

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2292

2001 SENATE EDUCATION

SB 2292

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2292

Senate Education Committee

Conference Committee

Hearing Date 01-29-01

Tape Number	Side A	Side B	Meter #
1	x		49.5 - end
1		x	0 - 32.5
1 (02-05-01)	x		20.1 - 39.0
Committee Clerk Signature <i>Andrea Johnson</i>			

Minutes: VICE-CHAIRMAN FLAKOLL called the hearing on SB 2292 relating to students in veterinary medicine, optometry, and dentistry.

Testimony in support of SB 2292:

SENATOR JOEL HEITKAMP, Dist. 27, prime sponsor of the bill, stated this bill begins the debate on the process of which occupations in ND have shortages. He feels the state should maximize the investments they have in individuals in fields where there are shortages. In the past, individuals have been required to repay some of the money they have gotten from the state if they don't practice within the state. He feels the state has gotten away from collecting those dollars, which they could reinvest in others or other programs. SEN. WANZEK, O'CONNELL and KELSH discussed problems that may be encountered. The student, in trying to utilize the program, may go to work for a small wage just to practice in the state and have the debt forgiven. There also is the case of a small town dentist trying to sell his practice and not being able to find a buyer. This results in a loss of jobs to the town, the loss of a business and the

dollars attached to it, and the taxes paid by both the business and the employer and employees.

SEN. FLAKOLL asked if the intent is to have the debt paid in three years. Is this bill designed for shortages in ND or areas that are short? He further stated that this bill states that the note the student will sign with the Bank of ND is the amount that the tuition is reduced through a reciprocity agreement. This is what the student will be obligated to pay to the state. Then, for each year the student works in the state of ND, the debt shall be waived by one-third of the unpaid balance on the note and one-third of the interest on the note.

JOE CICHY, Executive Director of ND Dental Assn., stated the ND Dental Assn. is supporting a three point program in solving the problem:

1. Loan repayment program (SB 2276) (\$120 - 160 thousand is the debt of the dental student when they leave school.)
2. Shortage issue--there is a severe crisis (a survey completed in 1998 show that in 10 years 40% of the dentists would be retired)
3. There needs to be an incentive for people to come back to the state.

1. He feels the ability to contract with dental schools to provide guaranteed position after graduation would be a great idea. (this is four year down the road.)

He stated that 70% of the students in the (Western Interstate Commission on Higher Education) WICHE program return to ND. SENATOR WANZEK stated that currently the dental student is not required to sign this note and is not required to pay back any of the payments made on his behalf.

NANCY KOPP, Ex. Dir. ND Optometry Assn. and Ex. Sec. ND Veterinarians Assn., stated they support this bill because it is one means to try and solve the severe shortages in rural areas of the veterinarians and optometrists.

Those in a neutral position on SB 2292:

KATHLEEN MANGSKAU, Oral Health Program, ND Dept. Of Health, testified neutral to this bill. The establishment of a note repayment option could provide the incentives necessary to help attract dentists to practice in ND. (see attached testimony).

Discussion followed on the shortage of dentists and the consequences of that shortage. Less than half the dentists in ND take Medicaid patients. Perhaps if we had more providers, there may not be such a long wait for Medicaid patients or others.

LARRY ISAAC, Chancellor for University Systems of ND, proposed an amendment to delete page 1, line 18, "Upon notification from the state board of higher education," and to delete page 2, line 1, "upon notification from the state board of higher education". He sees no need for two agencies to track the students. He stated there are 32 ND students enrolled in veterinary medicine through WICHE (6 in Minnesota through reciprocity where they pay the same as a resident and the state pays nothing for them), 36 ND students enrolled in a dentistry program (6 in the WICHE program) and 34 ND students in optometry (all in the WICHE program). He also provided information on colleges that participate in the WICHE program and a table listing the number of students supported by the program. (see attached).

There was no opposition to SB 2292.

The hearing was closed on SB 2292.

02-05-01, Tape 1, Side A, 20.1 -

Chancellor Isaac requested amendments for SB 2292. SENATOR COOK presented the amendments which removes the State Board of Higher Education from two lines of bill, pg. 1, line 18 and pg. 2, line 1. This eliminates the duplicating of services, two agencies tracking

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Senate Education Committee
Bill/Resolution Number SB 2292
Hearing Date ~~01-29-01~~

2-5-01

repayment of loans/waivers. Discussion on the bill. SENATOR COOK feels the area of dentistry is critical and feels this bill won't solve the problem because it does not have any language that places dental graduates in critical areas. SENATOR FREBORG stated that other people have told him there are other critical areas and they should be included also. SENATOR WANZEK feels this bill is only addressing nonresident tuition/resident tuition. This does not address the reciprocity agreements between states. This bill would require the student to sign a note for the difference in the cost of the education without the reciprocity agreement. This is why the fiscal note shows a positive, because some students will perhaps choose to leave the state after they have signed the agreement and will then have to pay back the loan. This is separate from the WICHE program.

SENATOR COOK proposed the amendment to eliminate the Board of Higher Education and put the onus on the bank to follow the loan of the student. SENATOR WANZEK seconded.

Roll Call Vote: 7 YES. 0 NO. 0 Absent. Motion Carried.

SENATOR KELSH moved a DO PASS as AMENDED. Seconded by SENATOR O'CONNELL.

Roll Call Vote: 7 YES 0 NO. 0 Absent. Motion Carried.

Carrier: SENATOR WANZEK

FISCAL NOTE
 Requested by Legislative Council
 01/23/2001

Bill/Resolution No.: SB 2292

Amendment to:

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
Revenues				\$22,000		\$35,000
Expenditures				\$22,000		\$35,000
Appropriations						

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.*

The proposed payment mechanism does not fit readily within the Bank's current student loan servicing operations because: 1) many of the borrowers eligible for these payments are not currently customers of the Bank; 2) Bank systems do not currently track some of the data elements necessary to support the requirements of the proposal; and, 3) Bank systems do not provide the ability to post percentage reductions to account balances.

It appears as if the Bank's role under this program will be to service the loans. The principal and interest reductions, cash flows from the repayment of the loans, etc. impact the North Dakota University System.

Note that the requirement for reduction of the loan balances at one-third per year will not completely reduce the loan balances.

Borrower must establish eligibility annually.

What kind of notice of benefits do we need to provide to the borrower? We have assumed a simple letter.

Do we need to provide IRS 1099C reporting for cancellation of debt? We have assumed so.

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.*

We have assumed revenues from servicing of the loans would offset the costs of servicing.

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 Bank of North Dakota to implement this program in the remainder of the 1999-2001 biennium include salaries and wages for a portion of 2001 to implement the program. These expenditures have not been included in any appropriation for the Bank of North Dakota.

Expenditures for the 2001-2003 biennium include: .1 FTE Account Tech II; lease of personal computer equipment, postage, telephone, etc.

Expenditures for the 2003-2005 biennium include: .2 FTE Account Tech II's; lease of personal computer equipment, postage, telephone, etc. for a mild increase in volume from the previous biennium.

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.*

None of the expenditures for the next biennium have been included in the appropriations request for the Bank of North Dakota; therefore, the funding has been requested under the other funds column. We assume that funding of the actual principal reductions as included under SB 2292 has been included in the appropriation of the North Dakota University System. We have not attempted to estimate those reductions herein.

Expenditures for the 2003-2005 biennium have been treated in the same manner.

Name:	Al Nosbusch	Agency:	Bank of North Dakota
Phone Number:	328-5742	Date Prepared:	01/26/2001

**Prepared amendments to SB 2292
#0101
Prepared for Sen. Flakoll**

Page 1, line 18, remove "upon notification from the state board of higher education,"

Page 2, line 1, remove "upon notification from the state board of higher education,"

Renumber Accordingly

REPORT OF STANDING COMMITTEE (410)
February 5, 2001 2:26 p.m.

Module No: SR-20-2394
Carrier: Wanzek
Insert LC: 10582.0101 Title: .0200

REPORT OF STANDING COMMITTEE

SB 2292: Education Committee (Sen. Freborg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2292 was placed on the Sixth order on the calendar.

Page 1, line 18, replace "Upon notification from the state board of higher education, the" with "The" and after "Bank" insert "of North Dakota"

Page 2, line 1, remove ", upon notification from the state board of higher education,"

Renumber accordingly

2001 HOUSE EDUCATION

SB 2292

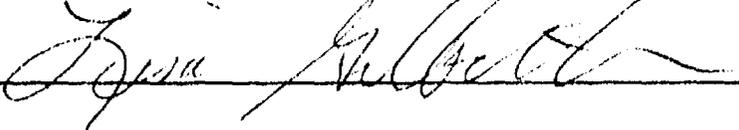
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2292

House Education Committee

Conference Committee

Hearing Date 03/06/01

Tape Number	Side A	Side B	Meter #
#1	X		4700 to 6200
#1		X	1 to 6200
#2		X	1 to 41
Committee Clerk Signature 			

Minutes:

Chairman R. Kelsch, Vice-Chair T. Brusegaard, Rep. Bellew, Rep. Grumbo, Rep. Haas, Rep. Hanson, Rep. Hawken, Rep. Hunskor, Rep. Johnson, Rep. Meier, Rep. Mueller, Rep. Nelson, Rep. Nottestad, Rep. Solberg, Rep. Thoreson

Chairman Kelsch: We will now open the hearing on SB2292.

Sen. Heitkamp: This is an attempt to try to solve some of the problems we have in some of the shortages we have in ND. We currently don't provide an opportunity in state at any of our institutions of higher education for individuals to obtain those degrees, so there's a vision that if we don't provide it, that, as a citizen of ND, we would like to help you in obtaining that degree. It could be an investment that ND places in an individual to get those types of degrees so, therefore we have those types of professions in the state of ND. In many cases, we provide those dollars, people go out of state, they get that degree, and we never see them again, and I guess I'm not trying to pick on any certain professions, as much as when I tried looking hard at this

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House Education Committee

Bill/Resolution Number SB2292

Hearing Date 03/06/01

program. The reason is pretty simple. In my hometown, we don't have a dentist. I don't believe that we don't have a dentist because someone couldn't have made a living there, I believe we don't have a dentist, because we don't have enough dentists to go around, and if you look out of state, the opportunity to have a better income is there. Why don't we recoup those dollars if those individuals don't come back to the state, and put those back into the very programs that we're investing in to create those professions where we have a shortage.

Rep. Mueller: Which one of these three categories are you seeing as possible exclusions from the bill we have before us?

Sen. Heitkamp: I think if you look at the optometrists, I don't think that you're going to find a huge shortage of optometrists right now.

Chairman Kelsch: Do you have a veterinarian in your area?

Sen. Heitkamp: Yes.

Rep. Hawken: Does the WITCHI compact allow us to do this?

Sen. Heitkamp: I believe it does.

Joe Cichy: (Executive Director Dentist Association) *Please refer to written testimony*

Rep. Hanson: How many slots does ND have and where are they?

Cichy: I believe that there are two funded seats.

Rep. Mueller: Even given that amendment, do you see the requirement that we're speaking of here, an impediment of the recruitment of young people?

Cichy: I don't believe so.

Rep. Mueller: Can you tell me how many dentistry students don't have to take advantage of this program, and get into dentistry school on their own accord?

Clehy: I can't give you an accurate number. There are 30 dental students in MN, 4 at Creighton, 2 of which are receiving funding.

Rep. Brusegaard: How long does it take to get through dental school and how much does it cost?

Clehy: Four year program and most dental school students come out with approx. \$120,000 general school debt.

Rep. Maragos: (District 3) I support this bill.

Nancy Kopp: (Ex. Director of the Optometry's Association) We support this bill in that it may create an incentive for students to come back to ND. Optometry occupies ten spots in the WITCHI program, and most of those are spots in California and Oregon and Missouri. We are finding it very difficult to find optometrists for the rural areas. If you do pass this bill, possibly take those funds that you receive from the payments from those that don't return to the state and apply them to a signing bonus.

Rep. Grumbo: Much like the medical profession, do they contract to communities out in the dentistry in order to guarantee those dentists this many patients and so forth?

Kopp: We do not have any contracts for optometry.

Kathleen Mangskau: (Oral Health Program Director in the Division of Maternal and Child Health of the ND Department of Health) *Please refer to written testimony*

Rep. Mueller: How many dental students do we have going through the system somewhere that aren't utilizing WITCHI funds?

Mangskau: I can't give you an exact number.

Rep. Nottestad: I know there are communities that are helping medical students with their college costs for the commitment to go back to their communities. Is this being done in the dental profession all over ND?

Manskau: At the present time, I don't believe there are any communities that put forth incentives. It's something that we're encouraging.

Vice Chairman Brusegaard: Is there anyone who wishes to appear in opposition to SB2292?

Sarah Cavett: (veterinary student) *Please refer to written testimony*

Rep. Mueller: If you had the knowledge of the bill previous in your determination to go into veterinary medicine, would that have had an influence?

Cavett: I feel that I would have moved to Iowa State and gained residence in Iowa as an undergraduate freshman, because I could have paid one year of out of state tuition, and became a resident and applied to their program in veterinary medicine and not had to pay back any other state tuition.

Rep. Nelson: Are you looking at a large animal or small animal career?

Cavett: I'm right now considering large animal medicine and quite possibly a mixed medicine practice.

Rep. Nelson: When you look at careers, is there national studies that are done as far as how states rank as far as salaries?

Cavett: Yes, but I'm not sure where ND ranks.

Rep. Nelson: Is that the main consideration? The salary?

Cavett: I like the state of ND, and the large animal practice is a common practice in ND. For those looking in specialty fields, though, they're not available in ND.

Rep. Hawken: Are there other places where you can get financial assistance for graduate school in veterinary medicine?

Cavett: The possibilities are very slim on getting into a veterinary school without going through the contracted positions through Iowa State or through the WITCHI spots through Colorado State.

Rep. Hawken: My understanding is that you must be accepted first, before you apply?

Cavett: You go through an application procedure for WITCHI, and you send that in, and they will determine whether you are applicable or not, and after you've done that, you can apply to veterinary school, and once you've been accepted to veterinary school, you have to contact someone that you have been accepted, and then it goes from there, if I definitely do have funds or not from the state.

Rep. Brusegaard: How many students do you have in pre-vet?

Cavett: The pre-vet club has approximately 45-50 students active in the club.

Kurt Johnson: (Veterinarian from Mandan) The state of ND provides opportunities for medical doctors and attorneys to get an education in ND, and they don't require them to remain in the state. Their education is much heavier subsidized. Up until the year 1987 veterinary students were required to come back to the state or pay back their indebtedness. The WITCHI program basically pays for the difference between in state and out of state tuition. Another thing that's not good is forcing back into a work environment where he has restricted opportunities for the diversity of the field that they'd like to go into. I just can't see us forcing somebody who wants to work on dogs and cats to be doing cattle work. The starting salary is currently between

\$38,000 and \$40,000 nationwide. I think we need to promote our community and state for what they are.

Rep. Nottestad: Are there any veterinary clinics now helping to sponsor students in veterinary to bring them back into the community that you know of?

Johnson: The city of McClusky and Garrison have built comity funded clinics. Garrison did some debt forgiveness and took care of some of the student loans. Made it very reasonable for the veterinarian to move in. Low lease level.

Tom Bettenhausen: (Vice President of the ND Veterinary Medical Association) Stood up and agreed with Johnson about having the students be on a level playing field with the rest of the industries that are being educated in ND.

Rep. Hawken: How many students go onto Veterinary school from ND a year?

Johnson: I think there's 7 students.

Rep. Hawken: In our responsibility as a state to pay for these things, if you do the ROTC kinds of things where they pay for your tuition, you owe the military so many years. I think that's maybe what we're looking at here. This is a tough issue.

Johnson: We're not doing that with every other occupation. If that were fair across the board I'd say, 'Fine. We're not doing that.'

Herb Smith: (Veterinarian Advisor and Mentor) *Please refer to written testimony*

Rep. Hawken: What do other states do? Do any of them require pay back?

Smith: I'm quite sure that SD has a very similar program as what you have in front of you. I'm not sure of the rest of the states.

Rep. Kerzman: (District 35) I'm in somewhat opposition to this bill.

Shawn Geasy: (Optometry student) *Please refer to written testimony*

Rep. Nelson: What's your motivation for coming back into ND?

Geasy: I like living here. If I want to raise a family, it's a nice area to live. You don't have to worry about crime, the cost of living is fairly low, but until I can pay back those loans, it's going to be tough.

Rep. Nelson: If you get your degree today, and you get a job opportunity in another state that's probably going to pay more than what your opportunity would be in ND, or come back to ND and have that forgiveness. Wouldn't that serve as an attraction back to the state?

Geasy: In some ways yes, but we still have such high loans, and there's not that much opportunity for optometry right now in our state.

Rep. Nelson: Have you looked at the difference in opportunities with salaries in other states? And if you have, what are they?

Geasy: It varies. It depends on where you practice. I've heard of guys in Minot who start out \$60,000, \$70,000 maybe, at most. I think out of state, maybe \$10,000 to \$20,000 higher.

Rep. Brusegaard: If this bill passes, and you do not come back to ND, how much is it going to cost you?

Geasy: \$190,000.

Glen Geasy: (Economic developer) I also stand in opposition. I'm afraid we're killing a piece of the educational incentives that we have in ND. I'd suggest killing this bill and leaving everything as it is.

Rep. Nelson: As an economic developer in your county, if you go out looking for a professional in either of these three fields, and you have to bid against another state, and you can't match that

salary, I would guess you would have a hard time in New England coming up with an incentive program that's going to be attractive enough to match the salary difference. Don't you think that a bill that would require them to come back, don't you think that's going to come back to the legislatures, and people in your community are going to say, 'well, if the legislators would have passed this bill we would have had this person.'

Geasy: From an economic development standpoint, I haven't been involved in getting any of these professions back. Our primary crux is trying to make a bigger pie, and if we can get a bigger pie, then hopefully all of us can get a bigger piece of that pie.

Nancy Kopp: (Executive Secretary for the ND Veterinary Medical Association) I appear before this morning in opposition.

Wade Moser: (ND Stockman's Association) We stand in opposition to this bill.

Peggy Web: (within the University office) I'm here to answer any questions.

Rep. Hawken: Where can we find the information on what the cost really is on all of these programs?

Web: I'm assuming we would have them in the higher Ed office. We could provide you information with tuition costs.

Rep. Solberg: The ND program is assisting you for approximate \$40,000 of your education?

Shawn Geasy: Yes.

Vice Chairman Brusegaard: We will close the hearing on SB2292.

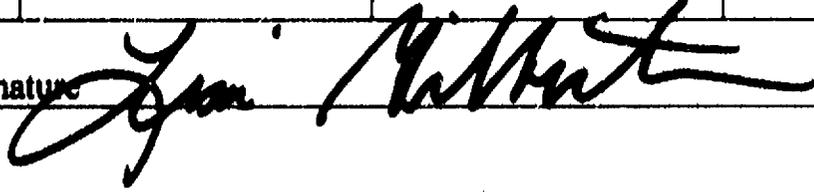
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2292

House Education Committee

Conference Committee

Hearing Date 03/12/01

Tape Number	Side A	Side B	Meter #
#1		X	1317 to 1548
Committee Clerk Signature 			

Minutes:

Chairman R. Kelsch, Vice-Chair T. Brusegaard, Rep. Bellew, Rep. Grumbo, Rep. Haas, Rep. Hanson, Rep. Hawken, Rep. Hunskor, Rep. Johnson, Rep. Meier, Rep. Mueller, Rep. Nelson, Rep. Nottestad, Rep. Solberg, Rep. Thoreson

Chairman Kelsch: We will now take up SB2292.

Rep. Nelson: I move a DO NOT PASS.

Rep. D. Johnson: Second.

Chairman Kelsch: Committee discussion.

The motion of DO NOT PASS passes with 15 YAY 0 NAY 0 ABSENT

Floor Assignment: Rep. Hawken

Date: 3/12/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2292

House House Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Rep. Nelson Seconded By Rep. D. Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman-RaeAnn G. Kelsch	✓		Rep. Howard Grumbo	✓	
V. Chairman-Thomas T. Brusegaard	✓		Rep. Lyle Hanson	✓	
Rep. Larry Bellew	✓		Rep. Bob Hunskor	✓	
Rep. C.B. Haas	✓		Rep. Phillip Mueller	✓	
Rep. Kathy Hawken	✓		Rep. Dorvan Solberg	✓	
Rep. Dennis E. Johnson	✓				
Rep. Lisa Meier	✓				
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				

Total (Yes) 15 No 0

Absent 0

Floor Assignment Rep. Hawken

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 12, 2001 12:35 p.m.

Module No: HR-42-5337
Carrier: Hawken
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2292, as engrossed: Education Committee (Rep. R. Kelsch, Chairman) recommends DO NOT PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2292 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

SB 2292

Statement of

**Kathleen A. Mangskau, RDH, MPA
Oral Health Program Director
North Dakota Department of Health**

SB No. 2292

Regarding

Note Repayment for Students in Veterinary Medicine, Optometry, and Dentistry

Before the

Senate Education Committee

January 29, 2001

Good morning Mr. Chairman and members of the Senate Education Committee. My name is Kathleen Mangskau. I am the Oral Health Program Director in the Division of Maternal and Child Health of the North Dakota Department of Health. I am here to provide information on oral health provider needs in the state. The establishment of a note repayment option could provide the incentives necessary to help attract dentists to practice in North Dakota.

Access to oral health care services could become a problem for many residents of North Dakota if current trends in dental provider distribution continue. Access is already a critical issue for many low-income families in North Dakota. Currently 26 percent of dentists report that new patients must wait more than four weeks for treatment. Over three-fourths (76%) of the dentists report they do not actively seek new patients and only 43 percent accept new Medicaid patients.

Currently there are 13 areas designated as dental health professional shortage areas (dental HPSAs). Twelve counties including Billings, Bottineau, Burke, Dunn, Foster, Golden Valley, Kidder, McIntosh, McKenzie, Sioux, Slope, and Towner are designated. The Family Health Care Center in Cass County recently received facility designation status. County designation means that the dentist to population ratio is greater than 1 to 5,000. Facility designation indicates the facility provides 50 percent or more of their care to residents of a designated HPSA, each dentist has more than 5,000 outpatient visits, and the waiting time for an appointment is more than six weeks. Three additional designations have been requested in Nelson, Griggs and Steele counties and two additional counties (Burleigh and Morton) are being studied to see if they would qualify. In addition, a facility designation for the State Penitentiary is being requested. The loss of just one dentist in many rural counties places them in health professional shortage area status.

According to the 1999 Health Resources and Services Administration state profiles, dentistry is the one area in the distribution of primary care providers where North Dakota falls below the national rates. We rank above the national rates for physicians, physician assistants, and registered nurses, but fall below the national average for dentists.

In North Dakota we have one dentist for every 2253 people while the national average is one dentist for every 1700 people. There are currently 282 licensed practicing dentists in the state. Of that number, 48 are dental specialists, which means our actual population to dentist ratio closer to one dentist for every 2687 people. The current recommended ratio under many state managed care contracts is 1:2000. To reach that ratio North Dakota needs another 49 dentists in the state. We were at that level in the 1980s and there were few access problems. In the past 10 years North Dakota has lost an average to 12 dentists per year and get six new ones for an average net loss of six per year. If this trend continues, the average citizen will have difficulty finding dental care in a timely manner.

A November 1998 survey of North Dakota dentists showed 36 percent of the licensed practicing dentists were over the age of fifty. The average age of North Dakota dentists is 48.2 years. We have an aging dentist population. Currently nearly one-fourth (23%) of our dentists are over the age of 55 while in the mid 1980s and early 1990s only 16 percent of our practicing dentists were over 55 years of age.

The shortage of dentists is a nationwide problem. In the last 10 years dental schools have closed and enrollments have decreased. Dental schools currently have long waiting lists for acceptance. We are competing with other states to secure dental providers for our state.

North Dakota has no dental school so all students must receive their education and training out-of-state. According to the American Dental Association, 93 percent of dental students graduate with debt—the average being \$97,961. Public school levels are around \$80,000 and private schools are around \$134,000. Over 40 percent of graduates have loans of over \$100,000.

In April of 2000 a statewide dental summit of public and private providers identified the lack of dental manpower and the financing and resources to support manpower improvement in the state as a priority issue. Since the Summit the North Dakota Dental Association has developed a mentoring program to encourage young people to pursue careers in dentistry and has dental mentors available to encourage young people to return to the state. In August of 2000, North Dakota re-instituted an externship program with the University of Minnesota. Four dental externs spent a month working in rural and underserved communities in the state. Post externship interviews with the students indicated they need incentives to return to the state. A note repayment option could be an incentive to attract students back to North Dakota to practice.

Mr. Chairman, this completes my formal testimony. I would be pleased to answer any questions that you or other members of the committee have regarding dental provider status.



NORTH DAKOTA UNIVERSITY SYSTEM

TO: Senator Tim Flakoll, Vice Chair, Senate Education Committee
FROM: Larry A. Isaak, Chancellor *lad*
DATE: January 30, 2001
RE: **SB2292**

Attached is the additional information you requested from us for committee work on SB2292.

Attachment 1. A list of eligible post-secondary colleges that participate in the Western Interstate Commission on Higher Education's (WICHE's) Professional Student Exchange Program (PSEP).

Attachment 2. A table listing the "Number of North Dakota Residents Supported in WICHE's PSEP Program for Academic year 2000-2001 by Field, Class, Professional School, and State Support Payment."

I hope this information is helpful as you deliberate SB2292. Please let me know if you need additional information by calling 328-2963.

Attachments

State Capitol - 600 E. Boulevard Ave. Dept. 215, Bismarck, North Dakota 58505-0230 - (701) 328-2960
Fax (701) 328-2961 - E-mail NDUS_office@ndus.nodak.edu - Web www.ndus.nodak.edu

The North Dakota University System is governed by the State Board of Higher Education and consists of: Bismarck State College - Dickinson State University - Lake Region State College - Mayville State University - Minot State University - Minot State University-Bottineau Campus - North Dakota State College of Science - North Dakota State University - University of North Dakota - Valley City State University - Williston State College.

. COLLEGES WHICH NORTH DAKOTA STUDENTS MAY ATTEND UNDER RECIPROCAL AGREEMENTS

VETERINARY MEDICINE

WICHE Schools

Colorado State University
Washington State University
Oregon State University
University of California -- Davis

Non-WICHE Schools*

Iowa State University
Kansas State University
University of Minnesota**

DENTISTRY

WICHE Schools

Loma Linda University
University of California --
Los Angeles
University of California --
San Francisco
University of the Pacific
University of Southern California
University of Colorado
Oregon Health Sciences University
University of Washington

Non-WICHE Schools*

Creighton University
Marquette University
University of Minnesota**
University of Nebraska

OPTOMETRY

WICHE Schools

Pacific University
Southern California
College of Optometry
University of California --
Berkeley

Non-WICHE Schools*

Illinois College of Optometry
Ohio State University

* Prior to joining WICHE, North Dakota had separate contracts with the various non-WICHE institutions listed. When North Dakota joined WICHE, WICHE agreed to handle all aspects relative to admission, billing, etc., in the same manner they do for those WICHE schools listed above except for Iowa State and University of Minnesota.

** Students who WILL ONLY BE applying for admission to the University of Minnesota Schools of Dentistry or Veterinary Medicine DO NOT need to complete the Application for Certification for Professional Student Exchange Program but MUST complete and submit to the North Dakota University System Office a MN/ND Application for Reciprocity Form to receive a break in tuition under our reciprocity agreement with Minnesota. A copy of the MN/ND Application for Reciprocity Form may be obtained by calling (701) 328-4114 or by e-mailing the North Dakota University System Office at www.ndus.nodak.edu.

NORTH DAKOTA UNIVERSITY SYSTEM
Number of North Dakota Residents Supported in WICHE's PSEP Program
for Academic Year 2000-2001 by Field, Class, Professional School,
and State Support Payment
 January 30, 2001

VETERINARY MEDICINE: 3 Support Options Available to ND Residents – WICHE PSEP, Iowa State, Minnesota Reciprocity

Class	WICHE Agreement	Support Payment Per Student	Receiving Institution	Iowa State Agreement	Support Payment Per Student	*University of Minnesota School of Vet. Med.
Freshmen	3	\$20,900	Colorado State U	4	\$11,444	1
Sophomore	1	\$20,900	Colorado State U	6	\$11,444	2
Junior	1	\$20,900	Colorado State U	3	\$11,444	3
Senior	2	\$20,900	1 @ Kansas State U 1 @ Colorado State U	6	\$11,444	0

* Number of North Dakota students, by class, enrolled at University of Minnesota – veterinary medicine program at no cost to the State of North Dakota.

DENTISTRY: 2 Support Options Available to ND Residents – WICHE PSEF and Minnesota Reciprocity

Class	WICHE Agreement	Support Payment Per Student	Receiving Institution	*University of Minnesota School of Dentistry
Freshmen	2	\$14,700	Creighton University	7
Sophomore	1	\$14,700	University of Nebraska	8
Junior	2	\$14,700	1 @ U of Washington 1 @ U of Colorado	7
Senior	1	\$14,700	University of Colorado	8

* Number of North Dakota students, by class, enrolled at University of Minnesota – dentistry program at no cost to the State of North Dakota.

OPTOMETRY: 1 Support Option Available to ND Residents – WICHE PSEP

Class	WICHE Agreement	Support Payment Per Student	Receiving Institution
Freshmen	10	\$9,500	5 @ Pacific University; 3 @ Southern California; 3 @ Illinois College of Optometry
Sophomore	9	\$9,500	2 @ Southern California; 4 @ Pacific University; 3 @ Illinois College of Optometry
Junior	8	\$9,500	7 @ Pacific University; 1 @ Illinois College of Optometry
Senior	7	\$9,500	7 @ Pacific University

O/Sequel/other/Number of ND Residents

March 6, 2001

Testimony before House Education Committee

Roughrider Room

Representative RaeAnn Kelsch, Chair

Senate Bill 2292

My name is Joe Cichy, and I am the Executive Director of the North Dakota Dental Association. The North Dakota Dental Association supports SB 2292 as it pertains to dentistry. North Dakota is facing a severe access problem with regard to dental care.

This problem exists because there is a dentist shortage in North Dakota. The situation will only worsen as our dentist population ages. It is projected that between 1998 and 2008 over 40% of those who practiced in 1998 will retire. If this situation is not addressed, it will create a significant health care problem in North Dakota.

Access to oral health care services is already a problem for many North Dakotans and a critical issue for many low-income families. Currently 26 percent of dentists report that new patients must wait more than four weeks for treatment. Over three-fourths (76%) of the dentists report they do not actively seek new patients and only 43 percent accept new Medicaid patients.

Currently there are 16 counties designated as dental health professional shortage areas (dental HPSAs). Two additional counties are being studied to see if they would qualify. The loss of just one dentist in many rural counties places them in health professional shortage area status.

North Dakota ranks below the national average for population to dentist ratios. In North Dakota we have one dentist for every 2253 people while the national average is one dentist for every 1700 people. There are currently 282 licensed practicing dentists in the state. To reach that ratio North Dakota needs another 46 dentists in the state. We were at that level in the 1980s and there were few access problems. In the past 10 years North Dakota has lost an average of 12 dentists per year and get six new ones for an average net loss of six per year. If this trend continues, the average citizen will have difficulty finding dental care in a timely manner.

A November 1998 survey of North Dakota dentists showed 36 percent of the licensed practicing dentists were over the age of fifty. The average age of North Dakota dentists is 48.2 years. We have an aging dentist population. Currently nearly one-fourth (23%) of our dentists are over the age of 55 while in the mid 1980s and early 1990s only 16 percent of our practicing dentists were over 55.

In April of 2000 a statewide dental summit of public and private providers identified the lack

of dental manpower and the financing and resources to support manpower improvement in the state as a priority issue. Since the Summit the North Dakota Dental Association has developed a mentoring program to encourage young people to pursue careers in dentistry and has dental mentors available to encourage young people to return to the state. In August of 2000, North Dakota re-instituted an externship program with the University of Minnesota. Four dental externs spent a month working in rural and underserved communities in the state. Post externship interviews with the students indicated they need incentives to return to the state.

Dental schools currently have long waiting lists. We must look at various strategies to ensure an adequate dental provider base to meet the oral health needs of our state. Requiring dental students who receive WICHE funding to accept it as a loan, with the loan being forgiven if they return to North Dakota to practice dentistry will help assure that state funds spent on this program will directly help to reduce the dentist shortage in our state.

It is imperative that this legislature take steps to address this shortage issue. This shortage problem is a nationwide problem. We are competing with other states to secure dental providers for our state. In the last 10 years dental schools have closed and enrollments have decreased. Twenty years ago, there were approximately 6,000 dental students per class, now there are approximately 4,000. There were 68,258 applications for these slots in 1997. The competition is stiff. However, requiring WICHE funded students to return to North Dakota will help ensure North Dakota residents access to dental care. This bill allows the state to use its resources to benefit not only its residents in dental school, but also the people of the state by requiring a return to the state to practice or a repayment of the loan. We must act quickly and positively to prevent a serious health care problem for the citizens of North Dakota.

This legislation should only apply to applicants initially approved after the effective date of the legislation. It would be unfair to those presently in school who entered the program under one set of conditions to have those conditions changed in midstream. Thus, the bill should be amended to provide for prospective application to new applicants.

Statement of

**Kathleen A. Mangskau, RDH, MPA
Oral Health Program Director
North Dakota Department of Health**

SB No. 2292

Regarding

Note Repayment for Students in Veterinary Medicine, Optometry, and Dentistry

Before the

House Education Committee

March 6, 2001

Good morning Madame Chair and members of the House Education Committee. My name is Kathleen Mangskau. I am the Oral Health Program Director in the Division of Maternal and Child Health of the North Dakota Department of Health. I am here to provide information on oral health provider needs in the state

Access is already a critical issue for many low-income families in North Dakota. Over three-fourths (76%) of the dentists report they do not actively seek new patients and only 43 percent accept new Medicaid patients.

Currently there are 16 areas designated as dental health professional shortage areas (dental HPSAs). The attached fact sheet defines these areas.

In North Dakota we have one dentist for every 2253 people while the national average is one dentist for every 1700 people. There are currently 282 licensed practicing dentists in the state. Of that number, 48 are dental specialists, which means our actual population to dentist ratio closer to one dentist for every 2687 people. The current recommended ratio under many state managed care contracts is 1:2000. To reach that ratio North Dakota needs another 49 dentists in the state. In the past 10 years North Dakota has lost an average of 12 dentists per year and gets six new ones for an average net loss of six per year. If this trend continues, the average citizen will have difficulty finding dental care in a timely manner.

In April of 2000 a statewide dental summit of public and private providers identified the lack of dental manpower and the financing and resources to support manpower improvement in the state as a priority issue. Since the Summit the North Dakota Dental Association has developed a mentoring program to encourage young people to pursue careers in dentistry and has dental mentors available to encourage young people to return to the state. In August of 2000, North Dakota re-instituted an externship program with the University of Minnesota. Four dental externs spent a month working in rural and underserved communities in the state. Post externship interviews with the students indicated they need incentives to return to the state. A note repayment option could be an incentive to attract students back to North Dakota to practice.

Madame Chair, this completes my formal testimony. I would be pleased to answer any questions that you or other members of the committee have regarding dental provider status.

North Dakota Oral Health Care Access Facts

- Access is a critical issue for many low-income families in North Dakota.
 - Currently 26 percent of dentists report that new patients must wait more than four weeks for treatment.
 - Only 43 percent of dentists accept new Medicaid patients.
- There are 16 areas designated as dental health professional shortage areas (dental HPSAs).
 - Fifteen geographic HPSAs including Billings, Bottineau, Burke, Dunn, Foster, Golden Valley, Griggs, Kidder, McIntosh, McKenzie, Nelson, Sioux, Slope, Steele, and Towner are designated. County designation means that the dentist to population ratio is greater than 1 to 5,000.
 - One facility designation at the Family Health Care Center in Cass County. Facility designation indicates the facility provides 50 percent or more of their care to residents of a designated HPSA, each dentist has more than 5,000 outpatient visits, and the waiting time for an appointment is more than six weeks.
 - Two additional counties (Burleigh and Morton) are being studied to see if they would qualify. In addition, a facility designation for the State Penitentiary is being requested. The loss of just one dentist in many rural counties places them in health professional shortage area status.
- According to the 1999 Health Resources and Services Administration state profiles, dentistry is the one area in the distribution of primary care providers where North Dakota falls below the national rates.
 - North Dakota total dentist to population ratio 1:2253
 - US average general/pediatric dentist to population ratio 1:1700
 - North Dakota general/pediatric dentist to population ratio 1:2687
 - There are 282 licensed practicing dentists in the state. Of that number, 48 are dental specialists. The current recommended ratio under many state managed care contracts is 1:2000. To reach that ratio North Dakota needs another 49 dentists in the state.
- In the past 10 years North Dakota has lost an average of 12 dentists per year and gets six new ones for an average net loss of six per year.
- A November 1998 survey of North Dakota dentists showed 36 percent of the licensed practicing dentists were over the age of fifty. The average age of North Dakota dentists is 48.2 years. We have an aging dentist population.
- The shortage of dentists is a nationwide problem. Dental schools currently have long waiting lists for acceptance. We are competing with other states to secure dental providers for our state.

Sarah Lovette
SB 2292

I am Sara Cavett from Enderlin, North Dakota. I am a junior at NDSU, ^{and} ~~I am~~ the active secretary for the Pre-Vet Club on our campus. I have always wanted to become a Veterinarian and I hope to enter the College of veterinary medicine at Iowa State University this fall. I am here to discuss some of my concerns about Senate Bill 2292.

First of all, virtually every pre-vet student I know, including myself, would really like to return to North Dakota after finishing veterinary college. However, there are a number of reasons that may affect our returning, at least for a few years. Some of these reasons include: employment opportunities, entry level salaries, a desire for specialty training, and opportunities for specialty practice elsewhere, ^{as well as} ~~and~~ for personal and family reasons. Furthermore, it appears to me that it is unfair to target those students in the Professional Student Exchange Program for repayment of funds appropriated to provide access to programs not offered in North Dakota.

An additional concern I have is the debt load I have accumulated over the past 3 years, and will accumulate over the next 4 years. The dilemma I face is whether or not I can service this debt at an entry-level salary, that I feel I would have to accept as a result of the requirement to return to North Dakota—balanced with the additional \$40,000-\$50,000 debt I would incur if I did not return to North Dakota immediately.

I also am concerned that North Dakota is not going to encourage students to come back by passing this bill, but drive them away. Had I been able to foresee this legislation-taking place I would have moved to Iowa State as an undergraduate freshman. I feel that students interested in veterinary medicine will realize that one year of undergraduate out-of-state tuition is minimal compared to four years out-of-state tuition for a professional program. This legislation will not help North Dakota regain residents, but force them to move else where to pursue their education.

My final concern is that most of the students I talk to are not aware of this legislation and the impact it will have on career decisions they and their parents will have to make. Such as moving out of state and establishing residency before starting a pre-vet program, ~~as I discussed earlier.~~

Thank you, and do you have any questions?

-Refer questions I don't know how to answer to Dr. Herb Smith

VOTE AGAINST SENATE BILL 2292

Shawn
Greasy
SB2292

SB2292 WILL DRIVE STUDENTS AWAY FROM NORTH DAKOTA

SB2292 IS NOT FAIR FOR ALL PROFESSIONAL HEALTH-CARE STUDENTS

DENTAL, OPTOMETRY, AND VETERINARIAN STUDENTS RETURN TO NORTH DAKOTA AT ABOUT 50% TO 75%. (PEGGY WIPF, DIRECTOR OF FINANCIAL AID AND FEDERAL RELATIONS COORDINATOR OF WICHE)

NDSU PHARMACY PROGRAM GRADUATES 60 TO 65 STUDENTS EVERY YEAR AND MAYBE KEEPS 25! (HOWARD ANDERSON OF THE STATE BOARD OF PHARMACY)

NDSU PHARMACY STUDENTS ARE NOT FORCED TO COME BACK TO THE STATE OR REPAY THE AMOUNT IT COST TO EDUCATE THEM

UND MEDICAL STUDENTS ARE LEAVING THE STATE FASTER THAN ANYONE, ROUGHLY 66% LEAVE! (JUDY DEMERS)

UND MEDICAL GRADUATES ARE NOT FORCED TO COME BACK TO THE STATE OR REPAY THE AMOUNT IT COST TO EDUCATE THEM

UND MEDICAL STUDENTS' TUITION ONLY COVERS 10% OF WHAT IT COST THE SCHOOL TO RUN THE MEDICAL PROGRAM! (PAM KNUTSON, PUBLIC RELATIONS UND MEDICAL SCHOOL)

IT COST THE STATE OF NORTH DAKOTA, \$14 MILLION EVERY YEAR TO FUND THE MEDICAL SCHOOL, IT COST THE STATE BETWEEN \$99 THOUSAND TO \$103 THOUSAND TO HELP NORTH DAKOTA STUDENTS ATTEND ALL THREE PROGRAMS (DENTAL, OPTOMETRY, AND VETERINARIAN PROGRAMS)

SENATE BILL 2292 JUST DOESN'T SEEM FAIR DOES IT? PLEASE MAKE IT FAIR FOR ALL STUDENTS OF NORTH DAKOTA BY DEFEATING SB2292!!!

Earl Smith
SB 2292

VETERINARY EDUCATION IN NORTH DAKOTA :

OBSERVATIONS, PERSPECTIVES & OPINIONS

M.H. SMITH DVM, PhD

Professor Emeritus

I would like to take this opportunity to document some of the recent history of veterinary medical education in North Dakota. The early history of veterinary medical education began back in 1903 when Dr L. Van Es came to NDSU. He accomplished many things while in North Dakota (1903-about 1917)-among them was the establishment of a veterinary college in which 2 years were taught in Fargo- the remainder at Iowa State, Ohio State, Michigan State, etc. The details are sketchy and incomplete so this part of the history will not be pursued here. It is apparent, however, that the veterinary college did not survive beyond the early 1920's. Dr Mack Emmerson of Iowa State was a graduate of the North Dakota college.

The more recent history begins sometime in the late 1950's when there were concerns expressed as to educational opportunities for North Dakota students. Veterinary colleges in Minnesota, Iowa, Kansas, Oklahoma etc were accepting students from North Dakota until the extreme pressures within these states for limiting out of state residents made it very difficult for North Dakota students to get into veterinary colleges. For instance, Oklahoma passed legislation to preclude any out of state students and the last North Dakota student graduated from Oklahoma in about 1968.

As a result of these pressures there was a nation wide movement to increase the number of veterinary colleges as well as to increase class size in existing veterinary colleges. Eventually the number of colleges increased from 17 to 27-including a new college in Canada. This, however did not ease the pressure for more entering students. This pressure was particularly obvious in central states. Then, sometime in the early 1970's there was a study initiated that was supported by a grant from The Old West Regional Commission (OWRC). This was an exhaustive study that involved the states in the Old West Region (Montana, Wyoming, North Dakota, South Dakota & Nebraska). There were representatives from all these states that met over several years culminating in The Cole Report. This report recommended, among other things, that a Regional College of Veterinary Medicine be established in Lincoln, Nebraska. Each participating state would have a branch. Some of the branches would house new faculty to teach some of the first 1-2 years and might or might not be involved with some of the clinical years. Nebraska built a new veterinary science facility large enough to house the core facility along with much of the equipment necessary to teach a full class of veterinary students. During this time I was at Montana State University and often served as an alternate to Dr Jack Catlin as a study committee member. As a result I became very familiar with the extent and detail of this study. Soon after this, in 1981, I moved to North Dakota. Part of my attraction to North Dakota was the very obvious support for higher education in all its aspects. Very soon, however, in spite of the statewide support for the Regional Veterinary College as well as support for veterinary medical educational opportunities generally, including support from then Gov Link, it became apparent that this entire issue had become a very divisive one. Opposing forces included

the head of Veterinary Science, Dr Myron Andrews, the chairman I replaced, The North Dakota Veterinary Medical Association, The North Dakota Stockmen's Association and others. Similar forces were active in all the Old West Regional states. It became apparent to me that this controversy resulted in a critical delay, and other factors, including political, budgetary etc came together to complicate an already very complicated plan. Ultimately the OWRVC plan was dropped and each state went forward to address the needs of each individual state. At about this time Dr John Richardson, then the chancellor of The North Dakota State University System, or whatever it was called then, put together a study group to examine North Dakota's needs and how those needs could best be met. The study group met with veterinary college deans &/or their representatives from Minnesota, Iowa & Kansas. A decision was made to develop bilateral agreements with all 3 states in order to maximize North Dakota's bargaining position in future negotiations. Sometime during this period Dr Richardson negotiated with the Western Interstate Commission on Higher Education (WICHE) in order to broaden the educational opportunities in veterinary medicine for North Dakota students. This brought in Colorado, Washington State, and, potentially California, as possibilities for receiving students in veterinary medicine from North Dakota. All these scenes were being played out during the early 1980's. Throughout all these discussions the focus was on increasing opportunities for North Dakota students in veterinary medicine. The aim was to facilitate access.

Parallel and coincident with this time period there was a program already in force from the 1960's or earlier that made provision for students from North Dakota to sign a note, I think with The Bank of North Dakota, specifying that any student receiving support from North Dakota would be required to return the support funds should they not return to North Dakota within a time period after graduating from veterinary college. At that time the funds to be returned were nominal, at least compared to the minimum today (2001) of over \$40,000.

Then in 1983 The North Dakota Veterinary Medical Association moved to have the "pay-back" clause terminated - this was done. It was recognized by the NDVMA that this provision was unfair and discriminatory. It further had a depressing effect on entry level salaries which made it more unattractive to return to the state. Since 1983 it appears that the rate of students return is equal to that prior to 1983. The rate of return is even greater if a 10 year average is used. This is likely due to a number of factors such as: some relief from the suppression of entry level salaries because of the "pay-back" requirement, increasing employment opportunities, and, above all, the perennial personal motivation of North Dakota students to want to come home.

Now we are again faced with reinstituting the pay-back clause and it is once again apparent that we have learned nothing from history. I would find this just a little more palatable if everyone would accept the premise that no North Dakota student pays for the full cost of his/her education - tuition covers

about one third of the total cost in most cases. In some cases it is considerably less than one third. The difference has to be made up by subsidizing the remainder. Therefore, would it not be fair to have all students return a portion of those subsidized funds if they did not return to North Dakota or if they did not stay in North Dakota? To be sure, this would be cumbersome, politically unacceptable, and probably unworkable. Then why is it that a small number of students are separated out and are required to return some of these subsidized funds if they do not return to the state. This is a clear instance of discriminating against a small population of students. This is all the more incongruous when it is clearly recognized that other states, such as Iowa, are subsidizing North Dakota by supporting professional schools not available in North Dakota.

In summary, these are some reflections on the vagaries of veterinary education in North Dakota, from my perspective. Some of the chronology may not be entirely accurate- but close enough for government work. I did not intend to make this a treatise on veterinary education so there are inevitable gaps and omissions, none of them intentional. The next edition will be more complete.