

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Appropriations Subcommittee on Health and Human Services

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BILL: SB 716

INTRODUCER: Senator Hooper and others

SUBJECT: Dental Services

DATE: April 8, 2019

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Lloyd</u>	<u>Brown</u>	<u>HP</u>	<b>Favorable</b>
2.	<u>Loe</u>	<u>Kidd</u>	<u>AHS</u>	<b>Pre-meeting</b>
3.	_____	_____	<u>AP</u>	_____

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**I. Summary:**

SB 716 creates the Dental Student Loan Repayment Program for Florida-licensed dentists who practice in specific public health programs located in federally-designated dental health professional shortage areas (HPSAs) or medically underserved areas.

The bill creates the Donated Dental Services Program, which establishes a network of voluntary dentists and other dental providers for the purpose of providing comprehensive dental services at no cost to eligible individuals.

Implementation of the Dental Loan Student Repayment Program is contingent upon the availability of funds in the DOH, and if implemented, could have an indeterminate negative impact on state expenditures. Implementation of the Donated Dental Services Program will increase state expenditures from the General Revenue Fund by \$200,000. See Section V.

The bill is effective upon becoming a law.

**II. Present Situation:**

The Health Resources and Services Administration (HRSA) within the United States Department of Health and Human Services (HHS), is charged with, among other responsibilities, improving health care for individuals who are geographically isolated, or economically or medically vulnerable.<sup>1</sup> Four of the five HRSA goals focus on access to care through either building a healthy workforce or improvements in accessing quality care and services.<sup>2</sup>

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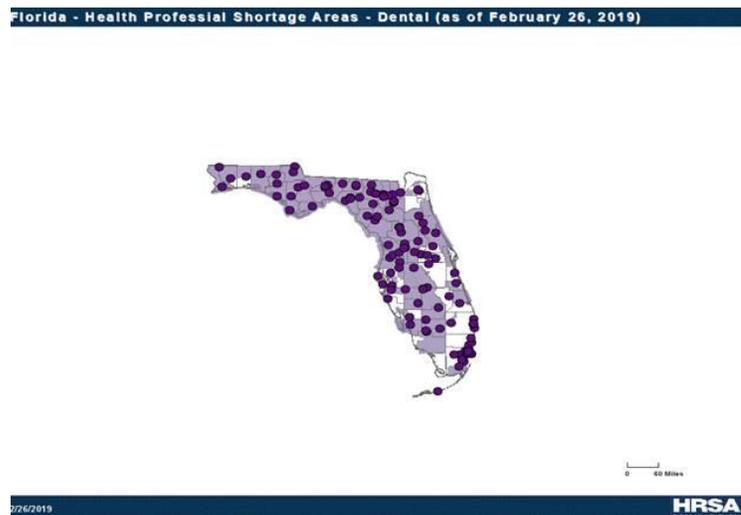
<sup>1</sup> U.S. Dep't of Health and Human Services, HRSA, *About HRSA*, <https://www.hrsa.gov/about/index.html> (last visited Feb. 26, 2019).

<sup>2</sup> *Id.*

## Health Professional Shortage Areas (HPSAs)

Health Professional Shortage Areas (HPSAs) are designated by the HRSA according to criteria developed in accordance with section 332 of the Public Health Services Act. HPSA designations are used to identify areas within the United States that are experiencing a shortage of health care professionals or have population groups who face specific barriers to health care. An HPSA can be a geographic area, a population group, or a health care facility. These areas have a shortage of health care professionals or have population groups who face specific barriers to health care.

There are three categories for a HPSA designation: (1) primary medical care; (2) dental; and (3) mental health. The map below shows the locations of the current dental HPSAs in Florida.<sup>3</sup>



The primary factor used to determine a HPSA designation is the number of health professionals relative to the population, with consideration of high need. State Primary Care Offices, usually located within a state's main health agency, apply to HRSA for most designations of HPSAs in their states. HRSA will review provider-level data, whether providers are actively engaged in clinical practice, if a provider has any additional practice locations, the number of hours served at each location, the populations served, and the amount of time that a provider spends with specific populations.<sup>4</sup> Primary care and mental health HPSAs can receive a score up to 25 points and dental health can receive a score up to 26 points.<sup>5</sup>

Three scoring criteria are common across all disciplines HPSA (primary care medical, dental, and mental health):

- The population to provider ratio;

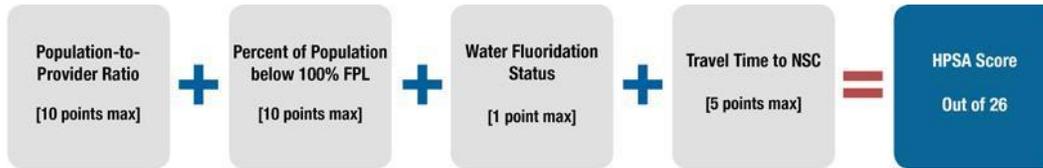
<sup>3</sup> Map generated based on information held in the U.S. Dep't of Health and Human Services, HRSA Data Warehouse, *Dental Health Professional Shortage Areas (HPSAs) Primary Dataset*, <https://datawarehouse.hrsa.gov/Tools/DataPortalResults.aspx> (results last generated on Feb. 26, 2019).

<sup>4</sup> U.S. Dep't of Health and Human Services, HRSA Health Workforce, *Health Professional Shortage Area (HPSA) Shortage Application and Scoring Process*, Shortage Designation Management System, <https://bhw.hrsa.gov/shortage-designation/application-scoring-process> (last visited Feb. 26, 2019).

<sup>5</sup> U.S. Dep't of Health and Human Services, HRSA Health Workforce, *Health Professional Shortage Area (HPSA) Shortage Application and Scoring Process*, <https://bhw.hrsa.gov/shortage-designation/hpsa-process> (last visited Feb. 26, 2019)

- The percentage of the population below 100 percent of the federal poverty level;<sup>6</sup> and
- The travel time to the nearest source of care outside of the HPSA designation.<sup>7</sup>

The dental scoring system also reviews the water fluoridation status of the areas. The components of the dental scoring system are then calculated using the points system shown below to arrive at a total score of up to 26 points.<sup>8</sup>



*Automatic Designations as HPSAs*

Certain facilities are automatically designated as HPSAs based either on statute or regulations which govern shortages or the type of facility. For example, federally qualified health centers (FQHCs) have a different scoring structure. These facilities may often have multiple sites under one organization. In those instances, the scores of all the related organizations are averaged together to attain a single score for the overall organization.<sup>9</sup> Rural Health Clinics (RHCs) submit a Certificate of Eligibility form.<sup>10</sup> The form requires the RHC to include its RHC Certification letter from the federal Centers for Medicare and Medicaid Services, a copy of its sliding fee scale, agreement to accept Medicare beneficiaries, Medicaid, and CHIP patients, and to make every effort to collect patient fees.<sup>11</sup>

*HRSA Workforce Programs*

The HRSA’s workforce programs are designed to strengthen and improve the health care workforce and to connect skilled professionals to communities in need. The HRSA’s Bureau of Health Workforce (BHW) supports workforce training and seeks to expand the availability of clinicians in high-need areas, including in urban, rural, and frontier locations.<sup>12</sup> To determine the state’s need, the chart below illustrates Florida’s dental practitioner status, including the percentage of current need that is being met for Florida’s dental HPSA compared to data nationwide.

<sup>6</sup> For a family of 4, the maximum income at 100 percent of the federal poverty level is approximately \$25,750 annually. The 2019 federal Health and Human Services income guidelines can be found at <https://aspe.hhs.gov/poverty-guidelines>.

<sup>7</sup> U.S. Dep’t of Health and Human Services, *supra*, note 5.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> U.S. Dep’t of Health and Human Services, HRSA Health Workforce, *Certificate of Eligibility as an Automatic HPSA*, <https://bhw.hrsa.gov/sites/default/files/bhw/shortagedesignation/BHW%20Certificate%20of%20Eligibility%20Form%20%2810.20.16%29%20v%200.1.3.pdf> (last visited Feb. 26, 2019).

<sup>11</sup> *Id.*

<sup>12</sup> U.S. Dep’t of Health and Human Services, HRSA, *HRSA Fact Sheet – FY 2018 – Florida*, <https://data.hrsa.gov/data/fact-sheets> (last visited Feb. 26, 2019).

Florida’s Dental HPSA Snapshot Compared to National Data <sup>13, 14</sup>							
Number of Sites in Designations <i>(geographic area, population group, or facility)</i>		Population Covered by Designation <i>Low income population 200 percent FPL</i>		Number of Practitioners Needed Projected - 2025 <sup>15</sup>		Percent of Projected Need Met – 2025	
<i>Nat’l</i>	<i>FL</i>	<i>Nat’l</i> <sup>16</sup>	<i>FL</i>	<i>Nat’l</i>	<i>FL</i>	<i>Nat’l</i>	<i>FL</i>
5,732	235	20,501,816	1,420,551	28,100	1,152	35.28%	13.28%

According to a February 2015 HRSA study of the dental workforce, all 50 states and the District of Columbia will face a shortage of dentists by 2025. At the national level, the demand for dentists shows a ten percent increase over the need from 2012, from 197,800 to 218,200.<sup>17</sup> Florida has the second highest level of projected demand, behind only California, with 1,152 dentists needed by 2025.<sup>18</sup>

Multiple national surveys of dentists since the 1950s through today have found significant shifts in the demographics of dentists. For example:<sup>19</sup>

- In the 1980s, less than 3 percent of the dental workforce were women. Today, women represent 27 percent of the dental workforce.
- In 1975, less than 10 percent of all working dentists worked part-time. Today, an estimated 14 percent of all working dentists in private practice and 12 percent of all dentists work part-time.
- In 1950, only 0.5 percent of all dentists were employed by another dentist; however, from 2007-2009 almost 17 percent of all active dentists were employees. Among private practitioners, 44 percent of dentists were employees.
- In 1970, less than 10 percent of all active dentists were specialists. Today, approximately 22 percent of dentists are specialists.
- In 1975, the profile of a dentist indicated someone who was generally younger than age 45 and male (98 percent). Today, 42 percent of dentists are at least 55 years of age with only 31 percent younger than 45 years of age.

<sup>13</sup> *Id.*

<sup>14</sup> U.S. Dep’t of Health and Human Services, HRSA, *HRSA Fact Sheet – FY 2018 – Nation*, <https://data.hrsa.gov/data/fact-sheets> (last visited Feb. 26, 2019).

<sup>15</sup> U.S. Dep’t of Health and Human Services, HRSA, *National and State-Level Projections of Dentists and Dental Hygienists in the U.S., 2012-2025 (February 2015)*, <https://bhwa.hrsa.gov/sites/default/files/bhw/nchwa/projections/nationalstatelevelprojectionsdentists.pdf> (last visited Feb. 27, 2019).

<sup>16</sup> U.S. Dep’t of Health and Human Services, HRSA, *Shortage Areas*, <https://data.hrsa.gov/data/fact-sheets> (last visited Feb. 26, 2019).

<sup>17</sup> U.S. Dep’t of Health and Human Services, *supra* note 15.

<sup>18</sup> *Id.*

<sup>19</sup> Eric Soloman, DDS, MA, *Dental workforce trends and the future of dental practices*, DENTAL ECONOMICS <https://www.dentaleconomics.com/articles/print/volume-105/issue-2/macroeconomics/dental-workforce-trends-and-the-future-of-dental-practices.html> (last visited Feb. 27, 2018).

## Medically Underserved Area

Medically Underserved Areas (MUAs) are also designated by the HRSA. These areas are designated using one of three methods and can consist of a whole county, a group of contiguous counties, or census tracts having too few health care providers, high infant mortality or poverty rates, or a high elderly population.<sup>20</sup> Nationally, there are 3,581 such designated areas, with 128 designated in Florida.<sup>21</sup>

The first method, the Index of Medical Underservice (IMU), calculates a score based on the ratio of primary medical care physicians per 1,000 in population, percentage of the population with incomes below the federal poverty level, infant mortality rate, and percentage of population aged 65 or older.<sup>22</sup>

The second method, Medically Underserved Populations (MUP), is based on data collected under the MUA process and reviews the ratio of primary care physicians serving the population seeking the designation. A MUP is a group of people who encounter economic or cultural barriers to primary health care services.<sup>23</sup>

The third process, Exceptional MUP Designations, includes those population groups that do not meet the criteria of an IMU but may be considered for designation because of unusual conditions with a request by the governor or another senior executive level official and a local state health official.<sup>24</sup>

## The Dental Workforce

The Health Policy Institute (HPI) for the American Dental Association (ADA) recently updated its estimates on the future supply of dentists and concluded Florida's per capita supply of dentists is projected to increase through 2035.<sup>25</sup> The unadjusted number of dentists per 100,000 in population increases from 52.0 in 2015 to 56.9 in 2035.<sup>26</sup> The per capita calculation performed in this report is a headcount of total dentists in comparison to the state's total population. The study was based on a headcount of 10,781 dentists and a state population of 20.6 million.

One drawback to a per capita count of dentists is that the study does not consider the location of the providers and any access to care issues in particular regions or the needs of special populations. For example, a shortage could be only for participation by dental health providers in

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<sup>20</sup> U.S. Dep't of Health and Human Services, HRSA Health Workforce, *Medically Underserved Areas and Populations (MUA/Ps)*, <https://bhw.hrsa.gov/shortage-designation/muap> (last visited Feb. 28, 2019).

<sup>21</sup> U.S. Dep't of Health and Human Services, HRSA, *Shortage Areas*, <https://data.hrsa.gov/topics/health-workforce/shortage-areas> (last visited Feb. 27, 2019).

<sup>22</sup> U.S. Dep't of Health and Human Services, HRSA, *Shortage Designation*, <https://bhw.hrsa.gov/shortage-designation/muap-process> (last visited Feb. 27, 2019).

<sup>23</sup> *Supra* note 24.

<sup>24</sup> *Id.*

<sup>25</sup> American Dental Association, Health Policy Institute, *Projected Supply of Dentists: Florida*, <https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/ProjectedSupplyofDentists/Florida-Projected-Supply-of-Dentists.pdf?la=en> (last visited Feb. 27, 2019).

<sup>26</sup> *Id.*

public programs such as Medicaid and the Children’s Health Insurance Program (CHIP), two programs that serve high numbers of children and families from low and moderate income families. Florida’s dental provider participation rate in these public programs is 30 percent while the national average is 39 percent.<sup>27</sup> The HPI’s data indicates that 96 percent of publicly insured children live within 15 minutes of a Medicaid dentist.<sup>28</sup>

The chart below shows the current national participation rate by dental providers by type of provider.

<b>Type of Provider</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<i>National %</i>	<i>% Public Assistance</i>	<i>% Public Assistance</i>	<i>% Public Assistance</i>
General Practitioner	36.4%	37.3%	32.9%
Specialists	35.5%	41.4%	33.5%
All Dentists	36.2%	38.2%	33.1%

Most dentists practice in general dentistry (157,676 dentists) followed by orthodontics as a distant second (10,779).<sup>30</sup> In many rural communities, the county health department may be the primary provider of health care services, including dental care. According to the Department of Health (DOH), Florida’s current designated dental HPSAs have only enough dentists to serve 13.22 percent of the population living within them.<sup>31</sup> According to the DOH, there are seven currently vacant dentist positions in the DOH itself.<sup>32</sup> As of December 31, 2018, HRSA estimated that 1,266 additional dentists were required to meet the state’s total need and eliminate the state’s shortage.<sup>33</sup>

The ADA has also studied this issue and found that while there may be a sufficient number of dentists overall for the state’s population or the national population, there may be an inadequate number available for certain populations or geographic areas.<sup>34</sup> Children are acutely affected by

<sup>27</sup> American Dental Association, *Dentist Participation in Medicaid or CHIP*, [https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIGraphic\\_0318\\_1.pdf?la=en](https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIGraphic_0318_1.pdf?la=en) (last visited Feb. 27, 2019).

<sup>28</sup> Health Policy Institute, American Dental Association, *Geographic Access to Dental Care: Florida*, <https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/AccessToDentalCare-StateFacts/Florida-Access-To-Dental-Care.pdf> (last visited Feb. 27, 2019).

<sup>29</sup> Health Policy Institute, American Dental Association, *Dental Practice – 2017 Characteristics of Private Dental Practice – Table 4 – Percentage of Dentists’ Practices That Had Any Patients Covered by Public Assistance, 1990-2017* (January 2016), <http://www.ada.org/en/science-research/health-policy-institute/data-center/dental-practice> (last visited Feb. 28, 2019).

<sup>30</sup> American Dental Association, *Supra*, note 29.

<sup>31</sup> U.S. Dep’t of Health and Human Services, Bureau of Health Workforce – HRSA, *Designated Health Professional Shortage Areas Statistics* (as of December 31, 2017), [https://ersrs.hrsa.gov/ReportServer?/HGDW\\_Reports/BCD\\_HPSA/BCD\\_HPSA\\_SCR50\\_Qtr\\_Smry\\_HTML&rc:Toolbar=false](https://ersrs.hrsa.gov/ReportServer?/HGDW_Reports/BCD_HPSA/BCD_HPSA_SCR50_Qtr_Smry_HTML&rc:Toolbar=false) (last visited Feb. 28, 2019).

<sup>32</sup> E-Mail from Bryan Wendell, Office of Legislative Planning, Florida Dep’t. of Health, (Feb. 27, 2019) (on file with the Senate Committee on Health Policy).

<sup>33</sup> U.S. Dep’t of Health and Human Services, HRSA, *Shortage Areas – Explore MUSAs Dashboard-Florida*, <https://data.hrsa.gov/topics/health-workforce/shortage-areas> (report last generated Feb. 28, 2019).

<sup>34</sup> Bradley Munson, B.A., and Marko Vujcic, Ph.D.: Health Policy Institute Research Brief, American Dental Association, *Supply of Dentists in the United States Likely to Grow*, p.2. (October 2014)

the shortage of dentists to serve low-income patients. For example in Florida for federal fiscal year 2016, 37.6 percent of Medicaid-enrolled children and 42.8 percent of CHIP-enrolled children received preventive dental services.<sup>35</sup> For Medicaid, this was an increase from 2012, when only 26 percent of Medicaid-enrolled children received at least one dental care service.<sup>36</sup>

### ***Medicaid***

In 2011, the Legislature passed HB 7107<sup>37</sup> creating the Statewide Medicaid Managed Care (SMMC) program as part IV of ch. 409, F.S. The program has two primary components: Managed Medical Assistance (MMA) and Long-Term Care Managed Care (LTCMC). To implement MMA, the law required the AHCA to create an integrated managed care program for the delivery of Medicaid primary and acute care services, including dental. Medicaid recipients who are enrolled in MMA initially received their dental services and other medical services through the same managed care plan. With the recent re-procurement of the SMMC contracts, the dental benefits were carved out of the MMA contracts and separately procured. Three statewide SMMC dental plans were selected as a result of that procurement: Managed Care of North America (MCNA), DentaQuest of Florida, and Liberty Dental Plan.

Medicaid dental benefits are currently being delivered to recipients in MMA, fee-for-service reimbursement systems, iBudget waiver participants, and Medically Needy enrollees under the separately procured dental contracts.<sup>38</sup> Preexisting enrollees were required to select a dental plan as their regions were implemented, starting in December 2018. Most dental services are designated as a required benefit only for Medicaid recipients under age the age of 21; however, the dental plans are also providing adult benefits at no extra cost to the state.<sup>39</sup>

### ***Future Outlook for Dentists***

According to the United States Department of Labor, Bureau of Labor Statistics, the occupational outlook for dental students is growing much faster than the average for other occupations for the time period between 2016 through 2026, and an estimated 29,300 additional jobs are anticipated during this same time period.<sup>40</sup> Florida has one metropolitan area in the top 10 list of highest paying areas for dentists: Sebring, which pays an annual median wage of

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[http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief\\_1014\\_1.ashx](http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief_1014_1.ashx) (last visited Feb. 27, 2019).

<sup>35</sup> Brishke, J., Gaskins, J., and Shenkman, B., *Florida KidCare: The Florida KidCare Program Evaluation Calendar Year 2016* (Dec. 1 2017), p. 141,

[http://ahca.myflorida.com/medicaid/Policy\\_and\\_Quality/Quality/performance\\_evaluation/MER/contracts/med147/FL\\_KidCare\\_MED147\\_Deliverable\\_66\\_12-2017\\_Final.pdf](http://ahca.myflorida.com/medicaid/Policy_and_Quality/Quality/performance_evaluation/MER/contracts/med147/FL_KidCare_MED147_Deliverable_66_12-2017_Final.pdf) (last visited Feb. 27, 2019).

<sup>36</sup> Agency for Health Care Administration, *Statewide Medicaid Managed Care Dental Program Overview Presentation* (October 2018), Slide 8, [https://ahca.myflorida.com/Medicaid/statewide\\_mc/pdf/SMMC\\_Dental\\_Overview.pdf](https://ahca.myflorida.com/Medicaid/statewide_mc/pdf/SMMC_Dental_Overview.pdf) (visited Feb. 27, 2019).

<sup>37</sup> See chapter 2011-134, Laws of Fla.

<sup>38</sup> Agency for Health Care Administration, *Statewide Medicaid Managed Care Dental Program Overview Presentation* (October 2018), Slides 21-30, [https://ahca.myflorida.com/Medicaid/statewide\\_mc/pdf/SMMC\\_Dental\\_Overview.pdf](https://ahca.myflorida.com/Medicaid/statewide_mc/pdf/SMMC_Dental_Overview.pdf) (visited Feb. 27, 2019).

<sup>39</sup> AHCA, Invitation to Negotiate 012-17/18 (Oct. 16, 2017). A copy of the ITN can be downloaded from [http://www.myflorida.com/apps/vbs/vbs\\_www.ad\\_r2.view\\_ad?advertisement\\_key\\_num=137442](http://www.myflorida.com/apps/vbs/vbs_www.ad_r2.view_ad?advertisement_key_num=137442) (last visited Feb. 27, 2019). See also Chapter 2016-109, Laws of Fla.

<sup>40</sup> U.S. Dep't of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook – Dentists*, <https://www.bls.gov/ooh/healthcare/dentists.htm#tab-1> (last visited Feb. 27, 2019).

\$269,300.<sup>41</sup> Below is a chart comparing the mean annual wages of different types of dentists nationally and for Florida.

Comparison of Dental Professions by Mean Annual Wages – May 2017		
Dental Profession Type	Mean National Annual Wage	Mean State Annual Wage
Dentist, generally <sup>42</sup>	\$176,630	\$166,610
Oral & Maxillofacial Surgeons <sup>43</sup>	\$242,740	\$288,450
Orthodontists <sup>44</sup>	\$229,380	\$221,990
Dentists, all other specialists <sup>45</sup>	\$199,980	\$166,610

Wages can vary dramatically depending on the setting in which the provider is located. Generally, a provider located in a private office setting has higher wages, for example, an annual wage of \$176,630, while a dentist located in a hospital setting or in the office of another health care practitioner who is not a dentist, might have a significantly lower average annual wage, from \$138,480 to \$132,990.<sup>46</sup>

### The Cost of Dental Education

According to a survey of dental school students, the average debt for graduates in 2017 was \$287,337,<sup>47</sup> a 72 percent increase in the last decade.<sup>48</sup> Over 30 percent of the Class of 2016 reported student loan debt in excess of \$300,000.<sup>49</sup> For the Class of 2018, 40 percent of the graduates reported a student loan debt greater than \$300,000.<sup>50</sup>

For in-state tuition at a state university, such as the University of Florida, one year's tuition is currently \$41,720 and non-residents pay \$68,202. When housing, books, and other costs are included, three or four years of dental school tuition can result in a total dental school bill ranging from \$226,042 to \$291,836.<sup>51</sup> In comparison, a northern private school's tuition is listed at \$73,364 per year and with other supplies, housing and fees, the total estimated costs over four years for 2018-2019 would be \$463,490.<sup>52</sup>

<sup>41</sup> U.S. Dep't of Labor, Bureau of Labor Statistics, *Occupational Employment Statistics, May 2017 (Florida)*, <https://www.bls.gov/oes/current/oes291021.htm#st> (last visited Feb. 27, 2019).

<sup>42</sup> U.S. Dep't of Labor, Bureau of Labor Statistics, *Occupational Employment and Wages, May 2017, Dentists, General*, <https://www.bls.gov/oes/current/oes291021.htm#st> (last visited Feb. 27, 2019).

<sup>43</sup> *Id.*

<sup>44</sup> *Id.*

<sup>45</sup> U.S. Dep't of Labor, Bureau of Labor Statistics, *Occupational Employment and Wages, May 2017, Dentists, All Other Specialists*, <https://www.bls.gov/oes/current/oes291029.htm#st> (last visited Feb. 27, 2019).

<sup>46</sup> *Supra* note 46.

<sup>47</sup> American Student Dental Education Association, *Dental Student Debt*, <https://www.asdanet.org/index/get-involved/advocate/issues-and-legislative-priorities/Dental-Student-Debt> (last visited Feb. 27, 2019).

<sup>48</sup> American Student Dental Education Association, *Paying for Dental School*, <https://www.asdanet.org/index/get-into-dental-school/before-you-apply/paying-for-dental-school>, (last visited Feb. 27, 2019).

<sup>49</sup> American Dental Education Association, *Education Debt*, [http://www.adea.org/GoDental/Money\\_Matters/Educational\\_Debt.aspx#sthash.rYlqVawm.dpbs](http://www.adea.org/GoDental/Money_Matters/Educational_Debt.aspx#sthash.rYlqVawm.dpbs) (last visited Feb. 27, 2019).

<sup>50</sup> *Id.*

<sup>51</sup> University of Florida, Office of Admissions – College of Dentistry, *Budgets & Costs of Attendance: DMD*, <http://admissions.dental.ufl.edu/financial-aid-2/d-m-d/budgets-cost-of-attendance-d-m-d/> (last visited Feb. 27, 2019).

<sup>52</sup> Tufts School of Dental Medicine, *Financial Aid Application Forms and Costs of Attendance for D.M.D. and D.I.S. Programs*, <https://dental.tufts.edu/academics/financial-aid/forms-and-costs-dmd-and-dis-programs> (last visited Feb. 27, 2019).

In 2013, Congress enacted the Bipartisan Student Loan Certainty Act of 2013 (Public Law 113-28) that tied certain student loan interest rates to the 10-year Treasury Note plus 2.05 percent for undergraduates. For graduate and professional student loans, the interest rate is tied to the 10-year Treasury note plus 3.6 percent but may not exceed 9.5 percent in any given year.<sup>53</sup>

In June 2014, through a Presidential Memorandum, President Barack Obama directed the Secretary of Education to propose final regulations to allow additional students with student loan debt to cap their payments at 10 percent of their income, by December 31, 2015.<sup>54</sup> The Presidential Memorandum called the plan the “*Pay as You Earn Plan*.”<sup>55</sup> President Obama’s memorandum also called for the Secretary to improve communication with vulnerable borrowers to help with loan rehabilitation, to encourage support and awareness of repayment options during tax filing season, and to promote collaboration between students and their families to ensure better borrowing decisions.<sup>56</sup> Two years after President Obama announced his debt relief plan, Florida had over 826,000 federal student loan borrowers with 188,613 borrowers enrolled in the *Pay as You Earn* or other income driven payment plans. The state had a total student federal loan debt outstanding of \$23.9 billion.<sup>57</sup>

Loan forgiveness is also one of the top priorities of the American Student Dental Association (ASDA). Listed among the organization’s priorities is for Congress and state legislatures to pass measures that include loan forgiveness, scholarship opportunities, and tax deductions or rebates for students that agree to practice in underserved areas after graduation.<sup>58</sup>

Florida does not have a current state program to address the dental health professional shortage areas or medically underserved areas.

### **Florida Health Services Corps**

In 1992, the Legislature created the Florida Health Services Corps (FHSC), administered by the DOH, to encourage medical professionals to practice in locations that are underserved because of a shortage of qualified professionals.<sup>59</sup> The FHSC was defined<sup>60</sup> as a program that offered scholarships to allopathic, osteopathic, chiropractic, podiatric, dental, physician assistant, and nursing students, and loan repayment assistance and travel and relocation expenses to allopathic and osteopathic residents and physicians, chiropractic physicians, podiatric physicians, nurse practitioners, dentists, and physician assistants, in return for service in a public health care

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<sup>53</sup> Bipartisan Student Loan Certainty Act of 2013, Pub. L. No. 113-28, §2, 127 Stat. 506, 506 (2013).

<sup>54</sup> *Id.*

<sup>55</sup> The White House, Office of the Press Secretary, *Presidential Memorandum - Federal Student Loan Repayments* (June 9, 2014) <https://www.whitehouse.gov/the-press-office/2014/06/09/presidential-memorandum-federal-student-loan-repayments> (last visited Feb. 27, 2019).

<sup>56</sup> The White House, Office of the Press Secretary, *Presidential Memorandum – Federal Student Loan Repayments* (June 9, 2014) <https://obamawhitehouse.archives.gov/the-press-office/2014/06/09/presidential-memorandum-federal-student-loan-repayments> (last visited Feb. 27, 2019).

<sup>57</sup> Jason Furman, Sandra Black, The White House, Office of Press Secretary, *Six Recent Trends in Student Debt* (April 28, 2016), <https://obamawhitehouse.archives.gov/blog/2016/04/28/six-recent-trends-student-debt> (last visited Feb. 27, 2018).

<sup>58</sup> American Student Dental Education Association, *supra* note 37.

<sup>59</sup> Chapter 92-33, s. 111, Laws of Fla. (creating s. 381.0302, F.S., effective July 1, 1992).

<sup>60</sup> Section 381.0302(2)(b)1., F.S. (2011).

program<sup>61</sup> or in a medically underserved area.<sup>62</sup> Membership in the FHSC could be extended to any health care practitioner who provided uncompensated care to medically indigent patients.<sup>63</sup> All FHSC members were required to enroll in Medicaid and to accept all patients referred by the DOH pursuant to the program agreement.<sup>64</sup> In exchange for this service, an FHSC member was made an agent of the state and granted sovereign immunity under s. 768.28(9), F.S., when providing uncompensated care to medically indigent patients referred for treatment by the DOH.<sup>65</sup>

The statute authorized the DOH to provide loan repayment assistance and travel and relocation reimbursement to allopathic and osteopathic medical residents with primary care specialties during their last two years of residency training or upon completion of residency training, and to physician assistants and nurse practitioners with primary care specialties, in return for an agreement to serve a minimum of two years in the FHSC. During the period of service, the maximum amount of annual financial payments was limited to no more than the annual total of loan repayment assistance and tax subsidies authorized by the National Health Services Corps (NHSC) loan repayment program.<sup>66</sup>

During the 20 years the program was authorized by law, it was funded only three times. A total of \$3,684,000 was appropriated in three consecutive state fiscal years beginning with the 1994-1995 fiscal year for loan assistance payments to all categories of eligible health care practitioners. Of that amount, \$971,664 was directed to 18 dentists for an average award of \$25,570 per year of service in the program.<sup>67</sup> The 2007 Legislature attempted to reinvigorate the program by appropriating \$700,000 to fund loan repayment assistance for dentists only.<sup>68</sup> However, the appropriation and a related substantive bill were vetoed.<sup>69</sup> The Legislature repealed the program in 2012.<sup>70</sup>

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<sup>61</sup> “Public health program” was defined to include a county health department, a children’s medical services program, a federally funded community health center, a federally funded migrant health center, or other publicly funded or nonprofit health care program designated by the department. Section 381.0302(2)(e), F.S. (2011).

<sup>62</sup> “Medically underserved area” was defined to include: a geographic area, a special population, or a facility that has a shortage of health professionals as defined by federal regulations; a county health department, community health center, or migrant health center; or a geographic area or facility designated by rule of the department that has a shortage of health care practitioners who serve Medicaid and other low-income patients. Section 381.0302(2)(c), F.S. (2011).

<sup>63</sup> “Medically indigent person” was defined as a person who lacks public or private health insurance, is unable to pay for care, and is a member of a family with income at or below 185 percent of the federal poverty level. Section 381.0302(2)(d), F.S. (2011).

<sup>64</sup> Section 381.0302(10), F.S. (2011).

<sup>65</sup> Section 381.0302(11), F.S. (2011).

<sup>66</sup> Section 381.0302(6), F.S. (2011).

<sup>67</sup> E-mail from Karen Lundberg, Florida Dept. of Health, to Joe Anne Hart, Florida Dental Association (Sept. 16, 2005) (on file with the Senate Committee on Health Policy).

<sup>68</sup> Chapter 2007-72, Laws of Fla. The funding was contained in Specific Appropriations 677A of the General Appropriation Act, but later vetoed pursuant to the Governor’s line item veto authority.

<sup>69</sup> *Journal of the Florida Senate*, at 3 (June 12, 2007).

<sup>70</sup> Chapter 2012-184, s. 45, Laws of Fla.

**National Health Service Corps (NHSC)**

The NHSC programs provide scholarships and educational loan repayment to primary care providers<sup>71</sup> who agree to practice in areas that are medically underserved and are located in selected HPSAs. The chart below shows the different loan programs that dental students may be eligible for based on where the participant is placed (HPSA score) and whether the participant provides full (40 hours per week) or part-time (20 hours per week) service.

<b>Federal Loan Programs Applicable for Dental Students – National Health Services Corps (NHSC)</b>				
<b>Program Name</b>	<b>Time Commitment</b>	<b>Maximum Amount</b>	<b>Service Commitment Locations</b>	<b>Additional Time</b>
Loan Repayment Program (LRP) <sup>72,73</sup>	2 years	Vary based on where placed Range: \$30,000 - \$50,000 (Full-time) \$15,000- \$25,000 – (Part-time)	NHSC approved sites in HPSAs	Option to annually renew after 2 years
Student to Service LRP <sup>74</sup>	Students in last year of school must commit to serve 3 years	Up to \$120,000	At an HPSA of greatest need	Option to annually renew after 3 year commitment to pay off loan remainder
Public Service Loan Forgiveness <sup>75</sup>	120 qualifying on-time loan payments <sup>76</sup>	Forgiveness of remainder of qualified federal loan	Qualified public service employment while making 120 loan payments	Remainder of qualified federal loan amounts forgiven at end of 120 payments

All of the NHSC programs require an application process. Some require a background check depending on the setting, and all require that the applicant be:

- A U.S. Citizen or U.S. National;

<sup>71</sup> Primary care physicians, nurse practitioners, certified nurse midwives, physician assistants, dentists, dental hygienists, and behavioral and mental health providers, including health service psychologists, licensed clinical social workers, marriage and family therapists, psychiatrist nurse specialists, and licensed professional counselors.

<sup>72</sup> The definition of part-time and full-time vary by discipline. The guidelines for both can be found in the *Fiscal Year 2018 Application and Program Guidance (March 2018)* beginning on pg. 24, <https://nhsc.hrsa.gov/downloads/loan-repayment/nhsc-LRP-application-program-guidance.pdf> (last viewed Feb. 28, 2019).

<sup>73</sup> U.S. Dep’t. of Health and Human Services, *Loan Repayment Program - Fiscal Year 2019 Application and Program Guidance* (December 2018) <https://nhsc.hrsa.gov/sites/default/files/NHSC/loan-repayment/lrp-application-guidance.pdf> (last viewed Feb. 27, 2019).

<sup>74</sup> U.S. Dep’t of Health and Human Services, HRSA, *Loan Repayment – NHSC Loan Repayment Program*, <https://www.nhsc.hrsa.gov/loanrepayment/index.html> (last visited Feb. 27, 2019).

<sup>75</sup> 34 CFR § 685.219. A qualifying public employer is a government organization at any level (federal, state, local, or tribal), not-for-profit organizations that are tax exempt under Section 501(c)(3) of the Internal Revenue Code, or other types of not-for-profit organizations that provide certain types of qualifying public services.

<sup>76</sup> 34 CFR § 685.219(c)(1)(iii). To qualify for public service loan forgiveness, a borrower must make 120 separate on-time monthly payments after October, 1, 2007, on eligible Direct Subsidized, Unsubsidized, PLUS, or Consolidation student loans that are part of either an income-based repayment plan or income contingent repayment plan; a standard repayment plan; or, except for the alternative repayment plan, any other repayment plan if the monthly payment amount is not less than what would have been paid under the Direct Loan standard repayment plan. Except for borrowers in an AmeriCorps or Peace Corps position, or any other student loan administered by the Department of Defense, a payment is considered on-time if it is made within 15 days of the scheduled due date for the full scheduled installment amount.

- Eligible to participate in the Medicare, Medicaid, and the State Children’s Health Insurance Program, as appropriate; and
- Fully trained and licensed to practice in the NHSC-eligible primary care medical, dental, or mental/behavioral health discipline for which the applicant seeks approval.

Additionally, the applicant must:

- Have unpaid student loans, taken before application to the NHSC’s Loan Repayment Program to support undergraduate or graduate education and
- Be working at or have accepted an offer of employment at an NHSC-approved site by the designated date (date determined each year).<sup>77</sup>

The NHSC-approved sites are community-based health care facilities that provide comprehensive outpatient, ambulatory, and primary health care services. Eligible dental facilities must be located in a dental HPSA and offer comprehensive primary dental health services. NHSC-approved sites (with the exception of correctional facilities and free clinics) are required to provide services free or on a sliding fee scale (SFS) or discounted fee schedule for low-income individuals.

Participants may be eligible to continue loan repayment beyond the initial term. If a participant breaches his or her loan repayment agreement, he or she will be subject to monetary damages, which are the sum of the amount of assistance received by the participant representing any period of obligated service not completed, a penalty, and interest. As of February 28, 2019, there were 42 full-time-equivalent NHSC dentists in Florida in the loan repayment program, all of which are located at federally qualified health centers.<sup>78</sup>

The State Loan Repayment Program (SLRP) offers cost-sharing grants to states to operate their own state educational loan repayment programs for primary care providers, including dental professionals, working in HPSAs within the state. The SLRP varies from state to state and may differ in eligible categories of providers, practice sites, length of required service commitment, and the amount of loan repayment assistance offered. However, there are certain statutory requirements SLRP grantees must meet. There is a minimum two-year service commitment with an additional one-year commitment for each year of additional support requested. Any SLRP program participant must practice at an eligible site located in a federally-designated HPSA.

In addition, the SLRP requires a \$1 state match for every \$1 provided under the federal grant. While the SLRP does not limit award amounts, the maximum award amount per provider that the federal government will support through its grant is \$50,000 per year, with a minimum service commitment of two years. Florida does not currently participate in the SLRP.

Several other federal loan repayment programs are open to most borrowers, including dental, that have certain post-graduate working conditions such as a requirement to work as a faculty member at an approved health institution, as a biomedical researcher, as a provider at an Indian

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<sup>77</sup> National Health Services Corps, Loan Repayment Program, *Eligibility*, <https://nhsc.hrsa.gov/loan-repayment/nhsc-loan-repayment-program.html#eligibility> (last visited Feb. 27, 2019).

<sup>78</sup> E-Mail from John Rich, Office of Legislative Planning, Florida Dep’t. of Health, (Feb. 28, 2019) (on file with the Senate Committee on Health Policy).

health program site, as a commissioned dental officer in the U.S. Public Health Service Commissioned Corps, or with the United States Army or Navy.<sup>79</sup>

### III. Effect of Proposed Changes:

**Section 1** provides that the legislative intent for the Dental Student Loan Repayment Program is to promote programs and initiatives that make preventive and educational dental services available to Floridians. It recognizes that better oral health leads to a more productive workplace and improves the cognitive abilities of schoolchildren, resulting in a reduction in the number of missed school days.

**Section 2** creates the Dental Student Loan Repayment Program at the Department of Health (DOH) under s. 381.4019, F.S. The initiative is conditioned on the availability of funds and is intended to promote access to dental care by encouraging dentists to practice in dental health professional shortage areas or medically underserved areas, or serve a medically underserved population.

The DOH is required to establish a Dental Student Loan Repayment Program to benefit state-licensed dentists who demonstrate active employment in a public health program that serves Medicaid recipients and other low-income patients. The employment must be located in a dental health professional shortage area (HPSA) or a medically underserved area (MUA).

The DOH is directed to award funds from the loan program to repay student dental loans of a Florida-licensed dentist who meets these requirements; however, no award may exceed \$50,000 per year, per dentist. The DOH must limit the number of new dentists participating in the loan program to no more than 10 per fiscal year. A dentist may receive funds for at least one year and up to a maximum of five years. The dentist's period of obligated service begins when the dentist who receives the funds begins his or her employment.

Only loans taken out to pay the costs of tuition, books, dental equipment and supplies, uniforms, and living expenses may be covered under the loan program. Loan repayments are contingent upon continued proof of eligibility and must be made directly to the holder of the loan.

A dentist is not eligible to benefit from program funding if the dentist:

- Is no longer employed by a public health program that meets the requirements;
- Ceases to participate in the Florida Medicaid program; or
- Has disciplinary action taken against his or her license by the Board of Dentistry for a violation of s. 466.028, F.S.<sup>80</sup>

The DOH is required to adopt rules to administer the loan program.

**Section 3** creates the Donated Dental Services Program under s. 381.40195, F.S., in the DOH. The Donated Dental Services Program is intended to provide comprehensive dental care through

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<sup>79</sup> American Dental Education Association, *State and Federal Loan Forgiveness Programs* (November 1, 2017), [www.adea.org/advocacy/state/loan-forgiveness-programs.aspx](http://www.adea.org/advocacy/state/loan-forgiveness-programs.aspx) (last visited Feb. 27, 2019).

<sup>80</sup> A violation of s. 466.028, F.S., constitutes grounds for denial of dental licensure or disciplinary action by the Board of Dentistry, as specified in s. 456.072(2), F.S.

a network of volunteer dentists and other dental providers to needy, disabled, elderly, and medically comprised individuals who are ineligible for public assistance programs such as Medicaid or CHIP. Services under the program may be provided in a private office location or at any other suitable location. The eligible individual is not required to pay any fees or costs associated with the services for any treatments received.

The DOH is responsible for the implementation and operation of the program. The DOH is required to contract with a nonprofit organization that has experience providing and administering similar services and any such contract must delineate all of the vendor's responsibilities as provided in the statute. These responsibilities include, but are not limited to:

- Maintaining a network of volunteer providers who can provide a comprehensive range of dental services;
- Maintaining a referral system to an appropriate volunteer dentist or other participating provider;
- Developing a public awareness and marketing campaign to promote the program and to educate eligible individuals about the program;
- Providing the necessary administrative and technical support to administer the program;
- Submitting an annual report to the DOH with the required statutory components; and
- Performing any other program-related duties and responsibilities as required by the DOH.

The DOH is required to adopt rules to administer the program.

**Section 4** provides that the bill is effective upon becoming a law.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Floridians living in those areas identified as medically underserved with little or no access to dental care could benefit from the Dental Student Loan Repayment Program. The program could bring additional dental professionals to underserved communities, populations, and facilities. The program could also be a reason that a dental graduate elects to stay in Florida instead of practicing in another state after graduation.

Dentists who qualify for the loan program will benefit from another option to reduce their student loan debt.

As a dentist practices in his or her public service employment program, the DOH will make payments on the dentist's previously incurred student loans. The DOH notes that during the period that the state funded repayment assistance is in place, underwriters for the student loans will receive guaranteed repayments. The DOH will need to have financial arrangements in place to ensure timely payments to the loan guarantors and arrangements with the dentists who participate in the program to ensure continued eligibility while payments are being made.

**C. Government Sector Impact:**

The DOH indicates that one additional other personal services employee at a cost of \$65,670, inclusive of compensation and applicable expenses, will be required if the Dental Student Loan Repayment Program is implemented by the department.<sup>81</sup> The amount of funding the DOH could commit to the repayment of participating dentists' loans is indeterminate. The DOH estimates that implementation of the Donated Dental Services Program will require an additional \$200,000 in recurring general revenue funds.<sup>82</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

On lines 61 and 71, the term "other low income patients" is used to identify other clients that could be the focus of dental graduates who are the beneficiaries of the Dental Student Loan Repayment program. However, the term is not defined in the bill and it is unclear what the threshold is for "other low income patients."

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<sup>81</sup> Department of Health, *Senate Bill 716 Analysis* (January 22, 2019) (on file with Senate Appropriations Subcommittee on Health and Human Services).

<sup>82</sup> *Id.*

On line 88 of the bill, the number of new dentists participating in the Dental Student Loan Repayment program cannot exceed 10 in a fiscal year. Lines 97 and 98 authorize the DOH to adopt rules to administer the program; however, rather than rely on the DOH to develop its own process, it may be beneficial to include specific standards in the bill that prioritize the selection of dentists to participate in the program in the event that the DOH receives more than 10 new applications in a fiscal year.

On lines 111 and 112, a series of terms to describe the target population for the Donated Dental Services Program are introduced without being defined: needy, disabled, elderly, and medically compromised. These terms may need further clarification to ensure that the DOH is accurately focusing its efforts on the populations desired under the legislation.

**VIII. Statutes Affected:**

This bill creates the following sections of the Florida Statutes: 381.4019, 381.40195

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.