How to Add or Expand Dental Services

THURSDAY, AUGUST 29, 2013
2:00-3:00 PM EASTERN

DALE GOAD, DDS, DENTAL DIRECTOR
CARRIZOZO HEALTH CENTER
CARRIZOZO, NM

CHRIS SHEA, MUP, CHIEF EXECUTIVE OFFICER
CHERRY STREET HEALTH SERVICES
GRAND RAPIDS, MI
How to Add or Expand Dental Services
CHRIS SHEA, Chief Executive Officer
Cherry Street Health Services
Learning Objectives

• Learn how to assess whether or not additional services are needed for low income populations and for the entire population within a service area.

• Learn the most significant factors in determining whether it is politically and financially feasible to expand dental services.
Cherry Street Health Services

• Multisite FQHC with emphasis on integration of care
• 18 FTE dentists, 12 hygienists, 31,000 dental patients
• Dental finally profitable after 22 years
• Recent move and expansion of our Montcalm Area Health Center (rural)
• New Wyoming Community Health Center (urban)
Do we **Need** to expand dental services?  
How Strong is the **Demand** for Services?

Dentists are good at using clinical evidence in their clinical practice. Use evidence in practice planning as well.

- Opinion (Yankees will not beat the Tigers tonight)
- Inductive Reasoning (Sharon and Seth were laid off; I guess I’m next)
- Deductive reasoning (statistically controlled, repeatable process)
Dentists Needed In Service Area

- Service Area = 30-40 minutes drive time

- Health Professions Shortage Area (HPSA) ratio 5,000:1 (4,000:1 if “high need”)

http://bhpr.hrsa.gov/shortage/index.html
NEED

• **Need ratio- General Population (If 0 or few dentists)**

  2,000 Total population: Total FTE Dentists

• **Need ratio- Low Income Population (if more dentists or more urbanized area)**

  2,000 population with incomes <200% of poverty level: FTE dentists’ Medicaid, discounted or free care

How many dentists does it take to screw in a light bulb? To serve 2,000 people?
# Montcalm Dentist Survey

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Facility Name</th>
<th>City</th>
<th># Hours/Week</th>
<th>Accept new patients?</th>
<th>Accept Medicaid?</th>
<th>% Medicaid</th>
<th>% Sl.fee, volunteer, etc.</th>
<th>Aux. Adj. FTE TOTAL</th>
<th>Medicaid FTE</th>
<th>Wait time - new patients</th>
<th>Wait time - existing patients</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>L</td>
<td>M C D Clinic</td>
<td>Sidney</td>
<td>16</td>
<td>yes</td>
<td>60%</td>
<td>0</td>
<td>0</td>
<td>0.40</td>
<td>0.24</td>
<td>N/A</td>
<td>3 Mos.</td>
</tr>
<tr>
<td>D</td>
<td>D</td>
<td>Stanton</td>
<td></td>
<td>40</td>
<td>yes</td>
<td>No</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0.0</td>
<td>2-3 Weeks</td>
<td>6 Wks</td>
</tr>
<tr>
<td>D</td>
<td>T</td>
<td>D &amp; D DDS</td>
<td>Carson City</td>
<td>40</td>
<td>Yes</td>
<td>No Longer</td>
<td>30%</td>
<td>0</td>
<td>1</td>
<td>0.3</td>
<td>1 Week</td>
<td>3-4 Wks</td>
</tr>
<tr>
<td>M</td>
<td>T</td>
<td>G F Dental</td>
<td>Greenville</td>
<td>33</td>
<td>No</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.8</td>
<td>0.0</td>
<td>1-2 weeks</td>
<td>5 days</td>
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<tr>
<td>W</td>
<td>W</td>
<td>L D Assoc. PC</td>
<td>Lakeview</td>
<td>40</td>
<td>Yes</td>
<td>No</td>
<td>0</td>
<td>0</td>
<td>1.0</td>
<td>0.0</td>
<td>2 Weeks</td>
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**Private Practice Subtotal**

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<tr>
<td>C</td>
<td>Joseph</td>
<td>MAHC</td>
</tr>
<tr>
<td>A</td>
<td>Daniel</td>
<td>MAHC</td>
</tr>
<tr>
<td>G</td>
<td>David</td>
<td>MAHC</td>
</tr>
<tr>
<td>K</td>
<td>Corey</td>
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**subtotal MAHC**

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Montcalm County Dental Need

• 61,700 total population/17.0 DDS= 3,629:1
  27,700 unserved/2,000 = 13.8 FTE Dentists needed

• 24,800 low income population/4.8 DDS= 5,166:1
  15,200 low income unserved/2,000= 7.6 FTE Dentists needed

Health Professions Shortage Area eligible?
Demand

• Need is nice, but can you get them into the chair? Not everyone will immediately change their oral health access habits

• 3rd next available appointment – 2 weeks out

• 60–80%? of need

Example:

» Assume the insured population seeks care appropriately
» Assume 60% of low income population will seek care
» 24,800 low income population X 60% = 14,880/2,000 = 7.4 DDS – 4.8 current = net demand for 2.6 FTE dentists

» Plan for the long term
Montcalm Area Health Center

Was:

• 5 chairs (started with 3; no panorex)
• 2.0 dentists
• 1 hygienist
• 14-45 days until 3rd next appointment
Montcalm Area Health Center
Montcalm Area Health Center

Now:

- 8 chairs with panorex (plumbed for 2 more chairs)
- 3.5 dentists (could be 4.0)
- 1 hygienist (will be 2)
- Nearly caught up with patient demand (2-10 days until 3rd next appointment)

Is <2 chairs/dentist efficient enough? Evenings? Marketing necessary?
Montcalm Area Health Center
Space – Montcalm Area Health Center

Orig. bldg. 6,600 SF
- 2007 New Access Point Funding - $15/SF Lease

New Bldg. 16,967 SF
- 2012 New $9/SF Lease – More Space/Lower Cost
- 2013 Purchase - USDA loan - still lower cost - Equity

New Access Point $ Spectrum Hospital Support grants (e.g. ER Diversion)

long term vacancy Repossession of Property Capital Campaign (ltd. success)

USDA loan availability bank desire to sell
Wyoming Community Health Center
Wyoming Community Health Center

Was: Car Dealership

Building towards:

• 12 chairs (with panorex) - expandable
• 5 dentists
• 2 hygienists
• Becoming the established Patient Centered Health Home before the competition moves in
• Emphasis on oral health connection with travelling school program (preventive), integration of physical and mental health care and needs of the homeless
Capital Costs

Centralized equipment and supplies

$130,019

Cost/ operatory

$51,117

Capital Costs

- Leasehold improvements $85/SF
- Build $165/SF

Capital Costs

- Example – 2,000 SF, 3 Operatory
  - Total Facility Cost – leasehold $453,370
  - Total Facility Cost – build $613,370

- Example 2 – 3,000 SF, 6 Operatory
  - Total Facility Cost – leasehold $691,721
  - Total Facility Cost – build $931,721

Up front capital cost much higher than for medical or mental health. Are your CEO, CFO and board OK with that? But, economies of scale? Have you figured out a way to fund it?
Other Capital Funding

- Capital Campaign
- USDA loans and grants
- Commercial loans
- Community Health Center grants - capital improvement portions (NAP, Service Expansion)
- New markets tax credits
- Hospital Community Benefits
- Additional lease/purchase options
Operational Funding Factors

- Payor Mix Adjustment (women and children first)
- FQHC Medicaid PPS (results may vary)
- NHSC loan or scholarship (based on HPSA)
- State loan repayment
- Travelling School Dental Program
- Adult Volunteer Dental Program
- BX Integration grant
- School Based Health Center grants
- Special population contracts (e.g. nursing homes, State Health Department)
CHRIS SHEA, Chief Executive Officer

Cherry Street Health Services

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616-776-2129

cshea@cherryhealth.com
How to Add or Expand Dental Services
Dale Goad, DDS
August 29, 2013
Learning Objective

- Participants will learn about the history behind Carrizozo Health Center’s dental services and ideas for funding dental services in a rural health center.
Carrizozo Dental Clinic

- Located in Carrizozo (Lincoln County), New Mexico
  - Carrizozo: 1,000 residents
  - Lincoln County: 20,500 residents
  - New Mexico: 2,060,000 residents (2010 census estimates)
Carrizozo Dental Clinic – cont.

- 2 FTE dentists
- 2 FTE dental assistants
- 1.5 FTE dental hygienists
- Front desk personnel
- Six dental operatories
- Private-pay, most insurances, Medicaid dental and sliding scale
- Participate in Donated Dental Services
- Approx. 9000 Encounters per year
Carrizozo Dental Clinic – cont.

- Part of Lincoln County Medical Center (opened in 1950)
- 25 Bed CAH with 24/7 board certified ED physician care, operating, surgical, medical and intensive care as well as radiology, laboratory, rehab and pulmonary care.
- 12 Unit Emergency Medical Service ambulance fleet
- 6 Clinics: 2 primary care hospital based, 1 specialty care hospital based, and 3 rural health clinics (Carrizozo, Capitan and Corona)
Carrizozo Dental Clinic – History

- Started in 1978 with the National Health Service Corps (NHSC) following a vacancy of approximately 25 years.
- St. Joseph’s Hospital of Albuquerque, NM managed the facility with a local advisory group, MedWeCare.
- A dental facility was attached to the medical facility in 1978 by Lincoln County (facility owner).
- NHSC pulled out of Carrizozo in 1982 & medical and dental staff transitioned to Lincoln County employees.
Carrizozo Dental Clinic – History

• Southwest Community Healthcare Services began managing Lincoln County Medical Center in 1972.
• In 1990, Southwest Community Healthcare Services (currently Presbyterian Healthcare Services) started managing the Carrizozo Health Center which included both medical and dental services.
• Carrizozo Health Center was managed as a part of Lincoln County Medical Center’s delivery system.
• A second dentist was hired in 1997.
Carrizozo Dental Clinic – Funding Possibilities

- Find Local Funding Support
- Mill Levy (property tax)
- GRT (gross receipts tax)
- General Funds (county or municipal)
- Grants
Lincoln County Medical Center started as the Ruidoso-Hondo Valley General Hospital originally owned by County of Lincoln.

- Mill levy is assessed annually to all property owners in Lincoln County; renewed by voters every 8 years.

- Mill levy is split between the hospital, EMS and clinics
- Can be used for operational support, equipment, technology, capital improvements and renovations.
Carrizozo Dental Clinic – Funding Possibilities – cont.

• Carrizozo Health Center receives a RPHCA Grant (Rural Primary Health Care Act), approximately $140,000/year.
• Used for operational support which ensures access to primary care services in rural communities.
Thank you!
NNOHA Resources

- Health Center Oral Health Start-Up Tool Kit
- Needs Assessment of Health Centers without Dental Programs
  - [http://www.nnoha.org/practicemanagement/startclinic.html](http://www.nnoha.org/practicemanagement/startclinic.html)
- Operations Manual for Health Center Oral Health Programs
NOSORH Resources

- National Rural Recruitment & Retention Network – (3Rnet) [https://www.3rnet.org/](https://www.3rnet.org/)
- NOSORH website - [http://www.nosorh.org/](http://www.nosorh.org/)
Questions?

- Please type your questions in the chat box and specify if your question is for Dale or Chris.
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<td>303-957-0635 ext. 3</td>
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<td><a href="mailto:maria@nnoha.org">maria@nnoha.org</a></td>
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<td><a href="http://www.nnoha.org">www.nnoha.org</a></td>
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<td><strong>Matt Strycker</strong></td>
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