



November 2021–  
January 2022

# DSO Newsletter

Dental Support Organizations Market Intelligence

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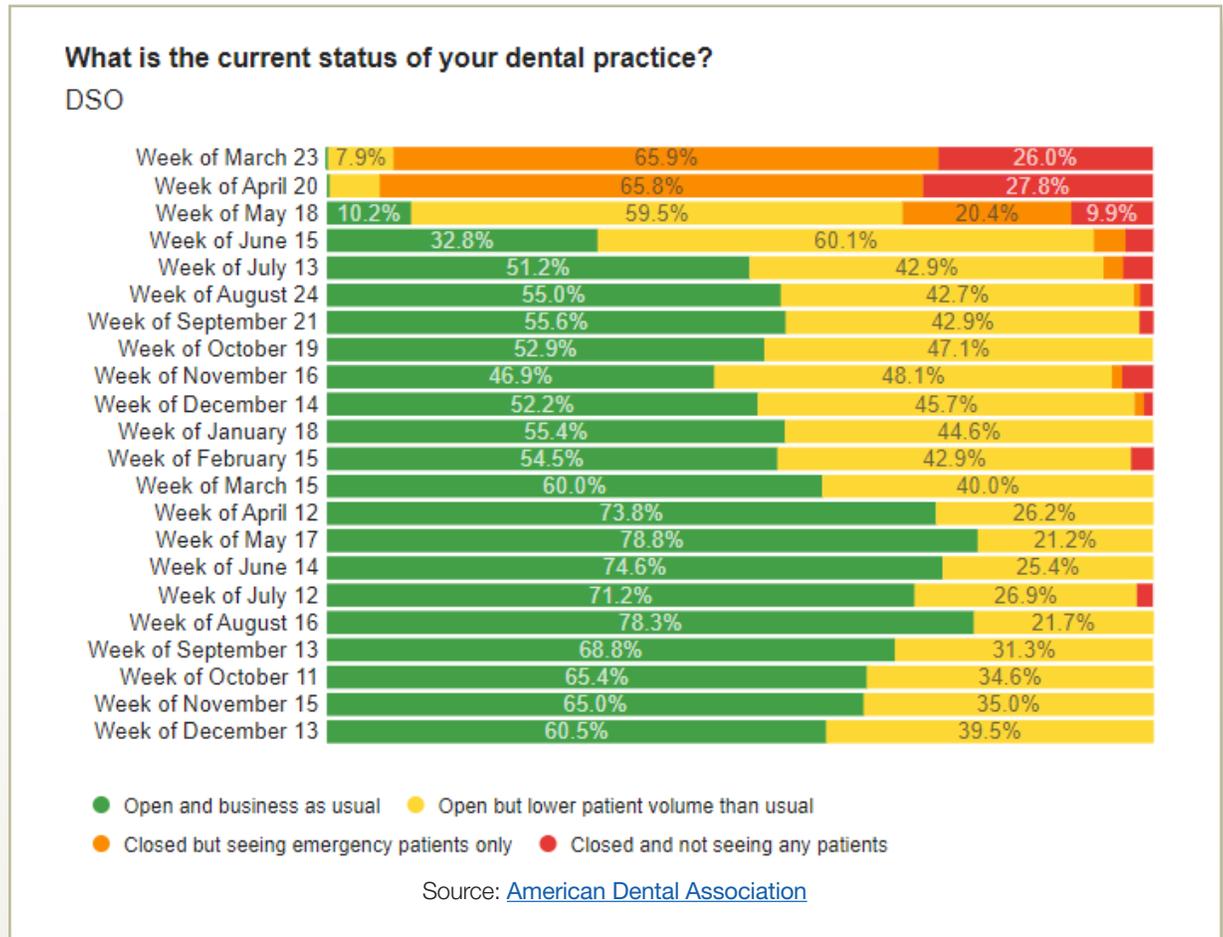
## Key Issues

### Nationwide poll on COVID-19 impacts in dentistry find lowest ‘open as usual’ rate since March

According to the American Dental Association’s COVID-19 impact [poll](#) for the week of Dec. 13, 60.5% of organizations categorized as DSOs reported they were ‘open as usual’ with 39.5% saying they were open but with lower patient volumes than usual. The last time DSOs reported a lower volume was in March 2021, when 40% were open but with lower patient volumes than usual. The poll illustrates how COVID-19 continues to impact dental practices as well as DSOs. The current figure is down from a high of 78.8% in May 2021, for DSOs. The last time the number dipped below the current level was in March 2021, when 60.0% of DSOs said their practice were “open and business as usual.”

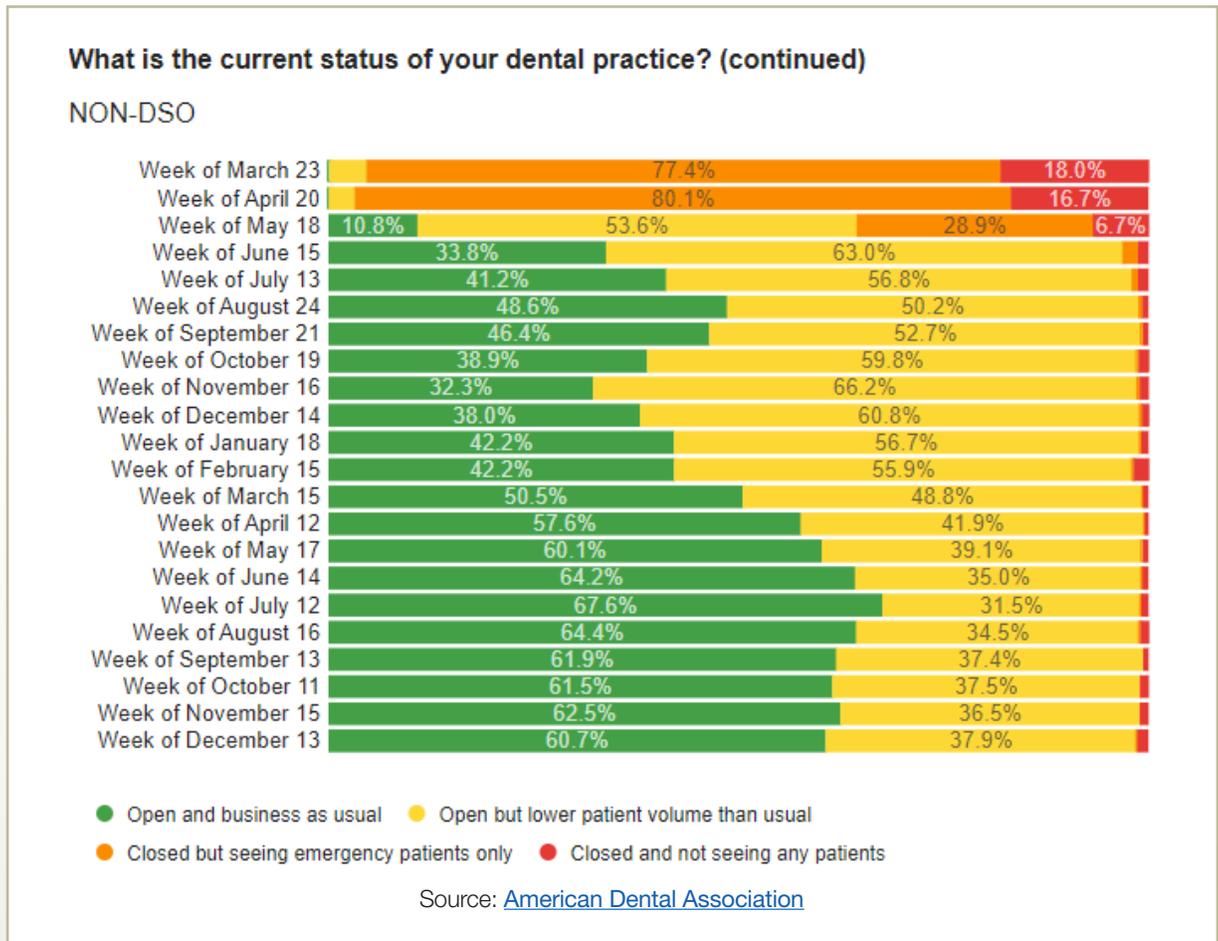
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## Key Issues (continued)



As for non-DSO dental practices, 60.7% reported they were open as usual. The last time rates were lower was in May 2021, which stood at 60.1%. In December, 38% of dentists said their practices were open but had lower patient volumes than normal.

## Key Issues (continued)



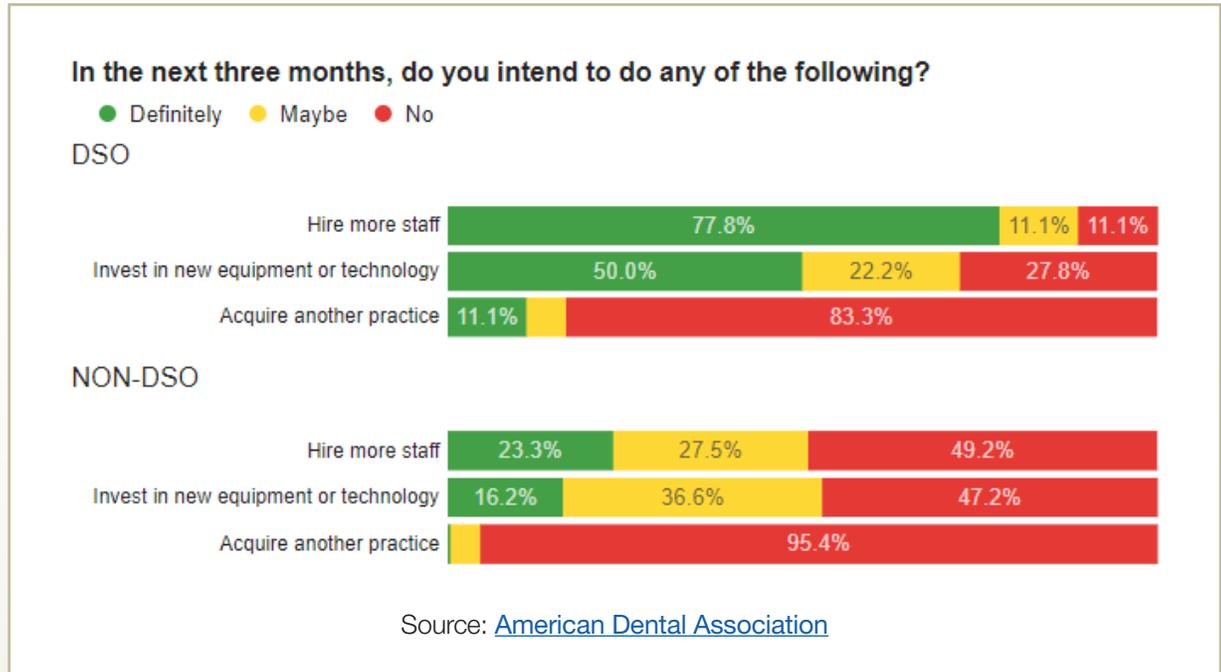
The ADA Health Policy points to [staffing difficulties](#) as the main issue preventing dental practices being able to operate at normal capacity. Practices are facing challenges filling vacancies, reducing their capacity to accommodate higher patient volumes. The issue is also complicated by COVID-19 testing and isolation requirements. [According](#) to the Centers for Disease Control and Prevention, which [updated its COVID-19 guidance](#) for health care workers on December 23, 2021, health care workers with COVID-19 who are asymptomatic and who are not immunocompromised can return to work after seven days with a negative test in the last 48 hours, or 10 days with no test results. A worker who has been infected but has no symptoms and tests negative at day five, can return to work seven days after first being sick. However, if they test positive at days five to seven, they must wait until 10 days after first being sick to return to work.

Health care workers who have received all recommended COVID-19 vaccine doses, including a booster, can continue working after high-risk exposure though testing 24 hours and again five to seven days after exposure is recommended. The agency had [faced pressure](#) from outside medical experts to include a testing component in its new shortened isolation period. In its updated guidance, the CDC said people who have recovered from the virus and have isolated for at least five days can take a rapid test, but they don't have to, not making an official recommendation to get a negative Covid test before ending isolation, which has been a [controversial stance](#) among medical professionals and politicians alike, however The White House has [stood behind](#) the agency's recommendations.

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## Key Issues (continued)

In the next three months, according to the aforementioned ADA survey, 77.8% of DSOs are planning to hire more staff, 50% intend to invest in new equipment or technology and only 11.1% plan to acquire another practice. In contrast, 23.3% non-DSO practices plan to hire more staff, 16.2% intend to invest in new equipment or technology and 95.4% of non-DSO practice don't intend to acquire another practice.



Sources: *The American Dental Association, The Centers for Disease Control and Prevention, CNN, MSNBC, December 13, 2021 - January 04, 2022.*

## The advancement of teledentistry continues amid ongoing challenges due to COVID-19

According to the Oral Health in America: Advances and Challenges [report](#), which includes a follow up to the Surgeon General's Report on Oral Health in America, and explores oral health in the U.S. over the last 20 years, digital transformations are taking place and are creating health solutions that could not have been imagined just a few decades ago, yet making these solutions available to all remains the most significant challenge.

Digital platforms supporting telehealth and teledentistry are improving and becoming more common in dental practices, and are increasing access for Americans, particularly those living in more rural parts of the country. The report found that recent efforts to increase the integration of oral health services with primary health care, focusing on early intervention and prevention and using teledentistry has improved access to care for pediatric populations and similar actions could benefit older adults as well.

## Key Issues (continued)

The emerging science and promising technologies to transform oral health [section](#) of the report highlighted several technologies that are supporting dental practice, including new, bio-inspired dental materials, innovative chairside diagnostic strategies, 3-D bioprinting, improved digital imaging, and artificial intelligence-based models. The COVID-19 pandemic has underscored the need for enterprises to ensure their workforces are able to effectively use the advances in science in order to become flexible in how they deliver and communicate these advancements and teledentistry can be part of that solution.

According to a Dental Economics [report](#), the pandemic has fundamentally shifted the way dental care is delivered and consumer and provider adoption of telehealth and extension of telehealth beyond virtual urgent care, up to \$250 billion of current US health-care spend could potentially be virtualized. In addition, there are currently around 2,000 mobile health clinics in the U.S. and up to \$250 billion of current U.S. health care spend could potentially be virtualized. Patients are looking for convenience, providers want flexibility, and dental practice owners want to pandemic-proof their business models and several industry transactions are taking place.

Las Vegas-based Teledentistry.com [said](#) it partnered with financial service organization Sun Life to provide its members with virtual access to 30 dental providers throughout the U.S. The 24/7 teledentistry services are automatically incorporated into Sun Life members' dental coverage for plan members. Sun Life VP Joi Tillman said the partnership will allow it "to make dental benefits and urgent dental care more accessible, and meet our members where they are."

In addition, Dentulu, a Los Angeles-based teledentistry company, [said](#) on January 4, 2022 that it is partnering with television consumer engagement company Inpenda to offer teledentistry services to patients through their TVs. Dentulu's services will be offered through Inpenda's health division, which connects patients with providers through LG televisions, in a new type of offering from both companies, which is looking to provide a health hub in patients' homes as part of its mission to expand affordable access to dental care. Teledentistry adoption and industry deals are projected to continue as more patients grow comfortable with the convenience of teledentistry and insurance providers increasingly cover such services and look to new innovative service offerings.

*Sources: Dental Economics, National Institute of Dental and Craniofacial Research Teledentistry.com, Dentulu from December 2021 – January 2022*

## Dental Service Organization News

### [Smile Brands recognized as best workplace for diversity, women](#)

Comparably's Best of 2021 awards included Smile Brands, which has been named Best Company for Women and Best Company for Diversity. The DSO provides business support services to approximately 700 affiliated offices across 30 states, Smile Brands employs over 7,500 staff and affiliated providers. CEO, Steven C. Bilt said "our culture is built around a model of mutual support where providers, staff, and patients can thrive regardless of gender, race, or ethnicity." Comparably is a leading workplace culture and corporate brand reputation platform with over 20 million anonymous ratings on 80,000 companies. Comparably celebrates the companies and leaders that are deemed as the most exceptional in 16 categories by employees. Winners are determined based on a series of structured and comprehensive workplace questions in nearly 20 core culture categories. Best Companies for Women are based solely on ratings from female employees. Best Companies for Diversity are based solely on ratings from employees of color.

*Source: Smile Brands on December 16, 2021*

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### [Dental AI company Overjet, Women in DSO accepting nominations for inaugural \\$10K award](#)

The \$10,000 award was announced Dec. 16 and will be issued to two female leaders in the DSO field at the inaugural Empower and Grow 2022 event in March and will be used to support the personal and professional development of awardees. Nominations are open to business and clinical leaders who work at group practices, DSOs or an affiliated DSO clinic, or support DSOs in their role and nominations will close Jan. 15.

*Source: Overjet on December 16, 2021*

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### [9-practice Texas DSO joins Brident, Western Dental](#)

Houston-based Crown Dental has joined Brident Dental & Orthodontics, an affiliate of Orange, Calif.-based Western Dental. With the Crown Dental locations, Brident now has 33 offices in the Houston area and 89 in Texas. In total, Western Dental/Brident has 352 offices in five states and Western Dental conducts about 3 million patient visits annually across Calif., Texas, Ariz., Nev. and Ala.

*Source: Western Dental, Brident Dental on December 7, 2021*

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### [Smile Brands forms affiliate partnerships with Riley Dental Group, Dr. Richard Crossland](#)

The partnership will provide full-service staff administrative support and services for both affiliates, Riley Dental Group in San Fernando, Calif., and Dr. Richard Crossland of Clearwater, Fla. Dr. Paul Riley and Dr. Vivek Solanki lead a team of 18 from their growing San Fernando location. Drs. Riley and Solanki are committed to helping patients live longer, healthier lives. They and their multi-specialty dental team bring the latest dental technology to deliver general, specialty, cosmetic, and implant dentistry services to patients in San Fernando and the surrounding area. Since 1954, Riley Dental Group has been helping patients of all ages enjoy healthy, beautiful smiles. In affiliating with Smile Brands, they look forward to accelerating practice growth by adding associates and becoming a regional implant center.

*Source: Smile Brands, on January 5, 2022*

## Mergers and Acquisitions

### [N.Y.-based DSO Dental365 acquires Beacon Dental Health](#)

The acquisition expands Dental365's network to include more than 90 practices and more than 1,000 employees, including more than 300 dentists. Boston-based Beacon Dental Health supports 14 practices. Dental365 will provide management services and assist with the growth of Beacon Dental Health, which provides comprehensive dental support services in the Northeast.

*Source: Becker's Dental & DSO Review on December 13, 2021*

### [Dental insights company acquired by private equity firm](#)

An affiliate of Beekman Investment Partners IV has acquired P&R Dental Strategies. Beekman plans to further the growth of P&R under its ownership. P&R provides big data analytics for the dental industry and uses multiple, proprietary data assets and advanced analytics to give insights for dental payers and suppliers.

*Source: The Beekman Group on January 12, 2022*

### [Spark Dental Management gains 35 new locations in Children's Dental Management acquisition](#)

Spark Dental Management acquired Children's Dental Management along with its 35 locations and five dental surgery centers accredited by the Accreditation Association for Ambulatory Health Care. Spark Dental closed on five other acquisitions in the fourth quarter of 2021. It now has locations throughout Georgia, New Jersey, Indiana, Pennsylvania, Tennessee, Delaware and Virginia. Spark Orthodontics founder Jason Hartman, DMD, has been named president of Spark Dental, with Children's Dental CEO Michael O'Donnell as the CEO.

*Source: Rock Mountain Capital on January 12, 2022*

### [TUSK Partners advises Gendus Dental Partners in its sale to Guardian Dentistry Partners](#)

Guardian Dentistry Partners is a large family-fund backed Dental Partnership Network that was founded in 2015, led by three doctors who formed an evolutionary group practice model that provides dental care to the greater Ala. Area, with its seven locations spanning from the Florida Panhandle to Montgomery and Birmingham, Alabama. Gendus Dental Partners is the largest non-private equity-backed DSO in the state of Alabama. Guardian Dentistry Partners is a Dental Partnership Network that provides support services and growth opportunities for its network of dentist partners. Founded in 2018, Guardian has expanded to support dental entrepreneurs in Alabama, Florida, Michigan, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas and Virginia.

*Source: TUSK Partners on December 22, 2021*

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## Mergers and Acquisitions (continued)

### [TUSK Partners advises Fairfax Oral & Maxillofacial Surgery on partnership with Beacon Oral Specialists](#)

Fairfax, VA-based Fairfax Oral and Maxillofacial Surgery (FOMS) partnered with Beacon Oral Specialists (, a portfolio company of Blue Sea Capital. FOMS is a leading Oral Surgery group in Va., with 6 clinic locations across N. Va. The transaction will support continued growth and future acquisitions as the company expands into new markets. Financial terms of the transaction were not disclosed.

*Source: Dentistry Today on November 5, 2021*

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### [Envista, Pacific Dental Services form AI development partnership](#)

Envista Holdings Corporation said the multi-year year development partnership will use AI in support of clinical image analysis across the dental market. Envista and PDS have been investing in industry-leading work on AI support of clinical imaging. Through the partnership, they will deploy Envista's DTX Studio Clinic software platform throughout all PDS-supported practices to immediately bring the benefits of AI-supported image sorting and interpretation to PDS-supported clinicians. The two companies will also leverage the clinical and operational expertise of PDS and the technical capabilities of Envista to collaborate in the development and deployment of further AI capabilities via DTX. Envista and PDS aim to harness the power of data and machine learning to allow dentists to use clinical imagery to diagnose, plan and treat dental pathologies.

*Source: Envista Holdings Corporation on January 10, 2022*

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## Private Equity

### [Smile Doctors gets private equity boost to add more service offerings, growth](#)

Georgetown, Texas-based orthodontic support organization Smile Doctors gained an investment from private equity firm Thomas H. Lee Partners. The new investment coincides with Smile Doctors' ongoing financial support from Linden Capital Partners. The DSO said the funds will go toward growth and more service offerings. Smile Doctors' network includes more than 295 locations.

*Source: Smile Doctors on January 5, 2022*

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### [AI-powered dental startup Overjet raises \\$42.5M](#)

Overjet's AI technology is used by dental practices, dental support organizations and research institutions, including New England Family Dentistry, to bring dental AI to the organization's 50 clinic network. The company also works with dental insurers, including 16 major carriers who cover 73 million Americans. Overjet uses its software to measure mesial and distal bone levels in bitewing and periapical radiographs, giving dentists more insights into the diagnosis and treatment planning of periodontal disease. This is a condition, one that can result in tooth loss, that affects around 46% of U.S. adults.

*Source: Smile Doctors on December 20, 2021*

## Private Equity (continued)

### [Pacific Dental Services reaches \\$2B revenue milestone](#)

The business model enables dentists to own their dental practice and allows them to spend more time with patients and less time on the administrative responsibilities of running a practice. Its supported dentists can leverage the operational support of the large business services organization, they have the freedom to focus exclusively on patient care while PDS remains focused on the business aspects of the practice. Cumulative revenues for calendar year 2021 exceeded \$2 billion, marking yet another significant achievement in the privately held organization's 27-year history.

*Source: Pacific Dental Services on January 13, 2022*

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## Innovation & Future of Dental

### [Biolase, EdgeEndo receive FDA clearance for root canal irrigation system](#)

Foothill Ranch, Calif.-based dental laser company Biolase and medical device company EdgeEndo were granted FDA 510(k) clearance for their EdgePRO irrigation system. The laser-assisted EdgePro device provides endodontists a disinfecting alternative for root canals. It removes infected tissue, biofilms and smear layers while killing up to 99 percent of bacteria in the root canal. Biolase will begin manufacturing the system, while EdgeEndo will sell it in the U.S.

*Source: BIOLASE on January 6, 2022*

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### [Stratasys introduces dental 3D printer](#)

The Stratasys Origin One Dental is the latest addition to the company's growing portfolio of dental 3D-printing solutions. It is the second 3D printer to have resulted from Stratasys' acquisition of Origin in December 2020, a significant development in the company's strategy to be the market leader in polymer 3D printing for manufacturing. The Stratasys Origin One Dental and the recently introduced Stratasys J5 DentaJet 3D printer provide dental laboratories with comprehensive additive manufacturing solutions designed to meet the needs of the growing dental customer base. The Stratasys Origin One Dental is powered by a proprietary print technology called Programmable PhotoPolymerization P3 that enables industry-leading accuracy, part-to-part consistency and throughput. The printer offers an open material infrastructure that supports various applications and enables higher throughput at a lower cost per part compared with competing technologies.

*Source: Dental 3D Printing News on December 20, 2021*

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### [ThriveLive 2022 to be held in Las Vegas in April to accelerate dentistry, business & technology](#)

The educational event will deliver an opportunity for clinicians and their teams to learn from thought leaders about Clinical Applications of Dental Technology & the Business Side of Dentistry. The event will be held April 7-9 and will showcase clinical education utilizing the latest technologies from all the leading manufacturers and allow time for customized walkthroughs at interactive booths.

*Source: ThriveLive, to be held April 7-9 2022*

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## Innovation & Future of Dental (continued)

### [SprintRay, Nobel Biocare partner on 3D-printing partnership for implantology](#)

3D digital dentistry provider SprintRay partners with international implantology specialist Nobel Biocare. The agreement will result in Nobel Biocare becoming an authorized distributor of SprintRay's 3D-printing technology. The two companies said the partnership will enable Nobel Biocare's innovative implant solutions and SprintRay's frictionless 3D-printing technology to reduce implant delivery times, same-day placement of implants as well as 3D-printed surgical templates. SprintRay said that the partnership extends SprintRay's reach into implant dentistry, one of the industry's fastest-growing segments.

*Source: Dental Tribune International, November 29 2021*

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### [Pacific Dental Services launches college advancement program for employees](#)

The program offers eligible employees 100% up-front college tuition coverage toward an undergraduate degree of their choice, which the company says makes it the first in its industry to offer eligible employees. In partnership with InStride, which provides Strategic Enterprise Education, the new program will allow PDS operations managers, benefits coordinators, and dental assistants an option to advance their careers while earning their education debt-free while remaining employed full-time. PDS will measure the program's success and hopes to extend this offer to other positions in the future.

*Source: Dentistry Today, October 26, 2021*

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## Dental Practice News

### [Western Dental expands to 353 locations](#)

Western Dental opened two new offices, creating a total of 353 locations in Calif., Texas, Ariz., Ala. and Nev. The two new offices are located in Los Angeles. Both offices are equipped with bilingual staff and offer full dental services such as general dentistry, oral hygiene, orthodontics, oral surgery and dental implants.

*Source: Western Dental on January 7, 2022*

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### [North American Dental Group launches campaign to advance DE&I](#)

The DSO launched an internal campaign aimed at breaking down barriers to workplace opportunities and advancing the company's commitment to diversity, equity, and inclusion (DE&I). 'Faces of NADG' is a storytelling initiative in which NADG team members write firsthand accounts of events, memories, and relationships that shape and make them unique. The stories seek to celebrate ethnic and racial pride, lifestyles and self-worth, and of human generosity and spirit. The company has also established at-work networks for employees seeking peer-to-peer support for topics ranging from racial justice and ethnicity issues, same sex relationships, living with disabilities, gender equality, and help for working parents.

*Source: North American Dental Group on Nov. 18, 2021*

## Dental Practice News (continued)

### [SmileDirectClub plans SmileShops expansion into France](#)

The telehealth company will launch in France in the beginning of Q4 2021. The Company will introduce its premium clear aligners, telehealth platform, and whitening system at its first France SmileShop in Paris, with additional locations to follow. This marks the Company's entry into its seventh European country as it pursues the global market opportunity for its oral care products. The company said around 80% of French consumers say they have room to improve the straightness of their teeth, yet cost is the biggest barrier, providing an opportunity for SmileDirectClub's products, which are priced at 60% less than braces, according to the company.

*Source: SmileDirectClub on Sept. 20, 2021*

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## Litigation and Compliance

### [Aspen Dental sued by Mass. AG over 'Bait-And-Switch' ads](#)

Attorney General Maura Healey accused Aspen Dental, which has 25 locations in Mass., of billing patients for initial appointments for people with dental emergencies that had been advertised as free. The lawsuit was filed under the state Consumer Protection Law, alleging the company lured customers with deals and services that never came to fruition. Healey claims Aspen advertised free first appointments for patients with dental emergencies, but would later bill them for those visits. According to Healey, the chain also failed to disclose limitations on some offers, like money-back guarantees on dentures. "Aspen Dental took advantage of vulnerable consumers in need of dental care and used misleading advertising to lure them into their offices under false pretenses," she said.

*Source: The Patch on December 13, 2021*

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### [Kansas District judge sides with dentists in dispute with Delta Dental over insurance changes](#)

A Kansas judge ruled in favor of member dentists who said Delta Dental of Kansas' board of directors stripped their power with illegal changes to its terms. Mark Troilo, DDS, and Christopher Leiszler, DDS, filed a lawsuit in October alleging that the insurer made illegal changes to its articles of incorporation and bylaws, including eliminating language that gave member dentists stockholder power and extending the length of board appointments while making them automatically renewable.

*Source: Kansas Reflector on December 10, 2021*

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