

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.)

Prepared By: The Professional Staff of the Committee on Health Policy

BILL: SB 764

INTRODUCER: Senators Bean and Mayfield

SUBJECT: Dental Student Loan Repayment Program

DATE: January 12, 2018

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Lloyd	Stovall	HP	Pre-meeting
2.			AHE	
3.			AP	

I. Summary:

SB 764 creates the Dental Student Loan Repayment Program (program) for Florida-licensed dentists who practice in specific public health programs located in designated dental health professional shortage areas (HPSAs) or medically underserved areas. Subject to the availability of funds, the Department of Health (DOH) will award funds from the program in an amount not to exceed \$50,000 per eligible dentist per year. A participant is eligible to receive funds for a minimum of one year and a maximum of five years.

The bill defines eligibility for the program and conditions for termination from the program. The Department of Health (DOH) is directed to adopt rules to administer the program.

The DOH has reported a fiscal impact of \$570,941 for Fiscal Year 2018-2019 and \$566,467 for Fiscal Year 2019-2020.

The bill is effective July 1, 2018.

II. Present Situation:

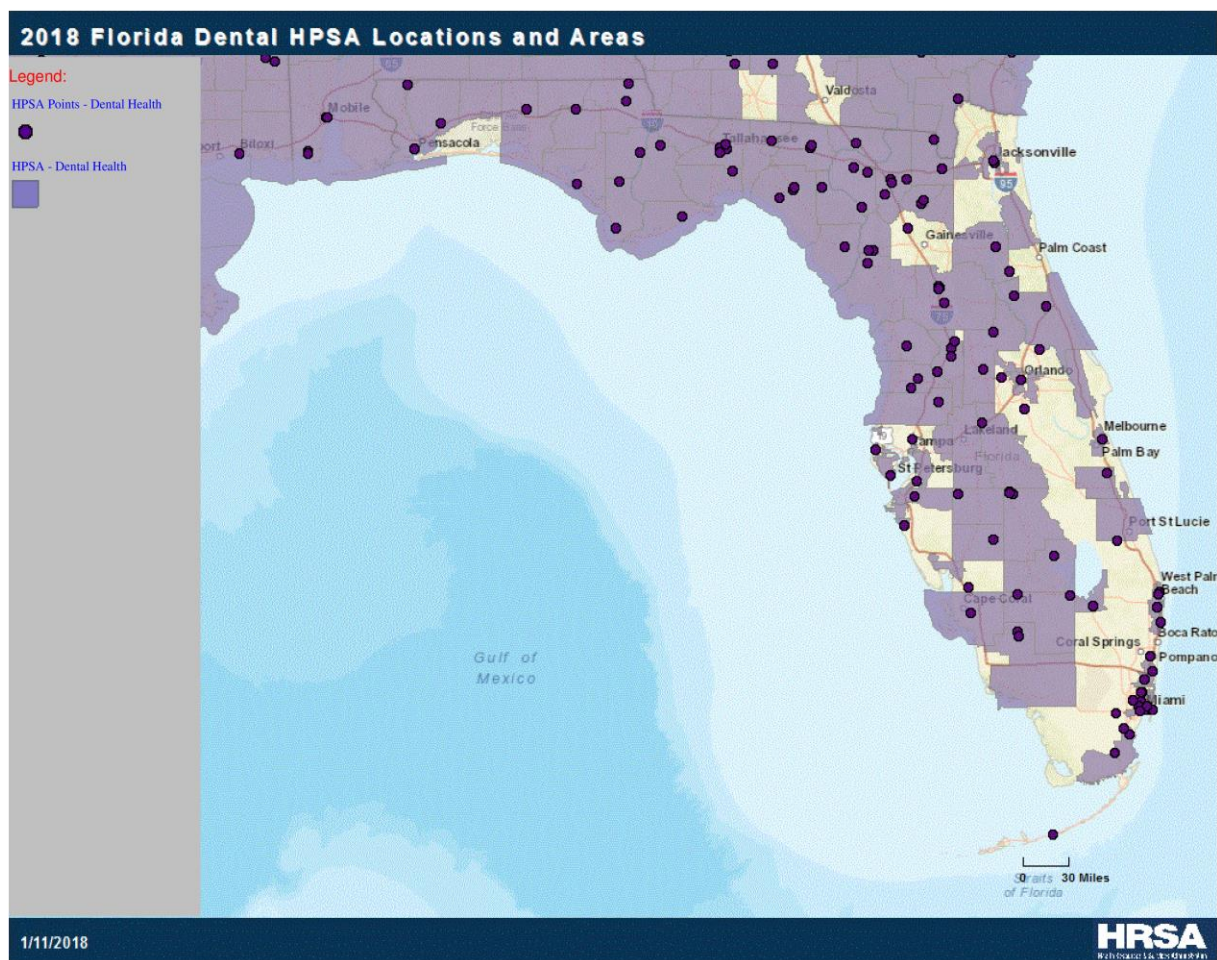
The Health Resources and Services Administration or HRSA, a federal agency within the United States Department of Health and Human Services (HHS), is charged with, among other responsibilities, improving health care for individuals who are geographically isolated, or economically or medically vulnerable.¹ Four of the five agency goals focus on access to care

¹ U.S. Department of Health and Human Services, HRSA, *About HRSA*, <https://www.hrsa.gov/about/index.html> (last visited Jan. 4, 2018).

through either building a healthy workforce or improvements in accessing quality care and services.²

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 and groups within the United States that are experiencing a shortage of health professionals. 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. The map (*Picture 1*) below shows the locations of the state’s current dental HPSAs as of January 1, 2018.³



There are three categories for HPSA designation: (1) primary medical care; (2) dental; and (3) mental health.

² *Id.*

³ 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 Jan. 11, 2018).

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 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.⁴ Primary care and mental health HPSAs can score between 0-25 and dental health can score between 0-26.⁵ Three scoring criteria are common across all disciplines HPSA (primary care medical, dental, and mental health):

- The population to provider ratio;
- The percentage of the population below 100 percent of the federal poverty level; and
- The travel time to the nearest source of care outside of the HPSA designation.⁶

The dental scoring system also reviews the water fluoridation status of the areas.

The following chart indicates the percentage of current need that is being met for Florida’s dental HPSA compared to data nationwide.

Health Professional Shortage Areas as of January 1, 2018 ⁷						
HPSA Types	Number of Designations <i>(geographic area, population group, or facility)</i>		Population Covered by Designation		Percent of Need Met	
	<i>National</i>	<i>FL</i>	<i>National</i>	<i>FL</i>	<i>National</i>	<i>FL</i>
Dental	5,866	223	62,916,553	5,185,561	35.28%	13.28%

Medically Underserved Area

Medically Underserved Areas (MUA) 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, high poverty rates, or a high elderly population.⁸ Nationally, there are 4,235 such designated areas, with 128 designated in Florida.⁹

⁴ U.S. Dep’t of Health and Human Services, HRSA Health Workforce, *Shortage Designation Application and Scoring Process*, <https://bhw.hrsa.gov/shortage-designation/application-scoring-process> (last visited Jan. 3, 2018).

⁵ *Id.*

⁶ *Id.*

⁷ U.S. Dep’t of Health and Human Services, HRSA, *Designated Health Professional Shortage Areas Statistics – Generated by HRSA Data Warehouse* (as of January 1, 2018) <https://datawarehouse.hrsa.gov/tools/quickReports.aspx> (last visited Jan. 4, 2018).

⁸ HHS, *supra* note 4.

⁹ U.S. Dep’t of Health and Human Services, HRSA, *Medically Underserved Areas/Populations (MUA/P) – State Summary of Designated MUA/P* (January 5, 2018), pg. 1, <https://datawarehouse.hrsa.gov/topics/shortageareas.aspx> (last visited Jan. 5, 2018).

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.¹⁰

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.¹¹

The third process, Exceptional MUP Designations, includes those population groups which 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.¹²

The Dental Workforce

The Health Policy Institute (HPI) for the American Dental Association recently updated its estimates on the future supply of dentists and concluded the nation's per capita supply of dentists is projected to increase through 2035.¹³ The unadjusted number of dentists per 100,000 population increases from 60.9 in 2015 to 65.7 in 2035.¹⁴ The per capita calculation takes into account only the calculation of total number of dentist available and total population and, as the report cautions, does not consider the location of the providers and access to care issues in particular regions or needs of special populations. This distinction may make a difference between whether there is an adequate supply of dentists on a per capita basis nationally and whether there is a provider shortage in a particular area, region, or to address a specific need. For example, a shortage could be only for participation by dental health providers in 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. In the same HPI report, dental providers were reviewed in 2016 for their participation in Medicaid and CHIP and the rates ranged from a high of 77.2 percent in Montana to a low of three states in the 15 percent range (California, Maine and New Hampshire).¹⁵ Florida's participation rate is 30 percent; the national average is 38.6 percent.¹⁶ This national average also matches the percentage of dentists who report any patients covered by public assistance:

¹⁰ U.S. Department of Health and Human Services, HRSA, *Shortage Designation*, <https://bhwh.hrsa.gov/shortage-designation/muap-process> (last visited Jan. 11, 2018).

¹¹ *Id.*

¹² *Id.*

¹³ Muson, B. and Vujcic, M., *Number of Practicing Dentists per Capita in the United States Will Grow Steadily*, Health Policy Institute, American Dental Association (June 2016), http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief_0616_1.pdf?la=en (last visited Jan. 4, 2018).

¹⁴ *Id.* at 2.

¹⁵ , Health Policy Institute, American Dental Association, *Supply and Profile of Dentists – Dentist Profile Snapshot by State 2016- Table 4: Dentist Participation in Medicaid or CHIP* (January 2016), <http://www.ada.org/en/science-research/health-policy-institute/data-center/supply-and-profile-of-dentists> (last visited Jan. 4, 2018).

¹⁶ *Id.*

Percentage of Dentists' Practices that Had Any Patients Covered by Public Assistance ¹⁷		
Type of Provider	2015	2016
<i>National %</i>	<i>% Public Assistance</i>	<i>% Public Assistance</i>
General Practitioner	36.4%	37.3%
Specialists	35.5%	41.4%
All Dentists	36.2%	38.2%

A more recent national study which included Florida dentists looked further out and found a more positive result. Using 2016 population data as a baseline, there were 10,781 listed dentists for a state population of 20.6 million resulting in a per capita calculation of 52.3.¹⁸ The HPI report found Florida's overall dental supply would be expected to increase by the year 2035 to a per capita of 56.9.¹⁹ The calculation assumes that in 2030-2035, 414 dentists would be leaving the workforce, but 598 would be entering during this same time period. The supply number does not review where those dental providers would practice, which lines of business they would participate under, or any special demographic groups they might cover, such as Medicaid.

Most dentists – 77.8 percent – practice in general dentistry.²⁰ In many rural communities, the county health department may be the primary provider of health care services, including dental care. According to the DOH, Florida's current designated dental HPSAs have only enough dentists to serve 13.28 percent of the population living within them.²¹ As of January 1, 2018, HRSA estimated that 1,169 additional dentists were required to meet the state's total need and eliminate the state's shortage.²²

The American Dental Association (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.²³ Children are acutely affected by the shortage of dentists to serve low income patients.

¹⁷ Health Policy Institute, American Dental Association, *Dental Practice – 2016 Characteristics of Private Dental Practice – Table 4 – Percentage of Dentists' Practices That Had Any Patients Covered by Public Assistance, 1990-2016* (January 2016), <http://www.ada.org/en/science-research/health-policy-institute/data-center/dental-practice> (last visited Jan. 4, 2018).

¹⁸ Health Policy Institute, American Dental Association, *Supply and Profile of Dentists – Dentist Profile Snapshot by State 2016*, <http://www.ada.org/en/science-research/health-policy-institute/data-center/supply-and-profile-of-dentists> (last visited Jan. 4, 2018).

¹⁹ Health Policy Institute, American Dental Association, *Projected Supply of Dentists: Florida*, <http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/ProjectedSupplyofDentists/Florida-Projected-Supply-of-Dentists.pdf?la=en> (last visited Jan. 4, 2018).

²⁰ *Id.*

²¹ 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 (last visited Jan. 11, 2017).

²² U.S. Dep't of Health and Human Services, *supra* note 7, at 8.

²³ Bradley Munson, B.A., and Marko Vujicic, Ph.D.: Health Policy Institute Research Brief, American Dental Association, *Supply of Dentists in the United States Likely to Grow*, p.2. (October 2014) http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief_1014_1.ashx (last visited Jan. 11, 2018).

For example in Florida for FFY 2016, 37.6 percent of all Medicaid-enrolled children and 42.8 percent of all CHIP-enrolled children received preventive dental services.²⁴ For Medicaid, this was an increase from 2012 when only 26 percent of Medicaid-enrolled children received one or more dental care services.²⁵

In 2011, the Legislature passed HB 7107²⁶ 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 program (MMA) and Long Term Care program. 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 receive their dental services through managed care plans. Although most dental services are designated as a required benefit only for Medicaid recipients under age 21, many of the managed care plans also provide dental services for adults as an enhanced benefit. As the managed care contracts are rebid this Spring, this benefit will be carved out of the MMA managed care contracts and contracted for as a separate benefit by the AHCA.²⁷

The Cost of Dental Education

According to a survey of dental school students, the average debt for graduates in 2017 was \$287,337,²⁸ a 72 percent increase in the last decade.²⁹ Over 30 percent of the Class of 2016 reported student loan debt in excess of \$300,000.³⁰ The amount of a graduate's average debt differed based on whether the student attended a public or private school by a significant amount. The average reported by a public school attendee in 2016 was \$238,582 and for a private school attendee the average was \$291,668.³¹

For in-state tuition at a state university, such as the University of Florida, one year's tuition is \$41,720, non-residents pay \$68,202. When housing, books and other costs are added, three or four years of dental school for a DMD degree can result in a total dental school bill ranging from \$148,275 to \$215,835.³² In comparison, a northern private school's tuition is listed at \$73,364

²⁴ 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 (last visited Jan. 4, 2018).

²⁵ U.S. Dep't of Health and Human Services, *supra* note 7, at 8.

²⁶ See chapter 2011-134, Laws of Fla.

²⁷ 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 (last visited Jan. 10, 2018). See also Chapter 2016-109, Laws of Fla.

²⁸ 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 Jan. 8, 2018).

²⁹ 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 Jan. 8, 2018).

³⁰ American Dental Education Association, *Education Debt*, http://www.adea.org/GoDental/Money_Matters/Educational_Debt.aspx#sthash.rYlqVawm.dpbs (last visited Jan. 8, 2018).

³¹ *Id.*

³² 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 Jan. 8, 2018).

per year and with other supplies, housing and fees, the total estimated costs over four years for 2017-2018 would be \$450,412.³³

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 10-year Treasury Note plus 3.6 percent, but may not exceed 9.5 percent in any given year.³⁴

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, 2015.³⁵ The Presidential Memorandum called the plan, “*Pay as You Earn Plan*.”³⁶ 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.³⁷ In 2016, Florida had over 826,000 federal student loan borrowers with 188,613 borrowers enrolled in a *Pay as You Earn* or other income driven payment plans. The state has a total student federal loan debt outstanding of \$23.9 billion.³⁸

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.³⁹

Florida does not have a current state program to address the dental health professional shortage areas or medically underserved areas. According to the DOH, there are 20 vacant positions for dentists in the DOH.⁴⁰

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

³³ 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 Jan. 8, 2018).

³⁴ Bipartisan Student Loan Certainty Act of 2013, Pub. L. No. 113-28, §2, 127 Stat. 506, 506 (2013).

³⁵ *Id.*

³⁶ 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 Jan. 8, 2018).

³⁷ 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 Jan. 8, 2018).

³⁸ 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 Jan. 8, 2018).

³⁹ American Student Dental Education Association, *supra* note 37.

⁴⁰ E-Mail from Dennis Ragosta, Office of Legislative Planning, Florida Dept. of Health, (Jan. 11, 2018) (on file with the Senate Committee on Health Policy).

a shortage of qualified professionals.⁴¹ The FHSC was defined⁴² 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 program⁴³ or in a medically underserved area.⁴⁴ Membership in the FHSC could be extended to any health care practitioner who provided uncompensated care to medically indigent patients.⁴⁵ All FHSC members were required to enroll in Medicaid and to accept all patients referred by the DOH pursuant to the program agreement.⁴⁶ 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.⁴⁷

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.⁴⁸

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 the 1994-1995 fiscal year, 1995-1996 fiscal year, and 1996-1997 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.⁴⁹ The 2007 Legislature attempted to reinvigorate the program by appropriating \$700,000 to fund loan repayment assistance for dentists only.⁵⁰

⁴¹ Chapter 92-33, s. 111, Laws of Fla. (creating s. 381.0302, F.S., effective July 1, 1992).

⁴² Section 381.0302(2)(b)1., F.S. (2011).

⁴³ “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).

⁴⁴ “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).

⁴⁵ “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).

⁴⁶ Section 381.0302(10), F.S. (2011).

⁴⁷ Section 381.0302(11), F.S. (2011).

⁴⁸ Section 381.0302(6), F.S. (2011).

⁴⁹ 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).

⁵⁰ 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.

However, the appropriation and a related substantive bill were vetoed.⁵¹ The Legislature repealed the program in 2012.⁵²

National Health Service Corps (NHSC)

The NHSC programs provide scholarships and educational loan repayment to primary care providers⁵³ 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.

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 for 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 LRP 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 January 2018, there were 49, full-time-equivalent NHSC dentists in Florida in the loan repayment program, all of which are located at federally qualified health centers.⁵⁴

Federal Loan Programs Applicable for Dental Students – National Health Services Corps (NHSC)				
Program Name	Time Commitment	Maximum Amount	Service Commitment Locations	Additional Time
Loan Repayment Program (LRP) ^{55,56}	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

⁵¹ *Journal of the Florida Senate*, at 3 (June 12, 2007).

⁵² Chapter 2012-184, s. 45, Laws of Fla.

⁵³ 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.

⁵⁴ E-Mail from Dennis Ragosta, Office of Legislative Planning, Florida Dept. of Health, (Jan. 11, 2018) (on file with the Senate Committee on Health Policy).

⁵⁵ The definition of part-time and full-time vary by discipline. The guidelines for both can be found in the *Fiscal Year 2015 Application and Program Guidance* packet beginning on 19,

<http://www.nhsc.hrsa.gov/loanrepayment/lrpapplicationguidance.pdf> (last viewed Jan. 11, 2018).

⁵⁶ U.S. Dep’t. of Health and Human Services, *Loan Repayment Program - Fiscal Year 2017 Application and Program Guidance*, pp. 4-5 (January 2017) <http://www.nhsc.hrsa.gov/loanrepayment/lrpapplicationguidance.pdf> (last viewed Jan. 8, 2018).

Federal Loan Programs Applicable for Dental Students – National Health Services Corps (NHSC)				
Program Name	Time Commitment	Maximum Amount	Service Commitment Locations	Additional Time
Student to Service LRP ⁵⁷	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 ⁵⁸	120 qualifying on time loan payments	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 checking depending on the setting; and all require that the applicant be:

- A U.S. Citizen or U.S. National;
- 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, 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 an accepted an offer of employment at an NHSC-approved site by the designated date (date determined each year).⁵⁹

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 SLRP.

⁵⁷ US Dep’t of Health and Human Services, HRSA, *Loan Repayment – NHSC Loan Repayment Program*, <https://www.nhsc.hrsa.gov/loanrepayment/index.html> (last visited Jan. 8, 2018).

⁵⁸ *Id.* 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.

⁵⁹ National Health Services Corps, Loan Repayment Program, *Eligibility*, <https://www.nhsc.hrsa.gov/loanrepayment/eligibility.html> (last visited Jan. 8, 2018).

There are several other federal loan repayment programs that are open to most all 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 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.⁶⁰

III. Effect of Proposed Changes:

The bill creates the dental student loan repayment program at the DOH. The initiative is conditioned on the availability of funds and is intended to promote access to dental care, encourage dentists to practice in dental health professional shortage areas or medically underserved areas, or serve a medically underserved population. The bill defines several key terms:

- Dental health professional shortage area: A geographic area so designated by the Health Resources and Services Administration of the U.S. Department of Health and Human Services;
- Loan program: The Dental Student Loan Repayment Program.
- Medically underserved area: A designated health professional shortage area that lacks an adequate number of dental health professionals to serve Medicaid and other low income patients; and
- Public health program: A county health department, the Children's Medical Services program, a federally qualified community health center, a federally-funded migrant health center, or other publicly-funded or not-for-profit health care program designated by the DOH.

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). Compliance with these requirements will be established by rule as determined by the DOH.

The DOH shall award funds from the loan program to repay student dental loans of a dentist who meets these requirements; however, no award may exceed \$50,000 per year, per dentist. 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 employment.

A dentist is not eligible to receive funds under this bill if:

- The dentist's employment by a public health program is terminated;
- The dentist's practice in a designated health professional shortage area or medically underserved area is terminated;
- The dentist's participation in the Florida Medicaid program is terminated; or
- The dentist knowingly fails to disclose any participation in fraudulent activity.

⁶⁰ American Dental Education Association, *State and Federal Loan Forgiveness Programs* (November 1, 2017), www.adea.org/advocacy/state/loan-forgiveness-programs.aspx (last visited Jan. 8, 2018).

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

The bill is effective July 1, 2018.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

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 this initiative. 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 in their student loan debt.

As dentists practice in their public service employment programs, the DOH will be making the dentist's already incurred student loan payments. 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.⁶¹ 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.

⁶¹ Id at 5.

C. Government Sector Impact:

The DOH estimates the first year fiscal impact of the bill at \$570,941 and the second year impact at \$566,467. The impact includes the cost of 10 grants at \$50,000 each annually, plus administrative costs to operate and conduct outreach related to the program.

Department of Health – Fiscal Impact – SB 764⁶²		
Item	Year One (2018-2019)	Year Two (2019-2020)
Personnel		
OPS		
Program Analyst	\$36,505	\$36,505
OPS Benefit	\$7,301	\$7,301
Expense		
Standard Expense	\$10,422	\$10,422
Standard Medium Travel	\$9,606	\$9,606
Develop Materials for Student Recruitment	\$3,000	\$3,000
Develop Job Fair Materials for student recruitment	\$1,500	\$1,500
Contracted Services		
Printing education pamphlets for statewide student recruitment	\$2,000	\$2,000
Printing of materials for job fair display for use in student recruitment	\$500	\$500
Special Category/G&A	\$500,000	\$500,000
Student Loan Repayment 10 students @\$50,000 per student		
Human Resources Services	\$107	\$107
Total Estimated Expenses	\$570,941	\$566,467

VI. Technical Deficiencies:

None.

VII. Related Issues:

The DOH counts 224 Health Profession Shortage Areas for dental in its bill analysis. Of these, 111 qualify for the maximum loan repayment of \$50,000 per year for up to two years. These sites must meet National Health Services Corps requirements and follow the provisions of services that do not allow for any type of discrimination for patient selection such as age or the ability to pay.⁶³

⁶² Florida Department of Health, *Senate Bill 764 Analysis* (Dec. 6, 2017) (on file with the Senate Committee on Health Policy).

⁶³ Id at 2.

The DOH recommends clarifying lines 72 through 73 relating to the termination for failure to disclose participation in a fraudulent activity, as this language may allow a dentist who unknowingly fails to disclose participation in fraudulent activity or who in fact discloses participation in fraudulent activity to still be eligible to participate in the program. Also, the bill does not provide criteria for the selection of applicants if more dentists apply than available funding.⁶⁴

VIII. Statutes Affected:

This bill creates section 381.4019 of the Florida Statutes.

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.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁶⁴ Id at 6.