EQUINE VETERINARY SERVICES

The market for equine veterinary services is highly specialized, with veterinarians typically undergoing years of post-graduate training. In 2016 the AVMA VED collaborated with the American Association of Equine Practitioners (AAEP) to conduct a focused survey of U.S. equine veterinarians. The purpose of this survey was many-fold, but was partially to understand the unique problems facing equine veterinary practices.

Equine veterinary practice accounts for less than 5 percent of all veterinary practice types in the veterinary medical field. Veterinarians identifying as working with equids, whether in an exclusively or predominantly equine practice, or in a mixed animal practice, are a minority in the profession. Trends in the equine industry, and thus in the equine veterinary industry, were mostly negative in the years following the recession of 2008. Based upon AVMA data, the U.S. horse pet population is estimated to have declined by 33 percent between 2006 and 2012, and the horse population on farms that reported at least $1,000 in annual sales decreased by 10 percent. Additionally, equine veterinarians saw a 6.7 percent reduction in annual income during that same period. In contrast, companion animal exclusive veterinarians, gained a 22.7 percent increase in annual income during the same period. Gathering data about the current state of the equine veterinary industry through the AVMA-AAEP 2016 Survey of Equine Practitioners will allow stakeholders to make informed and more directed efforts to strengthen the profession.

This study of the economics of equine practitioners is a joint effort of the AAEP and the AVMA to gain an understanding of common and unique attributes of equine practices and practitioners compared to the general veterinary profession and to identify challenges facing the profession so that these issues can be addressed with maximal effect.

The forthcoming *American Association of Equine Practitioners Economic Report 2017*, includes information on demographics, the market for veterinary education, the market for veterinarians, the market for veterinary services, a portrait of equine veterinary practice, and an analysis of the impact of equine practices on economic activity in the United States.

EQUINE PRACTICE CHARACTERISTICS

Among AAEP respondents, a large share of respondents (36.5 percent) provides ambulatory or mobile services only (Figure 20). Ambulatory with a haul-in facility compromise 35.4 percent of the distribution. On the opposite end of the spectrum, respondents primarily working in a haul-in facility were only 1.3 percent, and 1.7 percent were in a full-service specialty/referral hospital.

DISTRIBUTION OF AAEP RESPONDENTS' 2015 PRIMARY PRACTICE BUSINESS MODELS

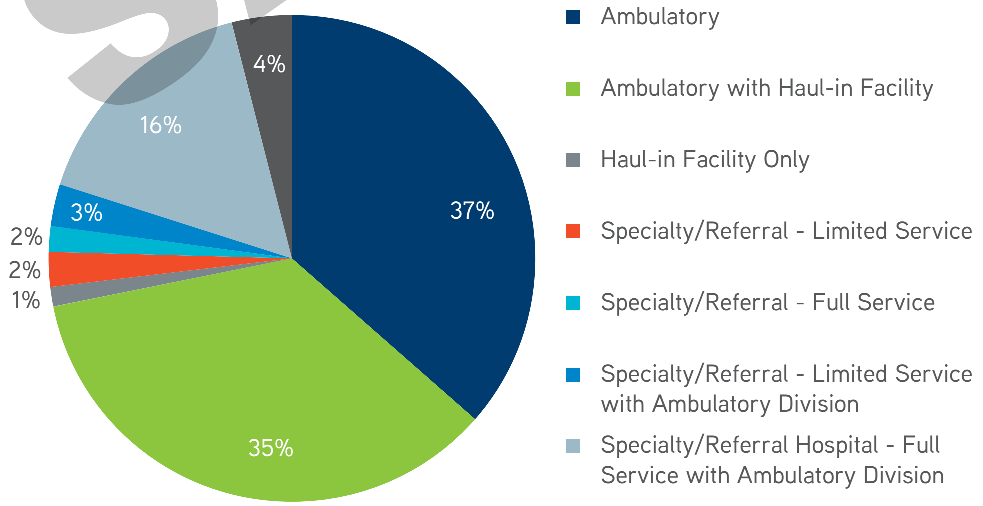

Figure 21

As with the bovine practitioners, the equine practitioners have various methods of billing with the preponderance of AAEP respondents (91.9 percent) charging a farm call or trip fee and 89.4 percent of respondents charging an emergency fee.

The method of billing for ambulatory calls varies across equine sector. Charging ambulatory visits by zones is the most common form for ambulatory billing among AAEP respondents in the hunter/jumper (76.5 percent), companion (62.5 percent), and general equine practice (68.3 percent). According to the AAEP group, only a small percentage charge one-way or round-trip for ambulatory calls. Just more than 31 percent of western performance respondents and 44.4 percent of ranch/working sector respondents charge based on mileage.

DISTRIBUTION OF AAEP RESPONDENTS' BILLING OF AMBULATORY FARM CALLS BY EQUINE SECTOR

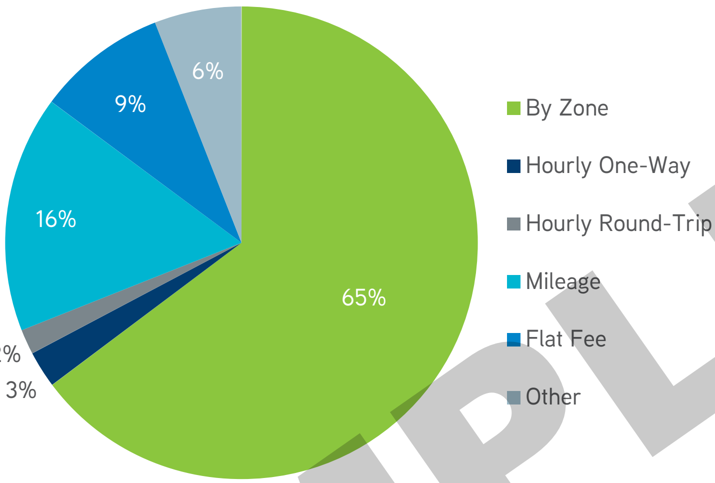

Figure 22

AAEP respondents primary practice service area covered anywhere from a zero-mile radius to a 2,500-mile radius. Nearly a third of respondents' service area was between a 21- and 40-mile radius, and 38.6 percent between 41- and 60-mile radiuses (Figure 23). Overall, the majority of AAEP respondents service area was estimated at between 0 and 60 miles, with the remainder, 22.6 percent, with a service area covering over 61 miles. Respondents in the Thoroughbred sector on average serve the largest area, 179 miles, followed directly by respondents in the ranch and working horse industry, with a 137-miles radius (Table 5.13). Respondents in the companion sector have an average service area of 45 miles. Respondents in a full-service specialty/referral hospital on average have the smallest radius among the AAEP group of 52 miles (Table 13). Respondents in some other type of business model have a service area on average of 177 miles. The majority of the respondents in this other category identified themselves as racetrack veterinarians or working in integrative therapy.

DISTRIBUTION OF AAEP RESPONDENTS' PRIMARY PRACTICE SERVICE AREA RADIUS

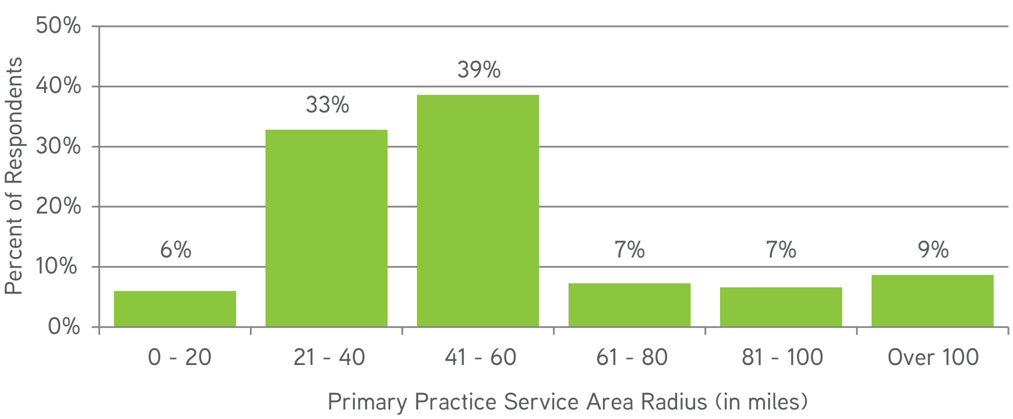

Figure 23