



Locum Tenens: An Effective Method In Reducing the Stress of Dental Practice

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INTRODUCTION

“Locum Tenens” is the term used to describe the custom of using equivalent, substitute manpower for a given practice situation on an interim basis. While many people associate the locum tenens concept with manpower substitution for sudden illness, disability, or death, the concept is equally applicable to situations in which a dentist might be away from the office for a routine or extended vacation. The concept has proven to be an excellent way to avoid negative cash flow, which might otherwise be reason to forego a needed vacation or respite from the rigors of a busy practice.

The concept is gaining popularity in many areas of the country. This is not surprising as utilization of temporary manpower is widely embraced in England, Australia and New Zealand by all the health professions. Physicians in the United States and Canada have been very dependent upon the locum tenens concept for the last twenty-five years. In fact, temporary labor of many types has become hugely successful and a valuable asset for many endeavors.

HOW LOCUM TENENS WORKS

Imagine having an associate who works in a nearly identical fashion as you, who presents no threat of competition, who supports all of your office policies, who praises you to your patients, and who would appear only when needed. These features represent the essential characteristics of high quality locum tenens providers.

The conventional transaction for a locum tenens agreement is usually based on an hourly rate or percentage of production. Contracts can be structured to primarily protect the practice interests of the owner as well as certain assurances for the interim doctor. Individuals who serve in the capacity of locum tenens provider must be professionally competent. Furthermore, the flexibility required to immediately adapt to a variety of practice techniques and philosophies is generally found only with experienced dentists.

After an individual has been designated for a practice, the success of the locum tenens concept rests with the office and its staff. The staff plays an essential role in orienting the provider to the practice and in offering insight into the treatment style of the dentist-owner. Patient records and observation of existing care are also valuable ways of bringing temporary dentists into the established patterns of care provided in the practice. Of course, direct dialogue between locum tenens provider and host clinician is more

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productive; however, this may not always be possible in an emergency situation. In brief, the ultimate goal of a locum tenens arrangement is to maintain as constant as possible the office routine of the dentist-owner.

Continuity of care is an important part of maintaining patient satisfaction in any dental practice. Patients usually choose specific dental care providers for a wide variety of reasons. Once they have selected an environment in which they are comfortable, they consciously or subconsciously draw security from this environment. Support for this conclusion is evidenced by the high patient retention rates observed when dental practices change hands.

STRESS MANAGEMENT

Stress-related illness, burnout and self-inflicted death have been said to be high among professionals, especially dentists. Exploring various methods to manage the tension and stress of dental practice has been a priority of many practitioners for years. Most psychologists feel that taking time away from the office on a regular basis is an important part of any comprehensive program of maintaining one's mental and physical health. However, a planned absence is often accompanied by a decrease in revenue, making such absences a luxury or prohibitive expense for many dentists. Thus, replacement dental manpower may make possible a planned vacation.

When factoring stress levels in dentistry, consideration must be given to out-of-office tension as well as that experienced when the practitioner is in the office. For example, the longer one is away, concern for lost revenue and lost patients may increase. It is not surprising that lack of leisure time, failure to enjoy such time, or inability to relax are common complaints of dentists.

LOCUM TENENS AND DISABILITY

An essential characteristic of any dental practice is its vitality, and illness, disability or death of a practitioner seriously threatens vitality. While never leaving one's office may eliminate concerns associated with lost revenues, the added stress may help precipitate a sudden, extended absence. The availability of a locum tenens resource provides a kind of insurance against emergency situations that can complement both disability insurance and overhead insurance. Disability and overhead policies are important, but make no provision for practice continuity and vitality. Through locum tenens service, practice income and patient care levels may be maintained.

In lieu of a locum tenens option, a practice can be maintained by colleagues, although such arrangements often accomplish little more than a marginal operation for the dental practice. While this is an admirable endeavor on behalf of colleagues, the utilization of locum tenens has proven preferable to that of using multiple dentists who are unaccustomed to different treatment modalities, materials and protocols. That these individuals are almost invariably competitors is also a serious consideration. In addition,

the added strain on those individuals, as well as staff, over a period of time favors locum tenens utilization.

FINANCIAL IMPACT

A means to help maximize income potential while decreasing stress levels may help dental practitioners be more responsive to the changing practice environment. Figure 1 demonstrates the potential of temporary manpower in terms of dollars. While more difficult to measure, the accompanying reduction of "down-time anxiety" and increased patient access is a significant consideration.

Clearly, the solo practitioner realizes the biggest loss when an office is down. Lost revenue of \$5,000 to \$15,000 per week is not unusual and such losses are not a desirable situation for any small business, especially since in dentistry, they can never be recovered.

As previously noted, locum tenens coverage is most applicable to solo general practices. While no practice can afford to be closed indefinitely, a few practices do not generate sufficient income to make temporary practice coverage service feasible except in emergency situations. Other circumstances, including locum tenens for specialty areas, are difficult due primarily to demographics.

Figure 1:

<i>A typical weekly production</i>	\$10,000	<i>Weekly revenue if closed</i>	(0)
<i>Assume Locum Tenens is 80% effective</i>	8,000	<i>Fixed overhead</i>	(3,900)*
<i>Assume fixed overhead is 65% Of 60% total overhead (= cost to close)</i>	(3,900)*	<i>Net profit open</i>	<u>(460)**</u>
<i>Est. Lab/miscellaneous Locum Tenens Overhead costs</i>	(600)	<i>Total weekly loss</i>	(4,360)
<i>Cost of Locum Tenens @ 38% of production</i>	<u>(3,040)</u>	<i>Annual loss @ 16 days/yr.</i>	(17,400)
<i>Weekly net profit with Locum Tenens</i>	\$460**	<i>Projected 30-yr. downtime loss</i>	<u>(\$523,200)</u>
		<i>Conservative (8%) compound invested over 30 years</i>	<u>\$2,000,000</u>

ALTERNATIVE LIFESTYLE REVENUE OPPORTUNITY

For those dentists who choose to provide verses utilize locum tenens service, the concept may hold a number of advantages or disadvantages, depending upon individual needs. Some examples: regular travel verses a set location, exposure to a variety of practice methods verses a constant routine and undetermined revenue totals verses an historical income stream.

Typical locum tenens dentists may be those who are clinically able, but for a variety of reasons are not candidates to own an office or be permanent associates. Recently retired dentists who wish to practice part-time without obligation may find locum tenens appealing as well as dentists in career transitions. Historically, there are

some dentists who choose to forego the increased revenue potential of office ownership in favor of clinical dentistry without the attendant responsibilities of office management and financial obligation.

Locum tenens is simply another option to consider as a choice of work or lifestyle.

SUMMARY AND IMPLICATIONS

Implementation of the locum tenens concept for dentistry has proven to be an asset with multiple values to the general dentist. Advantages include the following:

- 1) Contingency planning for sudden absences may be secured.
- 2) Conventional long-weekend vacation schedules may be lengthened.
- 3) Overextending oneself may be eliminated.
- 4) While paying substantial health and fitness dividends, a decrease in stress and tension levels may increase enjoyment and lengthen practice years.
- 5) Net annual business revenue can be positively affected.
- 6) For service providers, a viable, alternative income option is available.

Although not a panacea, locum tenens can help allay some of general dentistry's inherent stress problems. Based upon past experience, the benefits to individual practitioners and the profession have proven to be of significant tangible and intangible value. The concept is also compatible with currently developing lifestyle trends toward worker/workplace flexibility.