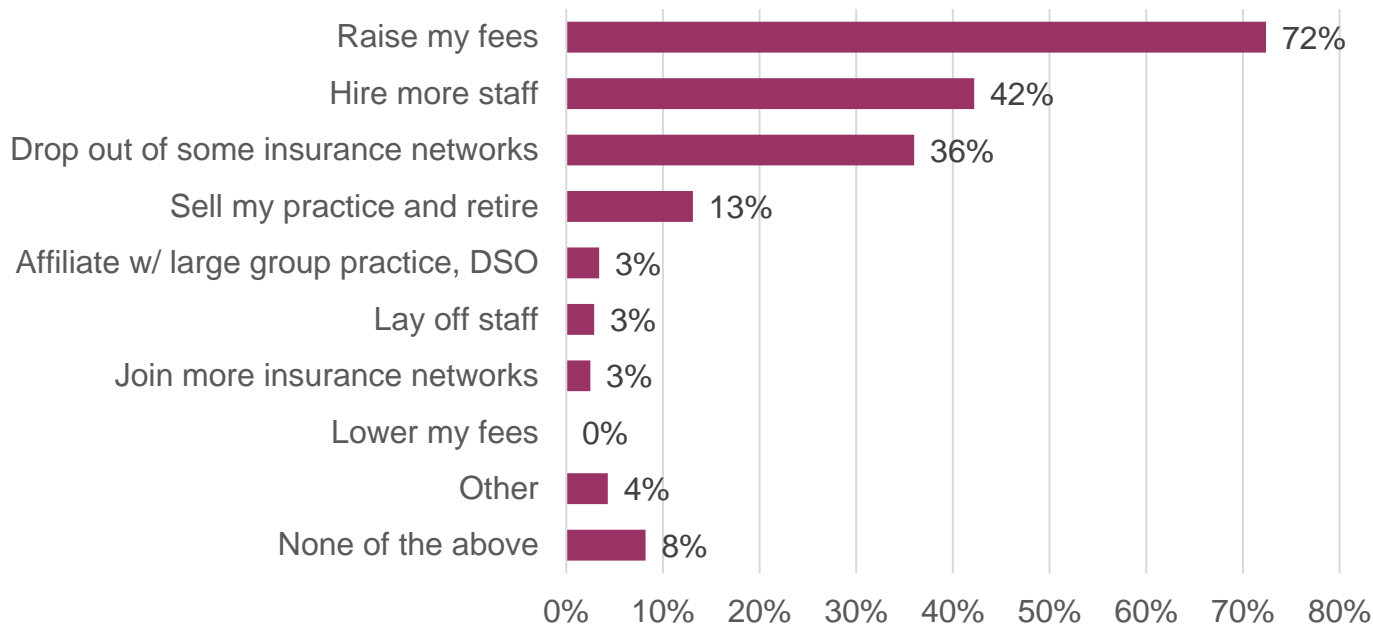


Economic Outlook and Emerging Issues in Dentistry

Insights from Data from January 2023

Practice Plans for 2023

Do you have plans to do any of the following in 2023? (Check all that apply)*

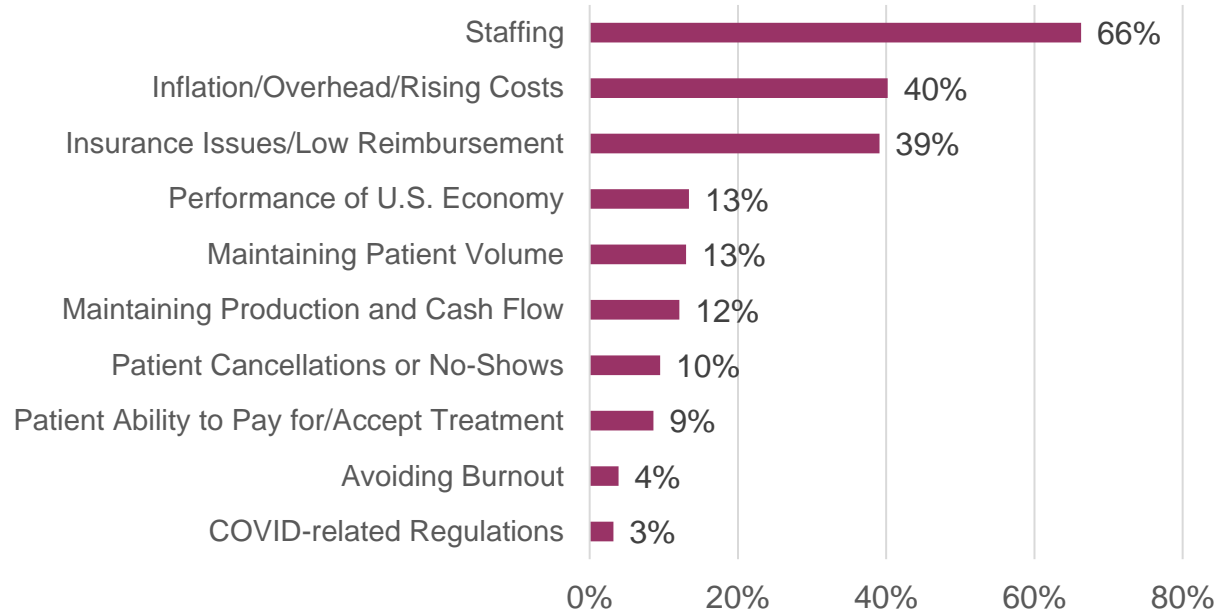


Nearly three out of four dentists plan to **raise their fees** in 2023. Other commonly reported plans include **hiring more staff**, selected by about 2 in 5 respondents, and **dropping out of some insurance networks**, selected by over a third.

* This question was included in the December 2022 wave of the HPI Economic Outlook and Emerging Issues in Dentistry poll.

Top Challenges in the Next 6 Months

Looking ahead to the next 6 months, what are the top 3 challenges facing your dental practice?*



Top 3 challenges in the next 6 months:

1 – Staffing
(cited by 2 out of 3)

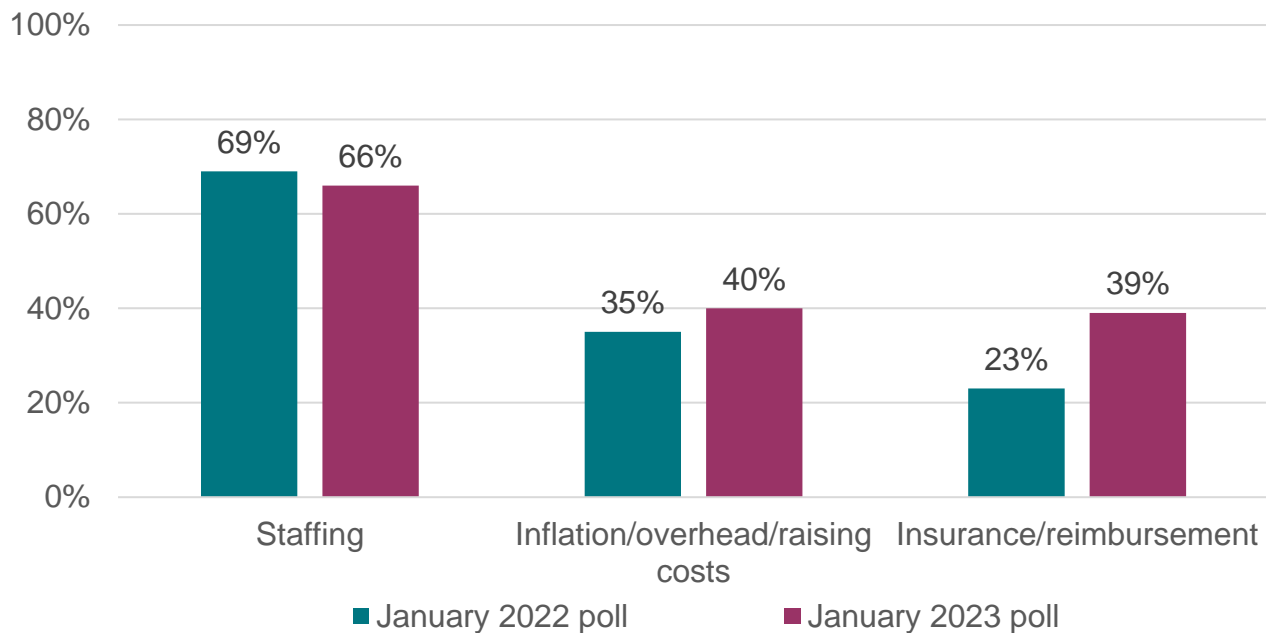
2 – Inflation/rising costs
(cited by 2 out of 5)

**3 – Insurance issues/
low reimbursement**
(cited by 2 out of 5)

* Showing a ranking of top ten items most cited by respondents.

Top 3 Challenges for 2022 Compared to 2023

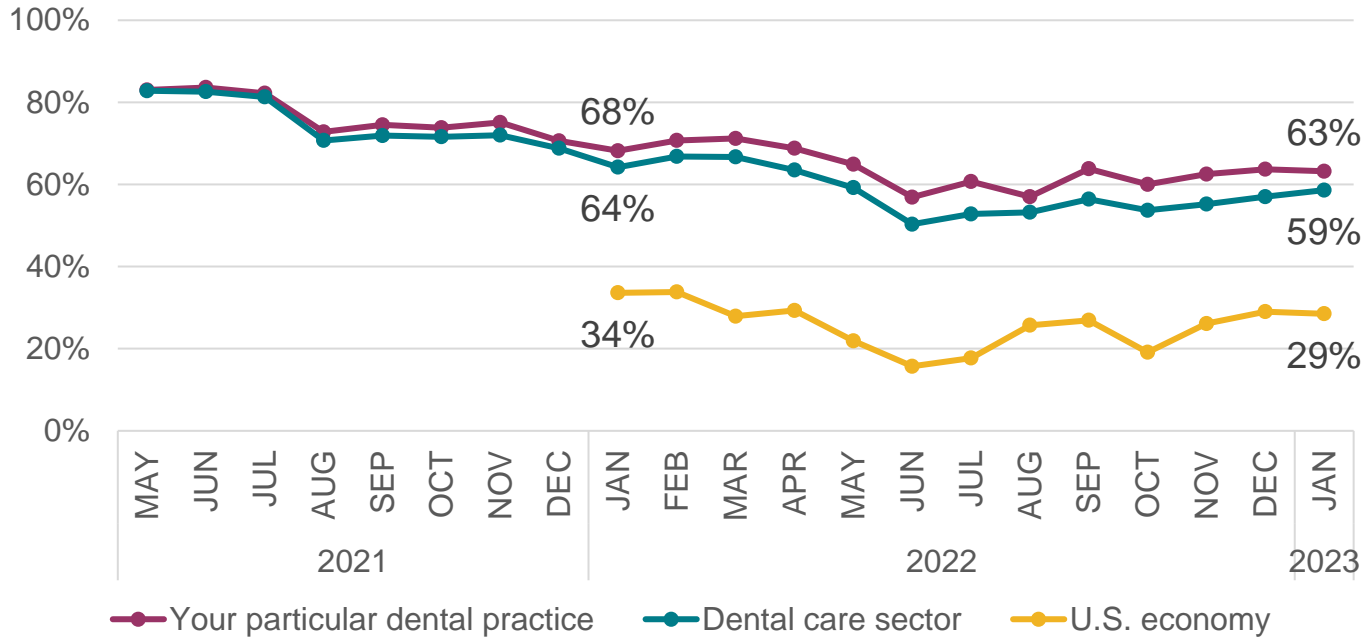
Looking forward to the next six months, what are the top 3 challenges facing your dental practice? January 2022 vs. January 2023



The same Top 3 issues were cited by responding dentists in January 2022 and in January 2023.

Confidence in the Economy

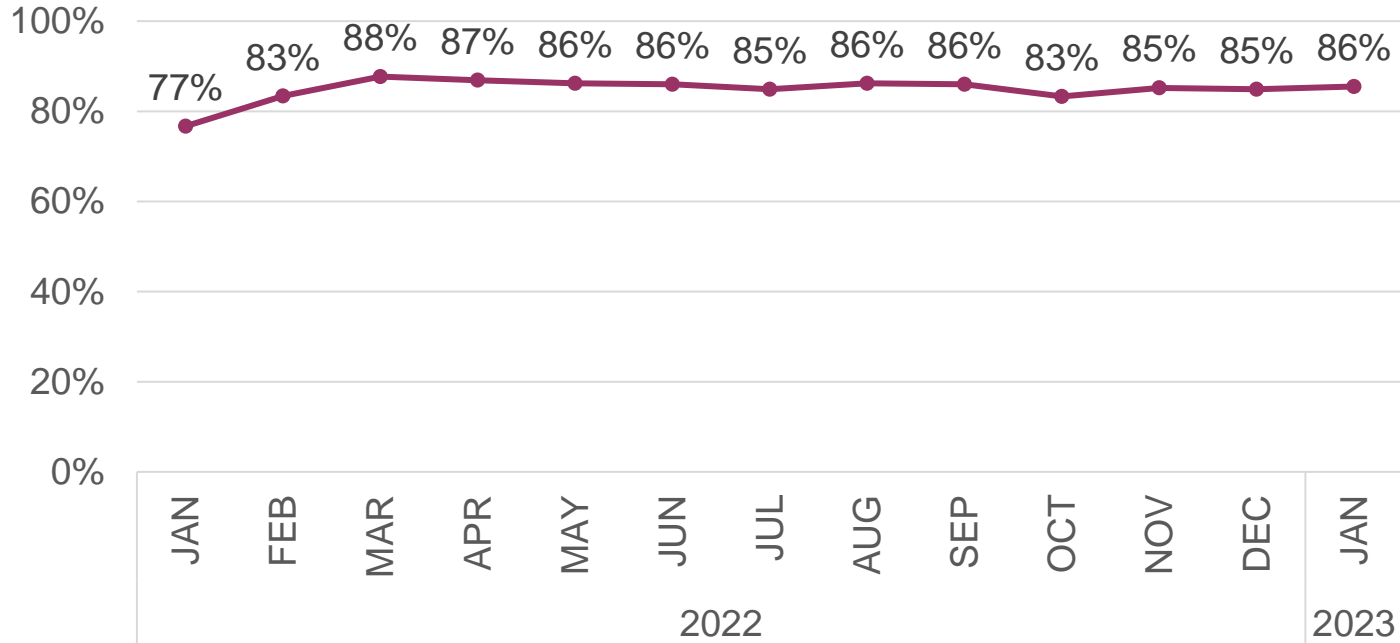
Looking ahead to the next six months, how confident are you in the recovery of the following?
(Percentages indicating “very” or “somewhat” confident.)



Dentists' confidence in economic recovery has been steady over the past several months, but confidence levels have dropped when compared to a year ago.

Busyness

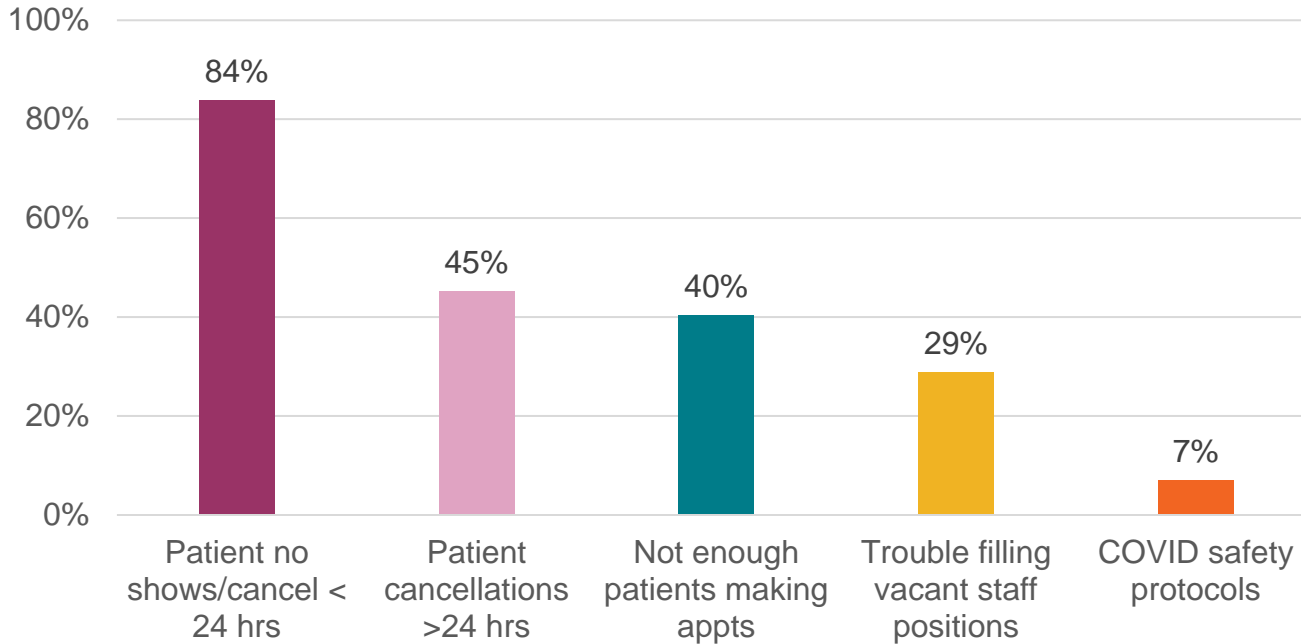
How full was your dental practice's appointment schedule last week?



Busyness has remained stable since March 2022.

Barriers to Reaching Full Capacity

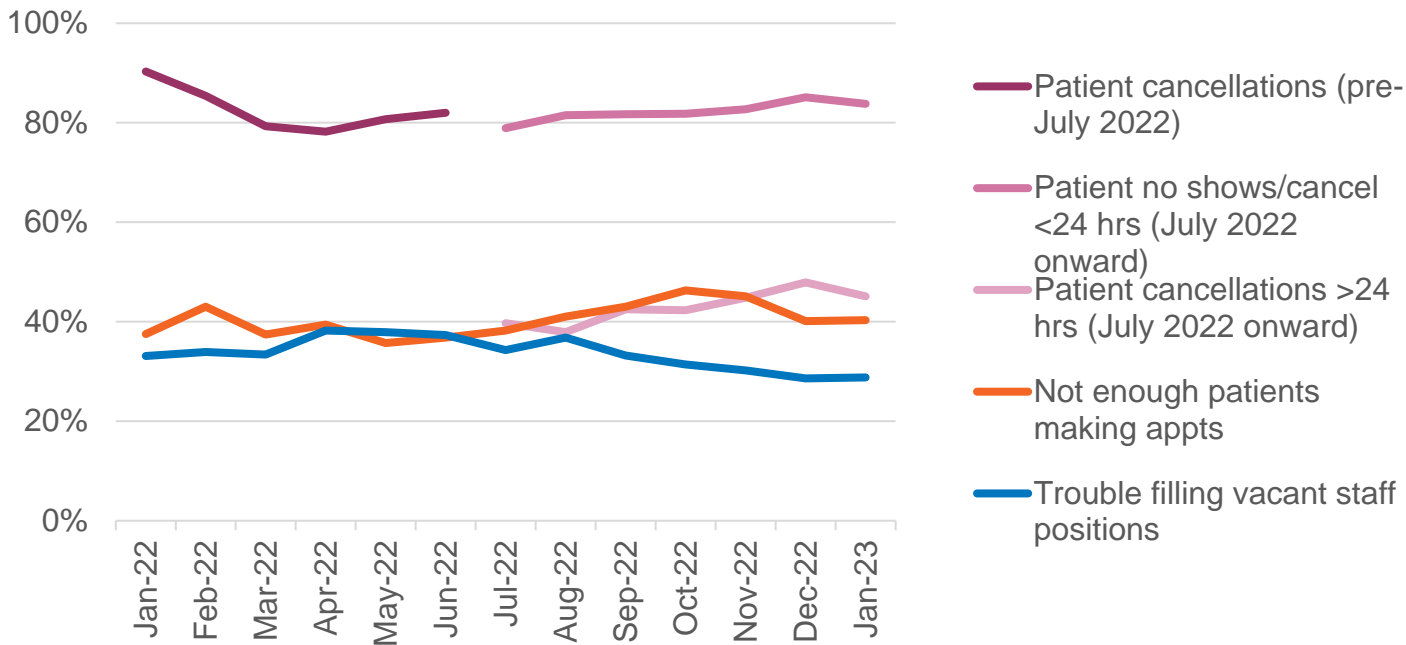
Which of the following factors prevented your dental practice's appointment schedule from reaching 100% last week? (Select all that apply.)



Patient no-shows and late cancellations remained the most common factor for unfilled practice schedules in January.

Barriers to Reaching Full Capacity

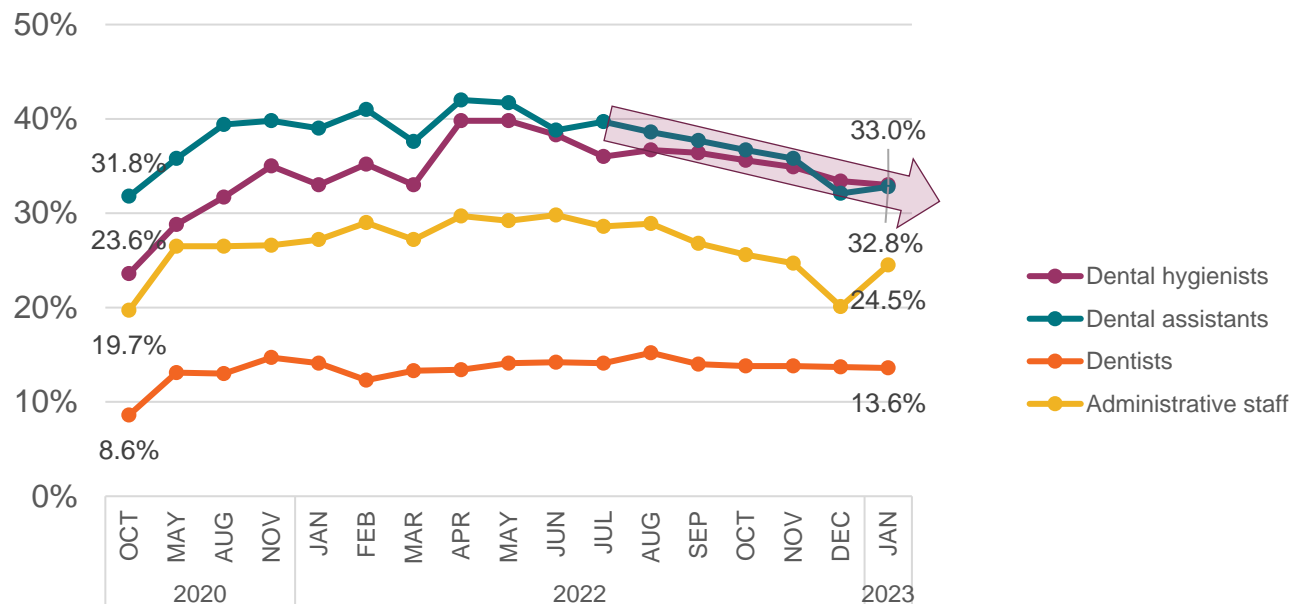
Which of the following factors prevented your dental practice's appointment schedule from reaching 100% last week? (Select all that apply.)



“Trouble filling vacant staff positions” is a factor preventing appointment schedules from reaching 100% for about 3 in 10 dentists, while short-notice cancelation was selected by about 8 in 10 dentists.

Dental Team Recruitment

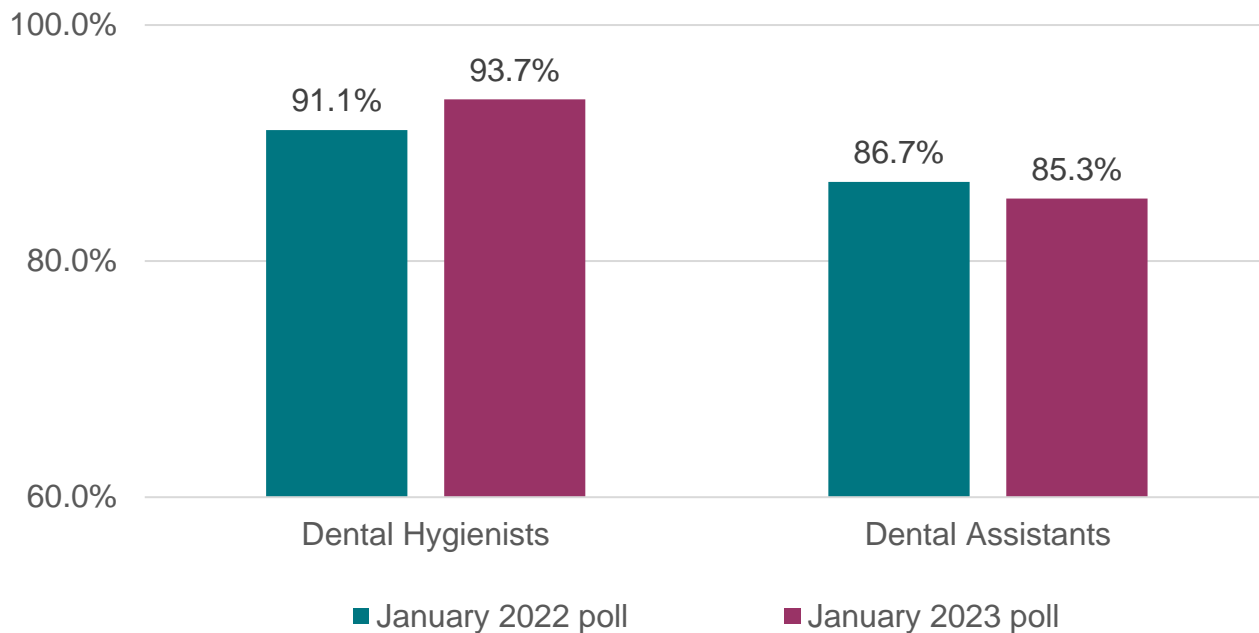
Have you recently or are you currently recruiting any of the following positions in your dental practice? (Percentages indicating “yes.”)



The high demand for dental assistants and dental hygienists has been slowly declining over the past several months.

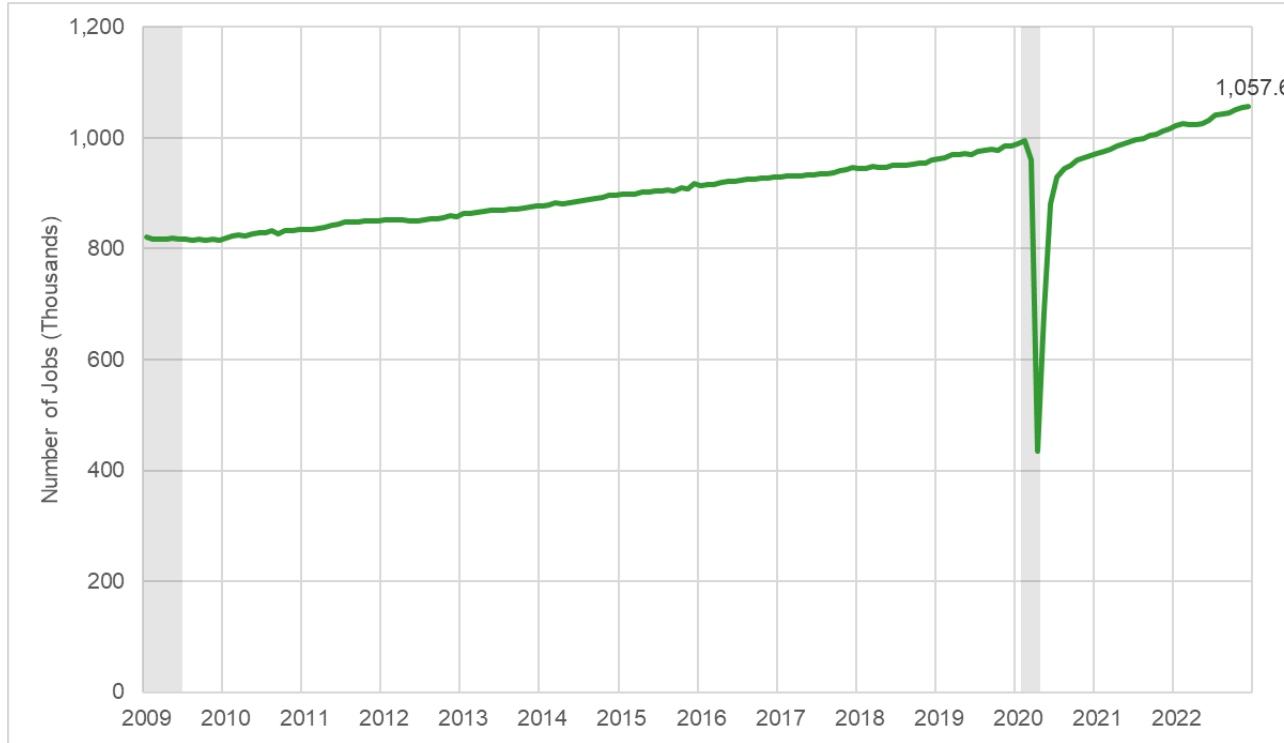
Challenges Recruiting – Jan 2022 vs. Jan 2023

How challenging has it been to recruit the position(s) below? (Percentage indicating “Extremely Challenging” and “Very Challenging”) January 2022 vs. January 2023



Among those hiring for these positions, recruitment has been about as challenging as one year ago.

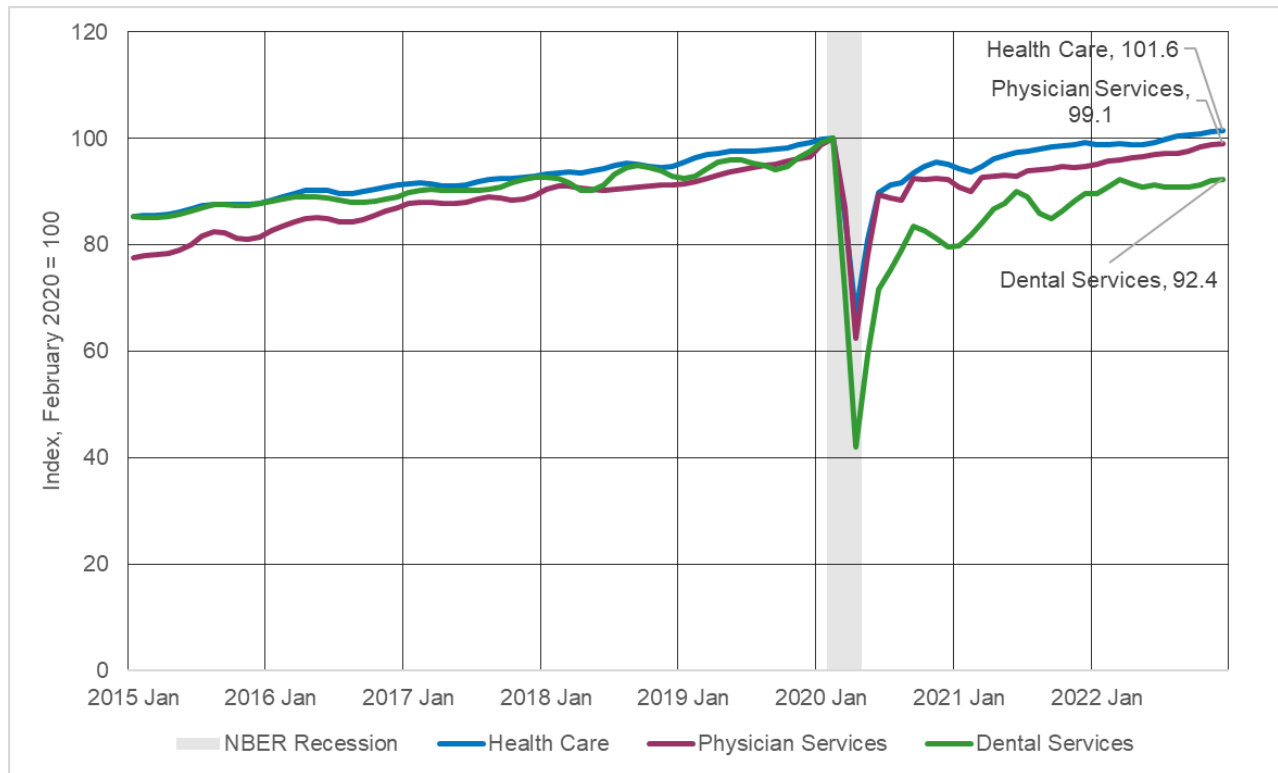
Jobs in the Dental Sector



Source: U.S. Bureau of Labor Statistics

In December, 3,400 jobs were added in the dental sector. The total number of jobs is 4.0% above 12-month prior and is beyond pre-pandemic levels.

Expenditure on Select Health Care Services, Indexed to February 2020



Source: U.S. Bureau of Economic Analysis

Spending on dental services remains below pre-pandemic levels.

Spending on health care services overall as well as physician services has fully recovered.

Key Takeaways

- **Practice Schedules:** Dental practice schedules remain steady at the start of 2023, with schedules 85% full on average in January. For several months, we have been in a ‘holding pattern’. Increasingly, dental practices are saying ‘not enough patients’ is the key reason they are not busier, compared to ‘staffing shortages’ which was a much bigger reason a year ago.
- **Dental Spending.** The December data show no big developments in terms of dental spending trends. Here too, we appear to be in a ‘holding pattern’. It is unlikely there is any more pent-up demand to work through, and we may be hitting a new ‘steady state’.
- **Recruitment Needs:** Recruitment needs for dental hygienists and assistants slightly declined again in January. But by no means is the shortage over. Dentists continue to say recruitment is extremely challenging.
- **Looking Ahead:** The top actions dentists plan in 2023 are raising fees, hiring more staff, and dropping out of some insurance networks. The top challenges dental practices are dealing with are staffing, rising operating costs, and stagnant insurance reimbursement levels. There will continue to be margin compression.

Thank you!

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