

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 649

(Senator Lawlah, *et al.*)

Budget and Taxation

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 terminates September 30, 2010.

Fiscal Summary

State Effect: General fund administrative expenditures could increase by \$143,600 in FY 2007 to start the program. General fund expenditures would increase by \$2 million in FY 2008, 2009, and 2010 to fund the program and issue grants, with the program terminating in FY 2011. No effect on revenues.

(\$ in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	.1	2.0	2.0	2.0	0
Net Effect	(\$.1)	(\$2.0)	(\$2.0)	(\$2.0)	(\$.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 \$1.8 million in grants would be awarded each year in FY 2008, 2009, and 2010.

Small Business Effect: Meaningful for federally qualified health centers considered small businesses and awarded grants under this program. An estimated \$1.8 million in grants would be awarded each year in FY 2008, 2009, and 2010.

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 2008, 2009, and 2010 State operating budgets to support the program;
- grants must be awarded through the program in July 2007, for fiscal 2008; and
- full funding for grants must continue in the subsequent two fiscal 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 September 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). Each year, the office provides approximately \$700,000 in grants to clinics and local health departments for dental screenings, fluoride rinse programs, sealants, and educational activities.

State Expenditures: General fund expenditures could increase by an estimated \$143,584 in fiscal 2007, which accounts for the bill's October 1, 2006 effective date. 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, develop grant criteria and solicit grant proposals, and submit annual reports. It includes salaries, fringe benefits, one-time start-up costs, travel costs, a contract with a licensed dentist, and ongoing operating expenses.

Salaries and Fringe Benefits	\$69,221
Contract with Licensed Dentist	37,500
Operating Expenses	<u>36,863</u>
Total FY 2007 State Expenditures	\$143,584

Future year expenditures reflect: (1) \$2 million included in the State budget for the program in fiscal 2008, 2009, and 2010, which includes the following administrative costs; • full salaries with 4.6% annual increases and 6.8% employee turnover; • a contract with a licensed dentist (\$50,000 annually) in fiscal 2008, 2009, and 2010; • travel expenditures in fiscal 2008, 2009, and 2010; • 1% annual increases in ongoing operating expenses; and • program staff conducting a follow-up survey in fiscal 2010; and (2) administrative costs of \$27,300 for the first three months of fiscal 2011.

Additional Information

Prior Introductions: None.

Cross File: HB 848 (Delegates Oaks and Donoghue) – Health and Government Operations.

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

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