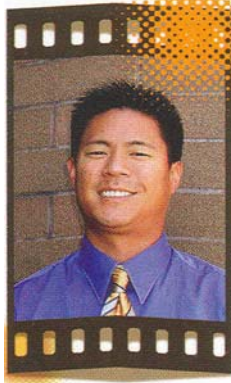


Dentists count on specialized CPAs



DR. GARRICK J. LO

When Dr. Garrick J. Lo graduated from dental school in 2002, his friend, a newly minted CPA, helped him with his taxes. It seemed like a good decision at the time and was probably a more professional approach to tax time than many of Dr. Lo's friends were taking.

That was then. "Both he and I agreed when my situation became more complex, the best idea would be to go with an experienced specialized CPA," said Dr. Lo, a Redmond, Washington dentist.

The dental CPA is likely the one specialist no one in dental school told you about. This specialist can't treat caries, but many dentists believe that a good dental CPA can save practitioners hundreds of thousands of dollars over the course of their careers.

While the fees are more than those of general CPAs, accountants who specialize in serving dentists better know how to value a practice, which equipment makes the best investment, how to anticipate marketplace trends and

how much dentists should charge for various procedures, said Allen Schiff, dental CPA and 2006 ADA New Dentist Conference speaker.

These CPAs can better advise dentists whether they should incorporate, become a LLC or a sole proprietor, added Rick Willeford, dental CPA, 2004 ADA Annual Session presenter and founding president of the Academy of Dental CPAs (AD CPA), a national association of firms providing specialized services to dentists.

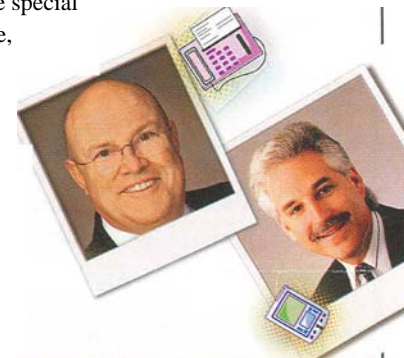
Dr. Lo's dental CPA helped him purchase a practice at a fair price, with an easy transition. "He had checklists for all of the things I had no idea about," Dr. Lo said. "His experience with third-party payers and required licenses was invaluable. His performance and financial forecasts made the application for loans and funding seamless. He provided constant communication with the banker and lawyers from both sides of the purchase," Dr. Lo said.

Dental CPAs can be dentists' single most important adviser, not only for the specialized knowledge they possess, but also for the specialized contacts they have, Mr. Willeford said. Your dental CPA can be the first person you call on, regardless of the issue at hand. Good dental CPAs know good attorneys, practice management consultants, dental equipment companies, office designers, and commercial real estate agents - all of whom specialize in dental clients, said Mr. Willeford.

So where does all this specialized knowledge come from? According to Mr. Schiff, there are hundreds of dental CPAs, and perhaps hundreds of ways they became dental specialists. Regardless of how they got there, accountants who truly specialize in dentistry should be familiar with the Journal of the American Dental Association (JADA), Dental Economics and other dental periodicals, and ADA practice management resources. They should attend dental trade shows regularly and know all the major dental supply companies. At least 80 percent of their clients should be dentists, Mr. Schiff added.

Many such specialists join associations like ADCPA, which now includes 26 accounting firms, representing more than 6,000 dentists.

Whether new dentists find their dental CPAs through the ADCPA, a similar association, or some other way, Mr. Schiff says dentists must choose carefully. Ask more established dentists for names, check references, and narrow the list to about three people. Interview each candidate, asking pointed questions about their knowledge of and interest in dentistry. Which journals do they read? Which trade shows do they attend? Make sure they really do specialize in dentistry, Mr. Schiff said. Finally, from the group of qualified accountants, pick one you think you'll work well with. After all, Mr. Schiff said, "they could be with you your entire career." ~



RICK WILLEFORD, CPA (TOP LEFT) AND ALLEN SCHIFF, CPA (BOTTOM RIGHT)