

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER
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DESCRIPTION

2276

2001 SENATE APPROPRIATIONS

SB 2276

2001 SENATE STANDING COMMITTEE MINUTES

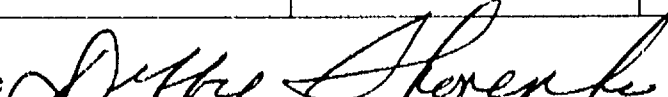
BILL/RESOLUTION NO. SB 2276

Senate Appropriations Committee

Conference Committee

Hearing Date January 29, 2001

Tape Number	Side A	Side B	Meter #
1	Dental		0.0-54.7

Committee Clerk Signature 

Minutes:

Senator Nething opened the hearing on SB 2276.

Joe Cichy, Executive Director, ND Dental Association, testified in support of this bill (testimony attached).

Senator Heitkamp: If the dentist leaves the state after being accepted for the program, do they need to repay the loan.

Joe Cichy: Yes

Senator Thane: What is the desired number of dentists per capita?

Joe Cichy: 1 for every 1800 people; now it is about 1 out of 2200-2400 people.

Dr. Ron Seeley, Dentist, Williston, ND, Vice President, ND Dental Association, chairman, Manpower Shortage Committee, testified support of this bill (testimony attached). Also a letter addressed to Dr. Ron Seeley from a dental student was distributed in support of the program.

Senator Nething: Will you walk us through this bill.

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Senate Appropriations Committee

Bill/Resolution Number SB 2276

Hearing Date January 29, 2001

Dr. Seeley: Logistics of the bill is a copy cat and based on medical language. The amount and numbers we came up with are about three dentists per year. Right now the University Minnesota has about 30 students and there is a shortage in MN. The needs are over and above that. Right now we are losing about 20 dentists per year and only issuing licenses for about 3-4 per year.

Senator Nething: Is the Health Council on this.

Dr. Seeley: Not right now; but the administration is comfortable with this.

Senator Thane: The Health Council; what is the criteria to identify per community with rural areas and how is this decided?

Dr. Seeley: Implementation is placed throughout the state; big counties have the big shortage not only the rural areas.

Senator Robinson: Placing the professionals in the smaller communities; is this a problem?

Dr. Seeley: Yes this is a problem; communities need to get involved; need to setup with options as ND is very proactive. Most small communities do have medical clinics already setup. Now we need to get to the key points with the schools; Communities with satellites are based from larger areas.

Senator Nething: The purpose of the loan is to designate and setup, then they apply for this program?

Dr. Seeley: It depends on the list; they do need to stay for four years.

Senator Grindberg: Fargo does not really need this program. Is the University of MN taking this program seriously; addressing the opportunity for next 10-15 years?

Dr. Seeley: Big research has been done; University of MN used to have about 150 students, now around 75-80; University of MN has cut classes in half since 1980 because of costs to educate dental students and future is uncertain.

Senator Thang: Is the shortage broad based?

Dr. Seeley: In ND the shortage is in all fields, specialty and general fields of dentistry.

Senator Bowman: What is the average salary of a dentist in ND verses in other states say after 10 years of practice.

Dr. Seeley: From \$90,000-\$110,000; other states it is 2-3 times this amount.

Senator Bowman: Payback for education verses other fields for payback; the importance of this to communities where they can lose as well and this is not always a good idea for the smaller communities.

Dr. Seeley: Most dentist that stay with the community from 3-4 years will normally stay verses the medical doctor. There is a shortage all around the US today; also with this program they do not have to be a ND citizen to apply for the screening.

Senator Nething: Will commitment and screening help if they want to use this program?

Dr. Seeley: Very much so.

Senator Schobinger: How does the payment work; payment from the state to dentist, then there payment to the loan?

Dr. Seeley: Yes.

Senator Schobinger: How about the Bank of ND; differences of payments?

Dr. Seeley: We are not opposed to a different way of making the payments and are not opposed to different ways of payments for this program.

Senator Robinson: The number of students; the bill won't resolve the problem but will minimize the help?

Dr. Seeley: 70% come back; saw MN fill gap to get where we are.

Senator Andrist: Does the process start for this program with the student before graduation or after?

Dr. Seeley: Possible their Junior year or Senior year.

Senator Thane: Medicaid, is there a problem with this and dentists?

Dr. Seeley: With this program they need to treat all patients but I am reluctant to state that now; it depends on their training especially with hospital cases.

Dean Boshee, Dentist, Wishek, ND, testified in support of this bill (testimony attached).

Jack Stevick, father to Dental student, testified for his son (letter attached), reading the letter in support of this bill and program.

Kathleen Mangskau, Oral Health Program Director, ND Dept. Of Health, testified in support of this bill (testimony attached).

Senator Lindas: Dr. Boshee mentioned loan forgiveness, what happened to the program from back in 1960's, 1970's?

Kathleen Mangskau: That program reached the 1980's and was stopped; this is now a new mechanism to that program.

Senator Bowman: Was the reason patient loads?

Kathleen Mangskau: It depended on the patients; generally 6-8 weeks and treatment.

Senator Bowman: Was Medicaid a problem?

Kathleen Mangskau: Yes is have been in the past; raising reimbursement could improve this but it depends on the patient base.

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Senate Appropriations Committee

Bill/Resolution Number SB 2276

Hearing Date January 29, 2001

Dave Zentner, Director Medical Services, Dept. Of Human Services, testified in support of the bill (testimony attached).

Senator Solberg: What does Medicaid pay for dental services?

Dave Zentner: It is based on the fee for the service; the split fee mechanism is applied, kids 83% and adults 70-75%.

Senator Andrist: Medicaid never seems to pay enough, has eligibility rates changed?

Dave Zentner: For certain groups; because of the rules and options; the medical needy program could be dropped to have more covered.

Testimony from Larry Gjerstad, Dentist from Mott, ND, was handed out as he was unable to attend the hearing.

A letter to Senator Dave Nething from Dan L. Rorvig, Banker from McVile, ND, was handed out in support of the program for school loan debt relief for these young doctors.

With no oppositions to the bill, the hearing was closed.

Tape 1, Side A, meter 54.7

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Senate Appropriations Committee

Bill/Resolution Number SB 2276

Hearing Date ~~January 24, 2001~~

**Full Committee Action, February 6, 2001 (tape 1, slide a, 40.6 - 49.0)**

Senator Nothing opened the hearing on SB2276.

Senator Andrist, Chair of the Health Department Subcommittee, presented proposed amendment (10739.0101 copy attached). He indicated the proposed amendments would restrict it to 3 dentists per year, and 2 of the 3 in communities of fewer than 2000 residents; the other would have less than 10 thousand residents. Rational: help small communities and you are helping the larger ones also. He moved the amendments be accepted; seconded by Senator Grindberg.

Discussion: Senator Robinson: Source of funds? Cost per biennium?

Senator Andrist: \$180 thousand for present biennium. Source: Community Health Care Trust -- not general funds.

Senator Robinson: Total issue of dollars -- less than expected in the area of tobacco settlement?

Senator Nething: Can't give you a magic number of the tobacco settlement dollars -- but understand it is a considerable amount.

Senator Andrist: Total package could be 7.5 million --

Senator Heitkamp: No handle on the total number of dollars -- 10% accumulating already -- as the figures are coming in -- appears less smokers; so less is coming in now --- bottom line: the dollars are there.

No further discussion. Motion carried to accept the amendments.

Senator Andrist moved a DO PASS AS AMENDED: seconded by Senator Holmberg. Roll call vote: 13 yes, 0 no, 1 absent and not voting. Senator Andrist accepted the floor assignment.

Hearing closed on SB2276 by Senator Nething.



**FISCAL NOTE**  
 Requested by Legislative Council  
 04/23/2001

Bill/Resolution No.:

Amendment to:           Engrossed  
                                   SB 2276

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						
<b>Expenditures</b>				\$180,000		\$420,000
<b>Appropriations</b>				\$180,000		

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill will enact a new chapter to title 43 of the NDCC to develop a dentists' loan repayment program and to provide an appropriation to fund the program. The loan repayment program will provide funds for up to three dentists each year. Each dentist will be eligible for \$20,000 per year for four years or a maximum of \$80,000 per applicant. An applicant may only request funds in an amount equal to the outstanding balance of their educational loans with applicable interest, or \$80,000, whichever is less.

The state health council will select the dentists to provide services to communities based on defined need in a community and population. One of every three selected must be for a community of fewer than 2,500 residents. One of every three selected must be for a community of fewer than 10,000 residents. One of every three selected must be for a community of 10,000 or more. Other dentist selection criteria are identified in the bill. Current staff will administer the program so no additional FTE's will be required.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures for the 2001-2003 biennium would be \$180,000.

\$60,000 in the first year to fund 3 dentists @\$20,000 each

\$120,000 in the second year to fund 3 new dentists@ \$20,000 each and 3 second year dentists at \$20,000.

Current staff will administer the program. No additional FTEs are requested.

If the program is successful and continues into the 2003-05 biennium, the expenditures for the program will be \$420,000 which is for 6 new dentists (3 each year), 6 second year dentists (3 each year), 6 third year dentists (3 each year) and 3 fourth year positions, each receiving \$20,000/year.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

SB 2276 provides for an appropriation from the community health trust fund of \$180,000 to fund this project for the 2001-03 biennium which is not included in the Health Department's appropriation bill SB 2004

<b>Name:</b>	Kathy J. Albin	<b>Agency:</b>	Department of Health
<b>Phone Number:</b>	328-2392	<b>Date Prepared:</b>	04/24/2001

**FISCAL NOTE**  
 Requested by Legislative Council  
 03/08/2001

Bill/Resolution No.:

Amendment to:           Engrossed  
                                   SB 2276

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			\$0		\$0	
<b>Expenditures</b>			\$0		\$0	
<b>Appropriations</b>			\$0		\$0	

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB2276, first engrossment with House amendments, provides that SB2003 includes \$135,000 from the state general fund for the dentists' loan repayment program. Currently, Engrossed SB2003 does **not** provide increased or earmarked funding for this program. If this bill passes with the House amendments, and if no additional funds are added to SB2003, funds would have to be reallocated within the higher education budget to support this program. This would likely result in a reduction in other student grant appropriations in SB2003 for the State Grant Program, Scholar's Program, Professional Student Exchange Program for veterinary medicine, optometry and dentistry and the Indian Scholarship Program.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and*

*appropriations.*

<b>Name:</b>	Laura Glatt	<b>Agency:</b>	North Dakota University System
<b>Phone Number:</b>	328-4116	<b>Date Prepared:</b>	03/09/2001

