

## Business Activity



# Dental Establishment Business Activity in California Counties at the Start of the Millennium

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## ABSTRACT

The Bureau of the Census reports for 2002 were used to develop business data for “average” dental establishments in each of the counties in California. On average, between 1997 and 2002, when compared to national information, the number of California statewide dental establishments increased at a greater rate, had a smaller resident population per establishment, reported lower gross receipts, had fewer employees, and paid lower salaries to employees.

In 2002, there were 17,724 dental establishments in California. Every five years, the Bureau of the Census requires a report from all businesses describing a series of economic and employment information. Definitions are maintained through the years in an effort to permit comparisons. An establishment is a single, physical location at which business is conducted or where services are performed. It is not necessarily identical to a company or enterprise, which may consist of one or more establishments. In addition, one or more practitioners may be present in an establishment.<sup>1</sup>

The “average” dental establishment reported \$584,000 in business receipts and had 5.9 employees, each of whom was paid an annualized “average” salary of \$33,000 (Table 1). Employees may



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**Business Activity**



**Table 1**

**United States and California Dental Establishments With a Payroll: 1997, 2002<sup>1-5</sup>**

	Number of establishments		Population per establishment	Change '97-'02	Gross receipts*	Average number of employees	Average salary per employee*
	1997	2002	2002		2002	2002	2002
California	16,387	17,724	1,993	+**	\$584	5.9	\$33
United States	114,178	117,812	2,444	+	604	6.3	35

\* In thousands  
 \*\* + Represents increase in population per establishment.  
 Note: Data include those establishments that are subject to federal income tax.

include dentists, dental hygienists, dental assistants, office staff, etc.

But no dental establishment is “average,” and wide variations exist among dental facilities in the different counties of the state. Keeping track of the evolving and contrasting economic dynamics of dental establishments provides needed information to monitor developments for the general profession and individuals practitioners. Results from the census bureau’s national, state, and county report on business activities (produced every five years, with specific information on numbers of establishments, gross receipts, employees and salaries) permit an analysis of evolving business trends. (Note: In order to protect the privacy of individual establishments, data are not published for businesses in counties with limited numbers of particular types of establishments.) Dental establishment data for California are available for 48 of the 58 counties (Tables 1 and 2).

Overall business receipt data for 2002 (published in May 2005) were used to develop information on “average” dental establishments in each California county, the state, and nationwide.

Throughout this report, the term “dental establishment” refers to those

facilities subject to federal income tax. Government agency programs (hospital and health department clinics) are not included. (Dental establishment business data also are available in the census bureau report for the metropolitan areas and some of the larger cities and communities in the state.<sup>1</sup>) An earlier presentation in the *Journal of the California Dental Association* reviewed dental practice activities in the state using census bureau data for the early 1980s through the early 1990s.<sup>6</sup>

**United States vs. California**

Between 1997 and 2002, the number of dental establishments in this country increased by 3.2 percent, an increase of 3,634 sites. During the same period, there was an increase of 1,337 establishments in California, an increase of 8.2 percent. In 2002, there were 2,444 residents per U.S. dental establishment, compared to 1,993 in California. At the national and state levels, there were very limited increases in the number of residents per dental establishment since 1997. In California, there was an increase from 1,980 to 1,993 residents per dental establishment (Table 1).

National “average” gross receipts per dental establishment, \$604,000, was

greater than that of the “average” dental establishment in California, \$584,000.

Nationally, the average number of employees per dental establishment and annual salary per employee — 6.3 employees with an average annual salary of the \$35,000 — was greater than in California, 5.9 employees with an average annual salary of \$33,000 (Table 1). In terms of constant dollar, i.e. removing the effects of inflation, between 1997 and 2002, the average salaries for dental employees at the national and state levels did not keep pace with the rate of inflation.<sup>7</sup>

**Number and Size of Establishments**

In the decade between the early 1990s and 2002, there was an increase of 3,252 dental establishments in California. The number of smaller establishments, with less than five employees, increased by 10 percent in California. However, nationally, there was a decrease, -14 percent, of more than 8,000 smaller facilities. In terms of proportional representation, the smaller establishments in the state did decrease, mirroring the increasing share of dental establishments with greater number of employees (Table 3).

**California Counties**

*Population per establishment*

In 2002, the population per dental establishment ranged from almost 1,200 in Marin County and almost 1,300 in San Francisco County to approximately 4,500 in Imperial County, 4,700 in Calaveras County, and 7,000 in Yuba County (Table 2).

*Gross receipts per establishment*

Average gross receipts per dental establishment ranged from \$333,000 and \$334,000 in Del Norte and Yuba

counties, and \$383,000 in Siskiyou County to more than \$700,000 in Placer, Stanislaus, Sutter, and Tulare counties, and \$800,000 in Amador County (Table 2).

*Number of employees*

In 2002, there were more than 46,200 employees in dental establishments in California, 6.2 percent of the 750,000 dental employees throughout the nation. The number of employees per dental establishment ranged from 3.8 employees in Del Norte County and 4.6 employees in Yuba County to 10.5

employees in Tulare County.

The average establishment in 40 counties had between six and almost seven employees. The average establishment in Kern, Stanislaus, and Sutter had seven or more employees. The average establishment in Amador, Imperial, and Lassen counties had more than eight employees (Table 2).

*Employee salaries*

In 2002, annual salaries per employee ranged from \$18,000 in Del Norte County, and less than \$25,000 in Imperial, Lassen, Siskiyou, and Tehama

<b>Table 2</b>					
<b>California Dental Establishments With a Payroll By County: 2002<sup>1-3</sup></b>					
	<b>Number of establishments</b>	<b>Population per establishment</b>	<b>Gross receipts*</b>	<b>Number of employees</b>	<b>Salary per employee*</b>
Alameda	835	1,790	\$633	6.4	\$33
Amador	16	2,287	800	8.1	36
Butte	106	2,004	547	5.8	28
Calaveras	9	4,722	495	5.4	31
Contra Costa	565	1,752	657	6.4	35
Del Norte	8	3,488	334	3.8	18
El Dorado	88	1,880	657	6.4	31
Fresno	352	2,375	593	6.1	34
Humboldt	63	2,038	496	5.6	28
Imperial	33	4,524	568	8.3	24
Inyo	9	2,044	472	5.8	35
Kern	187	3,733	692	7.5	32
Kings	33	4,094	558	6.5	26
Lake	19	3,226	560	6.6	25
Lassen	9	3,789	697	8.2	21
Los Angeles	4,835	2,045	513	5.5	31
Madera	31	4,177	619	6.7	25
Marin	209	1,196	614	5.4	36
Mendocino	42	2,102	547	5.5	30
Merced	68	3,291	659	5.9	37

Table continues on Page 378

**Business Activity**



**Table 2 continued**

	<b>Number of establishments</b>	<b>Population per establishment</b>	<b>Gross receipts*</b>	<b>Number of employees</b>	<b>Salary per employee*</b>
Monterey	188	2,201	674	6.5	32
Napa	77	1,674	619	6.4	34
Nevada	57	1,684	518	5.7	26
Orange	1,883	1,572	534	5.4	33
Placer	175	1,562	704	6.2	35
Plumas	12	1,758	449	5.2	26
Riverside	575	2,926	655	6.1	33
Sacramento	638	2,042	681	6.3	37
San Bernardino	578	3,143	607	6.5	30
San Diego	1,501	1,962	581	5.7	34
San Francisco	613	1,286	566	5.0	34
San Joaquin	230	2,643	584	5.9	32
San Luis Obispo	123	2,076	598	6.3	28
San Mateo	447	1,592	611	6.0	33
Santa Barbara	240	1,701	559	5.6	31
Santa Cruz	145	1,786	648	6.6	34
Shasta	88	1,956	637	6.3	31
Siskiyou	22	2,027	383	5.0	23
Solano	183	2,249	692	6.8	34
Sonoma	285	1,651	641	6.3	31
Stanislaus	190	2,515	725	7.5	32
Sutter	44	1,877	763	7.0	36
Tehama	19	3,032	532	5.9	24
Tulare	120	3,193	760	10.5	37
Tuolumne	34	1,662	536	6.1	30
Ventura	397	1,985	545	5.8	32
Yolo	72	2,501	644	6.5	32
Yuba	9	6,967	333	4.6	29

\* In thousands

Note: Data include those establishments that are subject to federal income tax.

Receipt and salary data have been rounded.

counties to \$36,000 and \$37,000 in Amador, Marin, Merced, Sacramento, Sutter, and Tulare counties. (Note: It should be emphasized, that “employees” include dentists in addition to other personnel.)

### How's Your Practice Doing?

Now that one could have compared one's personal dental establishment data to those of other establishments in the same county, one should remember, there is no such thing as an “average” dental establishment. The particular requisites of

one's community determine business events in one's establishment, including employment patterns, employee salaries and the like. For example, gross receipts reflect practice activities, but based upon variations in practice overhead costs, they may not indicate practitioner income.

The continued monitoring of generalized dental establishment business activities beyond the confines of a single facility does provide an appreciation of developments that affect the profession in general and one's establishment in particular.

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2. Census Bureau. 2002 County Business Patterns Website, <http://censtats.census.gov/cgi-bin/cbpnaic/cbpdet.pl> Accessed March 8, 2006.

3. Statistical Abstract of the United States: 2004-05. Washington, DC: Government Printing Office, 2004.

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5. Department of Commerce, Census Bureau. County Business Patterns, 1991. Washington, DC: Government Printing Office, 1994.

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**Table 3**

### Distribution of Dental Employees by Size of Dental Establishment, California and the United States: 1991, 2002<sup>2,5</sup>

Number of employees	California Number of establishments			United States Number of establishments		
	1991	2002	Percent change	1991	2002	Percent change
1-4	7,723	8,500	10.0%	58,013	49,846	-14.1%
5-9	4,881	6,305	29.2	36,744	45,997	25.1
10-19	1,586	2,453	54.7	10,155	19,002	87.1
20-49	255	430	68.6	1,317	2,785	111.5
50+	27	36	33.3	133	181	36.1
Total	14,472	17,724	22.4%	106,362	117,812	10.7%
Employee per Establishment	5.4	5.9		5.1	6.3	
<b>Percent distribution of establishments</b>						
1-4	53.4%	47.9%		54.5%	42.3%	
5-9	33.7	35.6		34.5	39.0	
10-19	10.9	13.8		9.5	16.1	
20-49	1.7	2.4		1.2	2.4	
50+	0.1	0.1		0.1	0.1	
Total	100%	100%		100%	100%	

Note: There are slight variations in the total number of establishments in various census bureau reports.

## Business Activity



7. National Center for Health Statistics. Health, United States, 2004 with chartbook on trends in the health of Americans. Hyattsville, Maryland, 2004.

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