Frequently asked questions about the School of Dentistry’s financial situation

As the School of Dentistry continues to address its operating deficit, a number of questions have often come up. They are presented here, along with the most current available information in response.

What is the school’s current financial situation?

As of July 2017, the school has accumulated a debt of about $36 million. This was accrued over the last decade because of clinical shortfalls tied to inadequate reimbursement rates, unsustainable academic and personnel costs, and the growing cost of dental education.

Without action, this deficit spending threatens the school’s core mission of training excellent dentists. To preserve this mission and to prevent further erosion of core University resources, difficult decisions will need to be made in both the short-term and the long-term.

What is the school doing to deal with its financial problems?

The UW’s senior administration fully supports the school and its core missions of teaching, research and service. Our top priority is to sustain that mission by stopping the annual budget deficits.

Last spring, a Solution Team made up of School of Dentistry faculty and staff members conducted an analysis of the school’s operations, finances and processes, with a goal of finding ways to decrease the school’s deficit while maintaining the school’s core missions. Based on the team’s recommendations, we are reducing costs in several areas, including reducing the school’s administrative stipends, and reorganizing under the leadership of four associate deans, rather than the current seven. In addition, the Faculty Practice Plan will pay faculty supplemental compensation for clinic work only if the clinics generate revenue needed to make those payments.

The Solution Team submitted its recommendations to the school’s Financial Executive Committee (FEC), an ad hoc advisory group chaired by the provost. The FEC is advising the provost on how the school operates and what can be done to further reduce overhead costs while maintaining excellence in our clinical operations and education. In addition, the FEC also is advising the provost on the closure or consolidation of clinics with significant deficits outside the pre-doctoral program.

We will downsize Pediatric Dentistry and close the Center for Pediatric Dentistry as a stand-alone entity in the Sand Point area of Magnuson Park, and our faculty and students will treat pediatric patients on campus at the UW Health Sciences Center once space becomes available.
DDS students will continue to learn about pediatric dentistry and see pediatric patients as part of their degree program.

We are reviewing options for the UW Northwest Center for Oral and Facial Surgery, which is the Oral and Maxillofacial Surgery Department’s faculty practice, located at Sand Point.

We have also joined a program used by UW Medicine, that provides supplementary payment for Medicaid services. This will help stem additional losses, but it won’t be a permanent solution to our financial problems.

Is the school in danger of closing?

No. The financial situation is urgent, but the University is committed to finding solutions to the school’s financial issues and is doing everything possible to put the school on a sustainable path. There is no plan to close the school now or in the future.

How will patient care be affected?

Although changes must be implemented at specialty dental clinics, the short-term impact on patient care is unknown at this time. Given inadequate reimbursement rates for much of the care performed at these clinics, it is inevitable that UW dental clinics will see fewer patients and perform fewer procedures. Moving forward, the school will be working with the state and other community providers to address this reduction in care and find new provider homes for the affected populations that we currently serve.

The financial challenges at the school underscore the growing need across the state to increase access to dental and oral health care. The school stands ready to help solve that problem by continuing to produce dental professionals to serve in communities across the state, but the state needs more partners in providing clinical access, particularly for low-income and underserved populations.

Will faculty be laid off? How will this affect the curriculum?

Tenured faculty will not be laid off. No final decisions have been made yet about faculty on annual or multi-year appointments, as we are evaluating the most efficient and effective use of our teaching faculty. But all decisions will be made with the top priority of protecting the excellence of the school’s pre-doctoral dental education. The dean has charged a variety of committees, including the Elected Faculty Council and the Solution Team, to work on broad fiscal issues.

Will staff be laid off?

A reorganization of staff is likely, although specific decisions have not yet been made. Reductions will depend on how the school – especially its clinics – is reorganized. Discussions
must also take place with the Service Employees International Union before any actions can be taken with classified staff.

**How will the school repay the accumulated debt?**

In compliance with University policy, the School will repay its debt once annual deficit spending stops. Repayment will be structured in a way that avoids significant negative impacts to the School’s core teaching mission.

**What will happen to the Together for Dentistry fund-raising campaign and the related alumni Class Challenge?**

The fund-raising campaign will continue as planned, since much of it – especially the Class Challenge – focuses on raising support for the school’s faculty. This takes on even greater importance as the school responds to its financial challenges. Donor funds will not be used to cover deficits.