

*Examining topics affecting the recruitment and retention of physicians and advanced practice professionals*

## **The Growing Use of Locums Tenens Dentists**

### **Introduction**

A resource provided by Staff Care, the nation's leading locum tenens staffing firm and a company of AMN Healthcare (NYSE: AMN), the largest healthcare workforce solutions company in the United States.

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Why are more dental practices, Federally Qualified Health Centers (FQHCs) and other sites of service using temporary (i.e., locum tenens) dentists?

Why are more dentists embracing this emerging practice style?

How does the locum tenens process work from the practice's or the FQHC's perspective and from the dental practitioner's perspective? What are the cost/benefits of dental locum tenens and what is the role of temporary dental staffing agencies?

Staff Care, the nation's leading locum tenens staffing provider, has prepared this white paper to address these and related questions. It is intended as a resource for dentists, FQHC administrators, practice managers, healthcare policy analysts, journalists and others who monitor healthcare workforce trends and as a source of information for Staff Care's clients and dental practitioners.

Trends in locum tenens dentistry in many ways mirror patterns previously established in nurse and physician staffing. A clearer view of locum tenens dentistry emerges with an examination of these patterns.



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## **Background: Physicians and Nurses Embrace the Temporary Model**

Locum tenens, or the practice of one clinical professional “taking the place of” another, has been accepted in medicine for many years. As far back as the 1800s or earlier physicians would call upon colleagues to “mind the store” for them while they were away on travels or for other reasons.

The practice continued into the modern era, though on a limited, ad hoc basis. This began to change in the 1970s when the federal government, concerned about physician shortages in rural areas, offered grants to private companies to help staff these areas. The physician locum tenens staffing industry was born and hospitals, medical groups and other facilities now invest billions of dollars each year on locum tenens physician staffing.

One reason for the rapid growth of the industry is that the physician shortage has grown more widespread, with the Association of American Medical colleges projecting a deficit of up to 105,000 physicians by 2030.

Hospitals, FQHCs, medical groups and other facilities that cannot find permanent physicians in a timely manner are using locum tenens physicians to maintain services and revenue during the interim. According to Staff Care’s 2017 Review of Temporary Physician Staffing Trends, 94% of hospitals and medical groups used locum tenens physicians in 2016, usually to hold a place until permanent physicians can be recruited, to address turnover, or to fill-in while physicians are on vacation, sick or otherwise absent.

Similar dynamics have taken place in nursing, where shortages have led to the widespread use of temporary nurses, often referred to as “travelers.” In general, shortages have created a clinical workforce that has become increasingly mobile and less tied to a particular site of service.

This trend, long confined to other professions, is migrating into dentistry. Below is a review of trends and metrics driving dentist supply and demand.

## **Supply Considerations: Dental Schools and Dental Students**

U.S. teaching hospitals have been producing about the same number of physicians – 26,000 to 27,000 – since a cap on spending on physician training was imposed by Congress in 1997. Similarly, the number of dental school graduates peaked at 5,750 in 1982, then declined for sixteen years and stayed flat at about 4,500 for almost a decade.

Since 2011, however, eight new dental schools have been granted accreditation by the Commission on Dental Accreditation and there are now 66 accredited dental schools in the U.S. and 10 in Canada. The total number of students in these schools in the 2016-17 academic school year was 24,677, and the number of first-year dental students has risen an average of 2.7% annually in the last ten years. Current predoctoral enrollment now is at an all-time high. The class of 2016 had 5,957 graduates, up from 5,811 in 2015, also an

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all-time high, according to the American Dental Association (ADA). The total number of practicing dentists in the U.S. in 2016 was 196,441.

## A Growing Number of Female Dentists

In 2016-17, 12,098 predoctoral dental students were female (49%), while 2,924 graduates (49.1%) were female. In comparison, the percentage of graduates who were female was 48% in 2015, 44.9% in 2006, 36.4% in 1996, 22.1% in 1986, and only 4.6% in 1976, according to the ADA. Today, 30% of all practicing dentists are female. Medicine also has seen a significant influx of females and today 34% of active patient care physicians are female, while about 50% of medical students are female.

Some international students attend U.S. dental schools. In 2016-17, 564 graduates of international dental schools were admitted to U.S. dental schools with advanced standing, up from 553 the previous year but down from a peak of 646 in 2013-14, the ADA reports.

## An Emerging Shortage

In March, 2015 the U.S. Department of Health and Human Services' Health Resources and Services Administration (HRSA) released a report projecting a shortage of 15,000 dentists in the U.S. by 2015 and put the deficit in 2015 at 7,300. According to the report, national demand for dentists will increase 10% by 2025. All 50 states and the District of Columbia are projected to experience this shortage, the report states. States predicted to have the greatest shortfalls are California at 1,234 too few dentists, Florida, with 1,152 too few, and New York, with 1,024 too few.

Spending on dental care suggests that utilization is on the rise. In 2015, national spending on dental care reached \$119.1 billion, up from \$97.3 billion in 2007 (*Washington Post*, July 29, 2015).

Below is a chart showing projected U.S. supply and demand for dentists taken from the HRSA study.

**Projected U.S. Supply and Demand for Dentists**

Supply	FTE
Estimated supply, 2012	190,800
Estimated supply growth, 2012-2025	11,800
New entrants	70,700
Attrition	-60,600
Change in average work hours	1,700
Projected supply	202,600

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Demand	FTE
Estimated demand, 2012	197,800
Estimated demand growth, 2012-2025	20,400
Projected demand, 2025	218,200
Projected supply minus demand	-15,600

*Source: HRSA Health Workforce Simulation Model*

These projected shortages are not universally accepted, however. The American Dental Association (ADA) has noted shortage projections should be viewed with caution, suggesting that many dentists say they have the capacity to take on more patients (*Interpreting HRSA's Latest Dentist Workforce Projections. March, 2015. American Dental Association*).

## Dental Care Insurance Rates

According to the National Association of Dental Plans, 39% of Americans (124 million people) have no dental benefits of any kind, compared to fewer than 10% of adults today who do not have medical insurance (*Washington Post, July 29, 2015*). Children and adolescents are particularly at risk when there is a lack of dental services in a given area. The Affordable Care Act (ACA) offers dental plans through the state and federal insurance exchanges, and both CHIP and Medicaid offer dental coverage to children. However, the direction of the ACA, CHIP and Medicaid is uncertain as of completion of this white paper. Demand for dentists will continue to vary based on economic factors such as employment rates, cost of living, and rates of dental care insurance.

## The Shortage of Dentists and FQHCs

There is a longstanding maldistribution of dentists in the U.S., just as there is a longstanding maldistribution of physicians. This has led to shortages in rural and inner city communities.

The U.S. Department of Health and Human Services (HHS) tracks the number of geographic areas and population groups that are medically underserved for dentistry. HHS considers a population that falls below a minimum standard of one dental provider per 5,000 people to be underserved (or below one dental provider per 4,000 people in areas determined to have a high need for dental services).

As of 2016, there were 5,493 dental HPSAs in the U.S., up from 4091 in 2008 and fewer than 1,000 in 1990. Today, over 51 million Americans live in a dental health HPSA. HHS indicates it would take 8,118 dental practitioners to achieve the minimum standard in these areas (assuming the practitioners could be distributed to the communities where they are needed).

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Below is a breakout of dental HPSA designations nationally and by state, as well as percent of dental need met in these areas and number of practitioners needed to remove HPSA designations.

<u>Location</u>	<u>Total Dental Care HPSA Designations</u>	<u>Population of Designated HPSAs</u>	<u>Percent of Need Met</u>	<u>Practitioners Needed to Remove HPSA Designation</u>
<b>United States</b>	<b>5,493</b>	<b>51,648,901</b>	<b>38.44%</b>	<b>8,118</b>
Alabama	63	1,668,274	27.04%	303
Alaska	62	139,786	44.48%	19
Arizona	177	2,361,621	31.01%	432
Arkansas	82	651,536	46.88%	88
California	424	1,182,592	35.95%	230
Colorado	97	595,506	35.56%	99
Connecticut	36	373,887	10.75%	83
Delaware	8	381,733	33.28%	56
District of Columbia	11	75,252	12.75%	17
Florida	232	5,516,371	15.90%	1,203
Georgia	189	1,869,471	27.03%	356
Hawaii	19	35,776	33.88%	7
Idaho	95	454,896	50.53%	56
Illinois	166	2,263,991	30.07%	403
Indiana	55	545,408	49.81%	73
Iowa	120	461,127	53.14%	54
Kansas	133	608,847	41.61%	79
Kentucky	100	479,580	61.24%	41
Louisiana	112	1,857,113	59.00%	191
Maine	75	303,187	34.17%	48
Maryland	42	507,828	55.08%	58
Massachusetts	61	536,399	52.30%	70
Michigan	270	903,749	40.04%	134
Minnesota	126	718,368	43.59%	102
Mississippi	110	1,773,030	55.61%	201
Missouri	184	1,588,121	22.81%	297

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Montana	85	189,971	34.12%	27
Nebraska	80	6,195	84.62%	0
Nevada	65	463,692	42.44%	67
New Hampshire	23	30,449	62.23%	4
New Jersey	38	45,705	25.96%	23
New Mexico	82	852,391	33.36%	138
New York	139	2,178,679	44.38%	324
North Carolina	140	2,062,101	41.75%	305
North Dakota	36	70,466	31.17%	9
Ohio	134	1,622,436	38.24%	254
Oklahoma	162	890,441	38.87%	150
Oregon	102	1,015,311	37.40%	161
Pennsylvania	164	1,997,447	38.98%	310
Rhode Island	17	242,875	41.17%	40
South Carolina	83	1,526,622	52.77%	180
South Dakota	64	146,346	26.39%	25
Tennessee	145	1,864,083	26.08%	341
Texas	309	4,115,313	61.08%	402
Utah	52	593,221	59.86%	59
Vermont	28	27,989	70.56%	2
Virginia	87	1,074,667	45.39%	138
Washington	114	1,003,630	30.30%	179
West Virginia	99	442,304	60.02%	46
Wisconsin	124	855,643	41.89%	134
Wyoming	29	70,279	62.51%	6

*Source: The Henry J. Kaiser Family Foundation*

These HPSAs correspond to many areas where FQHCs are playing a vital role in dental care. The role FQHCs are playing in dental care is likely to increase even more rapidly because in June, 2016, the Department of Health and Human Services (HHS) awarded \$156 million to 420 health centers around the country to help address an overwhelming demand for affordable dental care. According to the HHS, 108 million Americans have no dental insurance and access to care can be difficult even for those who do.

***The dramatic rise in FQHCs as sites for dental care is illustrated by the fact that dental appointments at FQHCs rose by 74% from 2006-2012 and continue to rise (Kaiser Health News, July 20, 2016).***

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Hospitals emergency rooms also are increasingly utilized for dental visits. Dental visits at the nation's ERs increased by 20% from 2006-2012 and also continue to rise.

These trends have led to a significant increase in the use of locum tenens dentists. Prior to 2005, Staff Care received virtually no requests for locum tenens dentists. In 2006, the company received requests to fill several hundred temporary "dentist days" with locum tenens dentists. That number increased to 6,000 in 2008, and in 2016, Staff Care received requests to fill over 12,000 "dentist days."

Based on the requests Staff Care receives, the types of dentists in most demand as locum tenens are as follows:

**Dentists in Most Demand as  
Locum Tenens**

1. General Practice
2. Pediatrics
3. Endodontic
4. Oral and Maxillofacial

The graphs below include further data reflecting supply and demand trends in dentistry.

**Number of Dentists by Specialty and Per Population**

Specialty	Number of Dentists	Dentists Per 100,000
Dental Public Health	1,076	0.36
Endodontics	4,445	1.48
General Practice	163,563	54.52
Oral and Maxillofacial	85	0.03
Oral Pathology	476	0.16
Oral Surgeon	6,450	2.15
Orthodontics	9,475	3.16
Pedodontics	4,932	1.64
Periodontics	5,106	1.70
Prosthodontics	3,359	1.12
<i>Total</i>	<i>198,967</i>	<i>66.32</i>

Source: Kaiser Family Foundation and [www.statefacts.org](http://www.statefacts.org)

<u>Location</u>	<u>Percent Who Visited the Dentist/Clinic</u>
<b>United States</b>	<b>65.7%</b>
Alabama	62.3%
Alaska	65.4%

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Arizona	61.3%
Arkansas	57.6%
California	67.1%
Colorado	67.0%
Connecticut	77.8%
Delaware	66.2%
District of Columbia	76.0%
Florida	63.0%
Georgia	63.1%
Hawaii	72.7%
Idaho	63.3%
Illinois	65.5%
Indiana	61.9%
Iowa	71.3%
Kansas	66.6%
Kentucky	61.8%
Louisiana	56.6%
Maine	63.6%
Maryland	68.6%
Massachusetts	73.7%
Michigan	70.1%
Minnesota	73.9%
Mississippi	57.0%
Missouri	61.3%
Montana	65.5%
Nebraska	68.7%
Nevada	60.4%
New Hampshire	71.9%
New Jersey	73.4%
New Mexico	62.3%
New York	68.5%
North Carolina	63.6%
North Dakota	66.1%

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Ohio	67.9%
Oklahoma	58.2%
Oregon	67.9%
Pennsylvania	66.4%
Rhode Island	75.8%
South Carolina	60.0%
South Dakota	70.3%
Tennessee	59.1%
Texas	59.4%
Utah	72.9%
Vermont	71.9%
Virginia	70.5%
Washington	68.2%
West Virginia	57.6%
Wisconsin	72.6%
Wyoming	66.7%

*Source: The Henry J. Kaiser Family Foundation*

Following the pattern set by locum tenens physicians in the 1970s, locum tenens dentists today are frequently used in rural areas, particularly by FQHCs, and in urban areas. In general, FQHCs use locum tenens dentists to provide services while they seek to recruit permanent dentists. Since recruiting dentists and other clinicians to rural areas and inner city areas can be challenging, some FQHCs have become reliant on locum tenens dentists to work assignments that can last for months or even over a year.

Private dental practices in both rural and metropolitan areas also have begun to use locum tenens dentists. Typically, private practice dentists use locum tenens dentists to fill in during maternity leave, vacations, illness or military deployment. They also may use temporary dentists to maintain services from the time they have recruited a new graduate to the time the graduate is licensed and is able to practice.

In addition, locum tenens dentists can be used as a means to secure a new associate through the “temp-to-perm” process, in which an established dentist can evaluate the work of a temporary dentist before making an offer of permanent employment. Once the locum tenens dentist is permanently employed, he or she may eventually purchase the hiring dentist’s practice.

Dental practices also may rotate locum tenens dentists in specialty areas such as endodontics or periodontics through the practice one day a month or as needed, in order to provide services that might otherwise be referred out.

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## Costs vs. Benefits

If a dentist is out due to illness, vacation or other reasons, production obviously stops and others in the practice, such as office managers and hygienists, may be idle. In addition, wait times for both routine appointments and high revenue generating procedures can back up, causing patients to seek services elsewhere. Locum tenens dentists can maintain continuity of care, enhancing patient convenience and satisfaction, and also can be a means for maintaining revenue.

Locum tenens staffing agencies generally provide two billing options -- a per diem option or a production option. In a per diem option, the practice pays a daily rate for the temporary dentist's services. The daily rate may vary but usually is in the hundreds of dollars and will only exceed three figures in extraordinary circumstances. In the production formula, the practice pays the staffing agency a percentage of the revenue generated by the locum tenens dentist once an agreed upon base line of revenue has been reached.

The ***Locum Tenens Cost/Benefit Pro Forma*** below provides a template for evaluating the potential costs/benefits of using a locum tenens dentist, balancing fixed overhead costs and the cost of using a locum tenens against the benefits of keeping the office open and maintaining revenue streams. Numbers used are hypothetical but reflect averages that Staff Care often encounters in the field.

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	<b>Locum Tenens Costs/Benefits Pro Forma</b>				
Hygienists per Day:		4.00			
Hygiene Days per Week:		2.00			
Hygienist Production per Day:		1,200.00			
Dentist Days per Week:		4.00			
Dentist Production per Day:		2,500.00			
Fixed Overhead Costs per Week:		12,500.00			
<b>Locum Tenens Cost per Day:</b>		<b>900.00</b>			
<b>OFFICE OPEN</b>	<b>Weekly</b>	<b>Monthly</b>			
Locum Tenens Cost:	3,600.00	14,400.00			
Revenue from Locum Tenens:	10,000.00	40,000.00			
Revenue from Hygiene:	9,600.00	38,400.00			
Fixed Overhead Cost:	12,500.00	50,000.00			
<b>Total:</b>	3,500.00	14,000.00			
<b>OFFICE CLOSED</b>	<b>Weekly</b>	<b>Monthly</b>			
Revenue Lost From Hygiene:	9,600.00	38,400.00			
Fixed Overhead Cost:	12,500.00	50,000.00			
<b>Total:</b>	22,100.00	88,400.00			
<b>Cost / Revenue Comparison</b>					
Closing your office for 1 week results in an opportunity cost of					
		22,100.00			
Revenue Generated from Utilizing a Locum Tenens for 1 week:					
		3,500.00			

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As the *Pro Forma* illustrates, utilizing a locum tenens dentist can result in a net revenue gain when opportunity costs are balanced against the revenue a temporary dentist can maintain both through seeing patients and keeping the office open. These financial gains are in addition to quality of care and patient service considerations.

## Integration and Billing

Prior to the temporary dentist's arrival, the locum tenens agency will forward the practice or FQHC information about the dentist, including his or her resume, clinical capabilities and references. A pre-assignment phone conference then is arranged between the temporary dentist, a staffing agency representative and the practice. It is important for the temporary dentist to understand the types of procedures performed at the practice. The practice should determine whether the dentist is proficient in these procedures and the time it takes for him or her to complete them. The expectation is that the practice or FQHC will inform the locum tenens dentist of its standards of care and that the locum tenens dentist will accommodate himself or herself to these standards. The practice or FQHC also should forward the patient schedule during the assignment period to the locum tenens dentist and ensure that the dentist can handle what has been scheduled.

Patients should be informed that their regular dentist is out for the day or week, but that he or she will be seen by a dentist hand-picked by their regular dentist. This may be more convenient for patients than referring them to another dentist at a practice with which they are unfamiliar.

Generally, services provided by a locum tenens dentist must be billed for under a separate Medicaid or other provider number. Obtaining a new number typically takes about four weeks to three months. Usually, the locum tenens dentist is in place, seeing patients, while the new provider number is being obtained. The practice can in some situations "back bill" for work done by the locum tenens dentist when the new provider number is received.

## Why Work as a Locum Tenens?

Many physicians have embraced the "locum life" for reasons that also may appeal to dentists. Many locum tenens physicians and dentists are experienced practitioners who are in the twilight phase of their careers. They choose to work locum tenens in lieu of retirement because they still enjoy patient care and need or require a steady source of income. Others are new graduates who use locum tenens assignments to "test drive" various practice settings or to fill in lag time until their permanent jobs begin. Some dentists practice locum tenens on a full-time, year-round basis, while others only do so a few weeks or even a few days out of the year.

A key benefit of locum tenens practice is that it offers flexibility. Dentists can choose when and where they want to practice and are not obligated to go to any particular assignment. Travel, accommodations, and

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malpractice insurance are all provided. The responsibilities of running a private practice are eliminated and dentists can focus strictly on providing patient care.

The income potential offered by locum tenens will fluctuate with each dentist's practice style. Dentists working locum tenens for most of the year can earn incomes well over \$100,000.

The use of locum tenens dentists is still more of an anomaly in dentistry than it is the norm, as it now is in medicine. However, patterns of supply and demand in dentistry clearly mirror those in medicine and other clinician professions where temporary professionals routinely are used to maintain services and revenue in the absence of permanent providers. Should these patterns hold, locum tenens dentists are likely to play a larger role in the dental work force, particularly for FQHCs.

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## About Staff Care

Staff Care is the leading provider of locum tenens staffing services in the United States and is a company of AMN Healthcare (NYSE: AHS), the largest healthcare workforce solutions organization in the nation. As part of our role as industry leaders, Staff Care generates original survey data regarding trends in locum tenens staffing, presents educational seminars on physician staffing and related topics, and develops a series of white papers examining physician and advanced practitioner staffing issues.

Staff Care executives authored the book on locum tenens staffing. Entitled, *Have Stethoscope, Will Travel: Staff Care's Guide to Locum Tenens*, the book outlines locum tenens staffing principles, uses and procedures for both healthcare facilities and physicians. Staff Care is proud to sponsor the Country Doctor of the Year Award, a national honor that recognizes the spirit, skill and dedication of America's rural medical practitioners.

This white paper is one is a series that Staff Care has produced. Others in the series include:

- ❖ Nurse Practitioners and Physician Assistants: Supply, Distribution, and Scope of Practice Considerations
- ❖ Women in Medicine: A Review of Changing Physician Demographics, Female Physicians by Specialty, State and Related Data
- ❖ Physician Supply Comparisons: Physicians by Select Specialties Practicing in Each State and Licensed in Each State but Practicing Elsewhere
- ❖ The Physician Shortage: Data Points and State Rankings
- ❖ Population Health Management

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