



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** Sub. H.B. 463 of the 130th G.A.

**Date:** May 29, 2014

**Status:** As Reported by House Health and Aging

**Sponsor:** Rep. Johnson

**Local Impact Statement Procedure Required:** No

**Contents:** Makes changes to the laws governing dental professionals

### State Fiscal Highlights

- The bill increases the amount collected from each dental license, general anesthesia permit, and conscious intravenous sedation permit fee for the Dentist Loan Repayment Program and increases license fees by the same amount. As a result, the Ohio Department of Health (ODH) will experience an increase in revenue to the Dentist Loan Repayment Fund. Revenue retained by the Ohio Dental Board will remain unchanged.
- The bill also creates a Dental Hygienist Loan Repayment Program within ODH, and is funded by a \$10 increase in the registration fee for dental hygienists.
- The Ohio Department of Medicaid and ODH may experience an increase in costs related to their involvement in the Medicaid Payment Rates for Dental Services Workgroup, which the bill creates.
- The Development Services Agency (DSA) may experience a minimal increase in costs to enter into a contract with JobsOhio, which will specify that JobsOhio is required to use \$250,000 to provide no-interest loans for the purchase of dental equipment to be used for the treatment of underserved populations in dental health resource shortage areas. The bill requires DSA to coordinate duties with JobsOhio through the contract.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

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## Detailed Fiscal Analysis

The bill establishes the Dental Hygienist Loan Repayment Program, increases the fee amounts collected for the Dentist Loan Repayment Program, establishes the Medicaid Payment Rates for Dental Services Workgroup, requires the Development Services Agency to enter into a contract with JobsOhio to provide no-interest loans for the purchase of dental equipment, makes changes to the Oral Health Access Supervision Program, and establishes a temporary volunteer's certificate. The bill also makes several changes to the laws governing dental professionals, including allowing applicants for a license to practice dentistry to complete an approved dental residency program as fulfillment of one of the requirements to obtain a license.

### Dental Hygienist Loan Repayment Program

The bill establishes the Dental Hygienist Loan Repayment Program, which will be administered by the Ohio Department of Health (ODH) in cooperation with the Dental Hygienist Loan Repayment Advisory Board, which the bill also creates. The program will provide loan repayment on behalf of dental hygienists who provide services in areas designated as dental health resource shortage areas by the ODH Director, similarly as the Dentist Loan Repayment Program currently operates. ODH, by contract, may agree to repay all or part of the principal and interest of an educational loan taken by an individual enrolled in an accredited dental hygiene school.

The bill increases the biennial registration fee for dental hygienists by \$10 to provide funding for the program, which will be paid to the Dental Hygienist Loan Repayment Fund. According to the Dental Board's Annual Report, as of June 2013, there were 8,057 registered dental hygienists in Ohio. Based on this information, the Dental Hygienist Loan Repayment Fund would receive approximately \$80,570 per biennium for the program from the registration fees. The bill permits the ODH Director to accept donations for the implementation of the program that will be paid to the Dental Hygiene Resource Shortage Area Fund, which is also created by the bill.

The ODH Director is required to establish priorities among dental health resource shortage areas for use in recruiting dental hygienists to sites within those areas. The ODH Director is also required to establish priorities for use in determining eligibility among applicants for the program. The bill specifies certain eligibility requirements for participation in the program, contract obligations, as well as certain information that must be included in the application, which the ODH Director is required to prescribe. Participants in the program will agree to provide services in a dental health shortage area for at least two years, for 40 hours per week, without regard to a patient's ability to pay, and must enter into a Medicaid provider agreement with the Ohio Department of Medicaid (ODM). A participant must also agree to pay ODH an amount established in rules if the participant fails to complete the service obligation.

By January 31 of each year, ODH must mail each participant a statement showing the amount of principal and interest repaid by ODH in the preceding year.

The ODH Director, in consultation with the Dental Hygienist Loan Repayment Advisory Board, is required to adopt rules as necessary to implement the program. The advisory board is to consist of four representatives of the dental hygiene profession, as well as the members of the Dentist Loan Repayment Advisory Board, as ex officio members. Members are to serve two year terms for not more than two consecutive terms, are to serve without compensation, and must meet at least once a year. ODH is required to provide staff assistance as requested by the Board. The Board must determine the amounts that will be paid as loan repayments on behalf of participants. In the first and second years, participants may receive up to \$25,000 each year. In the third and fourth years, participants may receive up to \$35,000. If a repayment results in an increased tax liability, a participant may request to be reimbursed for the increased liability, regardless of the repayment amount received in that year. The bill also requires the Board to submit to the Governor and the General Assembly an annual report describing the operations of the program during the previous year.

### **Dentist Loan Repayment Program**

The bill increases the amount collected for the Dentist Loan Repayment Program from \$20 to \$40 in even-numbered years and from \$10 to \$20 in odd-numbered years. These amounts are collected from each dental license, general anesthesia permit, and conscious intravenous sedation permit fee submitted to the Dental Board. The Dental Board then transfers the amounts collected for the Dentist Loan Repayment Program to the Dentist Loan Repayment Fund, which is administered by ODH. As dentists generally renew their licenses in even-numbered years, revenues for the Dentist Loan Repayment Program will be higher in even-numbered years.

According to the Dental Board, the Board collected and transferred approximately \$143,200 for the program in FY 2012 and approximately \$3,100 in FY 2013. The Board has transferred approximately \$137,200 in FY 2014 to date. The bill adjusts license fees accordingly; thus, the amount the Board retains from license fees will remain unchanged.

### **Medicaid Payment Rates for Dental Services Workgroup**

The bill establishes the Medicaid Payment Rates for Dental Services Workgroup. The Workgroup will consist of the directors of Medicaid and Health or their designees, two members of the Senate (one from both the majority and minority parties and appointed by the President of the Senate), two members of the House of Representatives (one from both the majority and minority parties and appointed by the Speaker of the House), and four dentists appointed by the Executive Director of the Ohio Dental Association that have Medicaid provider agreements and practice in different areas of the state. The Director of Medicaid or the Director's designee will serve as the chairperson.

The bill requires the Workgroup to study the issue of Medicaid payment rates for dental services and must submit a report of its study to the Governor and the General Assembly by December 31, 2014. The report must include recommendations regarding Medicaid payment rates for dental services. The bill prohibits members of the Workgroup from being paid or reimbursed for expenses incurred in serving on the Workgroup, except to the extent that serving on the Workgroup is part of a member's regular employment duties. ODM is required to provide staff and other support services for the Workgroup, which may result in an increase in costs to ODM. ODH may also experience a minimal increase in costs related to its participation in the Workgroup.

### **JobsOhio no-interest loans**

The bill requires the Development Services Agency (DSA) to enter into a contract with JobsOhio, which will specify that JobsOhio is required to use \$250,000 to provide no-interest loans for the purchase of dental equipment to be used for the treatment of underserved populations in dental health resource shortage areas. The bill requires DSA to coordinate duties with JobsOhio through the contract, which may result in a minimal increase in costs to DSA.

### **Oral Health Access Supervision Program**

The bill permits dental hygienists who wish to participate in the Oral Health Access Supervision Program (OHASP) to use a personal check or credit card to submit their application fee to the Dental Board. The bill reduces the amount of experience needed for a dental hygienist to participate in the program. This may result in an initial increase in the number of applications and \$20 application fees to the Dental Board for the OHASP. The bill also removes a provision that limits which dentist to whom a dental hygienist must refer services as part of the OHASP and extends the time period for when a patient should receive services from a dentist after receiving services from a dental hygienist as part of the OHASP from 90 days to six months. Additionally, the bill requires the Dental Board to include on the online directory of program participants the e-mail addresses of those participants. The Dental Board could experience a minimal increase in administrative costs related to these provisions.

### **Temporary volunteer's certificate**

The bill also establishes a temporary volunteer's certificate for an individual who is not licensed under Ohio law so that the individual may provide dental services in Ohio as a volunteer. The certificate is valid for seven days, but may be renewed. The Dental Board may charge a fee of up to \$25 for initial and renewal applications and must issue a wallet certificate to each person who qualifies as a temporary volunteer.

Additionally, the Board must maintain a register of all individuals who hold a temporary volunteer's certificate and must adopt rules to administer and enforce these provisions. Not later than 90 days after the effective date, the Board is required to make available on its website the application form, a description of the application process, and a list of all items that are required to be submitted with the application (such as evidence that the individual is licensed to practice dentistry or dental hygiene in another jurisdiction). The Dental Board does not anticipate a significant fiscal impact related to these provisions.

### **Other changes to the laws governing dental professionals**

The bill makes several changes to the laws governing dental professionals which should have no fiscal impact for the Dental Board. These changes include allowing applicants for a license to practice dentistry to complete an approved dental residency program as fulfillment of one of the requirements to obtain a license. The bill adds higher education programs that recruit students in the field of dentistry to the list of programs that are eligible for awards under the Ohio Innovation Partnership.

The bill also permits dental hygienists to provide services to patients when the supervising dentist is not present if the supervising dentist examined a patient within the last year, rather than the current limit of seven months, and allows a dentist to supervise four, rather than three, dental hygienists at one time. The bill reduces the amount of experience a dental hygienist needs to provide services when the supervising dentist is not present. The bill also allows a dental x-ray machine operator to perform radiologic procedures for a patient when the supervising dentist is not present if the dentist examined the patient within the previous year.

Additionally, the bill specifies circumstances under which dental hygienists, dental assistants, and expanded function dental auxiliaries may practice while a supervising dentist is not present and specifies additional procedures that are included in the scope of practice for an expanded function dental auxiliary. The bill also specifies that the coordinator of the Dental Board's quality intervention program may delegate certain duties to the Board's members or employees that the coordinator considers appropriate and changes the number of consecutive terms that Dental Board hearing referees or examiners may serve.