TREND | WHITE PAPER

THE GROWING USE OF LOCUM TENENS DENTISTS

WE’VE EARNED THE JOINT COMMISSION’S GOLD SEAL OF APPROVAL™

STAFF CARE
an AMN Healthcare company

The Leader in Locum Tenens Staffing
IN THIS WHITE PAPER

INTRODUCTION .......................................................................................................................... PAGE 1
BACKGROUND: PHYSICIANS AND NURSES EMBRACE THE TEMPORARY MODEL .......... PAGE 2
COSTS VS. BENEFITS ................................................................................................................ PAGES 6-7
INTEGRATION AND BILLING .................................................................................................. PAGE 8
WHY WORK AS A LOCUM TENENS? .................................................................................. PAGE 8
CONCLUSION .......................................................................................................................... PAGE 9
ABOUT STAFF CARE ............................................................................................................ PAGE 9
INTRODUCTION

Why are more dental practices, community health centers, 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 both the practice's and the 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, practice managers, healthcare policy analysts, journalists and others who monitor healthcare workforce trends and as a source of information for our 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.
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 159,000 physicians by 2025.

Those hospitals, 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 2011 Review of Temporary Physician Staffing Trends, 85% of hospitals and medical groups use locum tenens physicians, usually to hold a place until permanent physicians can be recruited, though also 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.

**THE SHORTAGE OF DENTISTS**

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 3,000 people to be underserved. As of April, 2009, there were 4,091 dental HPSAs in the U.S., in which 49 million people live, a significant growth since 1990 when there were fewer than 1,000 dental HPSAs. HHS indicates it would take close to 10,000 dental practitioners to achieve the minimum standard for this population (assuming the practitioners could be distributed to the communities where they are needed).
Just as in medicine, a broader shortage of dentists may be emerging that is not confined to traditionally underserved areas. U.S. teaching hospitals have been producing the same number of physicians – 24,000 to 25,000 – since before the spending cap referenced above was imposed in 1997. Similarly, the number of dental school graduates peaked at 5,750 in 1982, then declined for sixteen years and, at 4,500, is essentially flat today, though the population continues to both grow and age.

In its Occupational Description, the U.S. Department of Labor, Bureau of Labor Statistics, states the following: “Employment of dentists is not expected to grow as rapidly as the demand for dental services. As their practices expand, dentists are likely to hire more dental hygienists and dental assistants to handle routine services.” (see http://www.bls.gov/oco/ocos072.htm)

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 2010, Staff Care received requests to fill over 10,000 “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. Pediatric
3. Endodontic
4. Oral and Maxillofacial

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

<table>
<thead>
<tr>
<th>SPECIALTY</th>
<th>NUMBER OF DENTISTS</th>
<th>DENTISTS PER 100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental Public Health</td>
<td>1,076</td>
<td>0.36</td>
</tr>
<tr>
<td>Endodontics</td>
<td>4,445</td>
<td>1.48</td>
</tr>
<tr>
<td>General Practice</td>
<td>163,563</td>
<td>54.52</td>
</tr>
<tr>
<td>Oral and Maxillofacial</td>
<td>85</td>
<td>0.03</td>
</tr>
<tr>
<td>Oral Pathology</td>
<td>476</td>
<td>0.16</td>
</tr>
<tr>
<td>Oral Surgeon</td>
<td>6,450</td>
<td>2.15</td>
</tr>
<tr>
<td>Orthodontics</td>
<td>9,475</td>
<td>3.16</td>
</tr>
<tr>
<td>Pedodontics</td>
<td>4,932</td>
<td>1.64</td>
</tr>
<tr>
<td>Periodontics</td>
<td>5,106</td>
<td>1.70</td>
</tr>
<tr>
<td>Prosthodontics</td>
<td>3,359</td>
<td>1.12</td>
</tr>
<tr>
<td>Total</td>
<td>198,967</td>
<td>66.32</td>
</tr>
</tbody>
</table>

**TABLE 1**

**NUMBER OF DENTISTS BY SPECIALTY AND PER POPULATION**

Source: Kaiser Family Foundation and www.statefacts.org
NUMBER OF U.S DENTAL SCHOOLS

Source: Department of Health and Human Services

DENTISTS MEDIAN AGE BY GENDER 2000–2008

Source: Department of Health and Human Services
DENTISTS BY GENDER

Source: American Dental Association, 2010

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>61%</td>
</tr>
<tr>
<td>Female</td>
<td>39%</td>
</tr>
</tbody>
</table>

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.

ORAL AND DENTAL HEALTH

Source: Centers for Disease Control and Prevention, 2009

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children 2-17 who have not seen a dentist in the last year</td>
<td>22%</td>
</tr>
<tr>
<td>Adults 18-64 who have not seen a dentist in the last year</td>
<td>38%</td>
</tr>
<tr>
<td>Adults 65 and over who have not seen a dentist in the last year</td>
<td>40%</td>
</tr>
<tr>
<td>Persons who have not seen a dentist in the last year (total U.S.)</td>
<td>32%</td>
</tr>
<tr>
<td>Children 6-19 with untreated dental caries</td>
<td>16%</td>
</tr>
<tr>
<td>Adults 20-64 with untreated dental caries</td>
<td>23%</td>
</tr>
</tbody>
</table>
A locum tenens 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.

Following the pattern set by locum tenens physicians in the 1970s, locum tenens dentists today are frequently used in rural areas, particularly by community health centers (CHCs), and in urban areas. In general, CHCs 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 CHCs have become reliant on locum tenens dentists to work assignments that can last for months or even over a year. Due to the economic stimulus package, and to healthcare reform, CHCs will be receiving an infusion of some $13 billion in funding over the next several years, which should aid them in their efforts to recruit dentists, physicians and other clinicians.

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.

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.

As the Pro Forma illustrates, utilizing a locum tenens 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 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 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 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 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.
CONCLUSION

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 workforce.

ABOUT STAFF CARE

Staff Care is the nation’s leading provider of temporary (i.e., locum tenens) physicians, dentists, and certified registered nurse anesthetists. Established in 1992, Staff Care is a company of AMN Healthcare (NYSE: AHS), the largest healthcare staffing organization in the United States.

FOR ADDITIONAL INFORMATION

visit www.staffcare.com