# SOLUTION SHEET

## Predictive Analytics Improves Underwriting for Dental Care Provider

### The Client: One of the Largest Dental Practice Management Companies

The largest dental practice management companies in the West provides affordable, convenient, and quality dental and orthodontic care through its over 200 offices that span multiple states.

### The Challenge: How to Reduce Defaults Without Turning Away Creditworthy Customers

The dental care provider was seeking to improve underwriting for dental services financing. Underwriting decisions based on traditional credit scores like FICO provided a narrow view of creditworthiness. The dental care provider needed a solution that would reduce defaults without turning away credit-worthy customers.
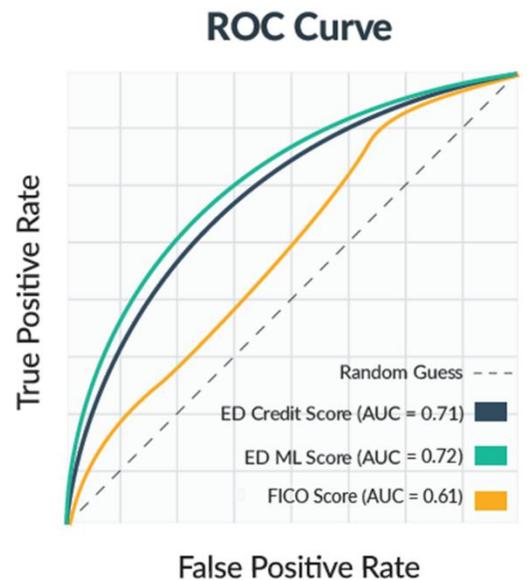
### The Solution: Enova Decisions Smart Credit™

The dental care provider turned to Enova Decisions™ to create a tailored credit score. In order to do so, Enova Decisions™ integrated first-party contract and payment history data with third-party data from four different vendors. Then Enova Decisions™ built and tested various machine learning models to maximize approvals while simultaneously minimizing defaults.

**Decreased Bad Rate by 20%**



ROC Curve

True Positive Rate / False Positive Rate

Random Guess – – –
ED Credit Score (AUC = 0.71)
ED ML Score (AUC = 0.72)
FICO Score (AUC = 0.61)

### The Results: Defaults Decreased While Approvals Increased

The new model built by Enova Decisions™ showed significant improvement over FICO scores, with a 72% lift in K-S, indicating that the model was much better able to distinguish creditworthy from non-creditworthy applicants. Through this new model, the dental care provider would be able to decrease bad rate by 20% while still accepting the top 80% of its applicants. Looking ahead, Enova Decisions™ is developing a risk-based pricing scheme based on the outputs of the model that will enable the dental care provider to optimize profitability.

Speak with your representative to learn how we can help your business.

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