

Resource of the Week | Clear to Launch Healthcare Marketing

LIFETIME PATIENT VALUE

Understanding, calculating, and maximizing the long-term revenue each patient brings to your practice.



OVERVIEW

This resource walks you through everything you need to know about Lifetime Patient Value (LPV). What it means and why it matters... how to calculate it and where your practice stands against industry benchmarks.

- ◆ What is Lifetime Patient Value (LPV)?
- ◆ Why LPV Matters for Your Practice
- ◆ Industry Benchmarks
- ◆ How to Calculate Your LPV
- ◆ Using Your Practice Data

WHAT IS LIFETIME PATIENT VALUE (LPV)?

Lifetime Patient Value (LPV) represents the average revenue you can anticipate earning from a single patient over the course of their entire relationship with your practice.

It enables practices to calculate the estimated monetary worth of a patient over their entire time doing business with them. Understanding LPV also helps you evaluate how much you can reasonably spend on acquiring each new patient, based on your practice's average conversion rate from lead to booked appointment.

In short: LPV tells you what a patient is truly worth, not just at their first visit, but across their entire lifetime with your practice.

WHY IS LPV IMPORTANT?

◆ **Improve Decision Making**

LPV gives you a concrete number to anchor business decisions: from staffing and equipment investments to marketing spend. When you know what a patient is worth over time, you can make smarter, data-driven choices rather than guessing.

◆ **Helps Identify Your Ideal Customers**

Not all patients are equal in terms of long-term value. LPV helps you identify which patient types, referral sources, or service lines generate the highest lifetime revenue, so you can focus your energy on attracting more of them.

◆ **Forecasting for Future Cash Flow**

When you understand how much your average patient is worth and how long they stay, you can project future revenue with much greater accuracy. This is essential for budgeting, hiring, and planning growth initiatives.

◆ **Short-Term Planning**

LPV informs near-term decisions like how much to spend on a promotion, what a lead is worth, or whether a particular marketing channel is generating a positive return on investment.

◆ **Long-Term (Sale) Planning**

If you ever plan to sell your practice, LPV is a key metric buyers and investors will evaluate. A practice with a high, documented LPV is significantly more attractive and commands a higher valuation.

INDUSTRY BENCHMARKS

Knowing your Lifetime Patient Value is important, but it is also useful to understand where the industry stands. Keep in mind that there is significant nuance and many variables unique to each practice, including specialty, geography, patient demographics, and service mix.

The most important thing is to know, with your own data, exactly how much the average patient is worth to YOUR practice.

SOURCE	ESTIMATED LPV RANGE
Dental Strategic	\$5,000 – \$15,000
VYNE Dental	\$7,000 – \$10,000
Dandy	~\$10,000
RevenueWell	\$2,100 – \$6,000
Dental Intelligence	~\$2,000

HOW TO CALCULATE LIFETIME PATIENT VALUE

If you do not know your exact numbers yet, here is a straightforward, high-level formula to get a reliable ballpark estimate:

$$\text{Average Billing Per Visit} \times \text{Average Number of Visits Per Year} \times \text{Average Years Retained} \\ = \text{Lifetime Patient Value}$$

Example:

If your average billing per visit is \$250, your patients come in twice per year, and they stay with your practice for 8 years on average:

$$\text{\$350} \times 2 \times 8 = \text{\$5,600 Lifetime Patient Value}$$

This formula gives you a working estimate you can use immediately. We encourage all practices to use their exact patient data to provide the most accurate lifetime patient value number possible.

***Free LPV calculator available at: www.cleartolaunch.com/lpv**



USING YOUR PRACTICE DATA

Whoever is managing your practice management software should be able to pull reports and tell you exactly how much each patient is worth. Data is only as useful as it is organized. Do your best to get this information from whoever is managing the data. The cleaner and more organized your data, the more precise and actionable your LPV calculation will be.

Alternative Method: Revenue and Unique Patients

A quick way to identify Lifetime Patient Value(annual) is to divide the total revenue of the business by the unique number of patients in a given year. This gives you a picture of how much your average patient was worth over the course of a year. From there, you can estimate LPV based on how long the average patient stays with your practice.

Total Annual Revenue ÷ Number of Unique Patients = Average Annual Patient Value

READY TO LAUNCH?

Clear to Launch helps practices grow through smarter marketing, stronger systems, and clear direction.



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