

Cost to Deliver a Single Hygiene Visit

Activity-based cost model for a 60-minute adult prophylaxis / recare appointment in an SGA-style DSO

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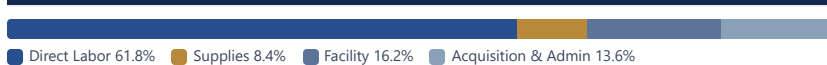
FULLY LOADED COST / VISIT \$148.65 Median of model range \$135–\$165	DIRECT LABOR SHARE 62% Hygienist + Dr. exam + ops	TYPICAL PPO REIMBURSEMENT \$112 D1110 adult prophylaxis, blended	CONTRIBUTION MARGIN ON PROPHY ALONE -\$36.65 Before fluoride/x-ray/exam codes
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The thesis. A standalone D1110 prophylaxis at PPO rates does not cover its own fully loaded cost. The hygiene chair is profitable only when (a) co-billed codes (D0274 BWX, D1206 fluoride, D0150/D0120 exam) are properly captured, and (b) the visit produces restorative diagnosis. Each \$1 of hygiene production at SGA historically pulls ~\$2.10–\$2.60 in same-quarter restorative case acceptance — that is the actual unit economics.

FULL COST STACK — 60-MINUTE ADULT PROPHY

COST ELEMENT	BASIS	PER VISIT	% TOTAL
Direct Clinical Labor		\$91.85	61.8%
Hygienist chair time	60 min @ \$52/hr loaded	\$52.00	35.0%
Doctor recall exam (D0120)	8 min @ \$195/hr loaded	\$26.00	17.5%
Hygiene assistant / setup-tear-down	Allocated 12 min @ \$22/hr	\$4.40	3.0%
Front office (sched, verify, check-in/out)	10 min @ \$28/hr loaded	\$4.65	3.1%
Insurance verification & RCM labor	Allocated	\$4.80	3.2%
Consumables & Supplies		\$12.45	8.4%
PPE (gloves, mask, gown, shoe covers)	Per encounter	\$3.10	2.1%
Prophy paste, fluoride varnish, polishing cup	Per encounter	\$2.60	1.7%
Disposables (cups, bibs, suction, saliva ejector)	Per encounter	\$1.30	0.9%
Sterilization (pouches, indicators, water-line tx)	Per encounter	\$1.75	1.2%
Instrument wear & sharpening allocation	Cassette amortized	\$2.10	1.4%
Imaging supplies (sensor / phosphor amortized)	If radiographs taken	\$1.60	1.1%
Facility & Equipment Overhead		\$24.10	16.2%
Operatory occupancy (rent, CAM, tax)	\$30k/yr op ÷ ~1,500 visits	\$10.00	6.7%
Utilities (power, water, HVAC, internet)	Allocated	\$3.40	2.3%
Practice software (PMS, imaging, e-claims)	~\$95/op/mo	\$3.20	2.2%
Equipment depreciation (chair, cavitron, x-ray)	10-yr straight-line	\$4.80	3.2%
Malpractice, general liability, cyber	Allocated	\$2.70	1.8%
Patient Acquisition & Admin		\$20.25	13.6%
Marketing / CAC amortized over visits	\$280 CAC ÷ ~9 lifetime hyg visits	\$9.00	6.0%
Credit card processing	~2.5% of \$150 collected	\$3.75	2.5%
Bad debt / patient A/R write-off allowance	~2.0% of fee	\$3.00	2.0%
Corporate overhead allocation (HR, IT, finance)	~3% of clinical opex	\$4.50	3.0%

Fully Loaded Cost — 60-min adult prophylaxis **\$148.65** **100%**



METHODOLOGY, ASSUMPTIONS & SOURCES

ASSUMPTION	VALUE USED	RATIONALE / SOURCE
Hygienist base wage	\$41.50/hr	US national median 2025 ADA HPI Survey; SGA East/Gen4/Modis benchmarks land between \$38–\$46/hr depending on region
Loading factor on wages	1.25x	Employer payroll tax + benefits + PTO + 401(k) match; conservative for non-PHI hourly W-2
Dentist loaded comp (associate)	\$195/hr	30% prod model on \$650/hr chairside production + benefits; excludes owner-equivalent draw

SENSITIVITIES & DRIVERS

LEVER	Δ COST / VISIT
Hygienist loaded rate +\$5/hr	+\$5.00
Appt block shortened to 50 min	–\$10.50
Doctor exam time 5 min (vs 8)	–\$9.75
Op utilization 1,800 → 1,300 visits/yr	+\$4.20
No radiographs this visit	–\$1.60
New-patient visit (90 min, premium CAC)	+\$28.10
Assistant-supported (accelerated hyg)	+\$2.80, but +35% capacity

WHAT IS NOT IN THIS NUMBER

- Restorative or perio production driven by the visit (the actual revenue driver)
- Hygienist productivity bonuses tied to D1206/D4910 codes
- Build-out CapEx beyond op-level depreciation
- Patient lifetime value or referral attribution
- Phase B PHI-driven workflows (text recall, predictive recare)

PER-VISIT ECONOMICS BY CODE MIX

D1110 ONLY -\$36.65 \$112 PPO reimbursement	+ D0274 BWX +\$8.35 \$157 blended reimbursement	+ D1206 FLUORIDE +\$34.10 \$183 blended reimbursement
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ASSUMPTION	VALUE USED	RATIONALE / SOURCE
Operatory throughput	1,500 visits/yr	Network 50th percentile across SGA hygiene chairs (DI grossHygieneProduction ÷ avg fee, see Hygiene Performance Report)
Operatory occupancy cost	\$30,000/yr	~\$32 PSF blended × 950 sq ft per op (4-op practice, ~3,800 sq ft total)
Patient acquisition cost	\$280	SGA-blended digital + GBP + referral spend ÷ new patient count (2025 mix)
Hygiene visit lifetime per patient	~9 visits	Active patient retention 4.5 yrs × 2 recases/yr; conservative vs. industry 5–6 yrs
Bad debt allowance	2.0%	Industry range 1.8–2.6% for in-network PPO mix; lower than FFS/cash-pay practices
PPO reimbursement (D1110)	\$112	SGA blended in-network — varies \$86 (Delta PPO) to \$135 (premier) by carrier and region
Software stack cost	~\$95/op/mo	PMS + imaging + e-claims + check-in + perio charting allocated per op

How to read this number. \$148.65 is the cost *incurred* per hygiene chair-hour at SGA — not a transfer price and not a fee floor. It is most useful for: (1) Op capacity decisions (does adding a hygienist on Saturday earn its keep?), (2) Fee schedule negotiations (Delta PPO renewals where reimbursement sits below \$100), (3) Bonus plan economics for hygiene-product captured at the chair, and (4) Headway / OM dashboard ROI math when comparing hygiene to restorative utilization.