Dr. Ryan Ritchie remembers what it’s like to be on the cusp of graduating dental school and faced with the question of consolidating loans.

Back in 2007, before securing his first job as an associate, managing his finances, including his $217,000 student loan debt, was not top of mind for him and some of his peers, he said. “They didn’t want to deal with the headache,” he recalled.

Indeed, loan consolidation, or combining multiple education loans into one loan, resulting in a single monthly payment with the goal of getting a lower interest rate, can seem overwhelming to the new dentist seeking options to manage his or her hefty student loans.

After all, educational debt for senior dental students in 2015 averaged about $235,000, according to the American Dental Education Association.

Dr. Ritchie turned in part to organized dentistry for some answers on how to begin the loan consolidation process. Being part of the American Student Dental Association and taking advantage of the workshops and information it provided helped Dr. Ritchie pay attention to “the broader picture,” he said. “Being involved in organized dentistry, you hear things that get you more educated on topics beyond what you learn in dental school, including loan consolidation,” he said. “That’s when I kind of felt that ‘OK, I’ve got to do this.’”

Dr. Ritchie connected with a now-defunct bank in Minnesota. It worked out. After graduating and taking an associateship for five years before moving to a general dentistry practice that he co-owns in Hutchinson, Minnesota, he was able to pay off a quarter of his consolidated loan quickly, and also secure a low — 1.875 percent — rate for the rest of it.

Looking back, he realizes he signed off on that plan as a “leap of faith,” but acknowledges that new dentists now have more resources so they don’t have to jump in feeling insecure.

For example, in 2015, the ADA endorsed Darien Rowayton Bank’s student loan consolidation/refinancing program. According to the ADA, this relationship between the bank and the ADA provides “unmatched opportunities for ADA members to refinance existing federal and private undergraduate and graduate school loans at a 0.25 percent lower rate than DRB’s already-low rates.”

Since the ADA’s endorsement, more than 850 ADA members have refinanced with Darien Rowayton Bank, and they are saving nearly $32,000 on average refinancing over the life of their loan.

Dr. David Wanzanares said he found out he would be finished paying off his loans in nearly 10 years, instead of 30 years, with the same monthly payments and a lower interest rate (it dropped by 2.5 percentage points) after he consolidated with DRB.

“I can’t tell you what a relief it is,” he said in a promotional video produced by the ADA. “I can’t tell you what a difference it’s making in my life.”

New dentists can get many of their questions answered about who best qualifies for loan consolidation, and take a survey to find out if refinancing is a good option for their personal situation, at ADA.org/mydebt, a web portal the ADA launched earlier this year. It features budgeting tips, debt load and loan repayment calculators and resources on federal and state loan repayment options.

Dr. Ritchie suggests that those considering refinancing should do research on and only strike a deal with legitimate banks that are trustworthy. Run proposed contracts by an accountant or an attorney if you still feel unsure, he suggested.

“I don’t recommend going with a plan you’re not comfortable with,” he said.

For more information about Darien Rowayton Bank and resources from the ADA on loan consolidation, visit student.drbank.com/ADA.
New dentists gain experience, pathway to financial freedom

Dr. Brenden Moon didn’t start out with public health dentistry in mind, but following his third year of dental school at the University of Mississippi School of Dentistry, he learned about a new dental center opening in Carthage, Illinois. A rural town of about 2,700, Carthage was close to where his mother lived and the soon-to-be-open Hancock County Dental Center. Not only did the dental community health center offer full-time work, it also offered loan repayment.

That was a “large contributor to my initial interest in the position and willingness to move,” said Dr. Moon, who worked in Carthage from 2007-12. “My wife Jessica and I discussed our options and decided that taking the position of being the first full-time dentist [there] would be a solid start to our career and our ‘grown up lives’ together.”

Dr. Moon credits his public health experience with helping him “grow” his skills. Everything he learned in Carthage he now uses to treat patients in both private practice and public health offices.

“When you get out of school as young as many dentists are — maybe 26- to 30-years old — why not?” he said. “I strongly encourage dental students to take advantage of any and all similar opportunities. What do you have to lose by getting extensive independent clinical experience and being financially rewarded for a year or two right out of school?”

After working at the health center for five years, Dr. Moon paid his student loans off entirely and says that the financial freedom from debt arrived “at least 15 years earlier” in his career.

“The decision we made to move to a more rural area and take a job in a public health setting right out of school has, in my opinion, been one of the best decisions we’ve ever made,” said Dr. Moon, who still practices in Carthage and now also works in private practice in nearby Quincy.

For more information about the U.S. Public Health Service, visit usphs.gov/profession/dentist/

In addition to public health dentistry, there are other programs that offer financial incentives to dentists.

Dr. Rachel Hymes, a 2010 graduate of the Medical University of South Carolina Dental School, is currently in her fifth year of loan repayment in the National Health Service Corps. The NHSC offers loan repayments and scholarships for dentists who practice in Health Professional Shortage Areas.

“I went to dental school to serve those in need,” said Dr. Hymes, who now practices at a federally qualified health center in Johnson City, Tennessee.

Dr. Hymes said she heard about the NHSC loan repayment program at a dental career fair and consulted the NHSC’s website to find community health clinics in need of a dentist.

“It takes several months to apply and get accepted, so I worked for a year in a community health clinic before getting loan repayment,” she said. “I am now in my fifth year and get $10,000/year for my continuation contract.”

For information about the National Health Services Corp, visit the NHSC’s main webpage and search loans and scholarships. In 2017, the agency will expand its Students to Service Program to provide up to 75 financial awards to dentists in their final year of school. For more information on NHSC, visit nhsc.hrsa.gov.

The Armed Forces Health Professions Scholarship Program has one-, two-, three- and four-year scholarships that cover most educational costs and provide a stipend. For more information, contact a Health Professions Recruiter to discuss opportunities with the Army, Air Force and Navy.

ADA launches ‘Manage My Debt’ web portal

As the average educational debt for senior dental students continues to grow, the ADA launched in September a new web portal dedicated on money-saving resources and tools to help dentists achieve financial stability.

“This is a great resource for members and sorely needed, especially for new dentists,” said Dr. Chris Hasty, New Dentist Committee chair.

“I’m so glad the ADA is advocating for me on student debt and has created a web area to help us find information quickly and easily,” added Dr. Emily Ishikian, New Dentist Committee vice chair.

Educational debt for senior dental students in 2015 averaged about $255,000, according to the American Dental Education Association.

The website, ADA.org/mydebt, is a one-stop shop for dentists seeking information on debt and finance management.

Features include “Debt Facts,” which helps dentists better understand and track various debts such as student loans, credit cards and mortgages.

Looking to consolidate? The portal includes information on consolidation, such as the exclusive benefit from Darien Rowayton Bank to ADA members. The ADA endorsed DRB’s student loan consolidation/refinancing program giving ADA members an opportunity to refinance existing federal and private undergraduate and graduate school loans at 0.25 percent lower rate. As of August 2016, ADA members are saving nearly $32,000 on average through DRB refinancing over the life of their loan, according to the new web portal.

In addition, the new site features budgeting tips, debt load and loan repayment calculators, and resources on federal and state loan repayment options to help dentists get out of the red faster.

For more information, visit ADA.org/mydebt
Two dentists, two approaches on owning practices

Dr. Steven Holcombe used an analogy to describe buying his dental practice.

“I like to use the comparison of telling a child the stove is hot,” said Dr. Holcombe. “Now remember, a hot stove is not a bad thing — you need it to cook food. Now, you can explain and warn the child all you want, but until the child actually touches the stove and burns themselves, the child will not understand. That is how I felt. I burned myself, but it has healed and gotten better.”

Dr. Holcombe is a dentist in the rural area of Mora, Minnesota, and he has established a practice that has presented both challenges and successes. The farmer’s son is a graduate of the Midwestern University College of Dental Medicine, and he has plenty of advice to give to dentists looking to buy a practice.

The following stories present two different dentists — one rural, and one suburban — and how they purchased a practice, but how they did it is not the only avenue available.

“My dream was to always practice in a rural area back in Minnesota,” Dr. Holcombe said. “I actually had some family who were patients of the previous owner, and they knew he was looking to retire. They put us in contact with each other and so, after graduation, I started to work for him. After a few months I took over completely.”

Financing the purchase was perhaps the biggest hurdle Dr. Holcombe faced. “I know there are programs available for financing through some of the different dental associations,” he said. “However, due to the amount of debt I came out of school with, they all turned me down.”

Something that helped Dr. Holcombe was a Minnesotan student loan forgiveness program called the Dedicated to MN dentists. “Dr. Homann took a philosophical approach. “I believe that before a dentist even considers buying a practice the dentist should have a very good idea of what will make them happy in both their career and family life,” he said. “Some people love working six days per week, having a beautiful downtown office full of new technology, and want to manage 15 staff members. Other people may prefer to work a part-time schedule so they can spend more time with their family. What might be the perfect practice for one person might be a poor choice for another.”

Dr. Homann chose a different way to finance his purchase. “Many banks have specialty lending departments that work specifically with the health care field,” he said. “The lender evaluates the quality of the practice financials, the applicant’s credit-worthiness, as well as the applicant’s production history. All aspects play a role in whether or not the lender chooses to fund the practice purchase. I financed my practice through one of these specialty lending departments.”

Dr. Homann had some final advice. “No matter how much preparation you do, there is always going to be more to learn in regard to running a business,” he said. “If I can’t find an answer, my state dental society and the ADA have been great resources for both clinical and administrative questions as well.”

There are ADA resources to help new dentists learn more about buying and financing a practice.

The ADA Practical Guide to Valuing a Practice: A Manual for Dentists is a 114-page book available in the ADA Catalog that presents a balanced view of practice valuation for both buyers and sellers. It also provides guidance on buying an entire practice, a portion of a practice, or a future buy-in. The manual ($60) is $49.95 for members and $74.95 for nonmembers, can be ordered online at ADACatalog.org or by calling 1-800-947-4746.

Wells Fargo Practice Finance is the only health care lender endorsed by ADA Business Resources. To learn more about Wells Fargo Practice Finance, visit practicefinance.wellsfargo.com.

The ADA Center for Professional Success is another place to learn more about buying and financing a practice. Visit success.ADA.org.
Getting help, giving back

For New York new dentist, organized dentistry provides needed career resources

Dr. Hemali Ajmera was never involved with the American Student Dental Association during her time in dental school. But after graduating in 2008 from New York University College of Dentistry, she decided to give organized dentistry a try.

“To be honest, I really liked what I saw,” she said of her first foray into organized dentistry. “I was very lucky to have joined Queens County Dental Society in 2009 and finding great mentors in a few of the new dentists at that time. They encouraged me to speak my voice and found my insight to be very helpful in the programs we currently have at the society.”

From that point on, Dr. Ajmera was hooked.

“The camaraderie that comes from staying involved has really shaped who I am as a practitioner,” she said. “I especially love the information billing that the ADA puts out,” she said. "I'm a big fan of the educational information the ADA puts out." Like all ADA member dentists, Dr. Ajmera receives a variety of exclusive member benefits. Many of them clearly helpful towards dentists like her and other dentists in similar stages of their careers.

Whether it’s information on starting a practice, entering a partnership or handling patient care, the network she’s built from her local, state and national dental societies and resources available to her have proved invaluable.

"Especially in a world where things change on a daily basis," she said. "As dentists we can no longer afford to be disconnected from the global world we live in."

At the state and local level, she said she’s a big proponent of bringing the “latest and greatest” ideas to the forefront of new dentists. For example, new technologies, she said, can help continuing education classes be more efficient and cost-effective.

"We are a group that are burdened with loans, [work-life balance] and the stresses of starting new practices," she said. "Why should having access to the latest technologies out there be something we have to add to that list?"

From the ADA, Dr. Ajmera is a big fan of the educational information the Association provides.

"I used the books on coding and billing that the ADA puts out," she said. "I especially love the information pamphlets which I give to my patients."

After a consultation, there is nothing like being able to give a patient a point or points in an organized dentistry run by ADA Business Resources and endorsed by ADA Business Resources-endorsed products — from staff apparel and credit cards to computers and patient financing — and access to resources such as the Journal of the American Dental Association and the ADA Center for Professional Success.

But for Dr. Ajmera, membership to organized dentistry is more than receiving exclusive benefits. It’s also about giving back. It’s a reason why she decided to currently serve as the New York State Association’s New Dentist Committee chair.

From the ADA Foundation’s Give Kids A Smile program to volunteering in oral cancer screenings, Dr. Ajmera said these programs are in place because of great leaders in organized dentistry. “It’s always a great feeling to give back to the community that has given me so much,” she said.

For more information on ADA membership, visit ADA.org/membercenter.

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