

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

Senate Bill 237
 Finance

(Senator Klausmeier)

Rules and Executive Nominations

Public Health - Dental Services - Access

This bill requires the Maryland Department of Health (MDH) to (1) annually evaluate Medicaid dental reimbursement rates; (2) create and distribute specified “plain language” materials related to dental services; (3) convene a stakeholder workgroup to study the establishment of a specified grant or loan program for dental providers; (4) conduct a study on dental provider participation in Medicaid; and (5) conduct a study on providing Medicaid reimbursement for services provided by a certified community health worker (CHW). The bill also alters the Maryland Dent-Care Program and requires the State Board of Dental Examiners to publish a searchable list of mobile/portable dental service providers. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: MDH general fund expenditures increase by \$75,000 in FY 2024 and Medicaid general and federal fund expenditures (50% general fund/50% federal fund) increase by another \$100,000 in FY 2024 and \$20,000 in FY 2025 for contractual support, as discussed below. Federal fund revenues increase accordingly. General fund expenditures also increase for Maryland Dent-Care, including \$11,400 in FY 2024 for administrative costs to update the Maryland College Aid Processing System (MDCAPS), as discussed below.

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
FF Revenue	\$50,000	\$10,000	\$0	\$0	\$0
GF Expenditure	\$86,400	\$0	\$0	\$0	\$0
GF/FF Exp.	\$100,000	\$20,000	\$0	\$0	\$0
Net Effect	(\$136,400)	(\$10,000)	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Potential minimal, as discussed below.

Analysis

Bill Summary:

Maryland Dent-Care Program

The bill expands eligibility for the Maryland Dent-Care Program to include dental hygienists and makes conforming changes. The bill also specifies higher education loan assistance grant amounts under the program. Beginning October 1, 2023, awards must be at least \$50,000 per year for three years for a dentist and may not exceed \$10,000 per year for two years for a dental hygienist. The Office of Student Financial Assistance (OSFA), in collaboration with MDH, must periodically evaluate the minimum and maximum grant amounts.

Plain Language Dental Information

MDH must create, distribute to dental practices, and encourage dentists and dental hygienists to distribute to their patients “plain language” materials (as defined in the bill) regarding the importance of regular dental appointments and various dental procedures, as determined by MDH.

State Board of Dental Examiners – Mobile or Portable Dentistry Information

The State Board of Dental Examiners must require applicants for initial or renewal licensure to report whether they provide or intend to provide mobile or portable dental services. The board must publish on its website a searchable list of licensed dentists and licensed dental hygienists who provide mobile or portable dental services.

Stakeholder Workgroup

MDH must convene a stakeholder workgroup to study the establishment of a grant or no-interest loan program for dental providers to open practices in underserved areas. The workgroup must include representatives from the Maryland Community Health Resources Commission, Office of Oral Health (OOH), and the Community Dental Clinics Grant Program. The workgroup must report its findings and recommendations to the Senate Finance Committee and the House Health and Government Operations Committee by December 1, 2024.

Study on Provider Participation in the Maryland Healthy Smiles Dental Program

MDH must conduct a study on dental provider participation in Medicaid’s Maryland Healthy Smiles Dental Program, including a review of administrative issues and incentives

to encourage participation, as specified. MDH must report its findings and recommendations to the Senate Finance Committee and the House Health and Government Operations Committee by December 1, 2024.

Study on Reimbursement for Community Health Workers

MDH must conduct a study on providing reimbursement for services provided to a Medicaid recipient by a certified CHW that are (1) covered by Medicaid and (2) assist a Medicaid recipient in accessing dental services. MDH must report its findings and recommendations to the Senate Finance Committee and the House Health and Government Operations Committee by December 1, 2024.

Current Law:

Maryland Dent-Care Program

The Maryland Dent-Care Program provides higher education loan repayment assistance to licensed dentists practicing in Maryland full time who provide care to Medicaid participants (at least 30% of their patient population). To qualify for a grant, a dentist must currently be paying off outstanding student loan debt.

Medicaid Dental Coverage – Maryland Health Smiles Dental Program

Under federal requirements, comprehensive dental coverage is mandatory for children enrolled in Medicaid. However, dental benefits for Medicaid-eligible adults are optional. Prior to January 1, 2023, Medicaid dental coverage (provided through the Maryland Healthy Smiles Dental Program) was available to children younger than age 21, former foster care recipients younger than age 26, pregnant women age 21 and older, and adults enrolled in the Rare and Expensive Case Management program. Effective January 1, 2023, Medicaid provides dental coverage for all adults with incomes up to 133% of the federal poverty level.

Community Health Workers

“Community health worker” means a frontline public health worker who (1) is a trusted member of, or has an unusually close understanding of, the community served; (2) serves as a liaison, link, or intermediary between health and social services and the community to facilitate access to services and improve the quality and cultural competence of service delivery; and (3) builds individual and community capacity by increasing health knowledge and self-sufficiency through a range of activities, including outreach, community education, the provision of information to support individuals in the community, social

support, and advocacy. Currently, CHWs are not able to render any Medicaid services in Maryland. However, other state Medicaid programs reimburse for patient education.

State Fiscal Effect:

Medicaid Dental Reimbursement Rate Evaluation

The requirement for MDH to annually evaluate Medicaid dental reimbursement rates has no direct fiscal effect. However, to the extent annual evaluation causes MDH to increase dental rates in future years, Medicaid general/federal fund expenditures (and federal matching fund revenues) increase by an indeterminate, but potentially significant, amount.

Maryland Dent-Care Program

The bill expands the Maryland Dent-Care Program to include dental hygienists and sets the minimum award for dentists at \$50,000 per year for three years and the maximum award for dental hygienists at \$10,000 per year for two years. The Maryland Higher Education Commission (MHEC) advises that OSFA requires an estimated \$11,439 in general funds to incorporate changes to MDCAPS to accommodate the addition of dental hygienists.

Current regulations specify that award amount determinations are made annually by OSFA and OOH based on the number of applicants and funding availability. Awards must be for a minimum of \$10,000 up to a maximum of \$30,000 per year for an eligible dentist. In fiscal 2022, the program made \$304,663 in awards to 15 recipients (all dentists with an average award amount of \$20,311).

MHEC advises that, should the award amounts specified under the bill be awarded to 10 dentists and 5 dental hygienists, award amounts would total \$550,000 annually, an increase of \$245,337 over fiscal 2022. This estimate assumes that one-third of the dentists currently receiving awards has met the three-year limit and that no new dentists receive an award in the first year of the expansion. MHEC further advises that OOH plans to greatly increase the number of award recipients such that, with the additional eligibility of dental hygienists, total costs for the program could rise to \$1.2 million in fiscal 2025 to make awards to 8 additional dentists and 5 hygienists. The Department of Legislative Services notes that such expansion of the program is not *required* under the bill.

Accordingly, general fund expenditures increase by \$11,439 in fiscal 2024 for one-time contractual costs to update MDCAPS. Further general fund expenditures are likely necessary in fiscal 2024 even though expanding eligibility and increasing minimum awards for dentists does not *necessarily* require additional spending. However, without additional spending, fewer awards may be made and the requirement for dentists to receive awards for three years may not be met. For every dentist already in the program who has not yet

received three years of funding, expenditures of \$50,000 a year are required. *For illustrative purposes only*, if the 15 dentists currently receiving awards are equally split into cohorts of five in the first year of awards, five in the second year of awards, and five in the third year of awards, then general fund expenditures increase by \$195,337 in fiscal 2024 to meet the bill's requirement of providing \$50,000 for three years – just for the population currently being served. Under this scenario, current funding would be sufficient to cover the third cohort in fiscal 2025 and allow for 1 more dentist or 5 (or more) dental hygienists to receive awards that year. For each additional dentist served, expenditures increase by at least \$50,000 annually for three years; for each dental hygienist served, expenditures increase by up to \$10,000 annually for two years.

Plain Language Dental Information

MDH advises that it works with a dental benefits administrator (SKYGEN USA, which administers the Maryland Healthy Smiles Dental Program) that is already required to develop materials in accordance with the Federal Plain Writing Act of 2010. To the extent that MDH must work with SKYGEN to develop and distribute additional materials, MDH general fund expenditures increase by an estimated \$75,000 for contractual support in fiscal 2024 only.

State Board of Dental Examiners – Mobile or Portable Dentistry Information

The State Board of Dental Examiners can likely collect the required information and publish a list of mobile dentists on its website with existing budgeted resources.

Stakeholder Workgroup

OOH can likely provide administrative staff to support the workgroup with existing budgeted resources.

Study on Provider Participation in the Maryland Healthy Smiles Dental Program

MDH advises that it requires contractual support from a research organization to complete the study at an estimated cost of approximately \$100,000 in fiscal 2024 and \$20,000 in fiscal 2025. Expenditures are eligible for a 50% federal matching rate.

Study on Reimbursement for Community Health Workers

MDH can conduct the study of CHW reimbursement with existing resources.

Small Business Effect: Small business dental practices that offer mobile or portable dental services may benefit from inclusion in a list published by the State Board of Dental Examiners.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 290 (Delegate Bagnall, *et al.*) - Health and Government Operations and Ways and Means.

Information Source(s): Maryland Association of County Health Officers; Maryland State Department of Education; Maryland Higher Education Commission; Maryland Department of Health; Anne Arundel County Public Schools; Baltimore City Public Schools; Baltimore County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Montgomery County; Department of Legislative Services

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