The State of the U.S. Dental Economy

Q2 2025 Report

A new quarterly report from the ADA Health Policy Institute.

HPI Health Policy Institute
ADA American Dental Association®

HPI's New "State of the U.S. Dental Economy" Report

This new quarterly report from the ADA's Health Policy Institute offers an overview of the state of the U.S. dental economy, drawing insights from (1) proprietary data collected from a robust, representative sample of dental practices in the U.S., and (2) the latest economic data related to dentistry from various government sources. This report breaks information into four sections:

Dentists' Economic Confidence: Key indicators of the general sentiment in dental practices, including future spending and investment decisions that drive the direction of the dental economy

Consumer Dental Spending: Statistics on dental spending by households

Dental Practice Economics: Trends in provider reimbursement rates, prices for dental equipment and supplies, dentist busyness, and future investment decisions

Dental Jobs Market: The state of the job market in dental offices, including employment trends, staffing and recruitment issue

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Dentists' Economic Confidence

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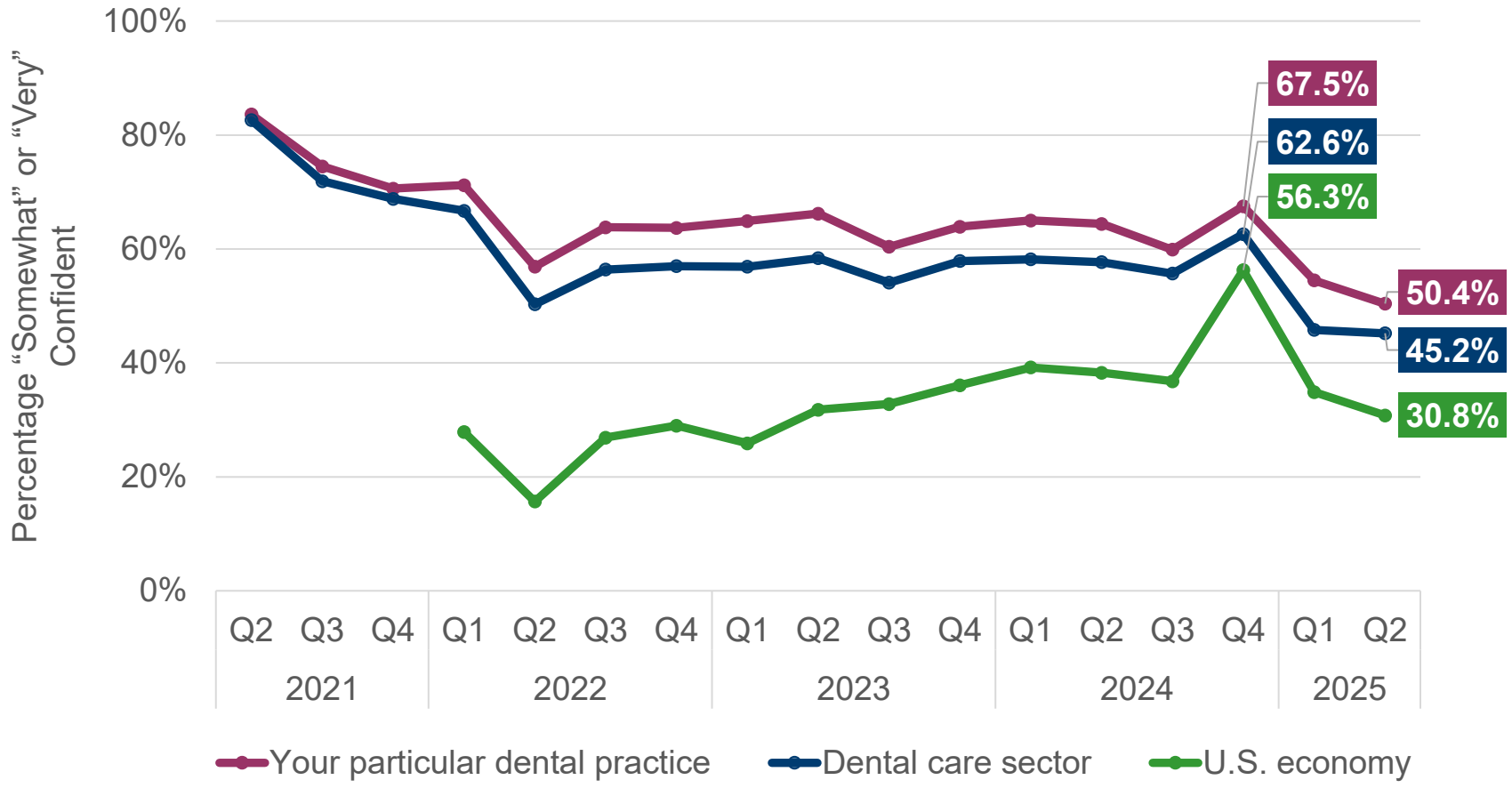
Dentist Economic Confidence Hits a Low



Dentists' confidence in the **overall economy** took a dive in Q2 2025 and is down significantly from the beginning of the year.

Dentists' confidence in the **dental care sector** overall, as well as **their own particular practice**, also declined again in Q2 2025. Both are now at new lows.

Source: ADA Health Policy Institute

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Why Dentists **Are Skeptical** about the U.S. Economy

More dentists are skeptical than are confident in the overall U.S. economy. **Among those who are skeptical**, the main reasons are…

TOP 5 REASONS

1. Current administration
2. Tariffs concerns
3. Rising costs, inflation
4. Too much uncertainty
5. Wars/geopolitical turmoil

WHAT DENTISTS ARE SAYING…

"There is too much uncertainty with the policies and leadership. It is difficult to operate a business with so much uncertainty."

"The state of our economy is in turmoil with the uncertainty of tariffs and the knee jerk decisions made by the government daily."

"Can't keep up with cost of living, it's just a spiral."

"The instability of the market, the instability of our country and the instability of the world."

"Too much uncertainty with the administration's policy changes affecting economics, and global concerns."

Source: ADA Health Policy Institute

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Why Dentists **Are Confident** in the U.S. Economy

More dentists are skeptical than are confident in the overall U.S. economy. **Among those who are confident**, the main reasons are…

TOP 5 REASONS

1. Current administration
2. U.S. economy resiliency
3. Current trade/tariffs/tax policy
4. Stable/improving economic indicators
5. Strong patient demand

Source: ADA Health Policy Institute

WHAT DENTISTS ARE SAYING…

"I do think that inflation has leveled out. I am so busy I may have to turn patients away."

"We are a consumer driven economy and have been for many generations, that will not change. People will grumble about prices and make short term adjustments but continue to spend."

"I believe the current economic changes will eventually lead to a healthier economy after initial hardships."

"I think the current administration is making wise plans to help strengthen our country and improve trade with other countries."

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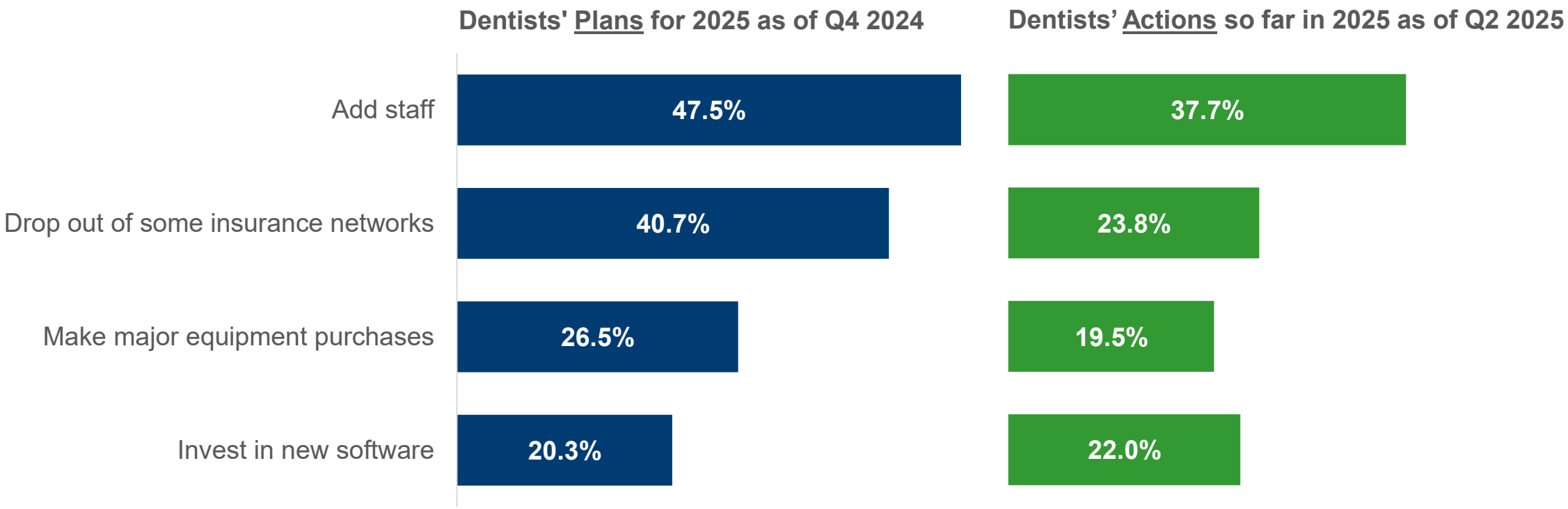
Dentists Sticking with their Plans for 2025



In Q4 2024, dentists were asked about **their plans for 2025**. We asked them in Q2 2025 whether they **had taken action** on any of the items. Dentists are largely following through with their plans, especially when it comes to investing in new software. It appears that the decrease in economic confidence among dentists has not significantly limited dental practice investment plans, at least through Q2 2025.

Source: ADA Health Policy Institute

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Consumer Dental Spending

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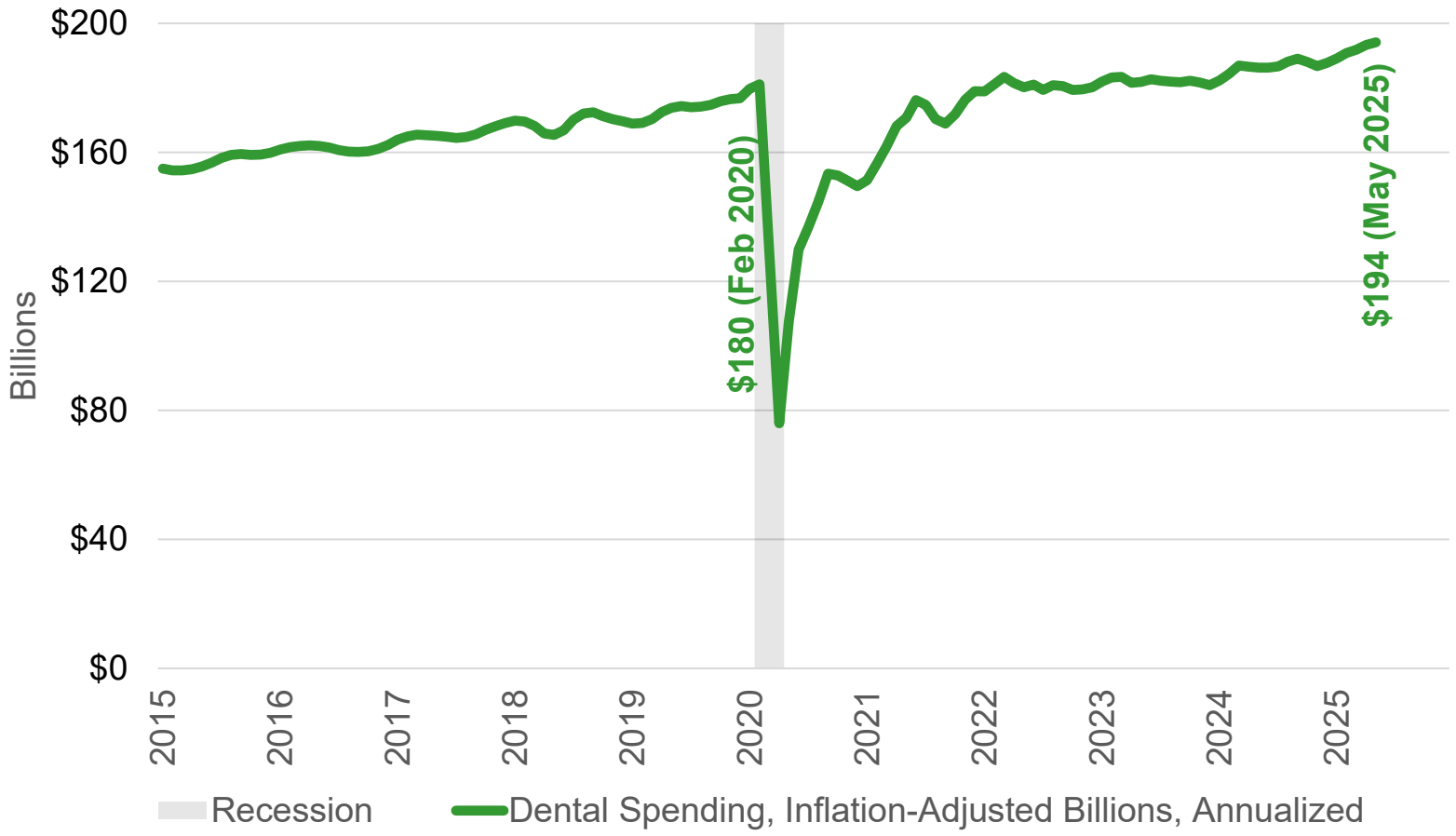
Consumer Dental Spending Up 3% So Far This Year



In May 2025, consumer dental spending was:

- Up 0.4% from month prior
- Up 3% so far this year
- Up 4% from 12 months prior
- Up 8% from pre-pandemic

Source: Bureau of Economic Analysis. Note: Adjusted for inflation, 2025 dollars.

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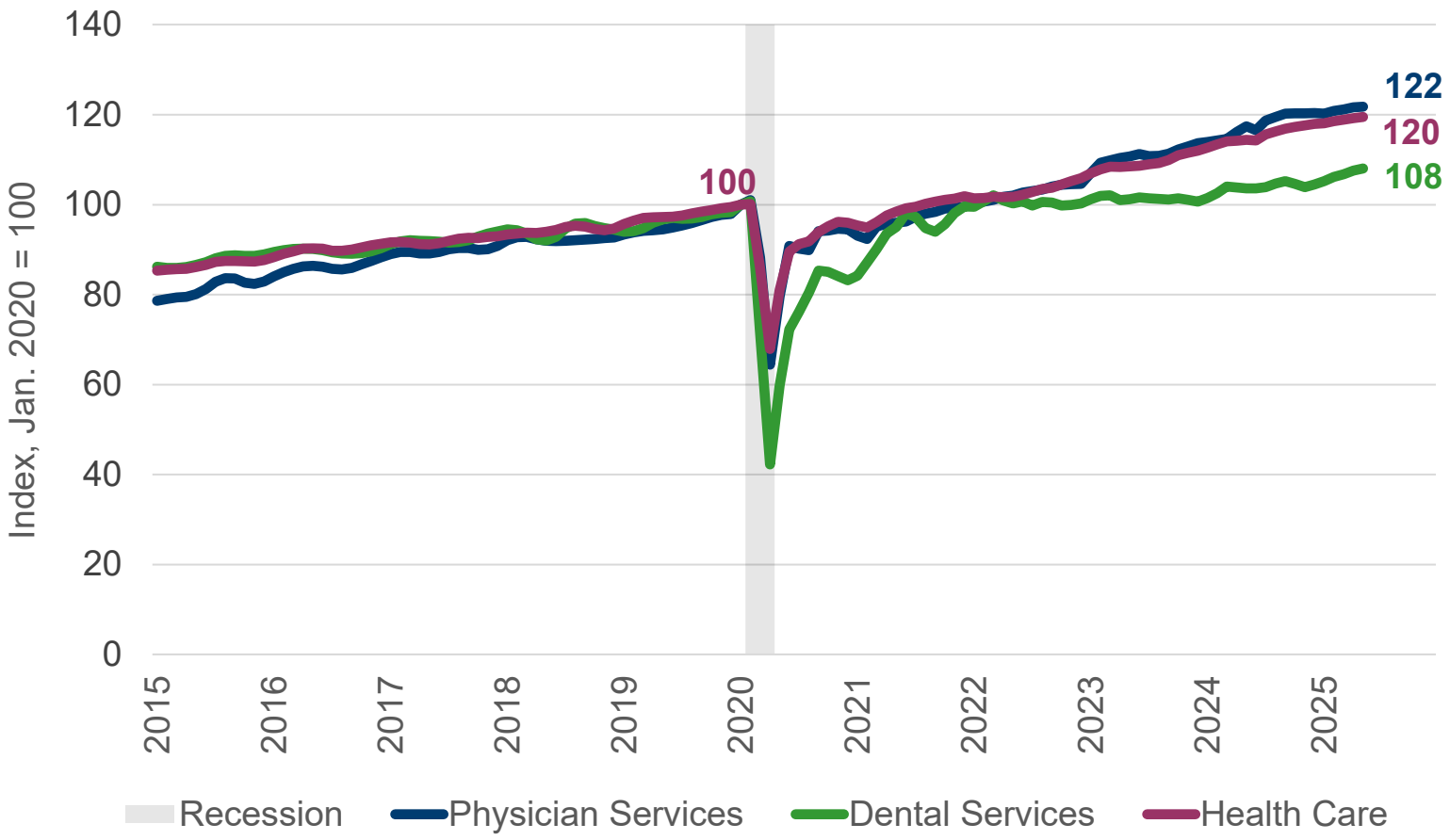
Dental Spending Lags Health Care Spending



Consumer dental spending continues to lag health care spending overall. For example, five years post-pandemic, consumer dental spending has grown 8% while overall health care spending has grown 20% and spending on physician services has grown 22%.

Source: Bureau of Economic Analysis. Note: Adjusted for inflation. Growth measured in May 2025 relative to January 2020.

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Dental Practice Economics

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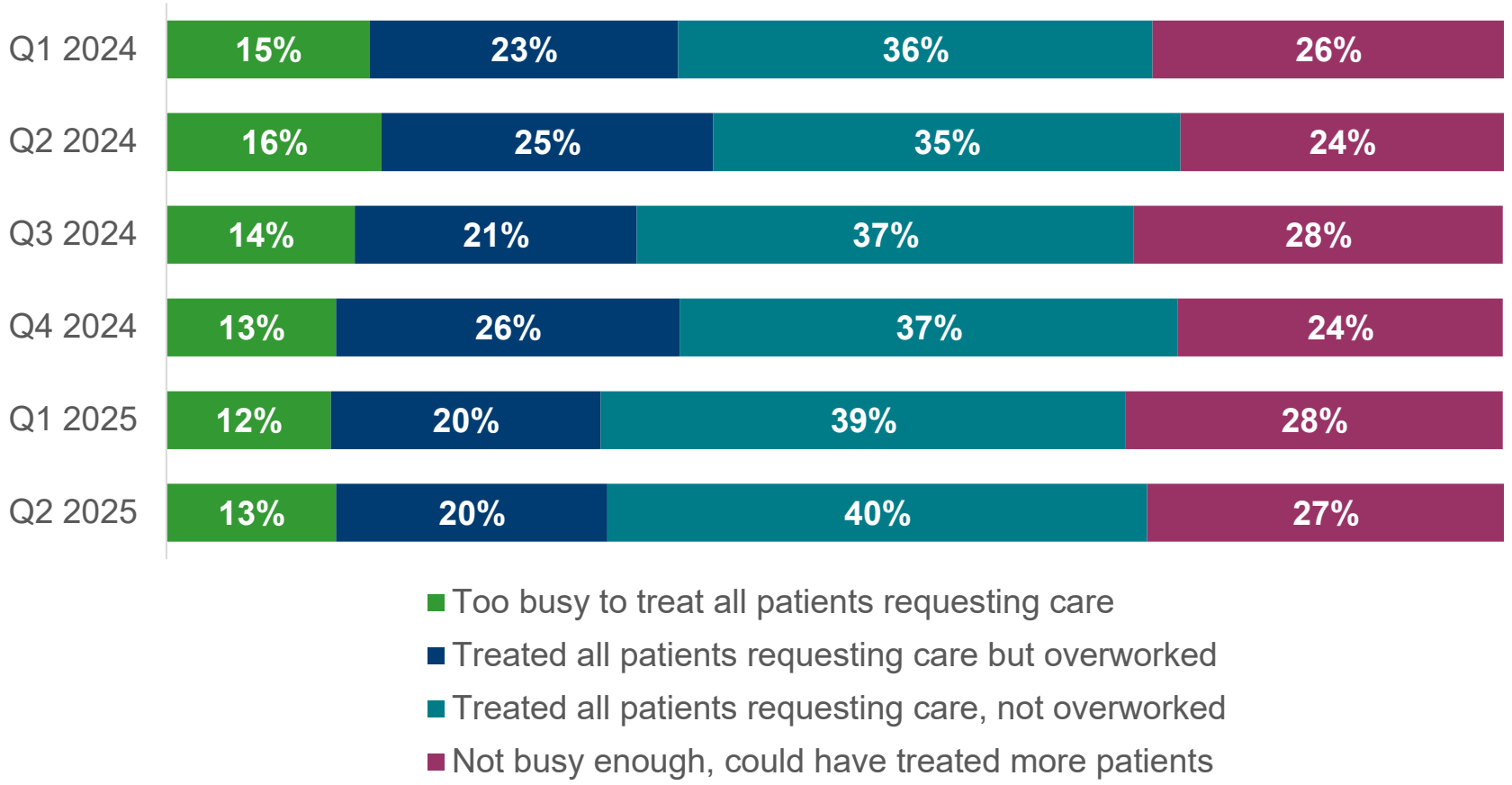
Dentist Busyness Levels Stable



There was no major change in Q2 2025 in overall dentist busyness levels. An estimated 27% of dentists report they are **not busy enough** while 13% are **too busy**.

The 3% increase in consumer dental spending since the beginning of the year does not appear significant enough to translate into increased busyness.

Source: ADA Health Policy Institute

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New Patient Wait Times Stable

Source: ADA Health Policy Institute

Appointment wait times for new patients have been relatively stable over the last few quarters. On average, it takes just over 13 days for a new patient to receive an appointment.

The 3% increase in consumer dental spending since the beginning of the year also does not appear significant enough to translate into increased wait times.

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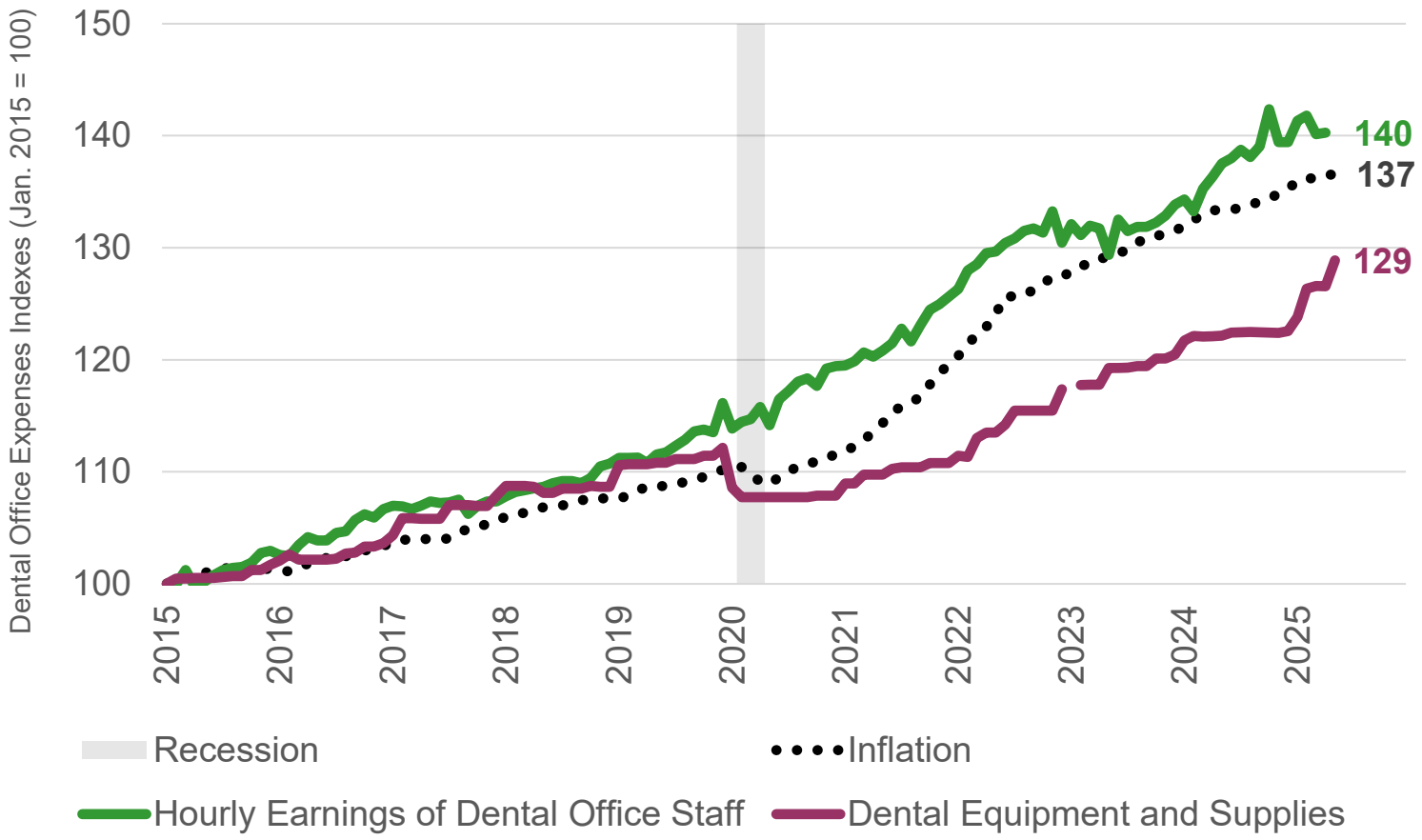
Prices for Equipment and Supplies Increased



In May 2025, prices for dental equipment and supplies continued to increase. Since the beginning of 2025, there has already been a 5% increase.

Hourly earnings for dental office staff have been stable for the past few months. Longer term, however, they have risen slightly faster than overall inflation.

Source: U.S. Bureau of Labor Statistics

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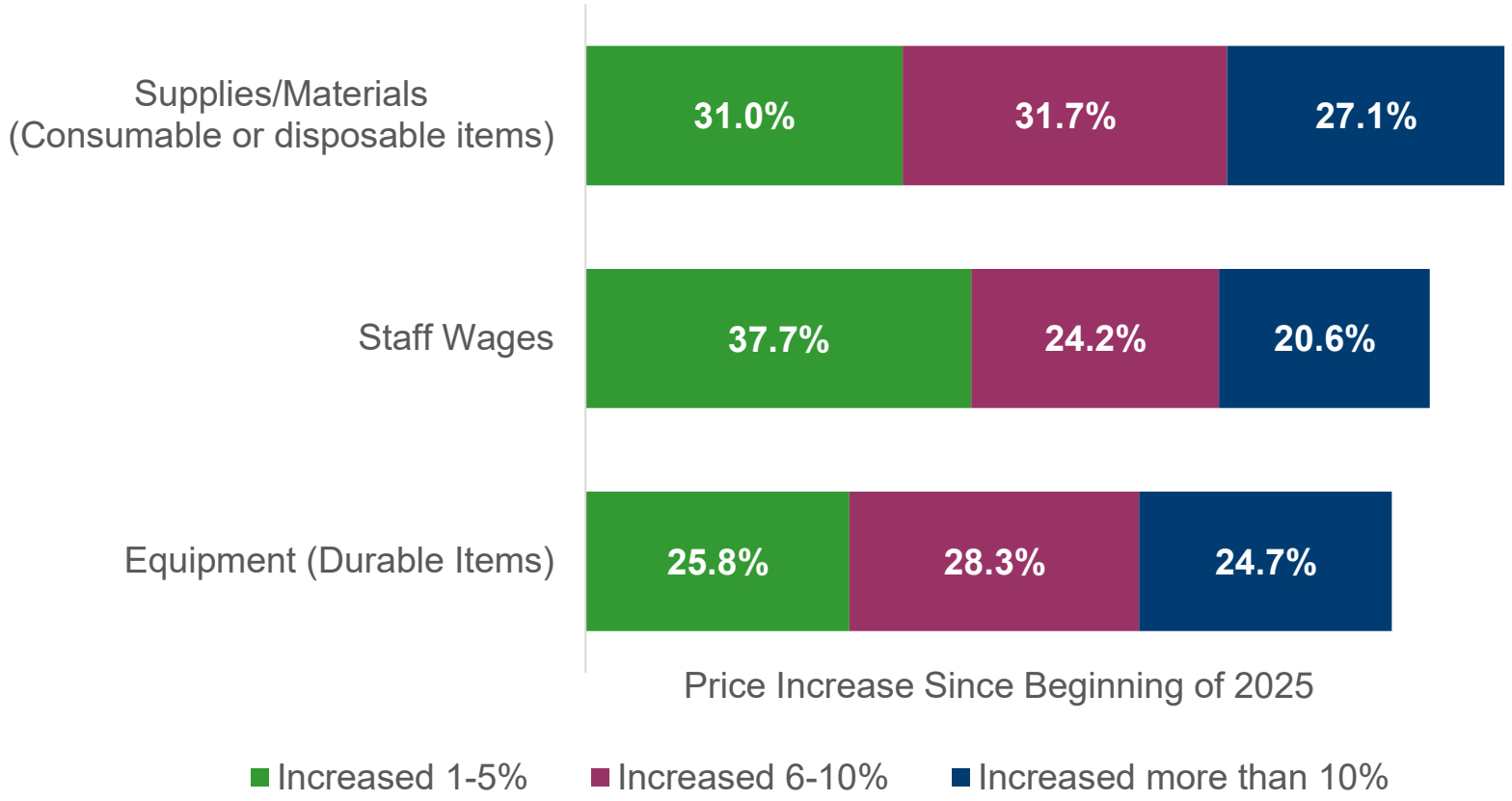
Prices for Main Dental Office Expenses Increased



Source: ADA Health Policy Institute

Self-reported data from dental practices in Q2 2025 confirm that costs for staff wages and equipment are increasing.

The majority of dentists report price increases since the beginning of 2025 of more than 5% for both equipment and supplies. For staff wages, the increases are slightly lower.

These self-reported data paint a similar picture as data from other sources.

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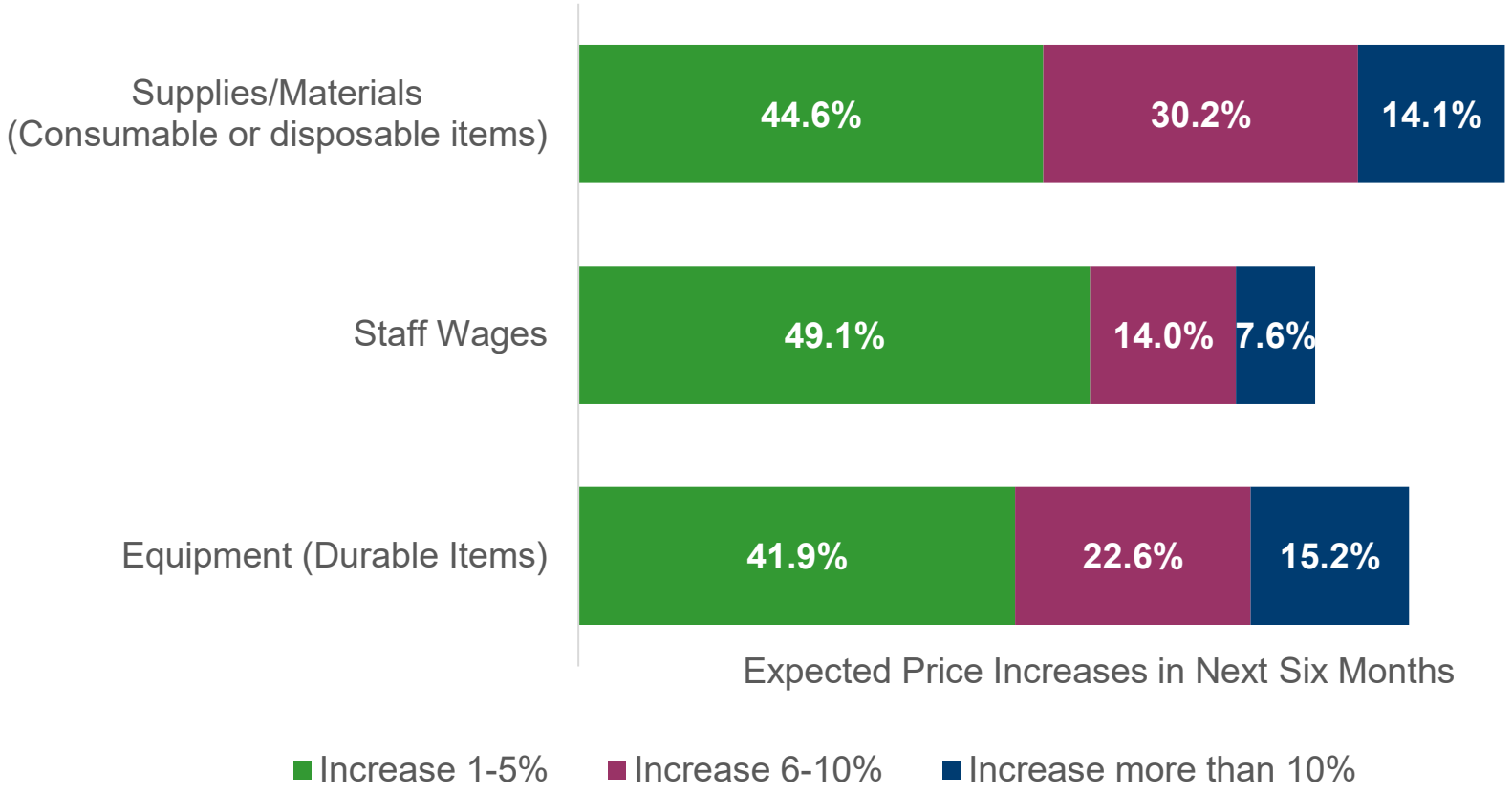
Dentists Expect Prices to Continue to Increase



Looking ahead to the next six months, most dentists expect prices to continue to increase, mostly in the 1-5% range.

Source: ADA Health Policy Institute

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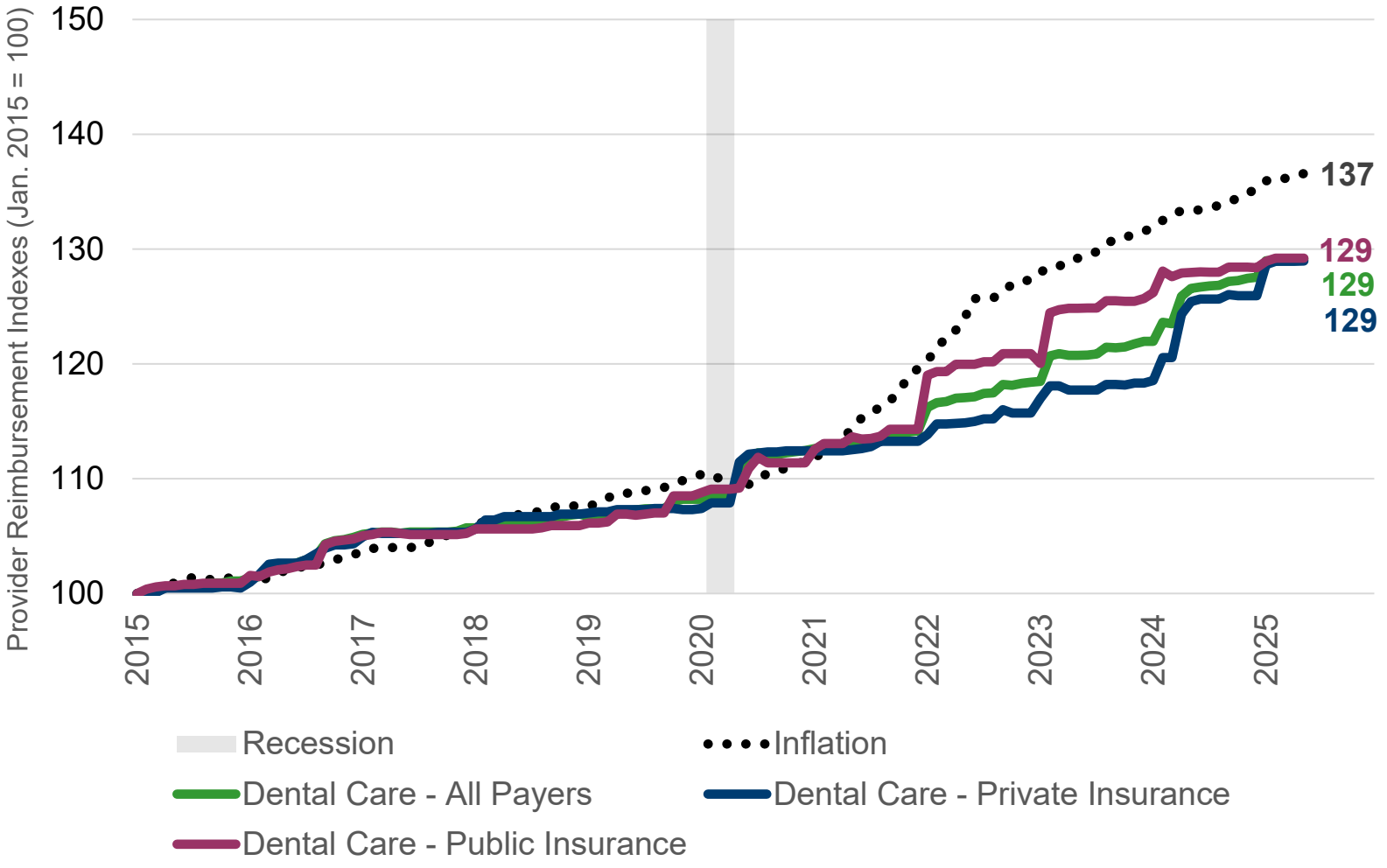
Reimbursement Rates Not Keeping Up with Inflation

In May 2025, provider reimbursements rates in the dental sector increased slightly. However, longer term, they are not keeping pace with overall inflation and certainly not with practice expenses. These trends are putting a significant "fiscal squeeze" on dental practices.



Source: U.S. Bureau of Labor Statistics

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Dental Jobs Market

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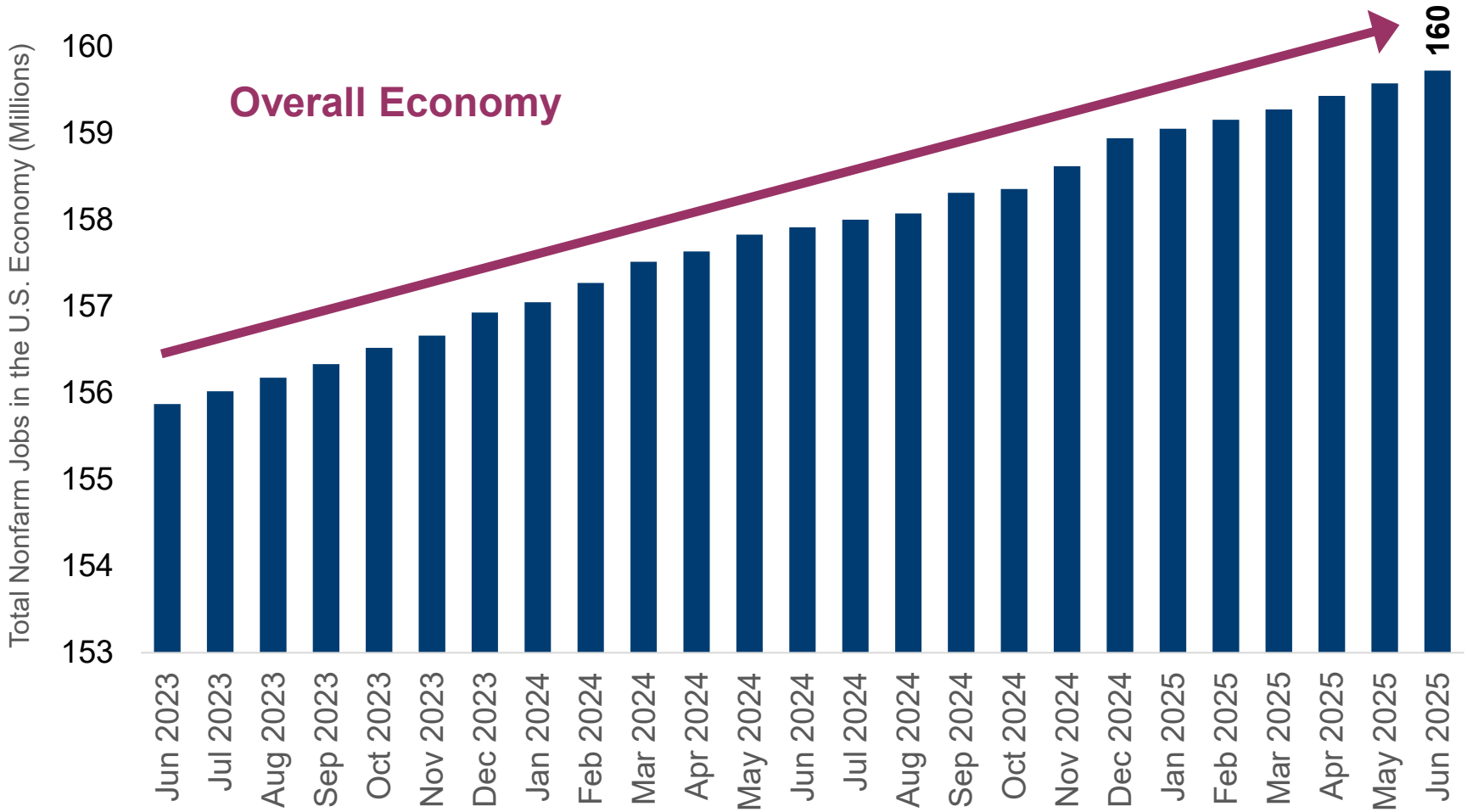
The U.S. Economy Continues to Add Jobs



In June, the U.S. economy added 147,000 jobs. Longer term, there have been steady month-to-month gains in the U.S. job market.

Source: U.S. Bureau of Labor Statistics

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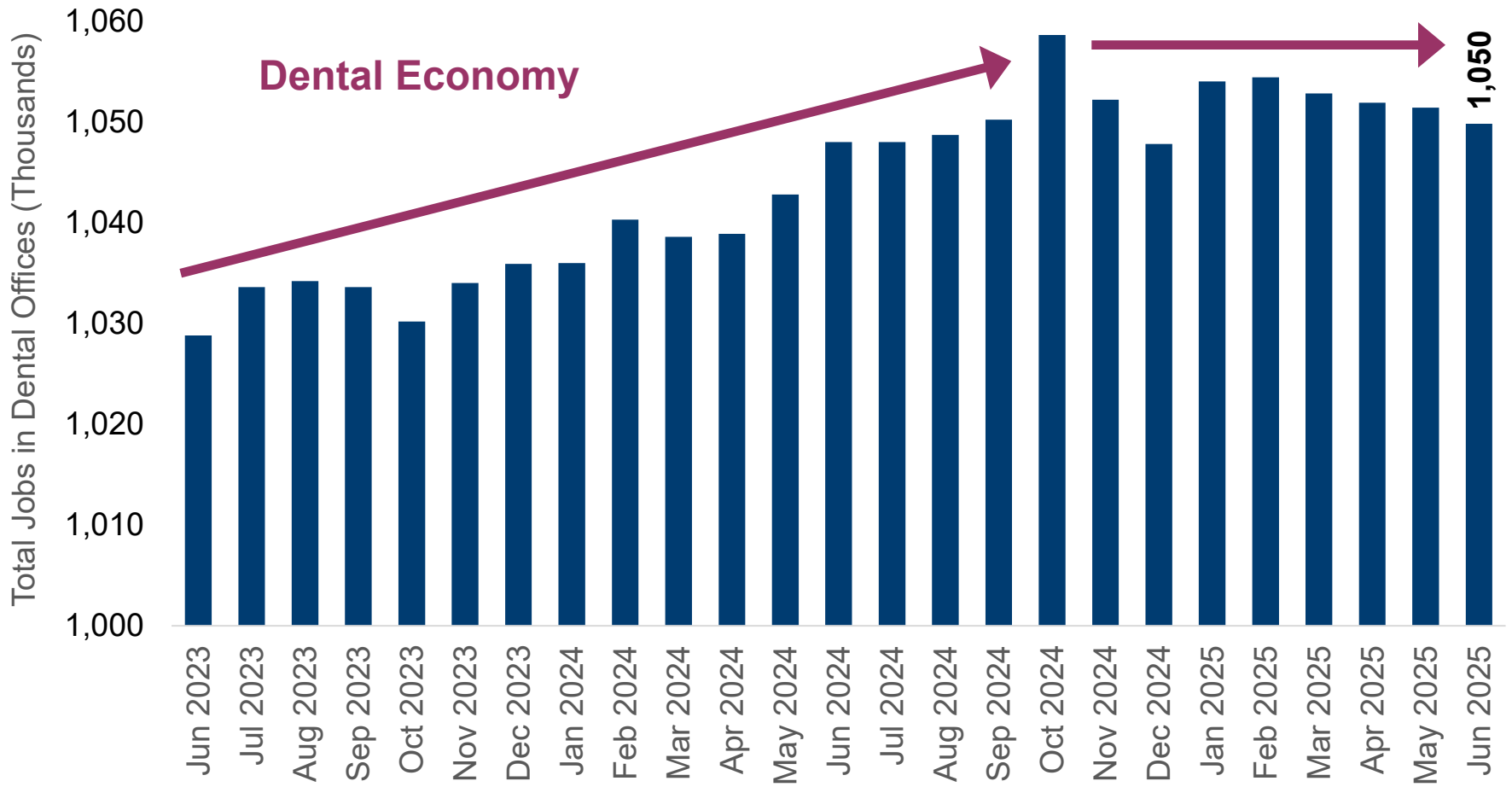
Dental Sector Employment Levels Flat



Unlike the U.S. economy overall, the dental sector is not seeing any growth in the total number of jobs in recent months. In June 2025, the total number of jobs in dental offices was:

- Down 0.2% from month prior
- Up 0.2% so far this year
- Up 0.2% from 12 months prior

Source: U.S. Bureau of Labor Statistics

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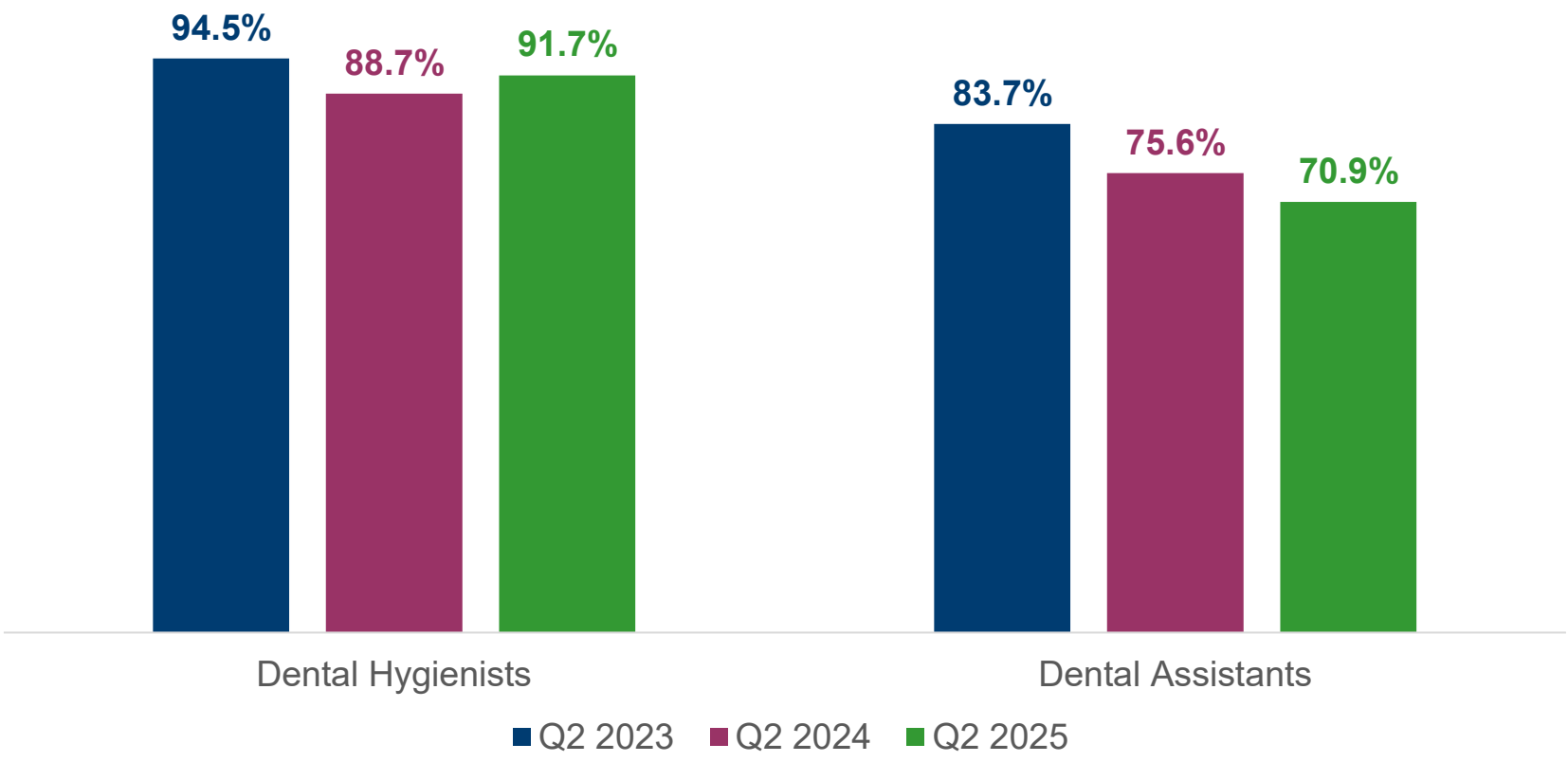
Dental Hygienists Hardest to Recruit



It is still difficult to find staff. Among dental practices recruiting in the past three months, the percentage saying the process is “very” or “extremely” challenging continues to be elevated.

There are still staffing shortages in the dental sector, particularly for dental hygienists.

Source: ADA Health Policy Institute

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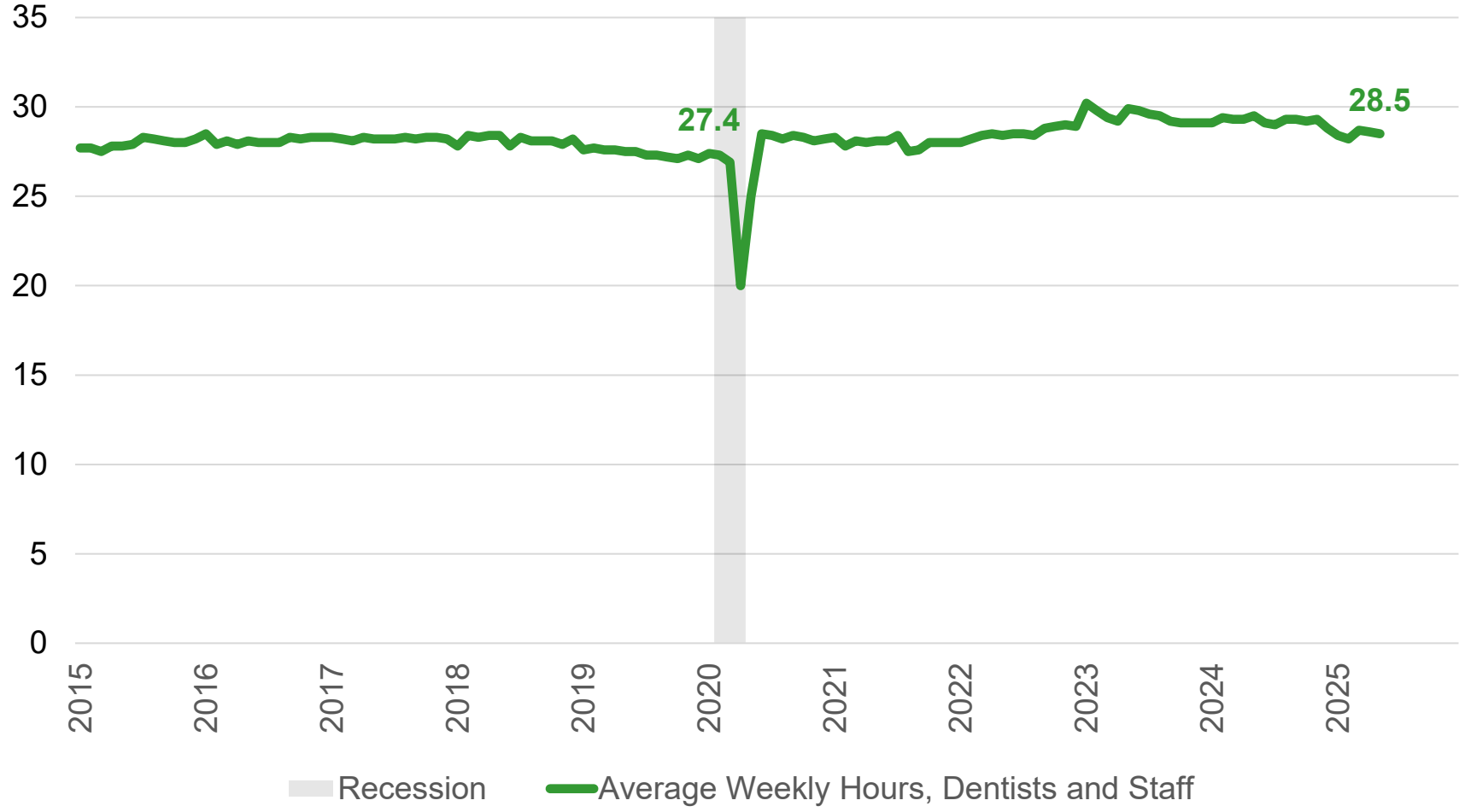
Fewer Hours Worked in Dental Sector



There is a slight downward trend in hours worked. Specifically, in May 2025, average hours worked per week among dentists and their staff were:

- Down 0.1 hours from month prior
- Down 0.3 hours so far this year
- Down 1 hour from 12 months prior
- Up 1.1 hours from pre-pandemic

Source: U.S. Bureau of Labor Statistics

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Key Takeaways for Q2 2025

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Key Takeaways

In Q2 2025, **economic confidence among U.S. dentist declined.** This is the second consecutive quarter of decline after a significant surge in Q4 2024. Economic confidence for dentists' own practices as well as the dental care sector overall has reached a new low point. The top three factors cited are the current administration, tariffs, and inflation. Dentists' declining economic confidence mirrors trends among the general population.

Consumer dental spending continues to increase. Slowly. Consumer spending on dental care is up 3% since the beginning of the year (and 8% since the COVID-19 pandemic). Dental spending lags overall health spending as well as spending on physician services. The growth in dental spending is not having any big impact on dentists' economic confidence and is easily accommodated with existing capacity. Dentist busyness levels as well as appointment wait times for new patients were largely unchanged compared to previous quarters.

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Key Takeaways

Reimbursement rates for dental care services are not keeping up with inflation. At the same time, prices for dental equipment and supplies, as well as wages of staff in dental offices are tracking with, or even rising faster than, inflation. This continues to place a “fiscal squeeze” on dental practices. As a result, about one in four dentists have reported dropping out of some dental insurance networks.

Job growth in dental offices has been stagnant for several months, even as the U.S. economy continues to add jobs. This might be explained by **significant difficulties dental offices report in recruiting staff**, particularly dental hygienists. Or it could reflect increased hesitation in hiring due to more pessimistic economic sentiment. We are not sure which of these is dominant. Average hours worked per week in dental offices is also on a downward trend.

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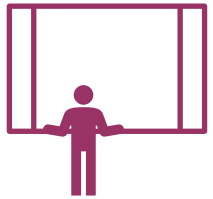
Big Picture

Summing up, the data from Q2 2025 show a clear downturn in dentists' economic confidence, driven by concerns about the current administration's policies, including tariffs, as well as long-standing concerns over inflation. Other data sources suggest pricing concerns are valid, as prices for dental equipment and supplies, as well as wages, are rising faster than dental reimbursement rates. The resulting "fiscal squeeze" is certainly one factor that could be driving down dentists' economic confidence.



On the consumer side, dental spending continues to increase modestly, but the latest data show this is easily accommodated within the existing capacity in the system. Dentist busyness levels and patient wait times remain largely unchanged. In fact, average weekly hours worked in dental offices is down slightly this year.

Taken together, the data through Q2 2025 overall suggest the dental economy is in a "holding pattern" with the potential for slight headwinds in the coming months.

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Thank you!

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Data Sources and Methods

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Data Sources and Methods

Dentists' Economic Confidence

- **Slides 4 to 7**

  Source: ADA Health Policy Institute, Economic Outlook and Emerging Issues in Dentistry Poll, June 2025. Available at https://www.ada.org/resources/research/health-policy-institute/economic-outlook-and-emerging-issues, accessed July 11, 2025.

  Notes for Slide 4: Data represents the combined share of dentists responding, "somewhat confident" or "very confident" to "Looking ahead the next 6 months, how confident are you in the economic conditions in… (1) your particular dental practice, (2) the dental care sector, and (3) the U.S. economy."

  Notes for Slides 5-6: Data represent a summary of open-ended responses to question, "Please briefly describe the reasons for your confidence/skepticism in the overall U.S. economy," as well as select verbatim quotes provided by respondents to illustrate the top reasons.

  Notes for Slide 7: Data for the graph Dentists' Plans for 2025 as of Q4 2024 represent owner dentist responses to the question, "Looking ahead to 2025, how likely are you to do each of the following for your practice?" Data for the graph Dentists' Actions so far in 2025 as of Q2 2025 represent owner dentist responses to the question, "Since the beginning of 2025, have you done any of the following in your practice?

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Data Sources and Methods

Consumer Dental Spending

- **Slide 9**

  Sources: U.S. Bureau of Economic Analysis, Table 2.4.6U, Real Personal Consumption Expenditures, Dental Services, Chained Dollars [Billions of chained (2017) dollars]. Table 2.4.5U, Personal Consumption Expenditures, Dental Services [Billions of current dollars]. Months are seasonally adjusted at annual rates. Available at https://www.bea.gov/data/consumer-spending/main, accessed June 27, 2025.

  Federal Reserve Bank of St. Louis, NBER based Recession Indicators for the United States from the Peak through the Trough [USRECM], retrieved from FRED, Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/USRECM, accessed June 20, 2025.

  Notes: The Bureau of Economic Analysis (BEA) releases monthly estimates of consumer spending for dental services. Each month's spending amount is annualized, i.e., presented as the amount of spending that would occur in a year, based on that month's rate of spending. This graph represents inflation-adjusted spending in terms of 2025 dollars.

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Data Sources and Methods

Consumer Dental Spending

- **Slide 10**

  Sources: U.S. Bureau of Economic Analysis, Table 2.4.6U, Real Personal Consumption Expenditures, Health Care, Physician Services, Dental Services, Chained Dollars [Billions of chained (2017) dollars]. Table 2.4.5U, Personal Consumption Expenditures, Health Care, Physician Services, Dental Services [Billions of current dollars]. Months are seasonally adjusted at annual rates. Available at https://www.bea.gov/data/consumer-spending/main, accessed June 27, 2025.

  U.S. Bureau of Economic Analysis, Population [POPTHM], retrieved from FRED, Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/POPTHM, accessed June 27, 2025.

  Federal Reserve Bank of St. Louis, NBER based Recession Indicators for the United States from the Peak through the Trough [USRECM], retrieved from FRED, Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/USRECM, accessed June 20, 2025.

  Notes: These indexes measure the change over time in spending relative to January 2020. An index value of 101 would indicate spending 1% higher than the spending level in January 2020.

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Data Sources and Methods

Dental Practice Economics

- **Slides 12-13**

  Source: ADA Health Policy Institute, Economic Outlook and Emerging Issues in Dentistry Poll, Q2 2025. Available at https://www.ada.org/resources/research/health-policy-institute/economic-outlook-and-emerging-issues, accessed July 11, 2025.

  Notes for Slide 12: Data represent a summary of answers to question, “Which of the following best describe your general busyness level over the last 3 months?”

  Notes for Slide 13: Data represent a summary of answers from owner dentists to the question, “[If accepting new patients] Currently, how many business days does the average new patient have to wait for an initial appointment (excluding emergencies)?" Respondents of this question had previously answered "Yes" to the question, "Is your practice currently accepting new patients?"

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Data Sources and Methods

Dental Practice Economics

- **Slide 14**

Sources: U.S. Bureau of Labor Statistics.**(1)** Current Employment Statistics, Average hourly earnings of production and nonsupervisory employees, offices of dentists, seasonally adjusted. Available at https://www.bls.gov/ces/data/. Accessed June 12, 2025. **(2)** Producer Price Index by Commodity: Miscellaneous Products: Professional Dental Equipment and Supplies (WPU156501071), not seasonally adjusted. Available at https://www.bls.gov/ppi/databases/. Accessed June 12, 2025. **(3)** Consumer Price Index (CPI-U), All Items, seasonally adjusted. Available at https://www.bls.gov/cpi/data.htm. Accessed June 12, 2025.

Federal Reserve Bank of St. Louis, NBER based Recession Indicators for the United States from the Peak through the Trough [USRECM], retrieved from FRED, Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/USRECM, accessed June 20, 2025.

Notes: "Hourly Earnings of Dental Office Staff" is the label for the index of average hourly earnings of production and nonsupervisory employees in offices of dentists. Average earnings are a measure of gross payrolls divided by total hours worked. The index for Dental Equipment and Supplies reflects the change in prices received by domestic producers of those products.

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Data Sources and Methods

Dental Practice Economics

- **Slides 15-16**

  Source: ADA Health Policy Institute, Economic Outlook and Emerging Issues in Dentistry Poll, Q2 2025. Available at https://www.ada.org/resources/research/health-policy-institute/economic-outlook-and-emerging-issues, accessed July 11, 2025.

  Notes Slide 15: Data represent responses from owner dentists to the question, “How have prices changed for your practice in each of the following categories of expenses since the beginning of 2025?”

  Notes Slide 16: Data represent responses from owner dentists to the question, “Looking ahead to the next 6 months, what do you expect to happen to prices for your practice in each of the following categories of expenses?”

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Data Sources and Methods

Dental Practice Economics

- **Slide 17**

Sources: U.S. Bureau of Labor Statistics (BLS), Producer Price Index by Commodity, PPI Commodity data for Health care services-Dental care, seasonally adjusted. PPI Commodity data for Health care services, not seasonally adjusted. Available at https://www.bls.gov/ppi/databases/. Accessed June 12, 2025.

U.S. Bureau of Labor Statistics (BLS), Consumer Price Index (CPI-U), All Items, seasonally adjusted. Available at https://www.bls.gov/cpi/data.htm. Accessed June 12, 2025.

Federal Reserve Bank of St. Louis, NBER based Recession Indicators for the United States from the Peak through the Trough [USRECM], retrieved from FRED, Federal Reserve Bank of St. Louis. Available at https://fred.stlouisfed.org/series/USRECM, accessed June 20, 2025.

Notes: These indexes measure the average change over time in prices received by domestic health care providers. Prices collected for the Producer Price Index reflect the total amounts received by providers for rendering services to patients. The index for Dental Care measures change in the reimbursement amount dentists receive per visit for a representative snapshot of dental service delivery. Includes payments from patients, private insurance, Medicaid, Medicare, and other payers.

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Data Sources and Methods

Dental Jobs Market

- **Slide 19**

  Source: U.S. Bureau of Labor Statistics (BLS), Current Employment Statistics. All employees, millions, total nonfarm, seasonally adjusted. Available at https://www.bls.gov/ces/data/. Accessed July 3, 2025.

- **Slide 20**

  Source: U.S. Bureau of Labor Statistics (BLS), Current Employment Statistics. All employees, thousands, offices of dentists, seasonally adjusted. Available at https://www.bls.gov/ces/data/. Accessed July 3, 2025.

- **Slide 21**

  Source: ADA Health Policy Institute, Economic Outlook and Emerging Issues in Dentistry Poll, Q2 2025. Available at https://www.ada.org/resources/research/health-policy-institute/economic-outlook-and-emerging-issues, accessed July 11, 2025.

  Notes: Data represent those choosing the "very challenging" and "extremely challenging" responses to the question, "How challenging has it been to recruit the position(s) below?" Respondents of this question had previously answered "Yes" to the question, "Currently, or at any time during the last 3 months, have you recruited any of the following positions?“

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Data Sources and Methods

Dental Jobs Market

- **Slide 22**

  Source: U.S. Bureau of Labor Statistics (BLS), Current Employment Statistics. Average weekly hours of all employees, offices of dentists, seasonally adjusted. Available at https://www.bls.gov/ces/data/. Accessed July 3, 2025.

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