

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE

House Bill 848 (Delegates Oaks and Donoghue)
 Health and Government Operations

Oral Health Safety Net Program

This bill establishes an Oral Health Safety Net Program within the Department of Health and Mental Hygiene’s (DHMH) Office of Oral Health to award grants to local health departments and federally qualified health centers to increase dental provider capacity for the underserved.

The bill takes effect July 1, 2006 and terminates June 30, 2010.

Fiscal Summary

State Effect: General fund expenditures would increase by \$2 million in FY 2007 to fund the program and issue grants. Future years reflect grants being issued in FY 2008 and 2009 and the program terminating after FY 2010. No effect on revenues.

(\$ in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	2.0	2.0	2.0	.1	0
Net Effect	(\$2.0)	(\$2.0)	(\$2.0)	(\$.1)	\$0

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

Local Effect: Meaningful for local health departments awarded grants under this program. An estimated \$1.9 million in grants would be awarded each year in FY 2007, 2008, and 2009.

Small Business Effect: Meaningful for federally qualified health centers considered small businesses and awarded grants under this program. An estimated \$1.9 million in grants would be awarded each year in FY 2007, 2008, and 2009.

Analysis

Bill Summary: The Oral Health Safety Net Program will provide start-up funding to expand the oral health capacity for underserved low-income and disabled individuals, including individuals enrolled in Medicaid and the Maryland Children's Health Program.

It is the General Assembly's intent that:

- \$2 million be included in each of the fiscal 2007, 2008, and 2009 State operating budgets to support the program;
- grants must be awarded through the program from January 1, 2007, to January 31, 2007, both inclusive, for calendar 2007; and
- full funding for grants must continue in subsequent years unless the office determines that a grantee is not fulfilling the agreed-on conditions on the award.

The office must solicit proposals from local health departments and federally qualified health centers for issuing grants to support collaborative and innovative ways to increase dental provider capacity for the underserved. Subject to the State budget, the office must award grants and oversee the program's operation. The office must give priority on awarding grants to proposals that outline how the potential grantee will maximize resources.

Also subject to the State budget, the office must contract with a licensed dentist to provide expertise in dental public health issues for the office and provide for appropriate continuing education courses for providers that offer oral health treatment to underserved populations.

The office must annually evaluate the program and report to the Governor and the General Assembly by June 30 each year on the program's results. DHMH must conduct a statewide follow-up survey by June 1, 2010 concerning the oral health status of school children in Maryland.

Current Law/Background: The Office of Oral Health was established in 1996 to address dental or oral diseases affecting the State's neediest children and adults through public oral health initiatives and interventions, focusing on health promotion and disease prevention.

The Office of Oral Health works with other State agencies, local health departments, schools, community agencies, and private providers in developing policies, programs, and activities that address the following five major areas: oral disease prevention, current and unmet disease status (status of unmet and untreated oral diseases), oral injuries, oral

cancer, and special population groups (underserved and uninsured Maryland populations).

State Expenditures: General fund expenditures could increase by an estimated \$2 million in fiscal 2007, which accounts for the bill's 90-day start-up delay. This estimate reflects the cost of hiring a full-time community health educator, a part-time epidemiologist, and a full-time secretary, all contractual, to staff the Oral Health Safety Net Program, award program grants, evaluate grantees' performance, and submit annual reports. It includes grants, salaries, fringe benefits, one-time start-up costs, travel costs, a contract with a licensed dentist, and ongoing operating expenses.

Program Grants	\$1,856,416
Salaries and Fringe Benefits	69,221
Contract with Licensed Dentist	37,500
Operating Expenses	<u>36,863</u>
Total FY 2007 State Expenditures	\$2,000,000

Future year expenditures reflect: (1) \$2 million included in the State budget for the program in fiscal 2008 and 2009; (2) full salaries with 4.6% annual increases and 6.8% employee turnover; (3) a contract with a licensed dentist (\$50,000 annually) in fiscal 2008 and 2009; (4) travel expenditures in fiscal 2008 and 2009; (5) 1% annual increases in ongoing operating expenses; (6) program staff conducting a follow-up survey in fiscal 2010; and (7) the program terminating in after fiscal 2010.

Additional Information

Prior Introductions: None.

Cross File: SB 649 (Senator Lawlah, *et al.*) – Budget and Taxation.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

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