

Trends in the Development of the Dental Service Organization (DSO) Model: Implications for the Oral Health Workforce and Access to Services

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Background

- Traditionally dental services were provided in private dental practices
- Organizational structures for delivering oral health services are changing
- There is a noticeable trend to consolidation of small private dental practices into large groups
- Little is known about structures of these organizations, their workforce, or their patients.
- Study was intended to collect data about differing configurations in provider organizations known as dental support/service/management organizations (DSOs)

Objectives of the Study

- Major objectives of the study were to:
 - To **collect data** about DSOs to understand qualitative differences in organizational structures,
 - To **describe variation** in forms of engagement with dental and other clinical providers
 - To **evaluate the contributions** of DSOs to care **for traditionally underserved populations**, particularly the publicly insured.
- This study was conducted by the Oral Health Workforce Research Center (OHWRC) in cooperation with the Association of Dental Support Organizations (ADSO).
- This work was supported by funding from a cooperative agreement with the Health Resources and Services Administration.

Methods

- The study included a literature review, case studies of 6 DSOs operating in the US, and a survey of the 47 members of the Association of Dental Service Organizations (ADSO) in 2017.
- ADSO fielded emails to executive staff at each of the member organizations requesting study participation. Responses were directed to and resided on a dedicated server at OHWRC

Survey Instrument

- The final survey instrument consisted of 15 questions with pre-defined and open ended response options about:
 - The structure and location of DSOs and their affiliate practices and the services provided to patients
 - The percentage of affiliated dentists who treated patients insured by Medicaid or CHIP
 - The percentage of the overall patient population that was publicly insured.
- The survey used a skip logic design to encourage survey completion and also gather more information where appropriate
- The survey was web-based (built on the Qualtrics platform) and was open for approximately one month in May 2017.

The Literature Review Identified Many Drivers of Practice Consolidation to Achieve Economies of Scale

- Shift in health service delivery paradigm to an emphasis on quality and value based services
- Greater reliance of payers on metrics to describe quality
- Proliferation of interoperative electronic health records
- Pressure to reduce costs through innovation
- Increased competition for patients
- Decline in demand for dental services, especially among adults
- Aging of the population and of the workforce
- Increasing diversity in the population, shifting disease patterns, variation in care seeking behaviors, variable ability to pay
- Uneven distribution of dentists in certain geographic areas
- More publicly insured patients
- Increasing propensity for insurers to create selective provider networks
- High student loan debt
- Larger organizations are more able to leverage assets

Survey Respondents Identified Their Organizations in Various Ways

- In total, 32 of the 47 organizations solicited to participate responded to the survey for a response rate of 68.1%.
- DSOs defined their organizations in various ways, suggesting functional differences among similar organizations within the broader class known as “dental support organizations” (87.5%).
- DSOs were mainly for profit organizations (96.8%) and a

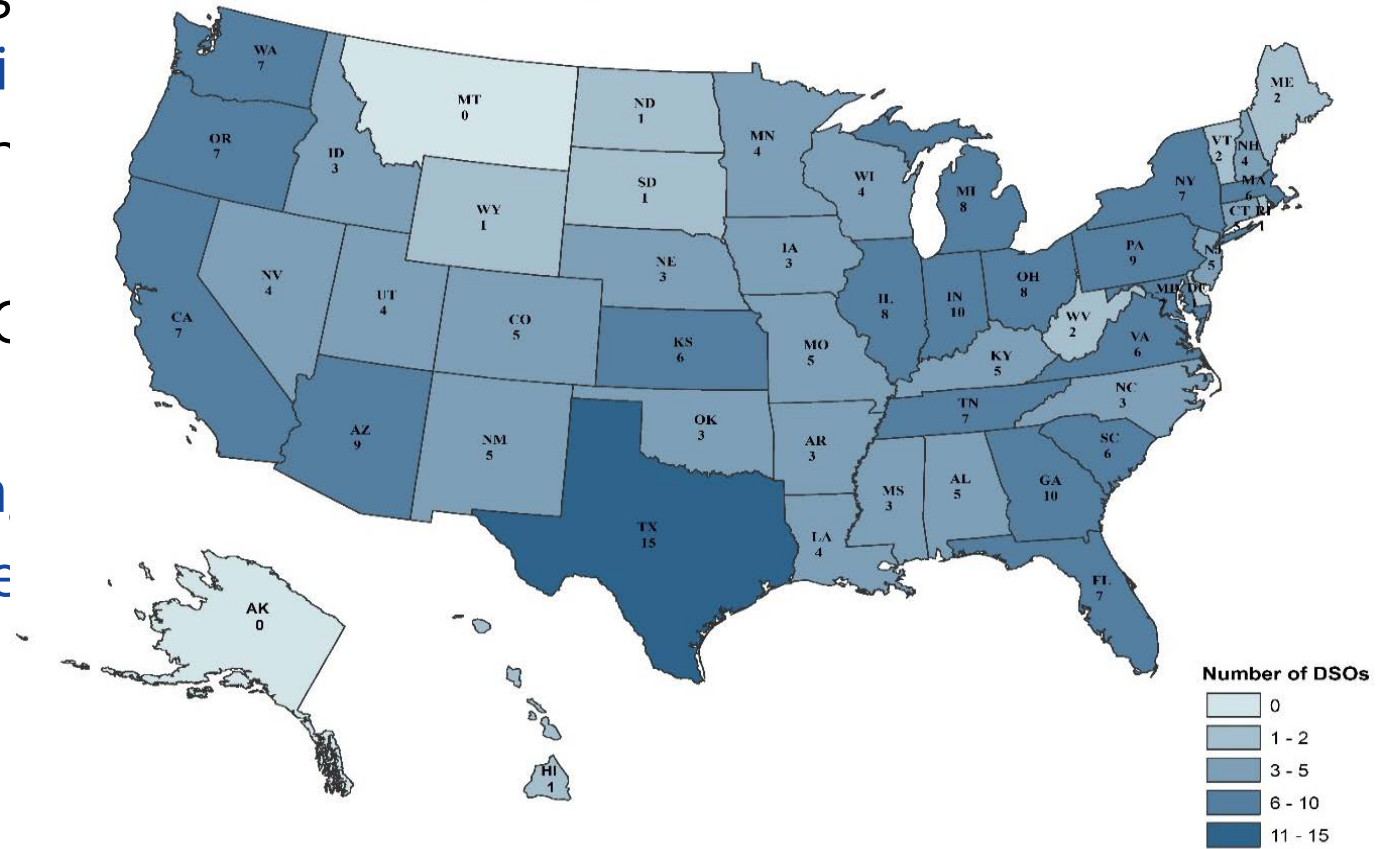
Respondents’ Description of Their Organizations

Classification	N	%
Dental Management Organization	11	34.4%
Dental Service Organization	15	46.8%
Dental Support Organization	28	87.5%
Dental Management Service Organization	9	28.1%
Large Group Practice	7	21.9%
Dental Accountable Care Organization	0	0.0%
Dental Health Maintenance Organization	0	0.0%
Other (Specify)	0	0.0%

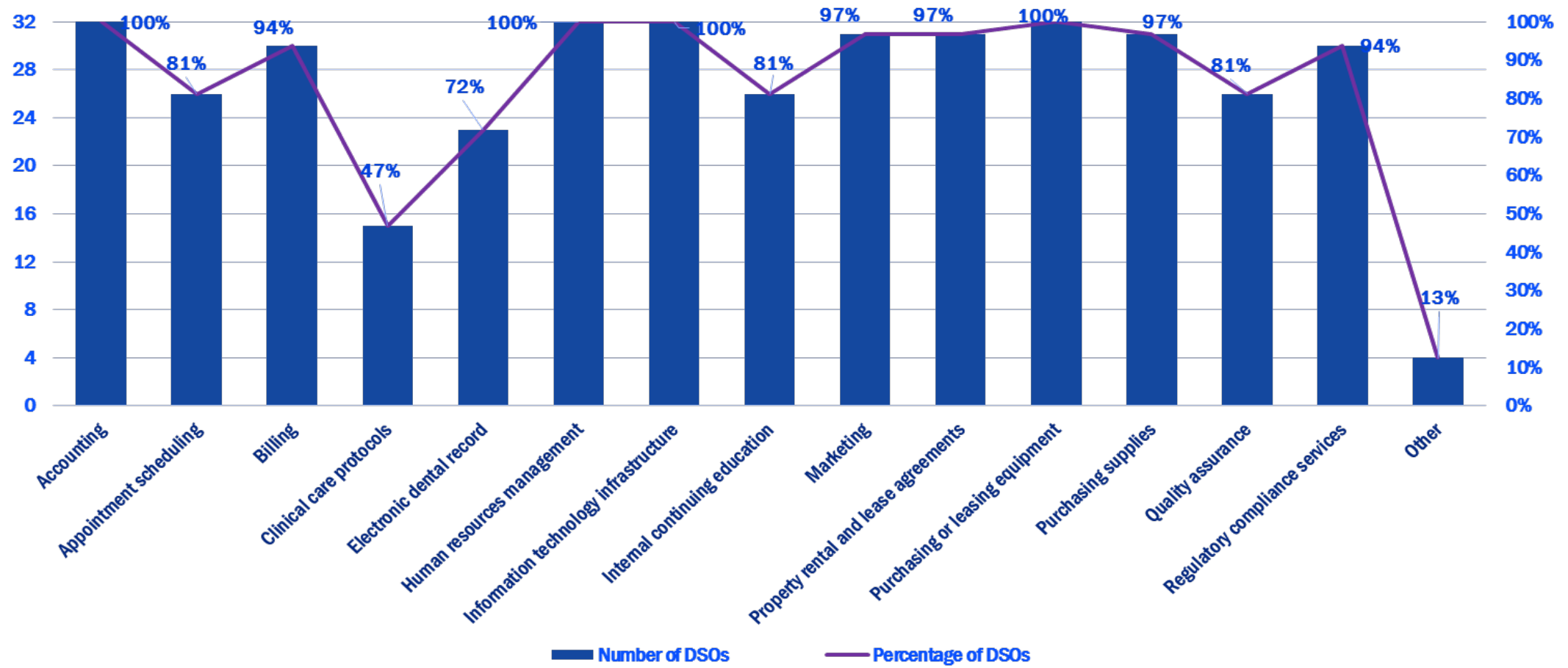
DSOs Were Located in Most States and Many Had Multiple Affiliates Within Each

- DSOs in the survey were operating in 48 states and the District of Columbia
- No presence among survey respondents in Alaska and Montana.
- Number of patients served by DSOs ranged from 6,000 to 1,600,000.
- Some DSOs operated only in a single state, while others operated in multiple states (range was 1 to 17 states).

Number of DSO Survey Respondents with Affiliate Practices by State



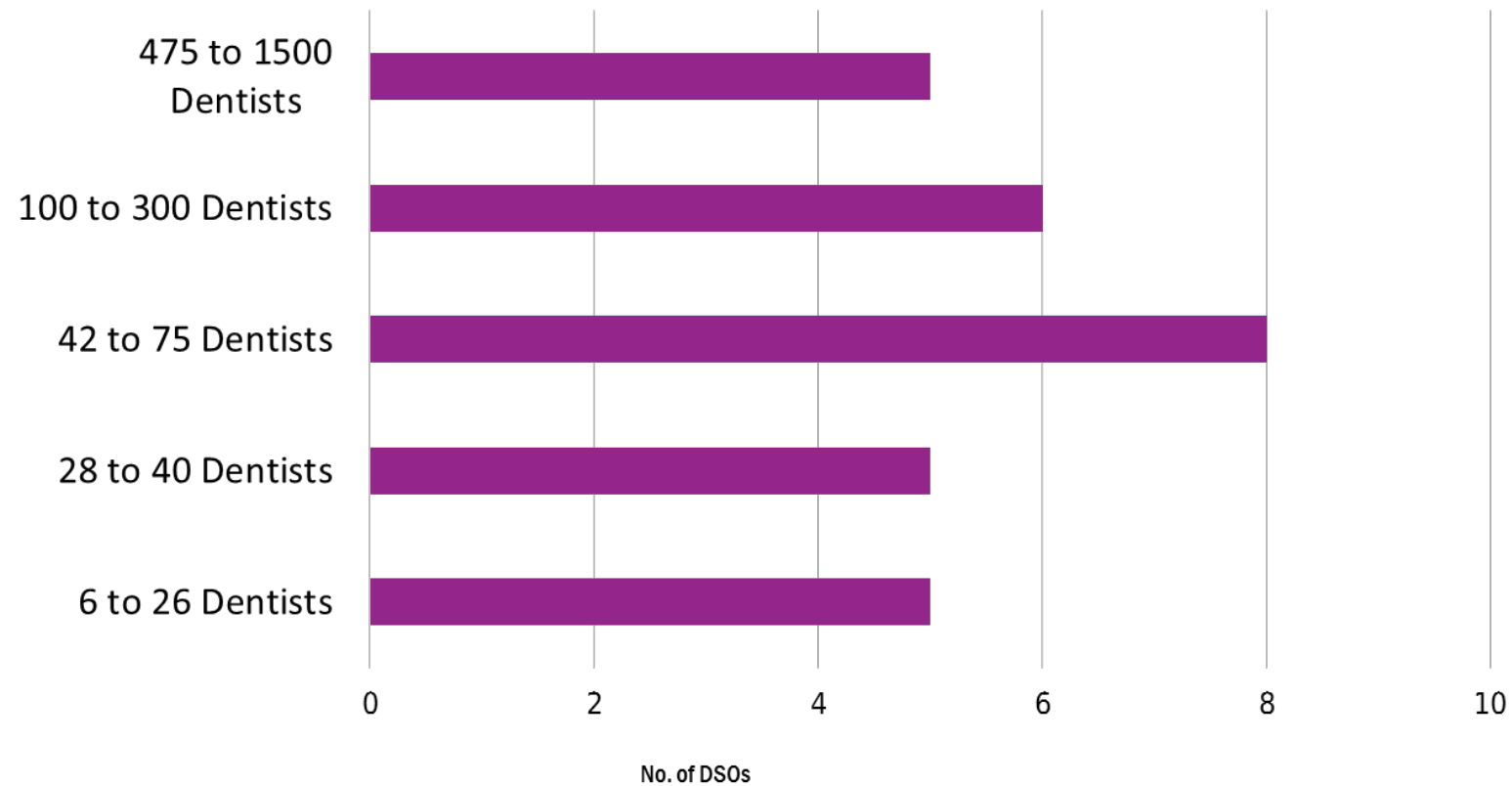
DSOs Mainly Provided Administrative Services for Affiliated Practices



DSOs Mainly Recruited Full-Time Dentists

- The mean number of full-time (FT) dentists affiliated with a DSO was 213
- The number of FT dentists in DSOs ranged from a minimum of 6 to a maximum of 1500.
- Eighteen (56.3%) of the DSOs indicated they had some part-time dentists (mean=36, median=28).
- Dentists mainly affiliated with DSOs as associates (66.7%), owners (66.7%), and employees (53.7%).
- Approximately 90% of survey respondents indicated that between 61% and 100% of dentists in the DSO were general dentists.

The median number of FT dentists Working with a DSO was 60.



Many DSOs Preferred to Recruit Experienced Dentists

- Sixty percent of survey respondents indicated that between 50% and 100% of new recruits to the DSO each year were experienced dentists.
- This was consistent with a strategy of affiliating with existing practices although some DSOs also recruited experienced professionals for practice in “de novo” practices along with new dentists.

% of New Dentist Recruits to the DSO, Annually	% of DSO Survey Respondents		
	New Dental School Graduates (N= 27)	New Graduates of Dental Residency Programs (N=23)	Experienced Dentists (N=23)
0 to 10%	44.4%	52.2%	0.0%
11% to 20%	7.5%	26.1%	10.7%
21% to 30%	18.5%	8.7%	10.7%
31% to 40%	7.4%	4.3%	3.6%
41% to 50%	3.7%	4.4%	14.3%
51% to 60%	11.1%	0.0%	17.9%
61% to 70%	7.4%	0.0%	7.1%
71% to 80%	0.0%	4.3%	17.8%
81% to 90%	0.0%	0.0%	14.3%
91% to 100%	0.0%	0.0%	3.6%
Total	100.0%	100.0%	100.0%

DSOs Contribute to Increased Availability of Oral Health Services for the Underserved

- More than a third of DSOs that responded to a question about the insurance status of patients indicated that 50% to 95% of the patient population was publicly insured.
- Eighty percent reported that at least some dentists affiliated with the DSO treated publicly insured patients.
- Almost 44.0% indicated that between 91% and 100% of the dentists affiliated with the DSO served some patients who were publicly insured.
- Nearly two-thirds (63.6%) of respondents stated that more than 60% of the Medicaid insured population served in affiliate practices were children.
- Twenty three percent of DSOs responded that between 91% and 100% of Medicaid insured patients were children.

Percentage of DSO-Affiliated Dentists Serving Some Patients Insured by Medicaid or CHIP by Percentage of DSO Respondents

Percentage of Affiliated Dentists Treating Medicaid-or CHIP-Insured Patients	% of DSO Respondents (N=23)
1% to 10%	13.0%
11% to 20%	13.1%
21% to 30%	13.0%
31% to 40%	0.0%
41% to 50%	4.4%
51% to 60%	0.0%
61% to 70%	4.3%
71% to 80%	8.7%
81% to 90%	0.0%
91% to 100%	43.5%
Total	100.0%

Conclusions

- DSOs comprise a diverse group of management organizations
- DSOs provide a common core of business and information services but otherwise vary substantially in size and focus, types of services offered and patients served.
- DSOs described a focus on management services with only limited involvement in any aspect of clinical dentistry.
- DSOs mainly provided general dentistry services; some provided only specialty services while others provided a mix.
- DSOs were actively recruiting workforce, including dentists, DHs, and DAs.
- DSOs appeared to have some difficulty in recruiting dentists to their organization due to the increasing variety of options available to dentists.
- DSOs leveraged size and market penetration to make dental services affordable and accessible to the publicly insured.