Malpractice Premium Review

Write something...

### Monthly Utility Invoice Verification

 Upload File

### Next Fixed Cost Review Date

Enter date...

## Variable Cost & Supply Chain Review

Assessment of dental supply spending, lab fees, and inventory waste management to optimize COGS (Cost of Goods Sold).

### Total Monthly Dental Supply Spend

Enter a number...

### Lab Fee Percentage of Production

Enter a number...

### Primary Supply Vendor Status

- ☐ All orders arriving on time
- ☐ Frequent backorders/delays
- ☐ Price increases detected

### Inventory Discrepancies Identified

- ☐ Expired clinical materials
- ☐ Overstocking of low-turnover items
- ☐ Unaccounted shrinkage/loss
- ☐ Inaccurate stock counts

### Monthly Supply Invoice Summary

 Upload File

### Supply Chain Improvement Notes

Write something...

# Payroll & Labor Cost Optimization

Evaluation of staff productivity ratios, overtime hours, and labor costs as a percentage of total production.

## Total Monthly Payroll Expense

Enter a number...

## Labor Cost as a Percentage of Gross Revenue

Enter a number...

## Overtime Occurrences This Month

- ☐ None
- ☐ Low (Under 5 hours per staff)
- ☐ Moderate (5-15 hours per staff)
- ☐ High (Over 15 hours per staff)

## Staffing Efficiency Observations

Write something...

## Payroll Audit Date

Enter date...

### Practice Manager Approval

## Accounts Receivable (AR) & Collections Tracking

Monitoring of 30, 60, and 90-day aging reports and effectiveness of patient payment plan adherence.

### Total Outstanding AR (30-60 Days)

### Total Outstanding AR (61-90+ Days)

### AR Follow-up Status

- ☐ Up to Date
- ☐ Pending Insurance Response
- ☐ Action Required: Patient Contact
- ☐ Action Required: Insurance Appeal

### Outstanding Issues Identified

- ☐ Incorrect Insurance Data
- ☐ Missing Claims Documentation
- ☐ Patient Dispute
- ☐ Unprocessed Adjustments

### Last AR Audit Completion Date

Enter date...

### AR Aging Report Upload

 Upload File

## Production vs. Collection Efficiency

Analysis of the gap between gross production and actual net collections to identify leakage points.

### Total Gross Production (Current Month)

Enter a number...

### Total Net Collections (Current Month)

Enter a number...

### Collection Percentage (%)

Enter a number...

### Collection Efficiency Status

- ☐ Excellent (98% or higher)
- ☐ Target (95% - 97%)
- ☐ Needs Improvement (90% - 94%)
- ☐ Critical (Below 90%)

### Discrepancy Notes & Root Cause Analysis

Write something...

### Practice Manager Verification

## Equipment & Capital Expenditure (CapEx) Planning

Review of depreciation schedules and budgeting for upcoming technology upgrades or dental unit replacements.

### Upcoming Equipment Name

Write something...

### Estimated Acquisition Cost

Enter a number...

### Target Implementation Date

Enter date...

### Priority Level

- ☐ Critical - Immediate Need
- ☐ High - Within 6 Months
- ☐ Medium - Within 12 Months
- ☐ Low - Long-term Planning

### Justification & ROI Projection

Write something...

### Vendor Quote/Invoice

 Upload File

### Practice Owner Approval

## Profit Margin & EBITDA Assessment

Calculation of net profit margins and EBITDA to determine the overall valuation and financial strength of the practice.

### Total Monthly Gross Production

### Total Monthly Operating Expenses

### Net Profit Margin (%)

### EBITDA Variance Analysis

### Profitability Trend

- ☐ Increasing
- ☐ Stable
- ☐ Decreasing

### Financial Officer Approval

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✔ Finish

🔧 Generate Sample Report