

2017 Washington Metropolitan Area Dental Survey

Dentistry is undergoing tremendous change. This is true when examining the demographic changes of dentists and specialists, insurance coverage, or staffing needs. This report provides a national overview of the industry as well as the results of the Team Placement 2017 Survey, which focuses on the District of Columbia, DC Metro Maryland, or Northern Virginia.

The survey was offered to the entire Team Placement database of nearly 3,000 practices. The results of this survey are based on responses of 250 participants. Of the respondents 53% were from Northern Virginia, 25% from Maryland, 16% were from DC, and 4.8% were from other states.

The survey results are compared to the national average based on the Bureau of Labor Statistics (BLS), American Dental Association's (ADA) Health Policy Institute report on the supply of dentists and other well respected periodicals, such as Dental Economics.

Demographic Survey

Nationwide there are approximately 51,468,901 dental professionals, including Dental Assistants, Hygienists, Receptionists, Office Managers, Treatment and Insurance Coordinators and Dentists.ⁱ

General practices were the majority of survey participants (78%), pedodontic dentists were the second largest number (10.53%), followed by periodontic, endodontic, oral surgery, orthodontic, and prosthodontic practices (less than 10% each).

The national breakdown follows the same trends with regard to the number of general practices versus pediatric, oral surgery, periodontic, prosthodontic, and orthodontic practices.

Of the 250 practices responding to our survey more than 47% had been in dentistry more than 20 years. While more than 6% had 16 – 20 years of practice ownership, 38.6% had between three and 15 years in the dental business as practice owners.

The ADA's survey did not have a question that directly correlated to the survey question asking the number of years in a practice; however the report did identify the number of dentists by age and gender. Of the ADA respondents the most reported age bracket was for dentists age 55 – 64 (24.4%) followed by dentists age 45 – 54 (21.3%). Dentists between 35 and 44 years of age comprised 22.9% of the total and 16.1% were under 35. The smallest percentage of dentists were 65 and over, at 15.3%.

The most dramatic demographic change that occurred in the overall face of the industry has been the shift in male versus female practitioners. Dentists between the ages of 45 to 65 and over were largely male at 49.3% versus 19.7% female, whereas female dentists under 35 have risen to 24.2%

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versus 11.1% male. The greatest difference of male to female dentists was in the bracket aged 35 – 44 females held 31.5% of the total population versus 19.2% male.

Most respondents for the Team Placement survey came from private practices (92.98%) with the remaining seven percent coming from corporate health services organizations. Most practices had one location, (88.6%) and the majority of them had one dentist in the practice (52.63%). Thirty-seven percent of the respondents indicated that there were two and three dentists in the practice. Practices with six to 10 dentists comprised 2.63% of the respondents.

Practice Operations

According to the ADA there has been a significant growth in very large dental practices between 2002 and 2012. When examining the time from 2008 to 2010 the number of dental practices continued to grow despite the economic downturn.

In 2012 the number of practices with less than four employees nationwide was 50,711, which made up the majority of the market. Nationally there were 259 practices with over 100 employees during the same time period.ⁱⁱ

In a report from Dental Economics, dated December 14, 2015, by Roger P. Levin, DDS the rate of production growth for general dental practices stands at about 1.7%. There is positive news in significant areas, such as increased elective treatment (8%), having more active patients and expected growth. Not surprisingly dentists also reported a drop in their stress levels although still approximately one-third are still highly stressed.ⁱⁱⁱ

In the Team Placement Survey, 52.63% of respondents indicated their practice has grown since 2012. Many dentists reported that there was no growth in their practices (30.70%), while 16.67% felt their production had declined.

When looking ahead six months to one year, the outlook for growth was very positive. Sixty-three percent expected to see an increase in their practice, while 32.46% expected none. Only 4.39% expected to see a decline in business. Expectations for the next one to three years are even brighter with 84.21% expecting to see solid growth in their practices and only 16.79% reporting either flat, or no growth.

Although many factors contribute to a practice's growth, Team Placement Survey respondents cited word-of-mouth/referrals as the primary source of attracting new patients (95%). Insurance participation, online advertising such as, Facebook or Google, was also an important source for attracting new clients (52%). Only 12% promoted their practices by cold calling new patients, or offering coupons or other discounts.

In spite of the positive growth in the industry generally, there were some factors reported by respondents that they believed inhibited the growth of their practices. Respondents identified

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insurance write-offs were the most significant prohibiting factor in their practice's success, with corporate dentistry, or consolidation as the secondary issue (13%).

With the growing importance of social media the survey respondents cited that Facebook was used often (73%), with Google utilization being the second most deployed platform. Only six percent of respondents used no social media of any type to promote their practices. About 21% of practices report depending on Yelp reviews, LinkedIn, and Twitter in addition to other sources of social media promotion.

Contributing to solid growth is having adequate staff coverage. The Team Placement survey asked respondents what they do when dealing with staff shortages, either on a long term or short term basis. Many practices reported they use existing staff to cover because they are cross-trained (57.02%) with 28.07% of dentists seeking assistance from staffing agencies, and a very few cancel patients (6.14%).

When long term shortages occur in a practice, 48% use social media such as Craig's List, they also reported asking current employees if they knew of good quality candidates or worked within their own networks to find the right fit. Staffing firms were called about 36% of the time.

Staffing

Choosing the right balance when staffing is one of the greatest challenges practices have, whether it is a single provider practice, or a Dental Support Organization (DSO). This section examines the different staff positions in practices nationwide and locally, as well as understanding hiring trends.

In today's competitive hiring market more and more practices are learning that offering benefits is one way of retaining good staff. The list of benefits identified by practices in the Team Placement survey included profit sharing, 401K programs, uniform allowance, parking, paid leave and holidays, paid child care, in addition to life, dental and health care benefits.

Our survey found that 77.19% offered paid time off, with 50% offering some type of retirement savings, such as a 401K. Bonuses and profit sharing were identified over 78.07% of the time making it the most common benefit offered by practices.

Hygienists (RDHs)

According to the BLS, Occupational Employment Statistics, there are over 185,000 RDHs licensed in the US in 2016. The number of graduates added to the pool yearly, totals over 6,700. The profession is growing by about 28% annually, which is considered extraordinary as compared to other professions. The typical education level of RDHs is an Associates', degree with 4-year programs becoming more and more popular.

Nationally, in 2016 there were over 208,000 job openings; the projected employment change between 2016 and 2026 will add more than 41,000 new jobs to the current pool.

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In the Washington Metropolitan area, which includes Northern Virginia, Montgomery and Prince George's Counties, and Washington DC, the need for licensed RDHs continues to be overwhelming. For that reason wages in the Washington Metropolitan area are among the most competitive in the country.

In Washington, DC there are about 650 hygienists with a mean wage statewide of \$92,010 per year, with an hourly rate of \$44.24.

In the Silver Spring – Frederick – Rockville, Maryland Metropolitan area there are approximately 830 licensed RDHs. The annual median wage is \$86,190, with an hourly rate of \$41.44.

In Maryland there are 3,560 hygienists with a mean wage statewide of \$82,750 per year. In the Silver Spring – Frederick – Rockville, Maryland Metropolitan area there are approximately 830 licensed RDHs. The annual median wage is \$86,190, with an hourly rate of \$41.44.

In the Baltimore – Columbia – Towson, Maryland area the annual mean wage is \$83,620. The hourly mean wage is \$44.24 per hour, or \$92,010 per year and the annual wage rate ranges from a low of \$59,640 to a high of \$102,020.

The Commonwealth of Virginia employs about 4,970 RDHs. In the Washington – Arlington – Alexandria region there are approximately 2,640 hygienists, who have a mean wage of \$44.24, or \$92,010 per year.

In Richmond, VA there are approximately 840 hygienists making an annual mean wage of \$76,950. The Commonwealth mean annual wage is \$82,690, or \$39.76 per hour. The range in wages for RDHs is from \$57,540 - \$112,080.

According to the Team Placement survey most practices have at least one RDH on staff (32.46%) however there are 21.05% who do not. There are some practices that employ between six to ten RDHs, most have between two and five (46.49%).

Although there are three practices that pay its RDHs less than \$30 per hour the overwhelming majority pay between \$40 and \$50 per hour (86.84%) if they have two years of experience or less. RDHs with more than two years of did not make less than \$37 and the top bracket for pay was over \$51 per hour. Most practices pay between \$43 and \$51 (82.45%).

According to the survey results most practices did not anticipate that they would be hiring new RDHs (65.79%) and those who would be adding to their staff would mostly be hiring new positions as opposed to replacing staff (56.10%).

Dental Assistants (DAs)

Nationwide there were about 332,000 DA jobs in 2016. The growth rate for the industry is at about 19%, which is much faster than the average. In Virginia there are about 8,230 DAs, while in Maryland there are 5,690 and in DC there are 650 DAs. Of the total number of dental assistants in DC, Maryland, and Virginia there are 5,290 in the metro area alone. In Baltimore there are about 2,650 dental assistants and in Richmond there are 1,080.

On average the median pay rate for DAs is about \$17.76 dollars an hour or \$36,940 per year. The DC area, including the Maryland suburbs and Northern Virginia, have a much higher hourly rate of \$19.56 per hour, or \$40,690. The annual mean wage in the District of Columbia is \$45,180 or about \$21.72 per hour not including benefits. DC is ranked number four among the top paying areas for DAs, although one must take into consideration the high cost of living in the DC Metropolitan area.^{iv}

Survey respondents indicated that DAs with less than two years of experience were paid between \$14 and \$19 per hour (70.7%). Eleven percent paid \$20 to \$22 an hour. DAs with more than two years of experience were most often paid between \$19 and \$24 per hour (81.34%). Thirty-four percent of respondents indicated they paid \$25 and up to over \$30 per hour.¹

The Team Placement survey drills down to learn what the staffing patterns were for individual practices. Although there were less than 3% of practices with more than 10 DAs on staff, there is a significant number with between three and nine DAs on staff (33.33%). Most practices (61.4%) used one or two dental assistants in their office. Only 2.63% reported having no dental assistant on hand to support the dentist.

Respondents also indicated that they would be adding new dental assistants in the coming year, while 29.2% anticipated that they would be adding another position in six months.

Front Desk Receptionists/Treatment Coordinators

The BLS provided general information about Receptionists for all markets, which included dentistry. The anticipated growth for Receptionists is in keeping with other industries, about nine percent. The most significant difference between other Receptionists and Dental Office Receptionists is that they are often expected to do more than perform administrative tasks, such as answering phones, receiving visitors, and providing general information about their organization to the public and customers. In a dental office those duties are often accompanied by other tasks such as scheduling and insurance claim submissions. Treatment Coordinators and Insurance Specialists were not identified in the BLS data.

¹ Respondents were given the option to mark all that applied, which totaled up to more than 100%

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Often there are few existing training or certification programs for Receptionists, because it is considered an entry level job.

The national average of a Receptionist's hourly wage is \$13.42 per hour or \$27, 920 per year. Dental Receptionists are typically paid at a higher rate of pay starting at \$16 per hour nationally. The Team Placement survey found similar wage patterns at the local level. Respondents indicated that they paid receptionists with no experience between \$16 and \$18 an hour. Most practices (56.14%), paid receptionists between \$19 and \$24 per hour; a highly qualified receptionist can make \$27 per hour or more.

Office Managers (OMs)

Dental OMs basically handle the administrative functions while dentists focus on keeping patients' oral health. Managers track the practice's production and costs to address any issues affecting growth as well as ensure all systems are functioning well. In some offices OMs hire and fire dental team members, train, schedule, and credential staff. Other duties include: payroll, building vendor relationships, advertising services, evaluating staff performance, and answering to patient complaints.

There are approximately 270,080 administrative services managers in the US according to the BLS. Growth projections for OMs anticipate the demand will grow by about 8% through 2024.

Newly hired OMs with less than five years of experience may earn around \$46,430 nationally. The median salary is \$86,110. Top earners can make \$105,770 as they gain experience and have a greater impact on the practice's production and operations. In DSO managers can earn over \$150,000 and manage multiple offices. On average OMs can make \$41 per hour and receive an average bonus of \$5,771.

In Washington, DC the average salary of OMs is \$52,838 and can top out at about \$129,000. Twenty-four dollars was the hourly rate most often cited by Indeed and the top range was \$64.50 per hour.^v

In the Maryland Metropolitan areas of Montgomery and Prince George's County an OM salary can range from \$70,540 to \$95,862 not including benefits.^{vi}

The median annual salary in the Baltimore area is \$77,183. The salary range, not including bonuses is between \$65,675 - \$89,251.

In the Richmond, VA area an OM will earn an average salary of \$45,525 and salaries range from \$34,470 to \$61,618.

The Team Placement survey followed the national standard with approximately 32% of respondents offering between \$45,000 and \$60,000. Thirty-one percent indicated that the

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salary range of their office managers was between \$61,000 and \$75,000 with 10.53% making more than \$75,000 per year.

Summary

Although 2017 has seen incredible change in many ways, both positive and negative, Team Placement sees a bright future in the dental industry. The economic downturn seems to be over and more people are getting treatment that has long been postponed. Although single doctor practices are not as prevalent as in prior years, they are still a strong presence in the industry. Younger dentists who are interested in being private practitioners are finding ways to enter partnerships with providers and still be independent.

DSOs are becoming a larger part of the industry. Many are structured similarly to PC practices and can be organized a number of ways. The DSO will typically assume ownership of equipment, leases, and nonclinical employment agreements. Often there is a focus on specialties and niche procedures and have a limited scope of practice. Since 2008 the total number of DSOs increased from 2, 833 to 3,732. The Team Placement survey indicated that more than 79% of practices have less than 20 employees.

Social media is becoming a more important vehicle to promote dental practices. Patient engagement and focusing on the patient experience will continue to influence millennial behaviors and be vital to extend a practice's reach and attract new patients. Despite the impact of social media, word-of-mouth is the most reliable form of practice promotion. Insurance participation continues to be a double-edged sword because it is a good source of revenue but results in reduced payments.

Hiring will continue to be a challenge due to the expected increase in dental care needs as the population ages. Employee compensation will remain competitive in the next three to five years and dental practices. In order to attract the best staff practices must to draw and retain staff by providing excellent benefits and workplace harmony.

Team Placement thanks all the survey respondents and appreciates their willingness to continue to support our efforts to provide meaningful information to the dental industry.

ⁱ <https://www.kff.org/other/state-indicator/dental-care-health-professional-shortage-areas-hpsas/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>

ⁱⁱ http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief_0815_2.ashx

ⁱⁱⁱ <http://www.dentaleconomics.com/articles/print/volume-105/issue-12/practice/many-positive-practice-changes-but-still-a-time-of-slow-growth.html>

^{iv} <https://www.bls.gov/oes/current/oes319091.htm#st>

^v <https://www.indeed.com/salaries/Office-Manager-Salaries,-Washington-DC?period=hourly>

^{vi} <https://www1.salary.com/MD/Rockville/Office-Manager-salary.html>