

My
Friend's
Dentist.



2019 Annual Benefit Report

September 1, 2018 — August 31, 2019



Dear Friends,

The B-Corporation (B for benefit) movement is a community of companies that collectively meet a set of comprehensive environmental and social performance in the pursuit of using business as a force for good. At the heart of the idea is the simple fact that business impacts and serves more than its owners, employees and customers (patients)... That business has an equal responsibility to benefit the community it serves and the environment that it takes from.

As a small, local business operating in the large, corporate-controlled healthcare industry, we see daily the trade-offs that come with seeking to fulfill our mission of providing the best patient experience possible, caring for people through the practice of dentistry and being responsible stewards of the communities we serve while being constrained by the dynamics that come with being a small fish in a very big pond.

As we swim against the stream, the B-Corporation certification gives us the tools needed to take an honest assessment of the positive and negative impacts of our practices, make measured improvements and continually learn.

To qualify as a B Corp, we have met the B-Lab's comprehensive transparency, social and environmental performance standards and signed a legal agreement detailing the standards we are required to continually uphold. Moving forward, we are required to complete the B Impact Report bi-annually, pay an annual fee tied to our revenue and make our B Impact Report public.

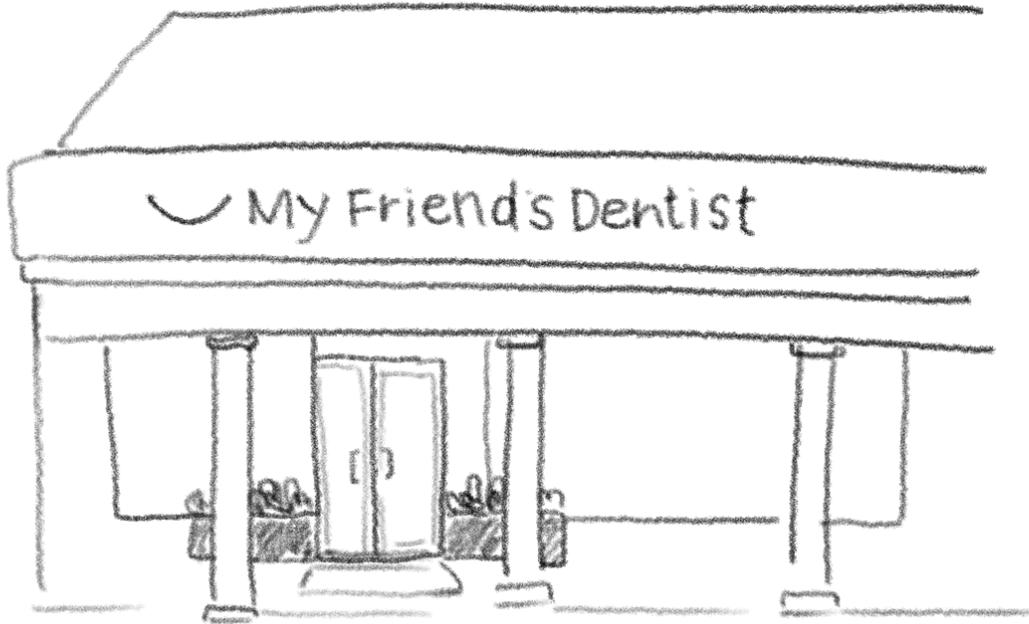
In addition to those results, we will be publishing an annual benefit report outlining our successes and challenges. That report is attached.

We look forward to learning from, collaborating with and being inspired by the B corp. community as we continue to evolve what it means to be in business.

Sincerely,

A handwritten signature in blue ink that reads "Mike + Sean". The script is fluid and cursive, with the plus sign clearly visible between the two names.

Dr. Mike & Sean



Provide the Best Patient Experience Possible

Today's healthcare industry is controlled by heavy regulation, large corporations and insurance companies. As a small, local business navigating these challenges we always look to ask "How do we continually put the patient first?"

Provide the best patient experience possible

99%

Annual Patient
Satisfaction Score

100%

of Team Members
Paid a Living Wage

27

Standard Procedures We Began
Openly Publishing Pricing On

Highlights

Living Wages for All, Healthcare for Full-Timers

Delivering the Best Patient Experience Possible is impossible without the right people. We worked throughout the year to update pay-scales to reflect living wage standards in New Hanover county to set a baseline of pay for team members.¹ In addition we added a comprehensive healthcare coverage option for all full-timers. Dental practices employ a range of skillsets – administrators, hygienists, dentists and specialists and while a minimum living wage standard is a good start, we look for opportunities to introduce scalable pay raises, profit-sharing and healthcare coverage for all as we grow.

Introducing Price Transparency

Hidden costs, non-transparent pricing and administrative errors are regularly reported as the largest barriers people have to getting the care they need. Dental insurance plans are thought of, and advertised as, insurance, however they function as discount plans, whereby the insurance companies stop (instead of start) paying when you hit your maximum. We see misinformation around how these plans function as a major barrier to necessary care. In addition, confusing insurance language, often buried in the fine print, such as no same-day treatment clauses, waiting periods or treatment downgrades is counter-intuitive to providing patients with care. While we continue to accept dental insurance, to help address the confusion we review policy details and estimate insurance payments as part of our standard of care. For non-insurance patients, we have began publishing pricing on our website on each of our standard procedures – 27 to date.

Challenges

The Dreaded Trip to the Dentist

More than 40% of Americans report not seeing the dentist for regular preventative visits.² Other surveys indicate that as many as 60% of adults are too spooked to go the dentist at all. For many, a bad experience in the past coupled with insurance and pricing confusion means a dreaded trip to the dentist is even scarier. For most, this means only getting reactive care when there is pain. We see this reflected in conversation, treatment rates and appointment cancellation rates.

We value excellence, and our focus is on continual improvement, we invite open criticism and ideas through www.MyDentistIdea.com as we continue to work to solve the questions - How can we better educate patients on the benefits of a proactive approach to their oral health? How can we continue to remove confusion around treatment, pricing and cost? How can we continue to help people overcome the fear of the dentist?

¹ MIT Living Wage Calculator by County ² 2018 Adult's Oral Health & Well-Being Survey



Care for People through the Practice of Dentistry

We continually look for ways to build rapport that extends beyond the dental chair while introducing more possibilities for patients to participate in world-class care.

7

Volunteer Events

36%

Dental Membership
Plan Participation

\$17,491

Total Donated Dental Time

Highlights

Alternatives to the Insurance Middle Man

Insurance policy limits and restrictions regularly dictate the level of care a patient receives. We asked the question “What if we introduced a plan that gave people access to similar pricing, but without any of the limitations?” Thus, our Dental Membership Plan was born. For a membership fee, patients have non-restricted access to discounts, and barriers to preventative care have been removed. We look forward to continuing to add benefits to the membership plan.

Volunteering as a Win-Win

Dunk-Your-Dentist for charity? Perform in a 1990’s dance-off? Teach giddy, young children? These can be fun in their own right, better yet when we can do them as a team. We were able to participate in 7 team volunteer events this past year, which included efforts to raise money and resources for the St. Mary Clinic, Cape Fear River Watch, Nourish NC, The Carousel Center and Communities in Schools, all while having a blast as a team.

Challenges

Balancing Appointment Time

Caring for People through the Practice of Dentistry obligates us to constantly examine how we allocate dental provider’s time. Unlike factory-healthcare, which can force providers and practices into treating patients like numbers, we constantly seek the balance between financial responsibility, transparent reporting and implementing processes that make sure patients are comfortable, confident in their treatment and that all their questions have been answered. Our focus is on allocating time into the experience for these interactions, and managing schedules accordingly.



Be responsible stewards of the communities we serve.

We're local, that means we have a responsibility to find ways to benefit the community we serve and responsibly steward the environment we take from.

Be responsible stewards of the communities we serve.

917 lbs

of Waste Recycled

100%

Utility Carbon Offset

\$801,546

Total Contribution
to the Local Economy¹

¹ Factors wages and expenses with locally owned businesses, excluding franchises, in the State of North Carolina.

Highlights

Looking Beyond Recycling

Our recycling efforts have been ongoing since 2016. In late 2018 we became more serious about tracking, reporting and reducing our waste. In our first year we tracked 917 lbs of recycled waste that would have otherwise ended up in a landfill – a first step we're proud of. However, as concern over the viability of plastics recycling continues to grow, we are looking beyond recycling and are implementing efforts around composting, medical waste conversion, and partnerships with Envirodent and Terracycle for responsible dental waste upcycling.

In Support of Local

The most significant way we contribute to the Wilmington community is through the services we provide and where the resulting financial interactions take place. After Hurricane Florence, we gave out \$1,500 in gift cards to local businesses we love. Why? Because keeping dollars local benefits locals - our preference is to seek out local vendors and suppliers whenever possible. While the majority of our banking, technology and dental supply dollars are spent out of state, we continue to seek out and work with local dental labs and service support organizations like IT providers, law firms and building services whenever possible.

Challenges

Accurate Data

Coming up with reliable waste data is difficult. We're working to develop better methodologies around measuring baseline waste and ongoing composting and recycling efforts, while making it more convenient for team members and patients. We continually evaluate ways to refine this and seek out supplies that meet these criteria.

Achieving Carbon Neutrality

With the non-availability of renewable energy on our current grid, we currently invest in offsetting 100% of our utility carbon through renewable energy credits. We look to develop a baseline for overall carbon output to achieve overall carbon neutrality in the year to come.

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Certified



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Corporation

Always Be Smiling.™