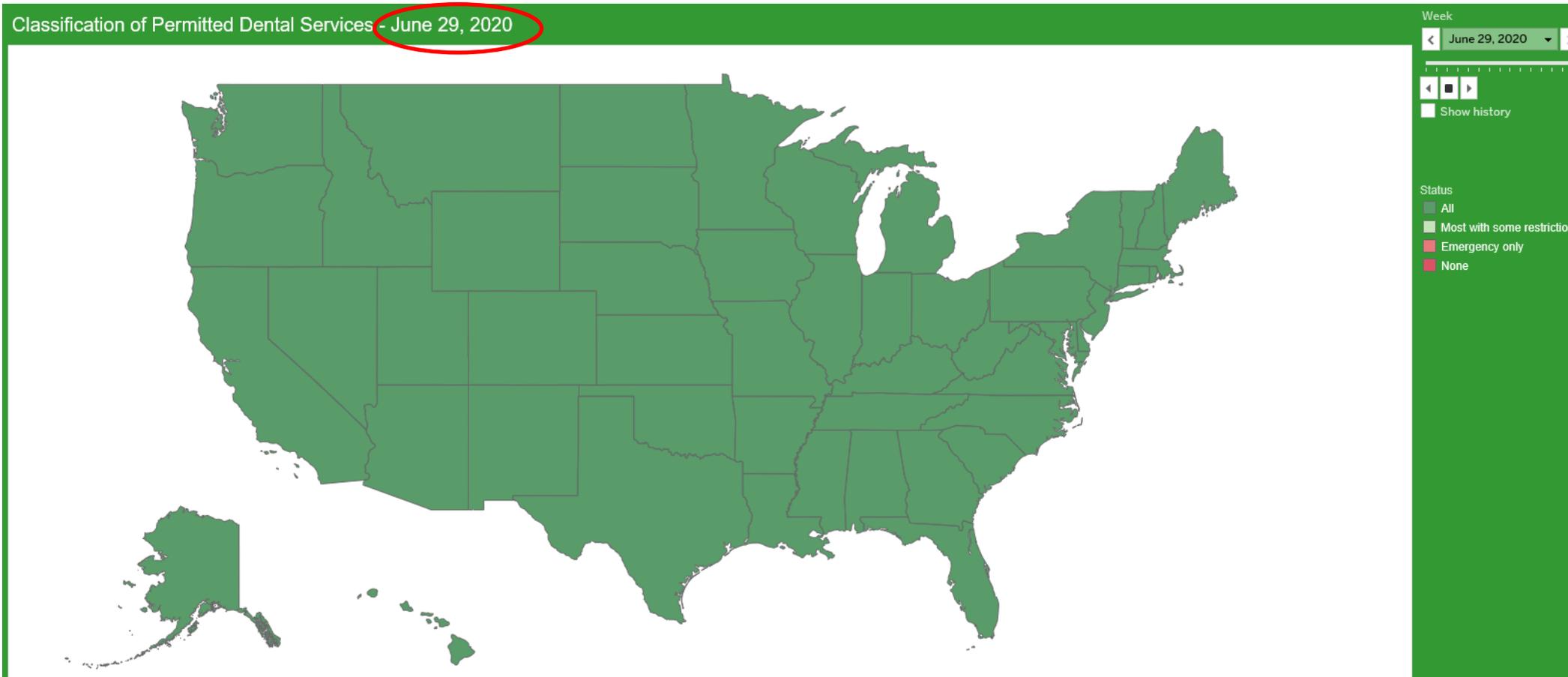


Economic Impact of COVID-19 on the Dental Care Sector:

Data for Week of June 29th Shed
Light on the “New Normal”

Path to Reopening



As of June 29th all states had re-opened for elective dental care.

HPI Economic Impact of COVID-19 Tracking Poll

- Bi-weekly poll
- Started week of March 23rd
- Three core measures:
 - Status of your practice
 - Volume of patients and collections
 - Status of your staff
- “Question(s) of the Week”
- Response rate around 50%. But dropping.
- Representative sample of dentists in private practice
- Two additional waves of data collection focused on dentists in public health settings. Stay tuned for webinar.

Wave	Responses
Week of March 2	19,154
Week of April 6	6,109
Week of April 20	6,614
Week of May 4	6,774
Week of May 18	6,504
Week of June 1	5,675
Week of June 15	4,808
Week of June 29	4,371

HPI Economic Impact of COVID-19 Tracking Poll

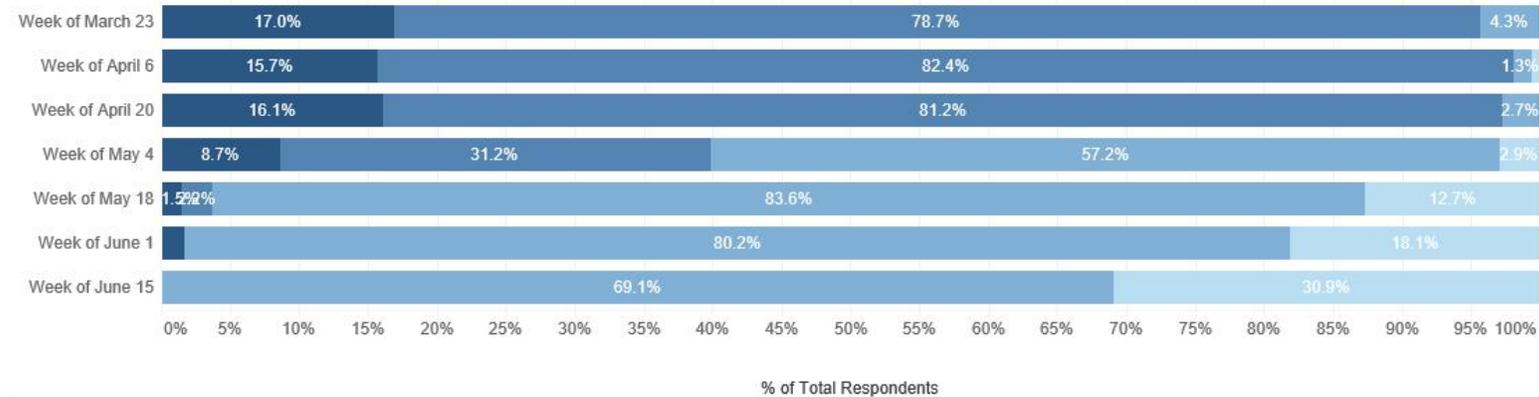
HPI Health Policy Institute
ADA American Dental Association®

COVID-19's
Impact on the
Dental Care Sector



State
Colorado

What is the current status of your dental practice?

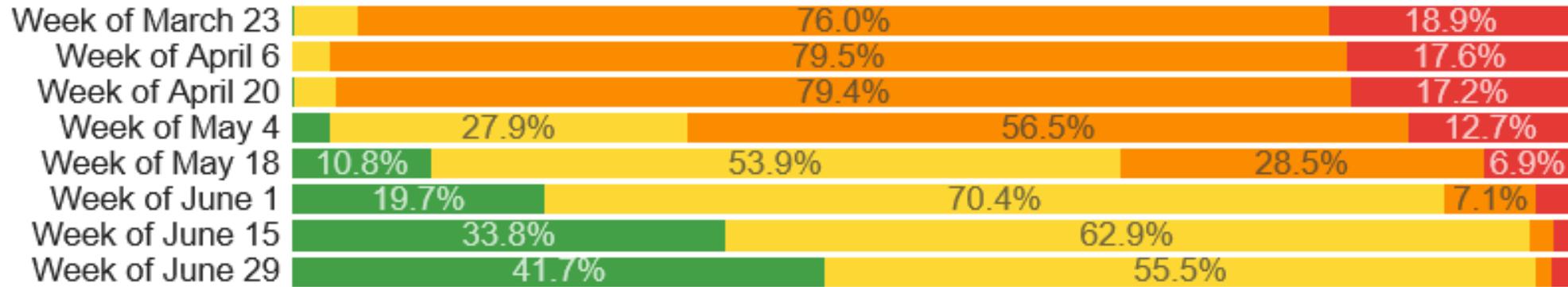


Legend:
■ Open and business as usual
■ Open but lower patient volume than usual
■ Closed but seeing emergency patients only
■ Closed and not seeing any patients

See our state level dashboard at www.ada.org/hpi

Core Questions

What is the current status of your dental practice?



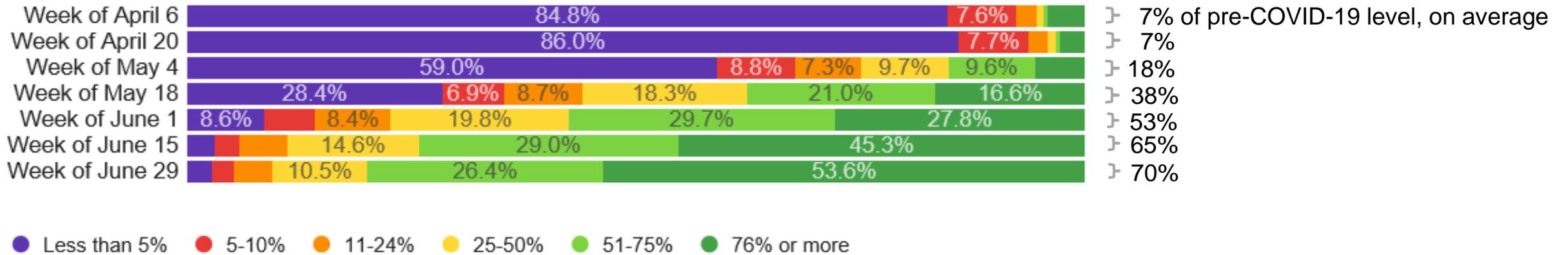
- Open and business as usual
- Open but lower patient volume than usual
- Closed but seeing emergency patients only
- Closed and not seeing any patients

Insight: The week of June 29th 97% of dental practices in the U.S. were open, with 42% reporting “business as usual”.

Core Questions

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

Total Patient Volume

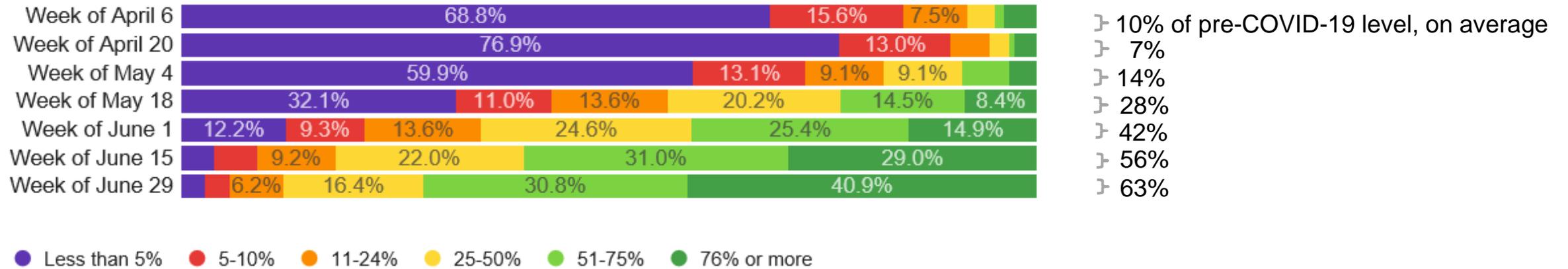


Insight: Nationally, patient volume could be starting to level off. Patient volume reached 70% of pre-COVID-19 levels the week of June 29th, a smaller increase compared to previous weeks.

Core Questions

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

Volume of Total Collections



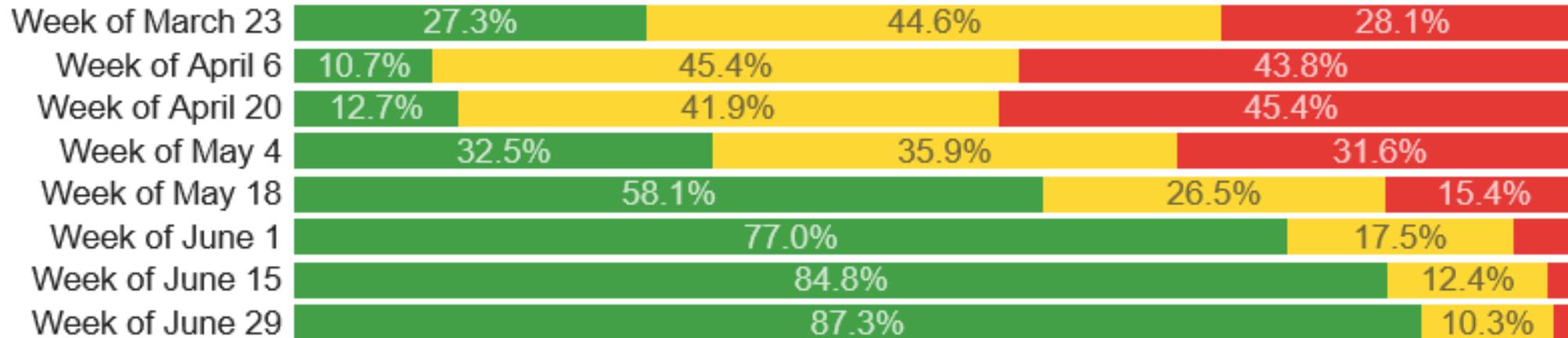
- ⌋ 10% of pre-COVID-19 level, on average
- ⌋ 7%
- ⌋ 14%
- ⌋ 28%
- ⌋ 42%
- ⌋ 56%
- ⌋ 63%

Insight: Nationally, the volume of collections continues to increase, reaching 63% of pre-COVID-19 levels the week of June 29th.

Core Questions

Is your dental practice paying staff this week?

Insight: Dental practices continue to hire back staff, but the pace is slowing. We might be near “new normal” staffing.

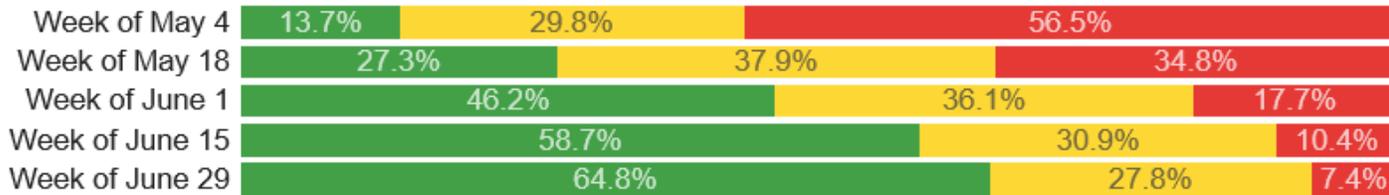


● Yes, fully ● Yes, partially ● Not paying any staff

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

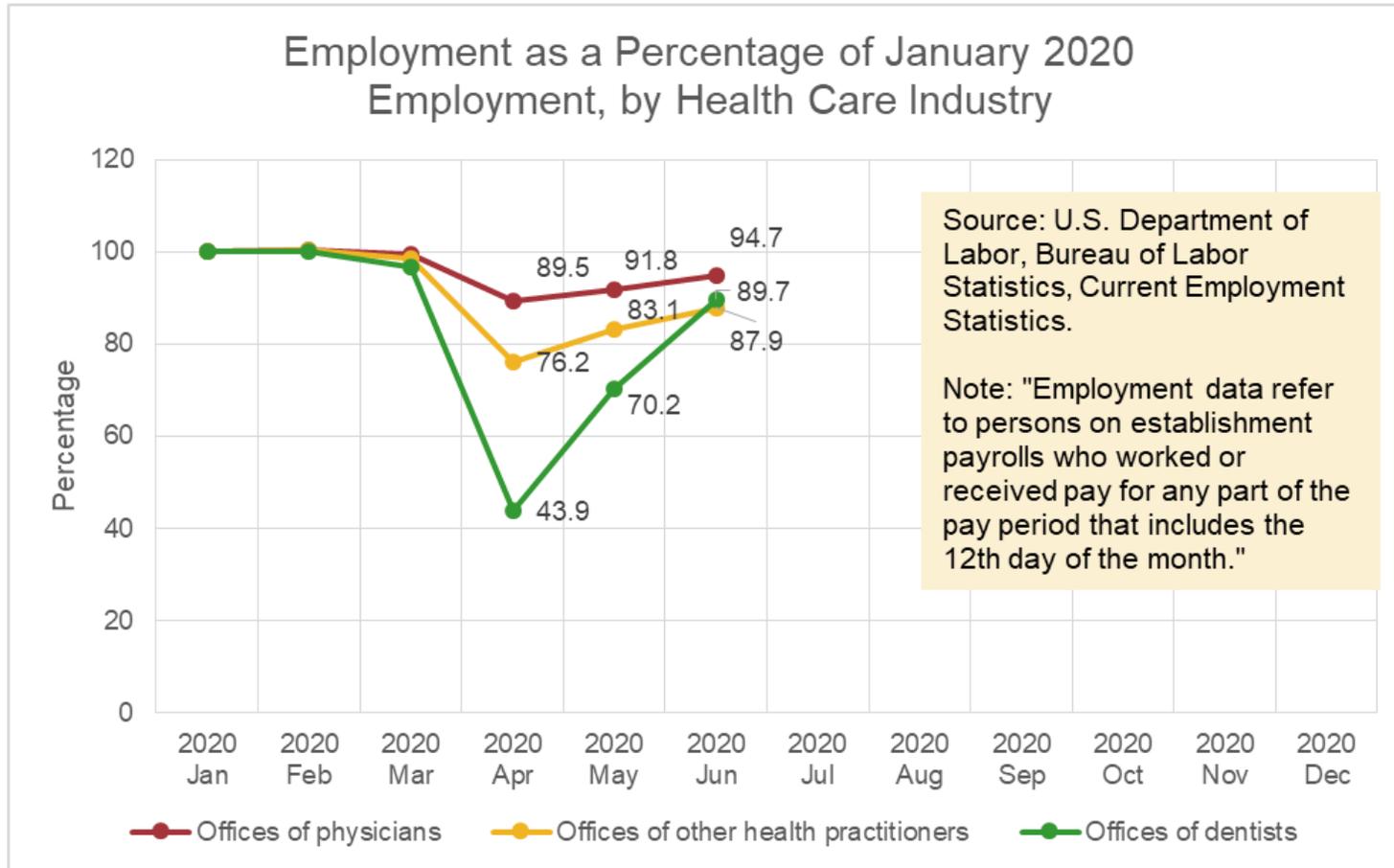
[If Not Being Paid at All] Are you currently receiving unemployment benefits?



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

Insight: Nearly two-thirds of employee dentists are back to being paid fully. Employee dentists continue to lag when it comes to re-hiring.

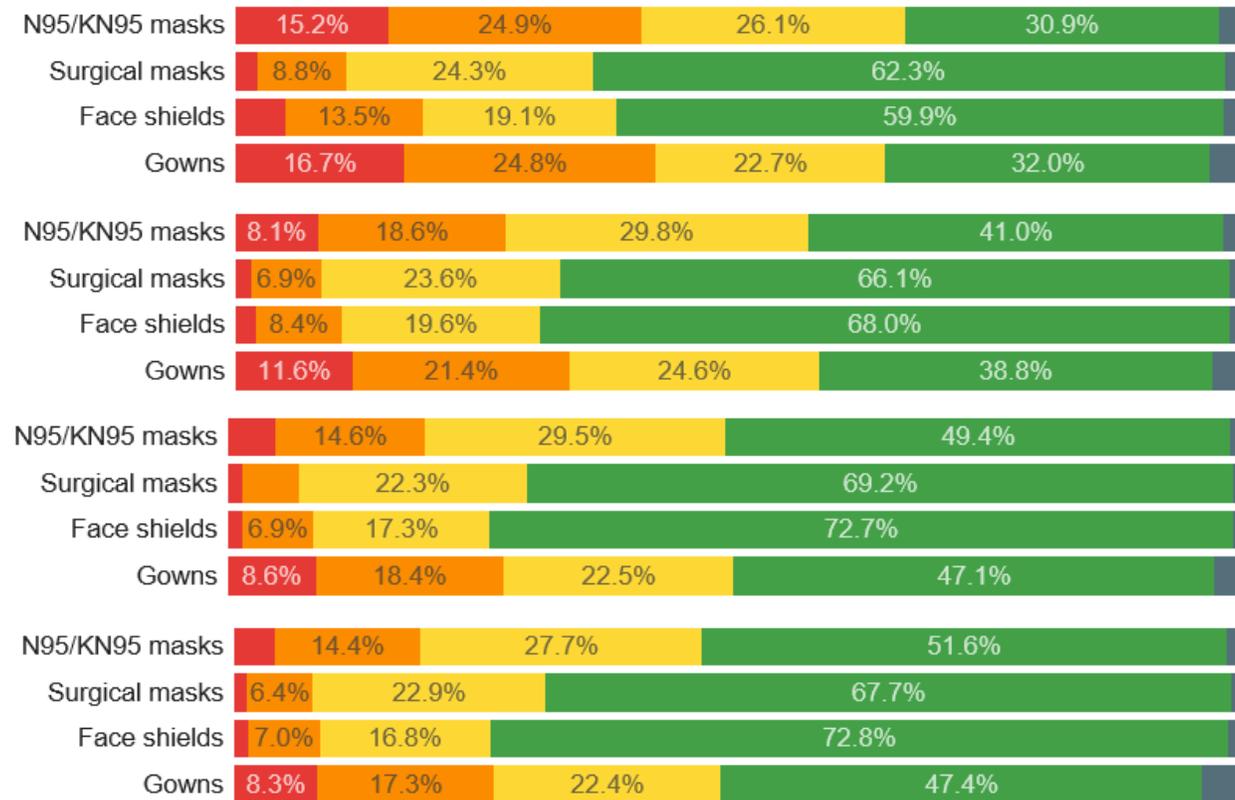
Core Questions



Insight: BLS data show employment in dental offices in June was at 90% of pre-COVID-19 levels, in line with data from HPI's survey.

Core Questions

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



Week of May 18

Week of June 1

Week of June 15

Week of June 29

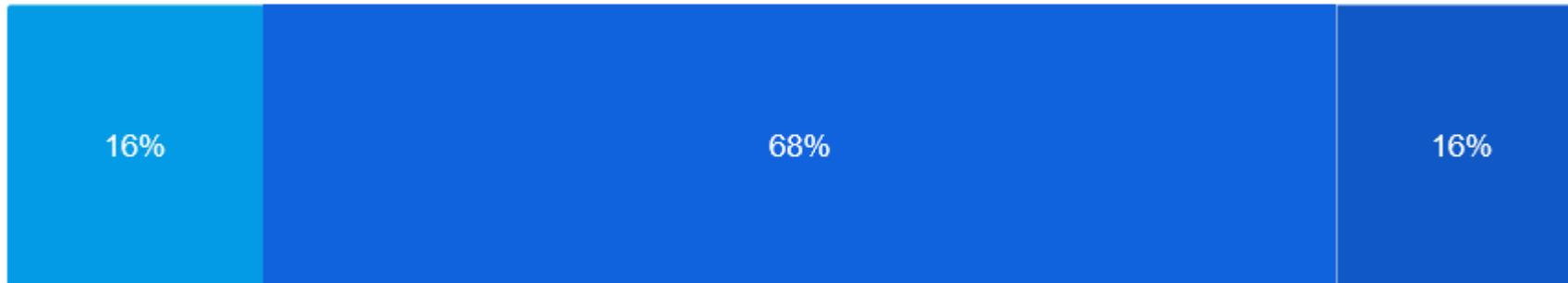
Insight: PPE availability in dental practices did not change much in the past two weeks. This could be because shortages eased weeks ago.

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

Question of the Week

As a result of the COVID-19 pandemic, how has the number of hours per week your practice is open changed?

ALL RESPONDENTS



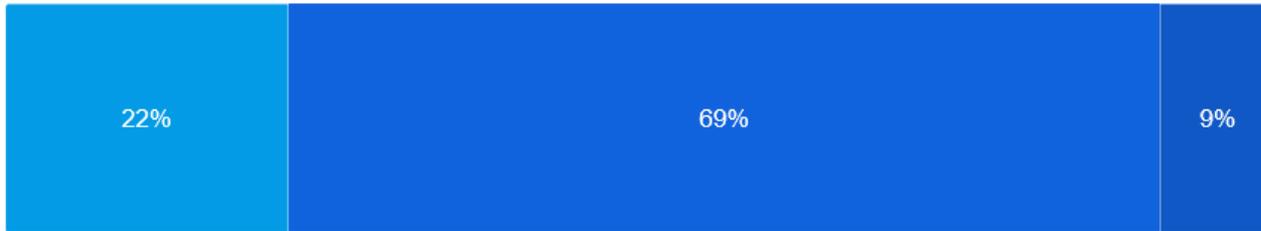
- My practice is open fewer hours than before. [16%]
- My practice is open about the same number of hours as before. [68%]
- My practice is open more hours than before. [16%]

Insight: Most dental practices have not changed their hours of operation in response to COVID-19.

Question of the Week

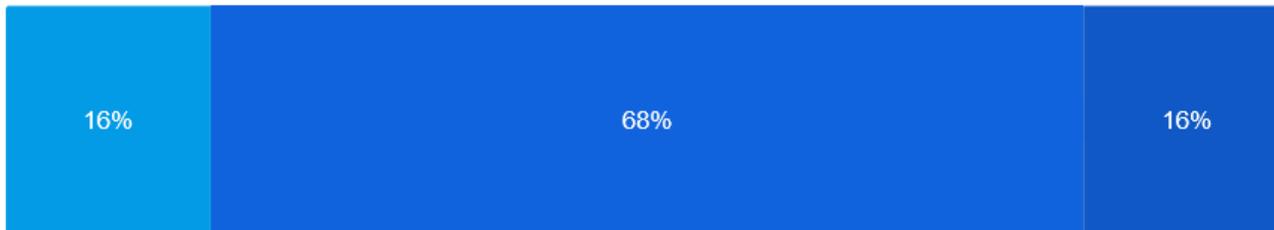
As a result of the COVID-19 pandemic, how has the number of hours per week your practice is open changed?

DSO



- My practice is open fewer hours than before. [22%]
- My practice is open about the same number of hours as before. [69%]
- My practice is open more hours than before. [9%]

Non-DSO



- My practice is open fewer hours than before. [16%]
- My practice is open about the same number of hours as before. [68%]
- My practice is open more hours than before. [16%]

Insight: DSO practices are more likely to have reduced hours in response to COVID-19 compared to non-DSO practices.

Question of the Week

Number of patients seen in practice per day



Question of the Week

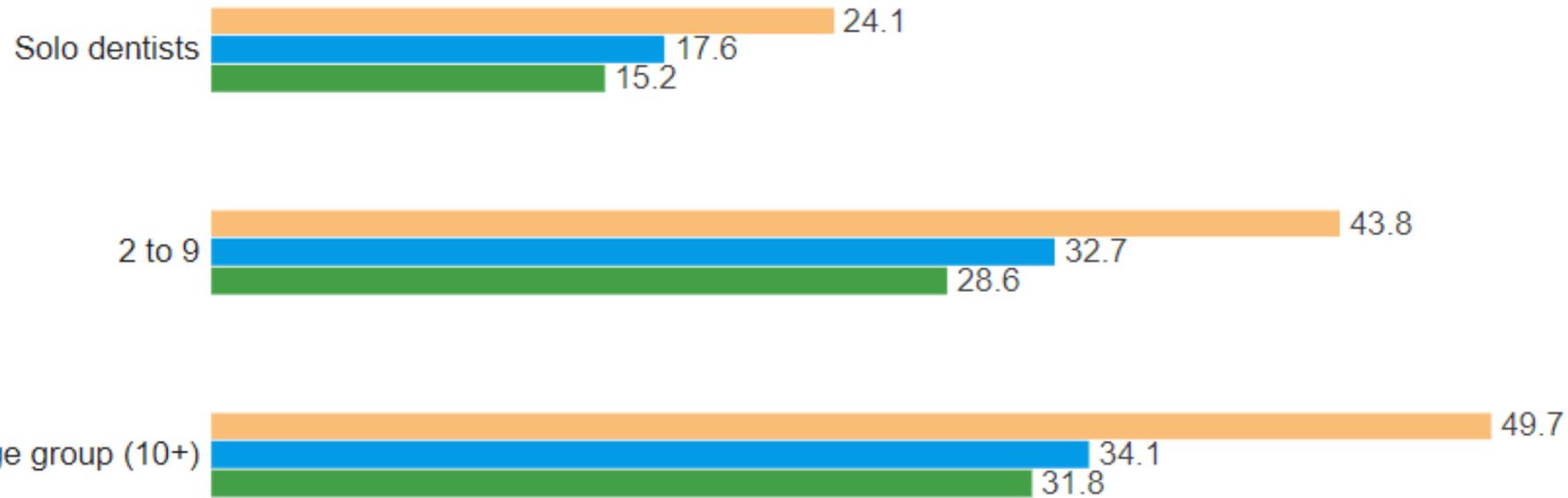
Number of patients seen in practice per day



Insight: Due to a variety of COVID-19 related factors, maximum patient capacity in dental offices has declined significantly. Patient volume is close to maximum levels. This indicates there is very little “slack” in the system.

Question of the Week

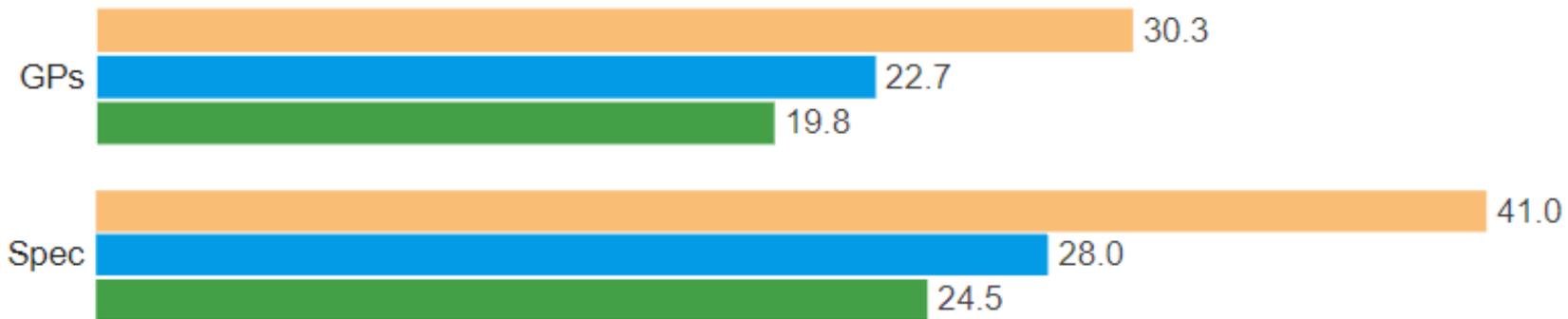
Number of patients seen in practice per day



● Pre-COVID maximum ● Current maximum ● Current average

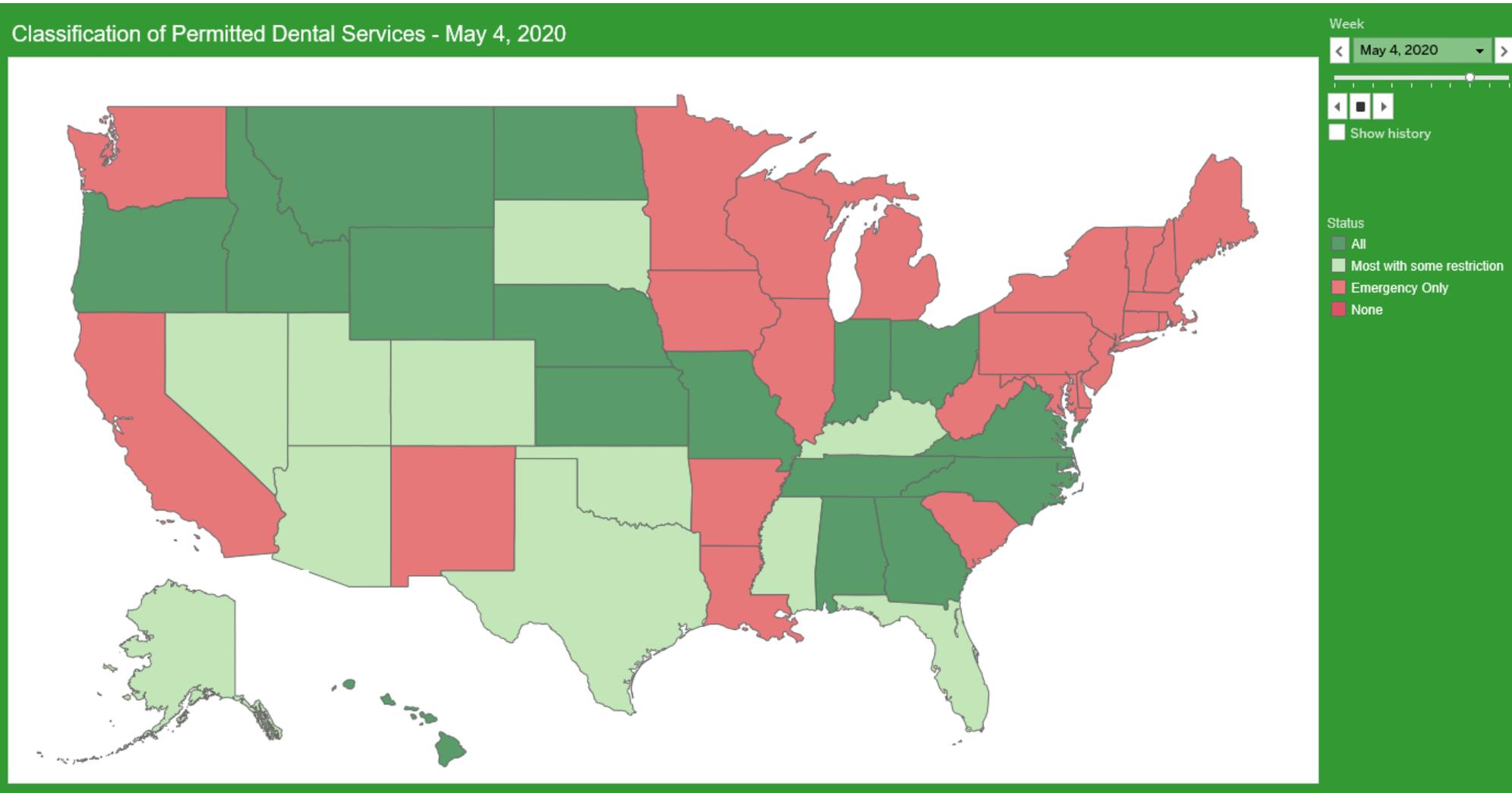
Question of the Week

Number of patients seen in practice per day



● Pre-COVID maximum ● Current maximum ● Current average

A Closer Look at States That Opened Early

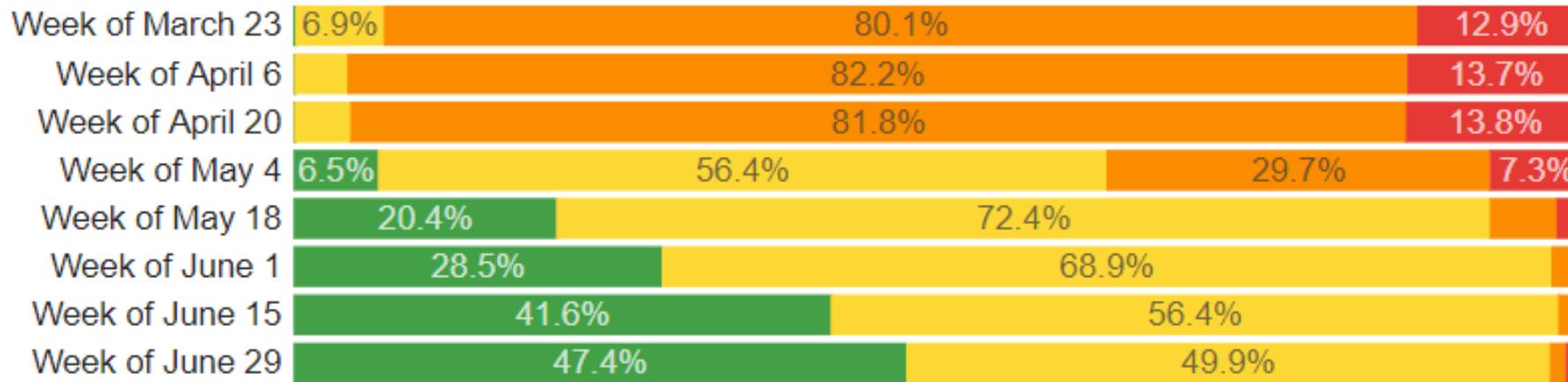


As of May 4th, 27 states had re-opened for elective dental care. These states are in week 7 of re-opening.

Core Questions

What is the current status of your dental practice?

Insight: In the 27 states that have been open for elective care at least 7 weeks, 97% of dental offices are open and 47% report “business as usual”.

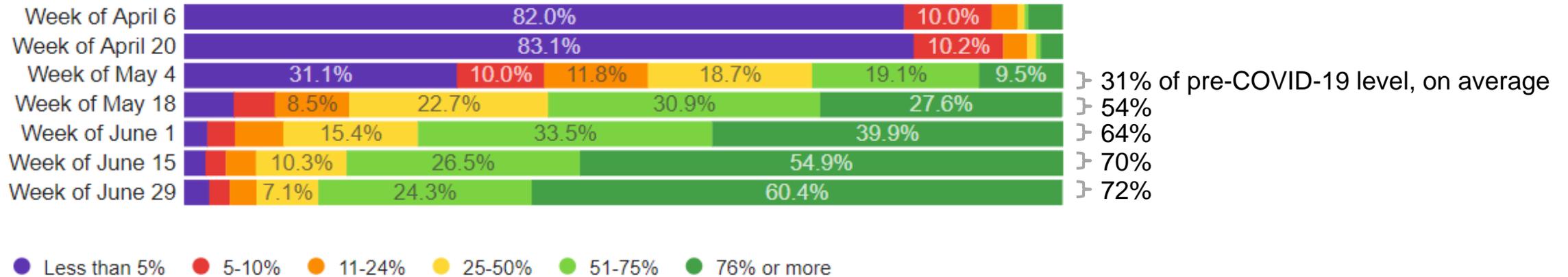


- Open and business as usual
- Open but lower patient volume than usual
- Closed but seeing emergency patients only
- Closed and not seeing any patients

Core Questions

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

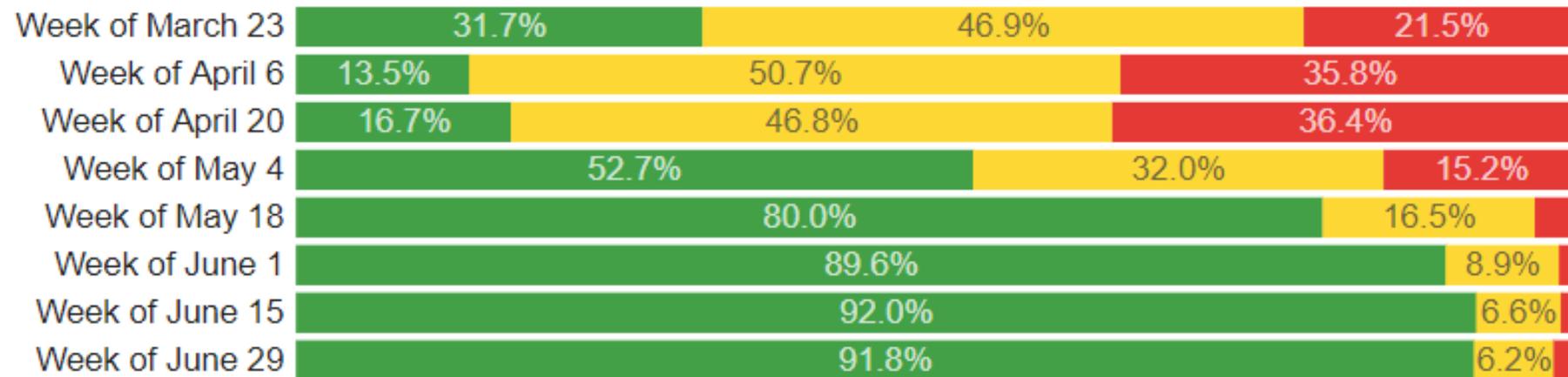
Total Patient Volume



Insight: In the 27 states that have been open for elective care at least 9 weeks, patient volume appears to be leveling off. The week of June 29th, patient volume reached 72% of pre-COVID-19 levels, only a slight increase compared to two weeks prior.

Core Questions

Is your dental practice paying staff this week?



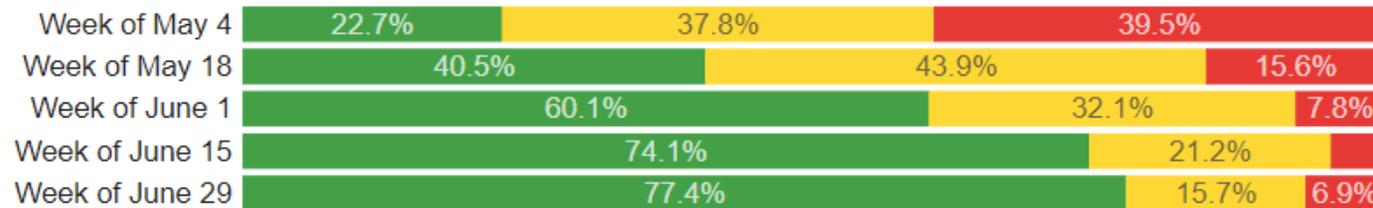
● Yes, fully ● Yes, partially ● Not paying any staff

Insight: In the 27 states that have been open for elective care for at least 9 weeks, hiring was unchanged the past two weeks. These states might be telegraphing the “new normal” in terms of staffing.

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: About three out of four employee dentists are now being paid fully in the 27 states have been open for elective care for at least 9 weeks. This is largely unchanged from two weeks prior. Employee dentists lag in terms of re-hiring and we could be stabilizing at a “new normal” in terms of staffing levels.

Emerging Research on Risk/Reward

The Washington Post

Five kinds of health appointments you should consider keeping, despite the pandemic

Insight: As more and more research emerges, it consistently ranks dental visits as relatively safe and worth the risk.

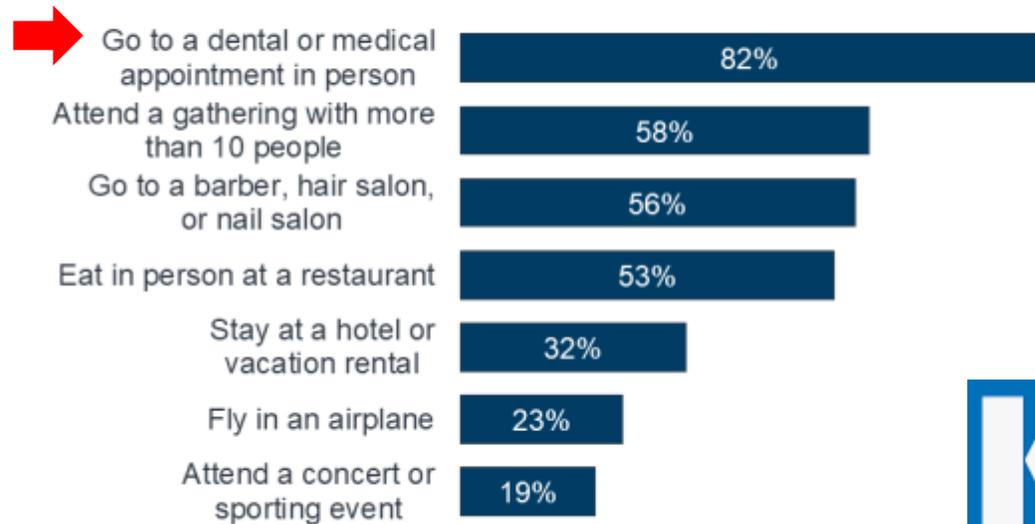
FAST COMPANY

MIT researchers say these are the unsafe businesses to avoid during COVID-19, and these are okay

Insights from Consumer Polling

Most Say Some Activities Will Resume In Coming Months, Few Say The Same About Traveling Or Attending Large Events

Percent who say it is likely that they will do each of the following in the next three months or they are already doing it:



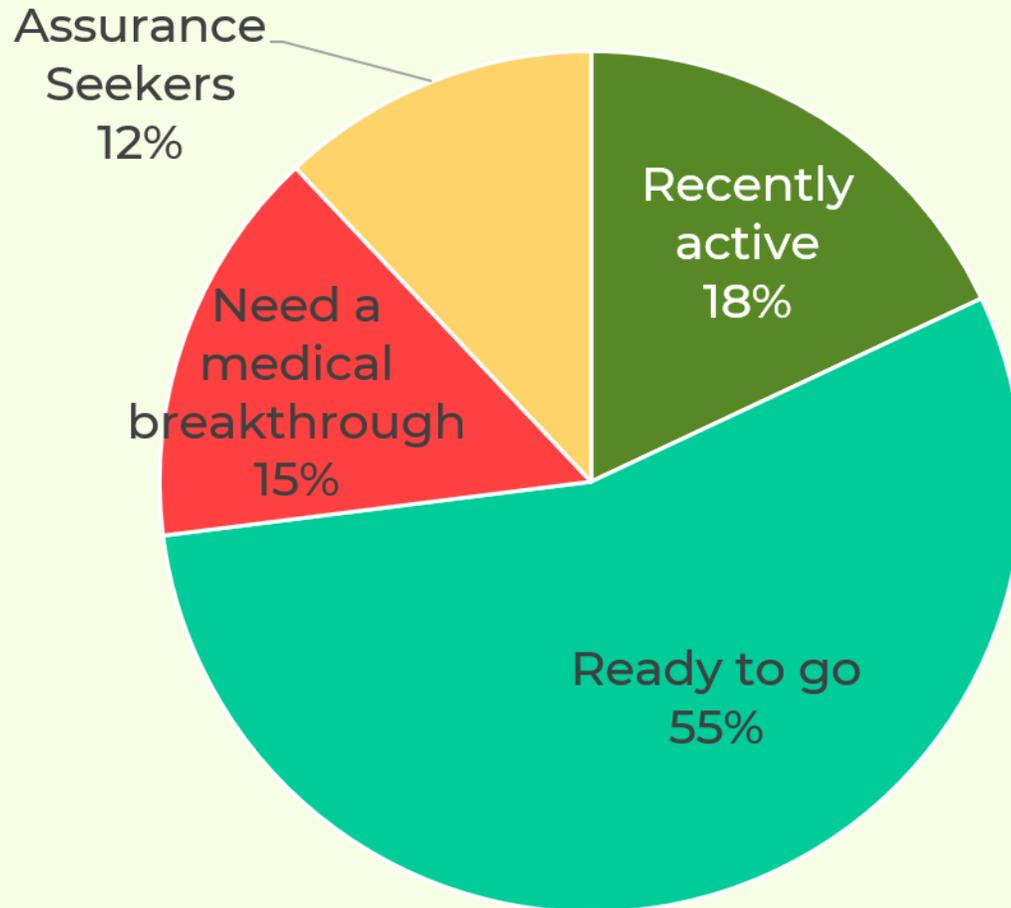
Insight: The public places a relatively high priority on dental visits in “getting back to normal”.

SOURCE: KFF Health Tracking Poll (conducted May 13-18, 2020). See topline for full question wording.



ENGAGEMENT: 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.

Key Take-Aways from June 29th Data

- The dental economy continues to rebound. As of the week of June 29th, 97% of dental offices in the U.S. were open and patient volume had rebounded to 70% of pre-COVID-19 levels.
- In the 27 states that have been open for elective care for at least nine weeks now, the rebound is starting to slow down. Patient volume continues to increase, but at much lower rates than in previous weeks. These states might be telegraphing the “new normal”.
- Staffing levels in dental offices are stabilizing. Employment in the dental sector has recovered to about 90% of pre-COVID-19 levels. However, employee dentists continue to lag when it comes to re-hiring.
- COVID-19 has reduced maximum patient capacity in dental offices. But it is unclear how much of an issue this really is. Evidence suggests, pre-COVID-19, dentists were “not busy enough” and could see more patients. Very few dental offices have extended their hours as a result of COVID-19.
- Taken together, the data suggest the dental care rebound is slowing and we might be soon approaching a plateau in terms of patient volume. The evidence suggest that capacity constraints in dental offices might be just as important as demand-side factors in limiting patient volume.

Thank You!



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