



Joint Subcommittee On Postsecondary Education Policy and Budget (PEPB)

60TH Montana Legislature

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HJR 22 WORKING GROUP (DENTAL STUDY)

FINAL ACTION AND RECOMMENDATION TO PEPB

Thursday, June 12, 2008

At the September 25, 2007 meeting of the Postsecondary Education Policy and Budget subcommittee (PEPB), members unanimously agreed to appoint a working group to conduct the interim study recommended by HJR 22 of the 2007 regular session of the legislature. The following individuals were appointed by PEPB to the HJR 22 Dental Study Working Group:

- Senator Bob Hawks, Chairman
- Representative William Jones (Dentist)
- Mary McCue, Montana Dental Association
- Jack Kane, Department of Labor and Industry
- Margaret Virag, Department of Health and Human Services
- Jan Paulsen, Department of Health and Human Services
- Dr. Linda Hyman, Vice-Provost and Director of WWAMI at MSU-Bozeman
- Pat Wise, Governor's Office of Economic Development

PEPB charged the working group with submitting a report to the PEPB by June 2008 that would include recommendations in the following areas:

- Specific initiatives that would increase the supply of dental care professionals in Montana with a focus on rural and underserved areas
- Repayment programs that would require dental students receiving state funding support for their dental education to reimburse the State of Montana all or some portion of those funds
- Dental student loan forgiveness programs that would be administered by the Office of the Commissioner of Higher Education

In completing this charge the working group met three times at public meetings in Helena with all agendas and reports posted on the PEPB website at http://leg.mt.gov/css/fiscal/PEPB_Subcommittee.asp

Options Considered by The Working Group During the Interim Study

Through the duration of the interim study, the working group discussed and considered a number of options to address the charge of HJR 22, specifically looking at programs that could increase the number of dentists practicing in Montana. During the course of these discussions, staff was charged with

conducting research and report writing to address these program options in order to help the working group understand which options would best address the dental needs in Montana as well as to identify the fiscal impact of the various program options.

Among the eight options discussed, reviewed and considered by the working group are the following that are listed in no particular order:

- Regional Initiatives in Dental Education (RIDE)
- State Income Tax Credits/Deductions Options for dentists
- Create a Residency Program for General Dentistry in Montana
- Seek additional dental slots for students at the University of Oregon or Creighton Dental Schools
- Increase Student Slots for the WICHE Dental and MN Dental Programs as part of the state funded Professional Student Exchange Program (PSEP)
- Create a Student Loan Repayment Program for Dentists, modeled upon the existing Montana Rural Physicians Incentive Program (MR PIP)
- Expand the dental services and dental clinic capacity at Community Health Center Dental Clinics across Montana (CHC's)
- Student Service Payback Program as part of the PSEP to require students to return to practice their profession in Montana in return for the state support fee subsidy

Final Recommendations to PEPB

At the final meeting on June 11, 2008 the working group voted to recommend that PEPB consider and make a recommendation to the interim Education and Local Government Committee (ELG) to request a single bill draft to create the following programs to increase the supply of dental care professionals in Montana, in particular in rural and underserved areas:

- Amend statute at 20-26-1501, MCA, to create a Montana Rural Dentist Student Loan Repayment Program that would provide dentists up to \$100,000 over five years for student loan repayment in return for practicing as dentists in specifically defined communities that are underserved and are experiencing dental service access problems. The recommendation is to model the dental program components based upon the existing MR PIP model, including funding through a student surcharge levied on dental students in the PSEP, charge the Montana Board of Regents with defining the underserved areas where dentists must practice to qualify for loan repayment, place program administration with the Office of the Commissioner of Higher Education, and require coordination of state benefits with existing federal loan repayment benefits. The projected fiscal impact of this new program is an ongoing \$150,000 general fund appropriation each year of the 2011 biennium, which would supplement the student surcharge revenue funding.
- Amend statute to create a dental extender program that would create a 0.50 FTE position, that would administer a program that would place up to 20 third and fourth year dental students at private dental practices and CHC dental clinics across Montana. The projected fiscal impact of this new program would be an ongoing \$72,200 general fund appropriation for the new FTE, for 20 student stipends for placement in Montana, and \$1,200 for each of the existing six CHC dental clinics to help cover the costs of hosting dental student extenders.

The overall projected fiscal impact of this bill draft legislation would be \$222,200 general fund per year in the 2011 biennium, with incremental cost increases anticipated in subsequent years.

In addition to this bill draft request, the working group voted to recommend that PEPB consider and make a recommendation to the interim Education and Local Government Committee (ELG) to send a letter to the Governor and to legislative leadership in support of increased funding in HB 2 for the 2011 biennium that would increase by five the number of dental student slots in the Professional Student Exchange Programs (PSEP). The recommendation did not restrict these additional dental student slots to only the

existing WICHE and MN dental institutions, but recommends allowing the Montana Board of Regents to consider PSEP options at other dental schools.

The projected impact on the general fund for these additional slots is \$110,760 in FY 2010 and \$230,381 in FY 2011, topping out at an annual general fund cost of \$518,294 by FY 2014, when all four years of the dental school “pipeline” would be full with new and ongoing students. This fiscal impact includes a projected annual cost increase of 4 percent for present law adjustments, which is the average annual cost increase rate.

Policy Goals and Outcomes for Each Component of Working Group Recommendation

As stated above, the working group voted to support these recommendations believing that this package of combined programs addresses the charge given to the working group that is defined and included in the authorizing legislation, HJR 22 of the 2007 regular session of the legislature¹. Specifically, that this combination of programs contained in these two recommended legislative proposals would address the dental service access shortages and problems in rural and underserved communities that were researched and defined in a prior interim study authorized by HB 522 of the 2005 regular session of the legislature².

Background Detail Reports of HJR 22 Working Group Attached

Attached as appendices to this final report and recommendation are the four reports of the HJR 22 Working Group that were discussed and considered at their meeting of June 11, 2008, resulting in these recommendations to PEPB. Those reports include:

1. Additional WICHE/MN Dental Slots for Professional Student Exchange Programs
2. Dental Student Loan Repayment Option Proposal for Legislation for the 2009 Session
3. Creating a Student Service Payback Program for Montana
4. Options to Expand the Capacity of Dental Clinics at Community Health Centers (CHC) in Montana

Respectfully submitted:

Alan Peura
Fiscal Analyst II
Legislative Fiscal Division

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**PEPB Meeting
June 12, 2008**

At the PEPB meeting there was a motion to recommend this HJR 22 final report and the recommendations herein, to the interim Education and Local Government Committee for their consideration and potential action. The motion was approved unanimously

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¹ For the text of this legislation see: <http://data.opi.mt.gov/bills/2007/billpdf/HJ0022.pdf>

² For the text of this legislation see: <http://data.opi.mt.gov/bills/2005/billhtml/HB0522.htm>