

Economic Impact of COVID-19 on the Dental Care Sector:

Insights from Data for Week of August 10th

Today



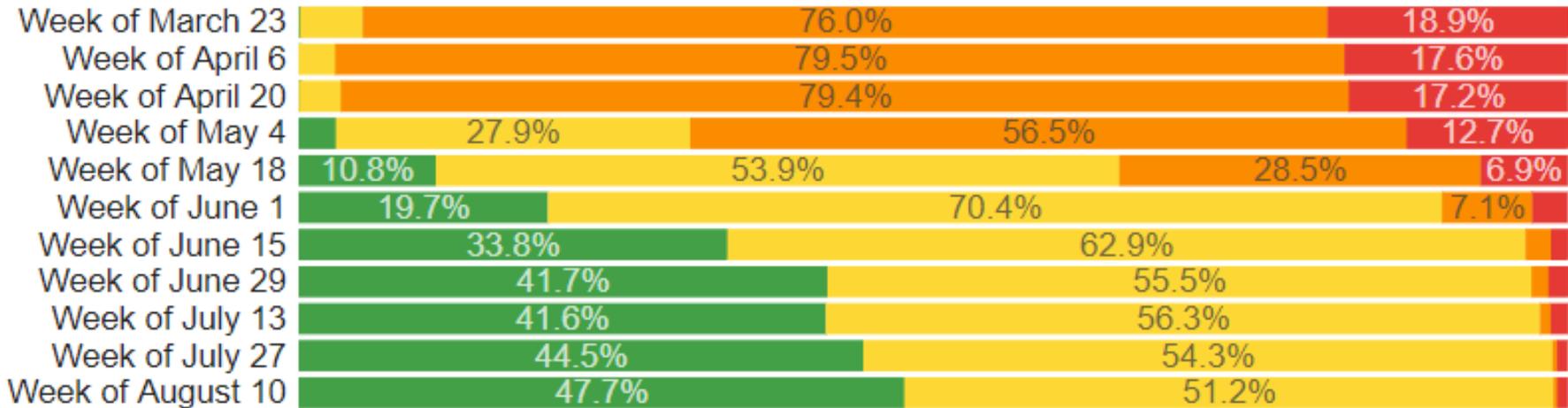
1. *Update on the latest data from HPI economic impact of COVID-19 tracking poll.*
2. *'Question of the Week' data focusing on scheduling hospital OR cases and potential disenrollment from Medicaid.*
3. *The latest consumer sentiment data related to dental visits.*

HPI Economic Impact of COVID-19 Tracking Poll

- Bi-weekly poll beginning March 23rd.
- Core measures: Status of your practice, volume of patients and collections, status of dental practice staff.
- “Question(s) of the Week”.
- Sent to dentists in private practice who agreed to be part of ongoing panel.
- Nationally representative responses from about 4,000 dentists. State level data available for many states.
- Links to reports and interactive data dashboard available at www.ada.org/virus

Core Questions

What is the current status of your dental practice?

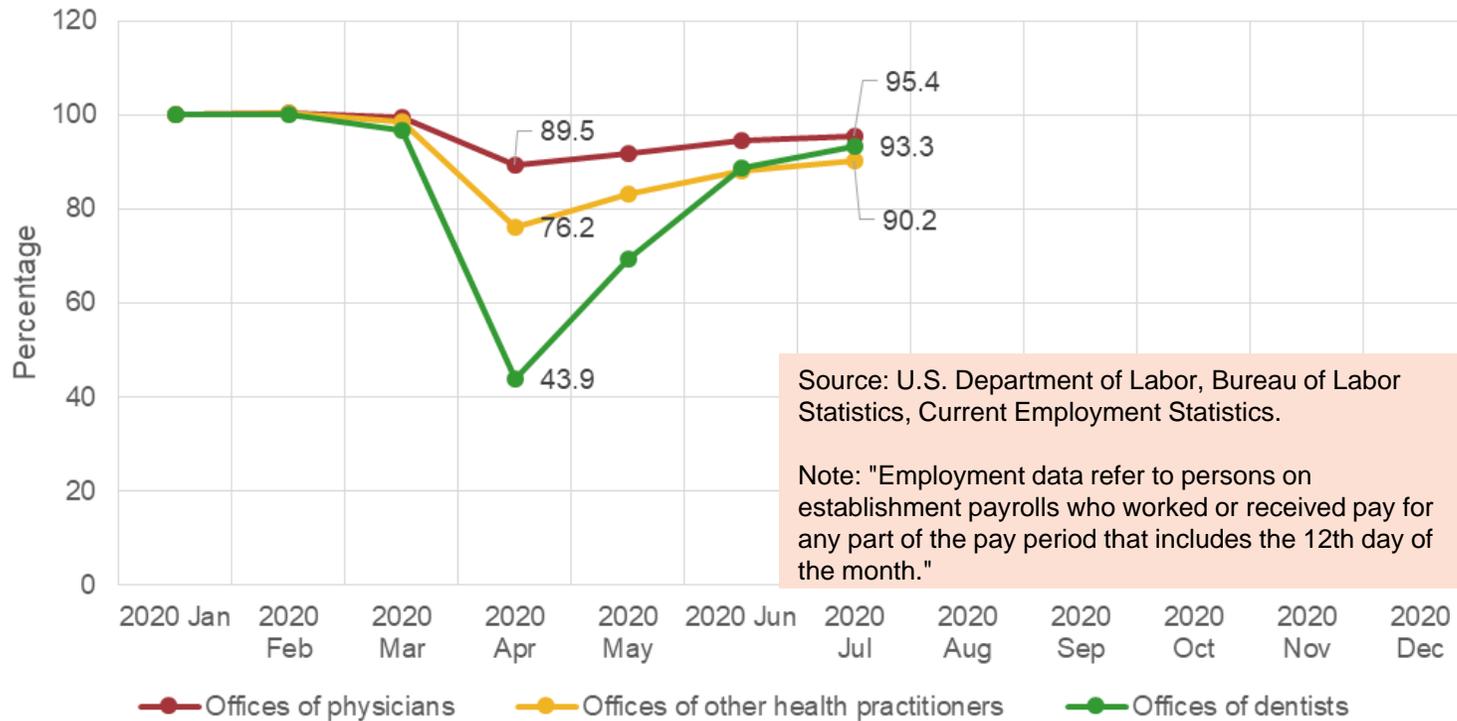


- Open and business as usual
- Open but lower patient volume than usual
- Closed but seeing emergency patients only
- Closed and not seeing any patients

Insight: As of week of August 10th 98% of dental practices in the U.S. were open. This was the same as two weeks prior. More practices report “business as usual” in terms of patient volume.

BLS Data

Employment as a Percentage of January 2020 Employment, by Health Care Industry

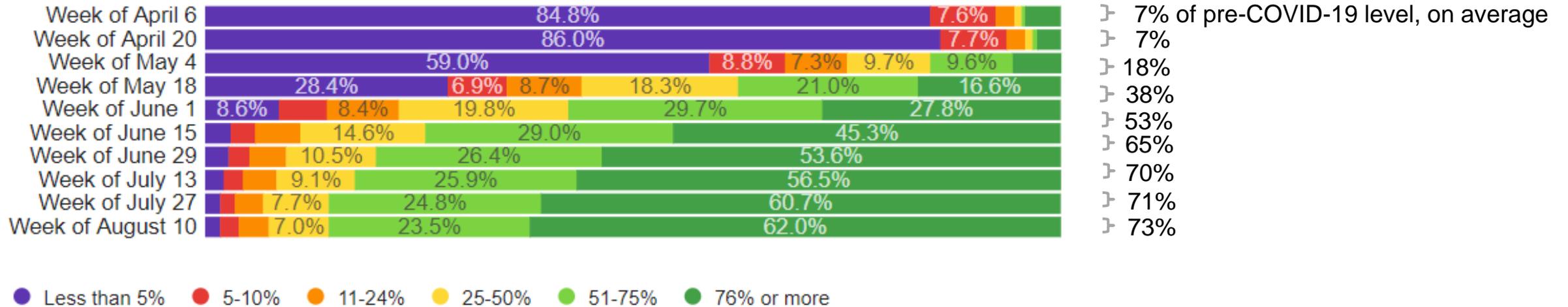


Insight: July BLS data show dental offices are back to 93% of pre-COVID-19 employment levels. This is very much in line with HPI's estimates.

Core Questions

How does this week compare to what is typical in your practice, in terms of... *

Total Patient Volume

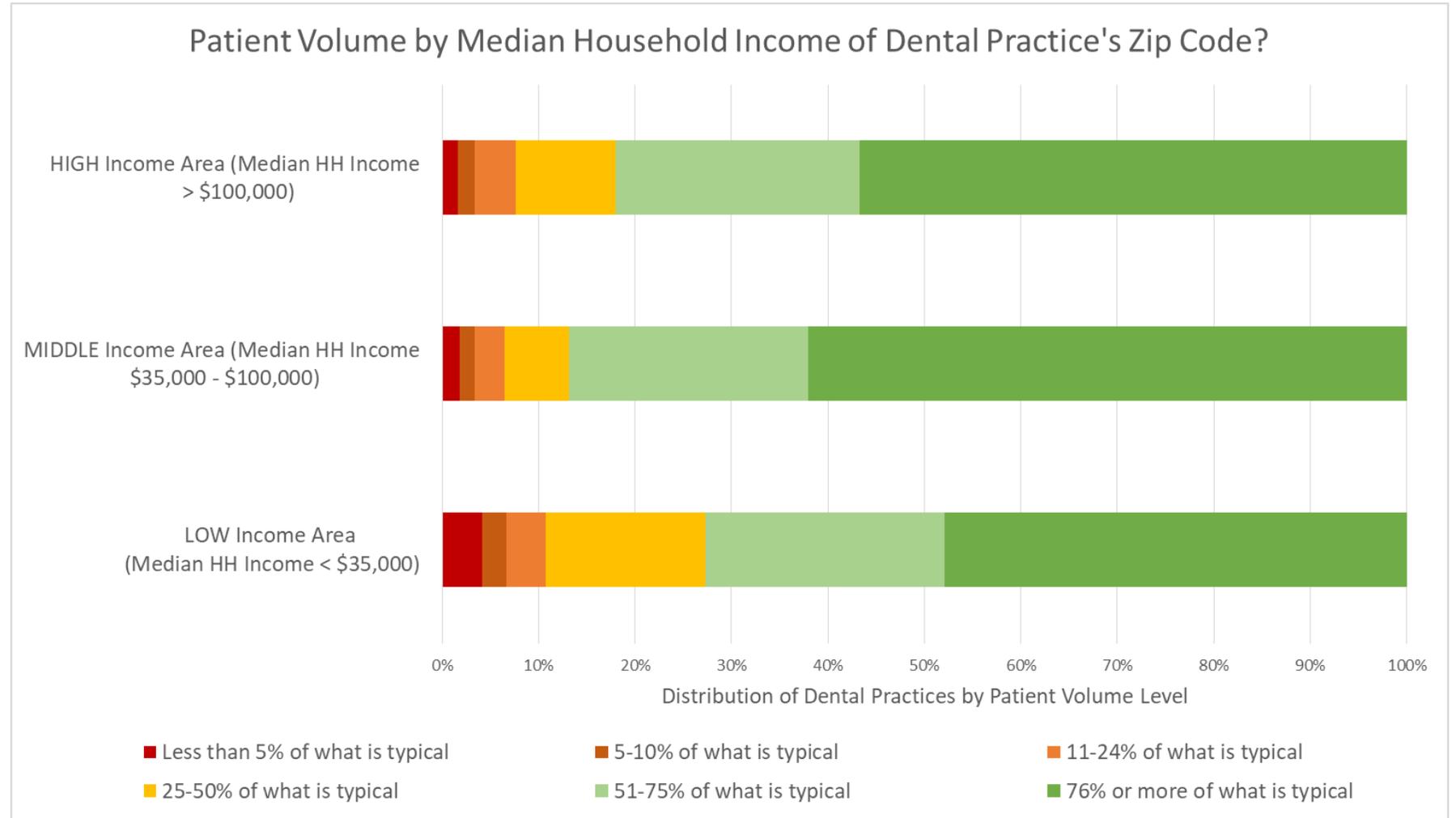


Insight: Nationally, patient volume is leveling off. Patient volume is estimated at 73% of pre-COVID-19 levels for the week of August 10th, largely unchanged from a month ago.

Core Questions

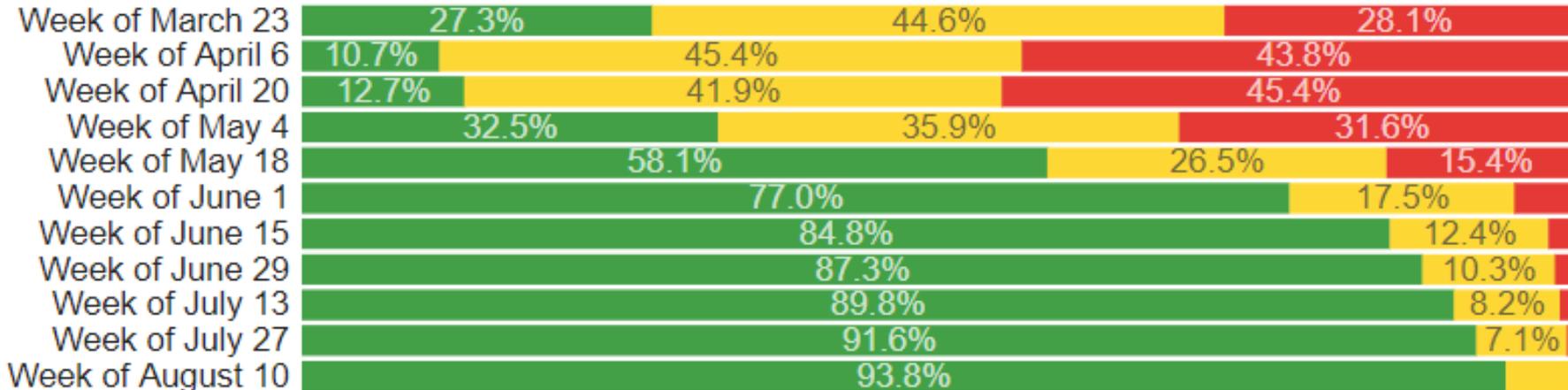
Insight: Patient volume is lower in practices located in low-income areas. But not by much.

There is no variation in patient volume by the level of new COVID-19 cases in the community.



Core Questions

Is your dental practice paying staff this week?



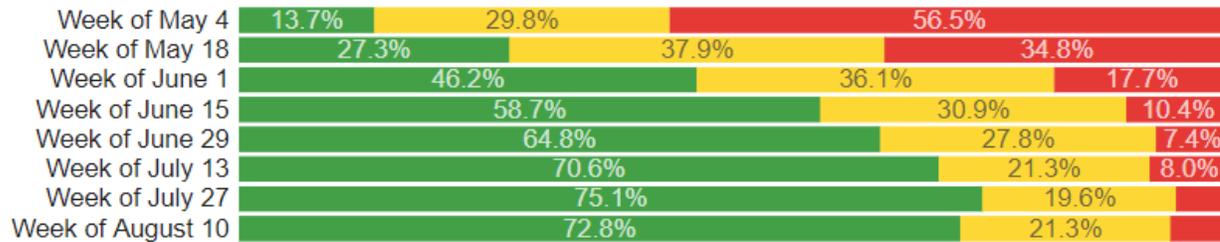
● Yes, fully ● Yes, partially ● Not paying any staff

Insight: Staffing in dental practices continues to slowly grow and is at 94% of pre-COVID-19 levels the week of August 10th.

Core Questions

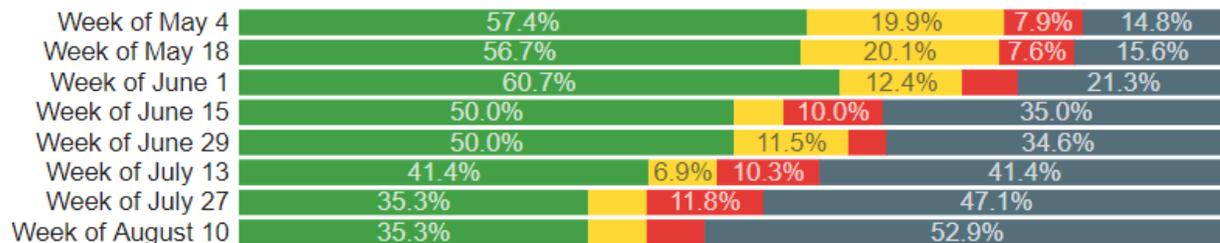
PAY STATUS OF ASSOCIATES, EMPLOYEES, AND INDEPENDENT CONTRACTORS

[If non-owner dentist] Are YOU being paid this week?



● Yes, fully ● Yes, partially ● Not being paid at all

[If Not Being Paid at All] Are you currently receiving unemployment benefits?



● Yes ● I've applied, but have not received any benefits yet ● No, my application was not approved
● No, I have not applied

Insight: Employee dentists have seen the biggest lingering employment effect. About three quarters of employee dentists are now being paid fully.

For those not being paid at all, only about a third are receiving unemployment benefits.

Core Questions

How many days' worth of the following PPE does your practice have at this time?



● 0 days ● 1 to 7 days ● 8 to 14 days ● More than 14 days ● Not sure

Insight: PPE availability in dental practices has been stable for several weeks now. Gowns and N95/KN95 masks remain the biggest issue.

Question of the Week

Do you schedule cases for dental treatment under general anesthesia in a hospital and/or surgery center?

All Respondents

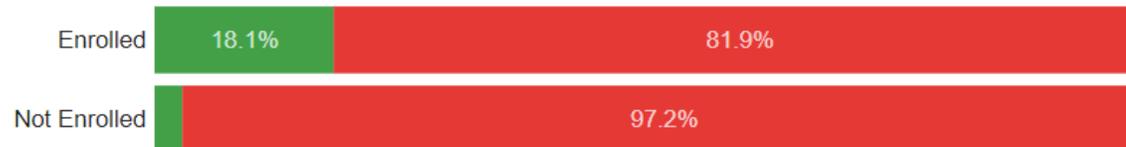


● Yes [7%] ● No [93%]

By Practice Size



By Medicaid Enrollment



Insight: Large group practices and Medicaid providers are most likely to treat high needs patients that require care in hospitals or surgery centers.

Question of the Week

[If schedules cases] Prior to the onset of the COVID-19 pandemic, what was the approximate wait time for these cases to be scheduled in the hospital/surgery center?

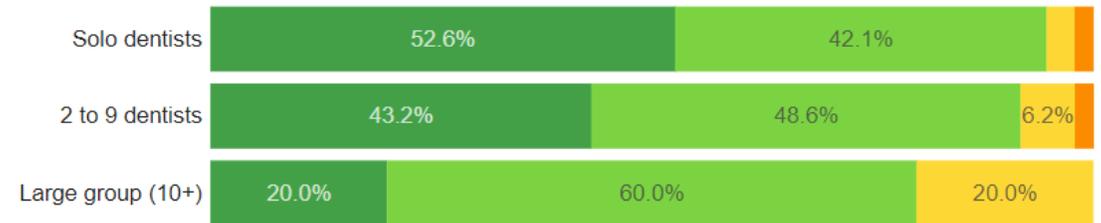
All Respondents



- Less than 1 month [46%]
- 1 to 3 months [47%]
- 4 to 6 months [6%]
- 7 to 12 months [2%]
- More than 12 months [0%]

Insight: Large group practices and Medicaid providers generally have longer wait times for cases.

By Practice Size



By Medicaid Enrollment



Question of the Week

[If schedules cases] What is the current status of scheduling these cases in the hospital/surgery center, compared to before the COVID-19 pandemic?

All Respondents

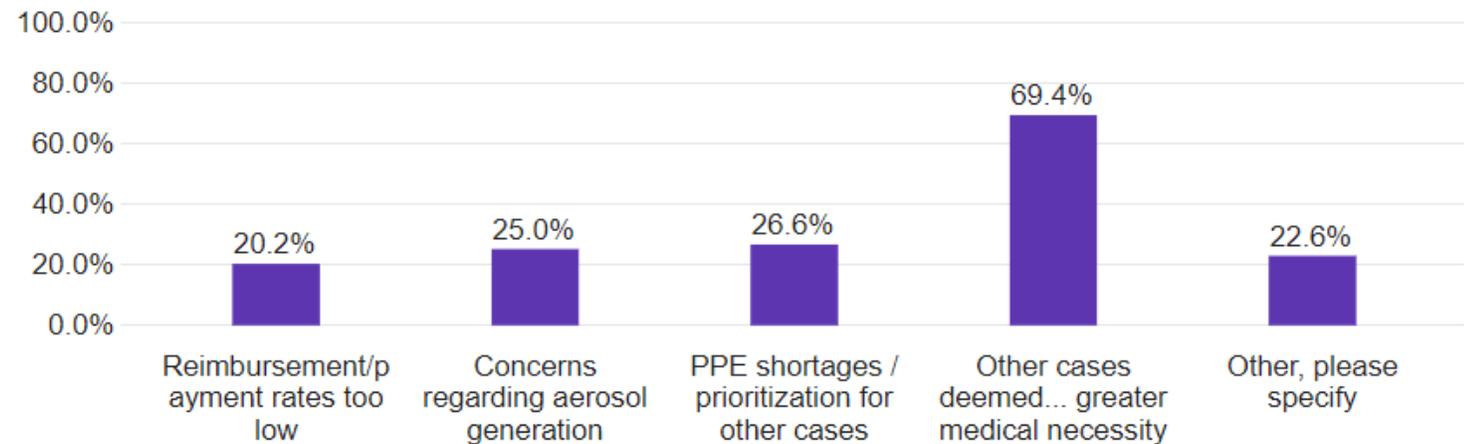


- Cases are being scheduled the same as before
- Cases are scheduled on a more limited basis
- Cases are not being scheduled at all

Insight: COVID-19 has led to more limited scheduling of cases, due mainly to increased volume of other cases that are deemed more medically necessary.

What reasons did the hospital/surgery center provide for the limited or denied procedure time? (Select all that apply.)

All Respondents



Question of the Week

Has your practice disenrolled from Medicaid since the onset of the COVID-19 pandemic?

All respondents



● Yes [6%] ● No [94%]

Is your practice considering disenrolling from Medicaid in 2020?

All Respondents



● Yes [16%] ● No [63%] ● Not sure [21%]

Insight: COVID-19 has caused 6% of Medicaid providers to dis-enroll from the Medicaid program. Another 16% are considering dis-enrolling by the end of the year.

Insights from Consumer Polling



AMERICA STANDS AT AN INFLECTION POINT.

Consumers are now more concerned about the economy than the health crisis. What does that mean as our society attempts to go back to normal? We just completed the fourth wave of a twice-monthly tracking study that listens to the voice of the consumer.

Through surveys, in-depth interviews, social media analyses, and online dial tests, we address a variety of timely questions:

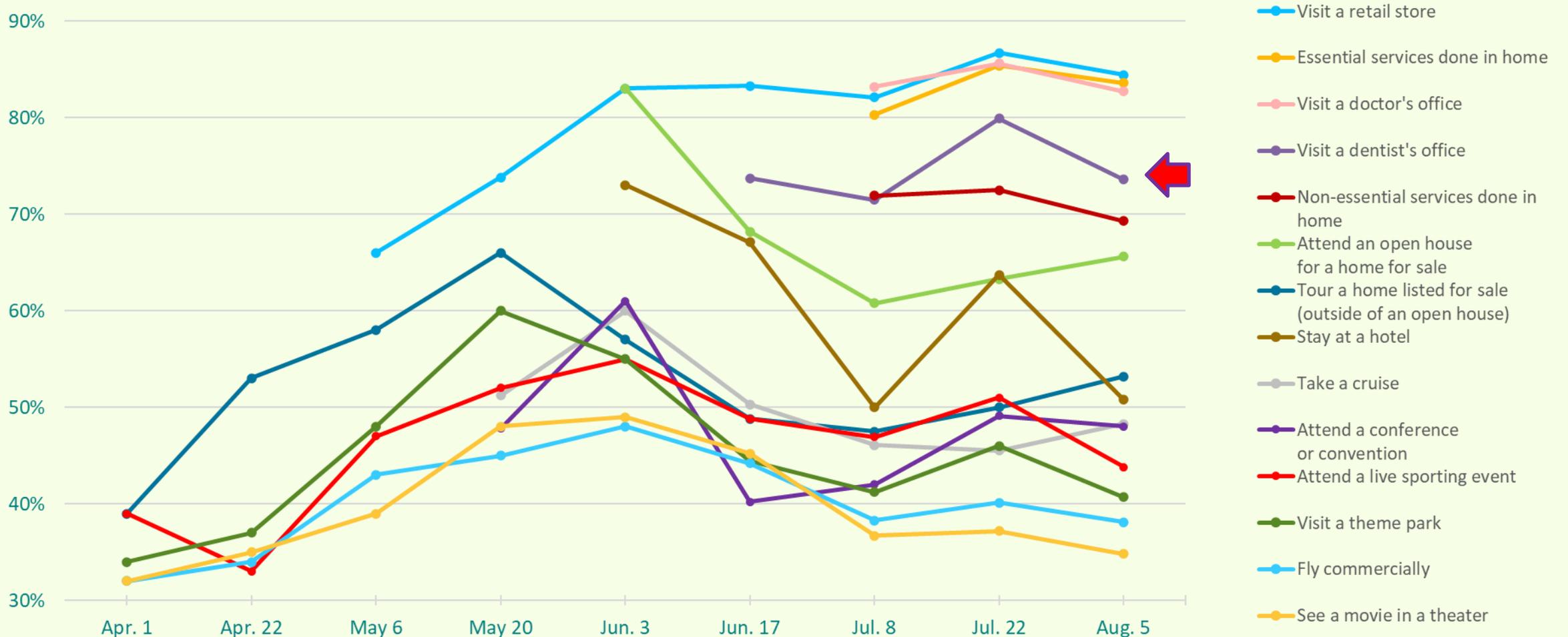
- **What's it going to take to bring consumers back?**
- **Where is the greatest pent-up demand?**
- **What will the new normal look like?**
- **How do employers and employees navigate a workplace return?**

We partnered with Engagious, a leading consumer research firm, to explore consumer sentiment toward visiting the dentist during the pandemic.



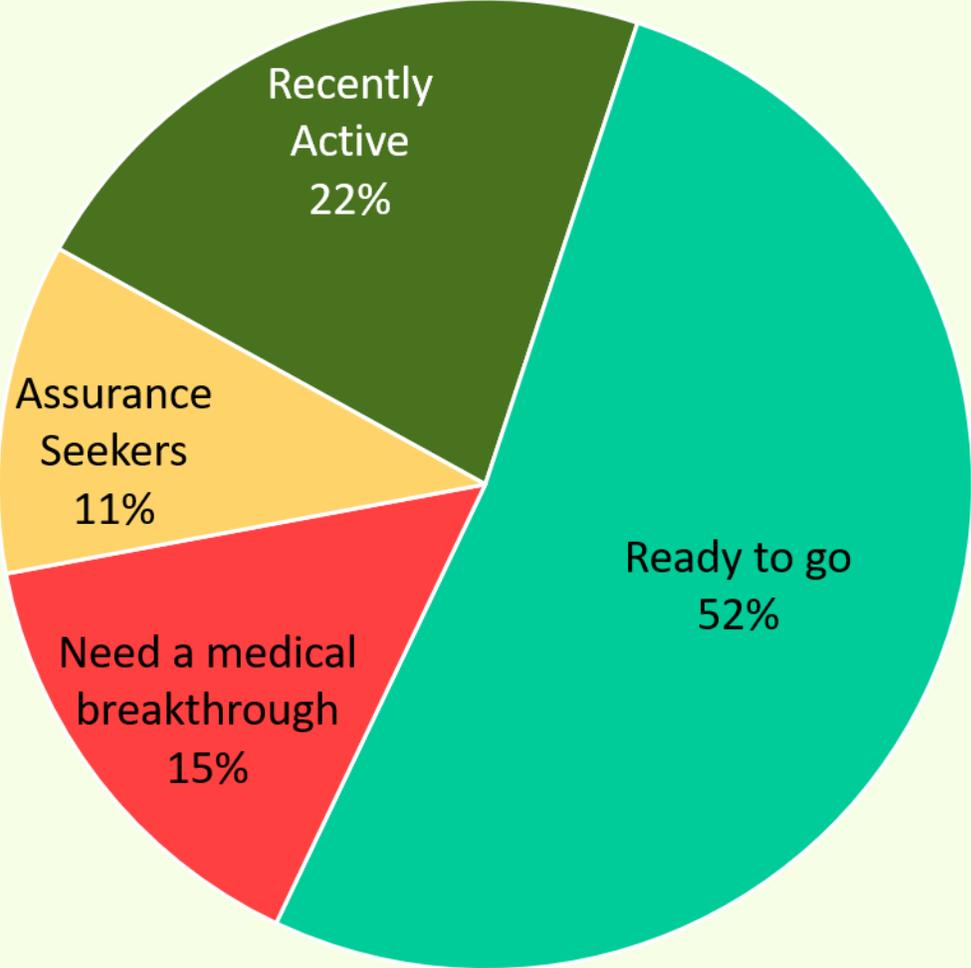
A SIZABLE % WOULD RETURN TOMORROW

Are you currently willing to engage in the following activities, without hesitation?



READY OR NOT: VISIT A DENTIST'S OFFICE

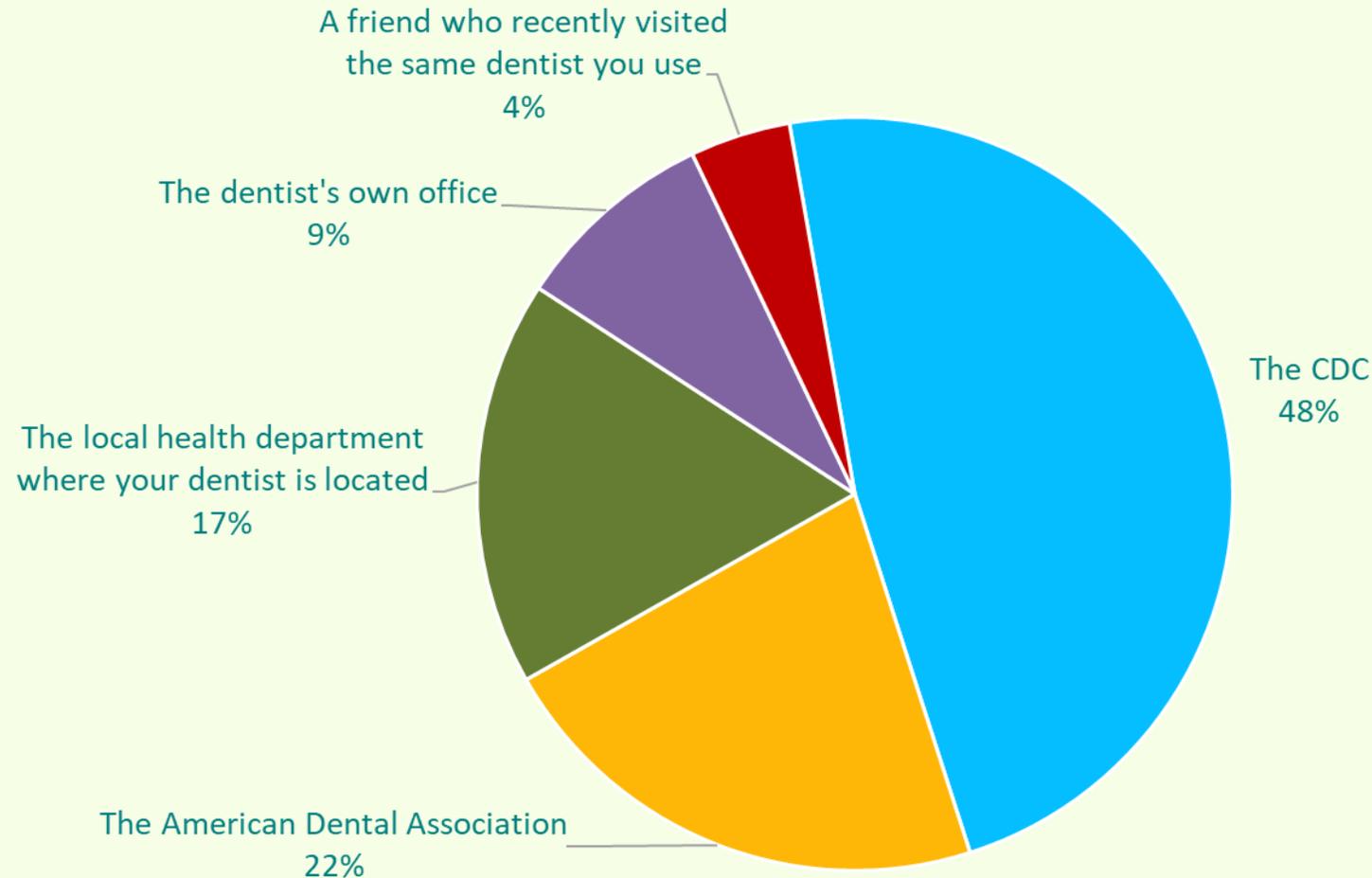
Which of the following conditions is closest to your current point of view... Visit a dentist's office



- Recently Active
- Ready to go
- I would not be comfortable resuming this activity unless there was an approved COVID-19 vaccine and/or a proven medical protocol to mitigate and remedy the effects of the virus.
- I would be willing to resume this activity, as long as a combination of local or national medical authorities, local or national government officials, and/or the location I am visiting provided assurances it is safe to do so.

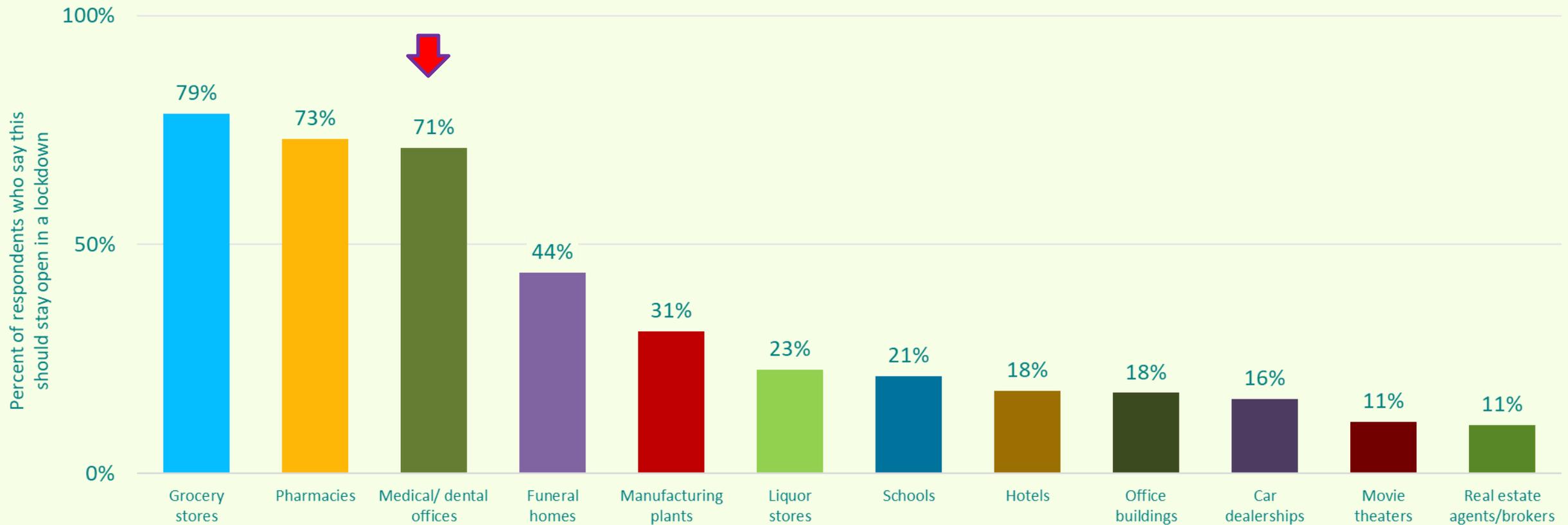
CDC AND ADA MOST TRUSTED BY ASSURANCE-SEEKERS TO ACCEPT DENTAL VISITS ARE SAFE

Which of the following entities would you trust the most if that entity declared it is safe to visit the dentist?



SOME BUSINESSES ARE SEEN AS MORE ESSENTIAL THAN OTHERS

Imagine your state experiences a spike in COVID-19 cases, and the governor declares that another lockdown is needed. Which of the following establishments should be allowed to stay open because they are essential?



Key Take-Aways from August 10th Data

- As of the week of August 10th, 98% of dental offices in the U.S. were open and patient volume was estimated at 73% of pre-COVID-19 levels. Staffing was at 93% of pre-COVID-19 levels. These values were roughly unchanged since our last wave of data collection and suggest we are reaching a “steady state” of economic activity in dental offices.
- COVID-19 has led to more limited hospital/surgery center availability for dental cases, due mainly to the “surge” the pandemic has brought to hospitals.
- The pandemic could potentially lead to reductions in dental safety net capacity. About 6% of Medicaid providers (in private practices) have dis-enrolled since the start of the pandemic and about 22% intend to dis-enroll by the end of the year.
- New consumer polling indicates that about three out of four people who visited the dentist last year are comfortable visiting the dentist right now. Another 11% would be willing to go if they had some assurances that it is safe and the remaining 15% are waiting for a vaccine or proven treatment for COVID-19. Accordingly, patient volume in dental offices likely has an upper bound of around 85% of pre-COVID-19 levels for now.
- Taken together, the data suggest the dental care rebound is starting to taper off and we are reaching – if not already in – the “new normal”.

Thank You!



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