

Redbook

LBO Analysis of Executive Budget Proposal

Ohio State Dental Board

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February 2023

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LBO Redbook

Ohio State Dental Board

Quick look...

- The Ohio State Dental Board licenses about 39,000 dentists, dental hygienists, and related professions.
- The Board is governed by 13 members appointed by the Governor.
- As a regulatory agency, the Board is fully supported by fees and receives no GRF funding.
- Executive budget recommendations total approximately \$4.0 million over the biennium.
 - The proposed budget should allow the Board to maintain current operations.
 - Uses of the budget: 78% for personal services; 20% for supplies, maintenance, and equipment; and 2% for purchased personal services.

FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Introduced	FY 2025 Introduced
Fund 4K90 ALI 880609, Operating Expenses					
\$1,530,352	\$1,714,898	\$1,707,833	\$1,802,541	\$1,979,497	\$1,991,497
% change	12.1%	-0.4%	5.5%	9.8%	0.6%

Agency overview

The State Dental Board was established in 1892. The Board issues licenses to dentists and dental hygienists and assistants. The Board also issues a variety of certificates and permits related to the practice of dentistry. The Board sets standards for training, ethics, and the practice of dentistry and dental hygiene. The Board investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among its licensees and certificate holders.

The Board’s governing authority consists of 13 members appointed by the Governor, including nine dentists, three dental hygienists, and one public member. Members are appointed to four-year terms and may serve two terms. The Board’s daily operations are the responsibility of an executive director who is appointed by the 13-member governing authority. Including the Executive Director, the Board currently has ten employees. However, two positions are currently vacant, so when fully staffed the Board has 12 total positions.

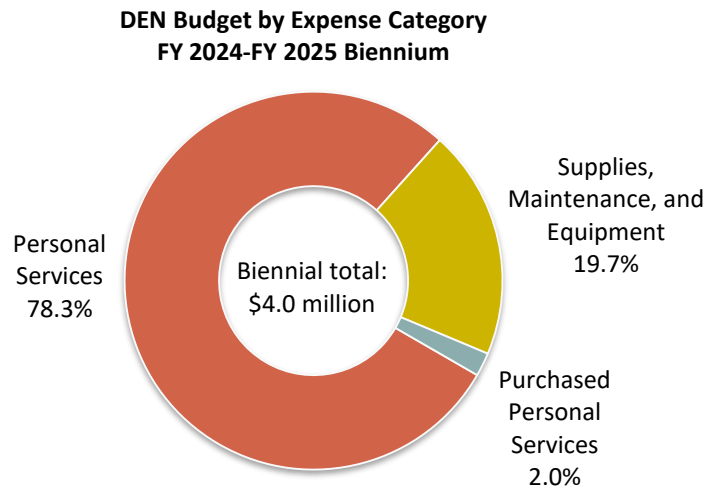
Analysis of FY 2024-FY 2025 budget proposal

The Board’s operations are funded by a single line item appropriation from the Dedicated Purpose Fund Group. Through this one line item, the Board pays all of its expenses. The budget provides \$1.98 million in FY 2024 and approximately \$1.99 million in FY 2025. At this time, the Board anticipates that this funding level should allow the Board to maintain service levels over the biennium and fill the two vacant positions. However, the Board will be responsible for making

adjustments to its licensing processes by January 1, 2025, as required by H.B. 509 of the 134th General Assembly (see page four for more details on H.B. 509). The Board is still determining the impacts associated with these adjustments.

Executive recommendations by expense category

As a regulatory agency, personal services is the largest expense category of the Board. As seen from the chart below, approximately 78.3% of the proposed budget for the biennium is for personal services; 19.7% for supplies, maintenance, and equipment; and 2.0% for purchased personal services.



Operating revenues and expenses

The Board issues several types of licenses and certificates. Table 1 below shows the current fees for licenses and certificates. Licenses issued by the Board are required to be renewed biennially. H.B. 509, which is described below, makes changes to the Board’s licensing and renewal fees beginning in January 1, 2025.

Table 1. Current License Fees by Type	
License Type	Fee
Dentists	
Initial License (odd-numbered years)	\$267
Initial License (even-numbered years)	\$454
License Renewal	\$312
General Anesthesia Permit*	\$127
Conscious Sedation Permit*	\$127
Oral Health Access Supervision Permit**	\$25
Limited Resident License	\$13

Table 1. Current License Fees by Type	
License Type	Fee
Limited Teaching License	\$127
Temporary Limited Continuing Education License	\$127
Renewal of Temporary Limited Continuing Education	\$94
Teledentistry Permit**	\$20
Dental Hygienists	
Initial License (odd-numbered years)	\$120
Initial License (even-numbered years)	\$184
License Renewal	\$144
Oral Health Access Supervision Permit**	\$25
Teacher's Certificate	\$73
Dental Assistant Radiographers**	\$32
Expanded Function Dental Auxiliary**	\$25
Coronal Polishing Certificate***	\$19
Temporary Volunteer Certificate	\$25

*These permits and certificates are renewed biennially; there is no fee for renewal.

**Initial and renewal fees are the same.

***This certificate is issued once and never expires.

A portion of licensure fee revenue received from dentists is transferred to the Ohio Department of Health (ODH) for the Dentist Loan Repayment Fund. For initial licenses issued in even-numbered years and renewals, \$40 is transferred, and for licenses issued in odd-numbered years, \$20 is transferred. The Dentist Loan Repayment Program, administered by ODH, reimburses dental students for all or part of tuition, room and board, and other educational expenses. In order to participate, students must go through an application process and agree to provide services in dental health resource shortage areas upon graduation from an accredited dental college. A similar program for dental hygienists is also administered by ODH. Of the license renewal fees for dental hygienists, \$10 is transferred to ODH for the Dental Hygienist Loan Repayment Program.

The remainder of the fee revenues collected by the Board are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90) to support the Board's operating costs. Many occupational licensing and regulatory boards and commissions, including the State Dental Board, use the fund as an operating account into which receipts are deposited and from which expenses are paid. Each licensing board or commission is generally expected to be self-sufficient, i.e., generating enough revenue to cover its expenses.

Table 2 below shows the Board's revenues and expenditures each year from FY 2017 through FY 2022, as well as the net of revenues less expenditures. Licenses issued by the Board are required to be renewed every two years, except for limited licenses, which are valid for a

specific period depending on the license. Currently, the Board has a staggered renewal cycle with dentist and hygienist licenses expiring on December 31 of each odd-numbered year and dental assistant radiographer licenses expiring on December 31 of each even-numbered year. However, H.B. 509, which is described below, makes a number of changes to the Board's licensing processes beginning in January 1, 2025.

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue	\$552,040	\$3,374,809	\$797,558	\$3,289,515	\$707,464	\$3,365,893
Expenses	\$1,507,730	\$1,597,994	\$1,526,234	\$1,530,352	\$1,714,898	\$1,707,833
Net	-\$955,690	\$1,776,815	-\$728,676	\$1,759,163	-\$1,007,434	\$1,658,060

Note: Data from the Ohio Administrative Knowledge System (OAKS).

H.B. 509 of the 134th General Assembly – licensing and renewal fee changes

Beginning January 1, 2025, H.B. 509 of the 134th General Assembly makes various changes to Board operations:

- Eliminates fee amounts that differ based on the year initial licenses were issued (odd-numbered year vs. even-numbered year) and provides for a single fee amount;
- Eliminates dates established in statute for license renewals and instead provides that each license is valid for a two-year period, expires two years after the date of issuance, and may be renewed for additional two-year periods;
- Sets the initial dental license fee at \$454, which is the current amount for licenses in an even-numbered year (eliminating the fee of \$267 in an odd-numbered year) and retains the current renewal fee;
- Removes a fee of \$20 of each initial license fee to be paid to the Dentist Loan Repayment Fund (Fund 5Z70) in odd-numbered years and instead requires the existing \$40 fee in even-numbered years to be paid to Fund 5Z70 out of all initial license fees;
- Sets the initial dental hygienist license fee at \$184 (eliminating the fee of \$120 in an odd-numbered year) and retains the current renewal fee of \$144; and
- Eliminates the dental hygienist teacher's certificate and the temporary volunteer's certificate beginning January 1, 2025.

Licensure

To carry out its regulatory responsibility, the Board establishes standards of practice and licenses and certifies qualified dental practitioners. Table 3 below shows the Board's active licenses between FY 2020 and FY 2021.

Table 3. Active Licenses* by Type, FY 2020-FY 2022

License Type	FY 2020	FY 2021	Percent Change	FY 2022	Percent Change
Dentists	7,156	7,487	4.6%	7,082	-5.4%
Dental Hygienists	8,265	8,742	5.8%	8,344	-4.6%
Dental Assistant Radiographers	16,505	18,521	12.2%	16,830	-9.1%
Limited Licenses**	395	415	5.1%	424	2.2%
Expanded Function Dental Auxiliary	2,834	3,127	10.3%	3,154	0.9%
Coronal Polishing Certificate	2,245	2,346	4.5%	2,517	7.3%
Oral Health Access Supervision Permits – Hygienist	101	104	3.0%	94	-9.6%
Oral Health Access Supervision Permits – Dentist	35	41	17.1%	38	-7.3%
Total	37,536	40,783	8.7%	38,483	-5.6%

*The Board also issues General Anesthesia and Intravenous Conscious Sedation permits, which are not included in the figures in this table. In total, there were over 625 of these two permits in FY 2022, about 700 in FY 2021, and about 775 in FY 2020.

**Includes Limited Residents, Limited Teaching, and Limited Continuing Education licenses.

The Board utilizes the online eLicensing system, which is administered through the Department of Administrative Services (DAS). Currently, the boards are assessed a charge for eLicensing operational costs. This charge is deposited into the Professionals Licensing System Fund (Fund 5JQ0), administered by DAS, and expended through line item 100658, Professionals Licensing System. In the proposed budget, funding for eLicensing will instead come from new Fund 4K90 line item 100673, Professionals Licensing System, which will also be under DAS. Thus, eLicensing operational costs will not be reflected directly in the board budgets, but will instead be directly billed out of this new line item. However, a board may still be directly assessed a charge for any unanticipated licensing upgrades or enhancements.

Oral Health Access Supervision Program

The Oral Health Access Supervision Program allows a dentist to authorize a dental hygienist to provide dental hygiene services in certain facilities, such as hospitals, schools, clinics, correctional institutions, and nursing homes provided that the dentist and dental hygienist qualify for the program and certain conditions are met. Each program participant must pay a \$25 application and biennial renewal fee. In FY 2022, there were 38 dentists and 94 dental hygienists participating in this program.

Investigations and enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, or impaired practitioners. The most common complaint has been for standards of care. Of the 449 complaints received in FY 2022, 306 involved standards of care. That year, some actions taken by the Board include entering into 13 consent agreements, suspending five licenses, and issuing 53 warning letters.

The Board is responsible for ensuring that infection control standards are being maintained in dental offices. Such standards include the appropriate use of hand washing, disinfection and sterilization of equipment, handling and disposal of needles or other sharp instruments, and wearing and disposal of gloves and other protective garments and devices. In FY 2022, the Board conducted 18 infection control evaluations.

Quality Intervention Program

The Board was the first dental board in the nation to implement a Quality Intervention Program (QUIP). QUIP allows the Board, with the assistance of a panel of experts, to address those cases the Board secretary believes involve licensees who engage in minor violations of the accepted standards of care for the profession. QUIP provides early intervention and remedial education services (at the licensee's expense), monitors the remediation process, and provides a means to efficiently review and follow up on complaints. Success is measured by documentation demonstrating that the licensee's skills are improved and that the licensee can safely and competently treat dental consumers. Since its inception in FY 2004, 70 dental practitioners have been referred to QUIP, 38 have participated, 25 have successfully completed, and ten were removed for violations of the participation agreement. The program does not have any current participants.

Continuing education

The Board requires continuing education (CE) for license renewal. CE consists of activities designed to review existing concepts and techniques, to convey information beyond basic dental education, and to update knowledge on advances in scientific and clinical practice-related subject matter. Requirements vary by license. Table 5 shows the current number of CE hours required every two years for license renewal.

License Type	Hours
Dentist	40
Dental Hygienists	24
Dental Assistant Radiographers	2

However, H.B. 509 also reduced the number of hours of continuing education required over each two-year license renewal period as follows: (1) to 30 hours (from 40 hours) for dentists, and (2) to 20 hours (from 24 hours) for dental hygienists. These provisions of the bill are effective on April 6, 2023.