

STATE OF COLORADO



Colorado Department
of Public Health
and Environment

**Dental Loan Repayment Program
Report to the House and Senate
Health, Education, Welfare and Institutions Committees
November 15, 2004**

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This report is being submitted as required by C.R.S. 25-23-103(7), highlighting the Dental Loan Repayment Program successes, the number of dental professionals participating in the program, the appropriateness of the funding source, and the impact of the program on the availability of dental care to underserved populations.

Program Description

The Dental Loan Repayment Program was authorized by the Colorado General Assembly in the 2001 legislative session as Senate Bill 01-0164. The purpose of the legislation was to create a “loan repayment program as an incentive to dental professionals to provide dental services to underserved populations.” The program will pay all or part of the principal, interest and related expenses of the educational loan of each eligible dental professional. The program is open to both dentists and dental hygienists. The program is administered by the Oral Health Program in the Prevention Services Division at the Colorado Department of Public Health and Environment.

The Dental Loan Repayment Program is a direct result of recommendations to the Governor and the Colorado General Assembly from the Colorado Commission on Children’s Dental Health in December 2000. The commission identified loan repayment as a key strategy for addressing the shortage of dental providers willing to serve underserved populations in Colorado, and overcome the significant dental education indebtedness. As a result of this recommendation, Senate Bill 01-164 was passed, creating the state Dental Loan Repayment Program.

The application for the Dental Loan Repayment Program, loan verification form, and current program rules, are posted on the department’s Web site at:
<http://www.cdphe.state.co.us/pp/oralhealth/DentLoan.html>

Program Goals

The overall goal of the program is to increase access to care for low-income and underserved populations by offering financial incentives to dental providers to work in dental practices open to these populations. The programmatic goals include:

- 1) Assuring sufficient applications to ensure maximum expenditure of available funds;
- 2) Collaborating with key stakeholders to market the program to current licensed providers and students;
- 3) Increasing the number of persons from under-served populations whose dental needs are met.

Evaluation and Program Success

The program has been very successful in meeting its intended goals. The program to date has had 26 dentists and dental hygienists participating in the program. The providers include 12 Level I dentists (40 patients/month), 3 Level II dentists (20 patients/month), and 3 Level III dentist (10 patients/month). All eight of the participating dental

hygienists have been Level I hygienists (20 patients/month). In total, 17 are employed by community health centers and 9 are in private dental practices.

During the first year of the program, rules were promulgated by the State Board of Health specifying the loan amounts per provider level and establishing prioritization criteria in the event of insufficient funds. In FY 02, funds were not available until April 2002, so the program sought an advance payment waiver to be able to reimburse providers and expend the funds by June 30, 2002. Eight providers applied to the program and were funded, including six dentists and 2 dental hygienists. The total amount of outstanding educational loan balances for these providers totaled \$360,454 and the program, based on the individual provider levels, was able to offer loan repayment totaling \$154,802.

In FY 03, the providers participating in year one were eligible for a second year of funding and an additional 4 providers were included. The program was able to fund all providers who applied to the program. Marketing efforts included a booth at the Rocky Mountain Dental Convention, news articles in professional publications, announcements at various meetings and conferences, and notices of funding availability and presentations to students at the University of Colorado School of Dentistry. In FY 03, the outstanding loan balance of the participating providers was \$641,960, and the loan repayment amount totaled \$164,397. This has resulted in \$49,903 remaining in the dental loan repayment fund after the first two fiscal years.

In FY 04, the program sought a rules change by the State Board of Health to allow multiple application cycles to assure maximum expenditure of the funds and to further clarify prioritization criteria. The program received many more applications than funds available. Twelve new providers became participants with the program, leaving as many applications not funded to be reconsidered in the next fiscal year.

Department of Public Health and Environment Summary of Dental Loan Repayment Awards by Provider										
Provider Type	Required # Patients	FY 02			FY 03			FY 04		
		# Providers	Total Award	Counties Served	# Providers	Total Award	Counties Served	# Providers	Total Award	Counties Served
Level I Dentist	40	5	\$124,264	Alamosa Denver Larimer	3	\$110,710	Denver Larimer	4	\$100,000	Denver Pueblo El Paso
Level II Dentist	25	1	\$18,538	Denver	4	\$40,000	Denver	2	\$40,000	Jefferson Adams
Level III Dentist	10	0	0		2	\$20,000	Chaffee	1	\$10,000	Eagle
Level I Hygienist	20	2	\$12,000	Larimer Logan	3	\$13,687	Larimer Logan Pueblo	5	\$22,489	Weld Logan El Paso Prowers
Total		8	\$154,802		12	\$164,397		12	\$172,489	

In FY 05, two additional providers have begun participating and a third Level I dentist will begin in January. With the FY 04 providers in the second year of their participation, and with the additional new participants, the funds will once again be totally expended. It is anticipated that the funds remaining in the fund balance could potentially fund an additional two dentists if spending authority were obtained.

Dental Professionals Participating in the Program

Contracts are initiated with dental providers with loan repayment levels set to correspond with the dental professional's level of service. The loan repayment checks are payable to both the dental professional and the loan company to assure repayment of educational loans is made. Participating providers are required to submit documentation from their loan companies indicating the appropriate decrease in balance on their educational loans. The terms of the contracts are from July 1 to June 30, and from January 1 to December 31 in each fiscal year, reflecting the two-year agreement to serve under-served populations. Providers in the second year of their service agreement receive a contract amendment reflecting additional loan repayment for the second year if applicable.

The geographic distribution of providers is shown on the map in Attachment A, and includes Adams, Arapahoe, Chaffee, Eagle, El Paso, Jefferson, Larimer, Logan, Prowers, Pueblo, and Weld counties. The participating dentists include twelve "Level I" providers, who provide dental services to at least 40 underserved patients per month or devote at least 30 percent of a full-time dental practice to providing services to underserved populations. These dentists are from five community health centers: Loveland Community Health Center in Larimer County; Denver Neighborhood Health Centers in Denver County; Inner City Health Center in Denver, Pueblo Community Health Center, and Peak Vista Community Health Center in El Paso County. There are also seven "Level II" private practice dentists in Adams, Denver, and Jefferson counties. The three Level III dentists practice in Chaffee and Eagle counties. The eight participating dental hygienists also are Level I providers, providing dental services to at least 20 underserved patients per month. Six are employed by community health centers in Larimer, Weld, El Paso, Logan, and Prowers counties. The other two dental hygienists work in private practice settings in Logan and Pueblo counties.

Availability of Dental Care to Underserved Populations

Quarterly reports of the number of under-served people seen for dental care also are requested from participants, and verified as applicable, to assure the dental professionals are meeting the goals of the program. A total of 35,520 underserved patients have benefited from this program through June 30, 2004.

	Medicaid	Child Health Plan Plus	Sliding Fee Patients	Old Age Pension	Total
FY 02-03*	3,629	802	10,359	202	14,992
FY 03-04	6,807	1,399	11,844	478	20,528
Totals	10,436	2,201	22,203	680	35,520

* As providers in the first year of the program (FY02) were reimbursed in advance of services, their numbers are reflected in FY 02-03 figures.

Cost Effectiveness

The Dental Loan Repayment Program has received \$776,055 from tobacco settlement monies for fiscal years 2002-2005, which has been an appropriate funding source. The statute allows for 20 percent and 0.2 FTE staff support. A total of \$36,237 in administrative costs has been significantly below the 20 percent, allowing for more funds available for loan repayment awards. Included in this amount are "oversight" costs, shared by all the tobacco-funded programs, which has totaled less than \$1,000 for all three years.

The statute also allows the Oral Health Program to seek opportunities for additional funding from other federal and private funding sources. The program is in contact with the National Health Service Corps Loan Repayment Program to ensure optimal coordination, as well as with the Colorado Health Professional Loan Repayment Program operated by the University of Colorado Health Sciences Center to maximize distribution of funds. The program has collaborated with key stakeholders, including the Colorado Rural Health Center's provider recruitment project; the Colorado Community Health Network; and the University of Colorado Health Sciences Center to develop a flow chart to assist potential participants in determining which loan repayment programs they may qualify for. This flow chart is available at

http://www.uchsc.edu/ahec/lrp/professions/health_professional1.htm

The Dental Loan Repayment Program underwent an audit by the State Auditor's Office, as required by Section 2-3-113, C.R.S. The audit was completed on April 30, 2004 and presented to the Legislative Audit Committee on July 13, 2004. The audit made nine recommendations, of which seven have already been implemented, including strengthening the application and reporting processes to verify participation in Medicaid and Child Health Plan Plus, checking with the State Board of Dental Examiners for current dental licensure information, and increasing marketing strategies to make the program more competitive. Two additional recommendations were presented to the State Board of Health to consider rules changes, including clarification of the prioritization criteria commensurate with program practices, and reconsidering the loan repayment amounts "on a per patient" basis, as the program currently reimburses Level III providers at a higher per patient rate than those at the higher Level I. The State Board of Health, at its hearing on October 20, 2004, clarified the prioritization criteria, but opted to keep the current rules regarding the loan repayment award structure to maintain the original intent

of the program, which was to retain providers who currently serve low-income populations while providing an incentive for private practitioners to begin or increase their participation.

Conclusion

The Dental Loan Repayment Program has been highly successful in its first three years with 18 dentists and 8 dental hygienists participating, providing needed dental care to over 35,000 underserved children and adults. Administrative processes and programmatic rules are in place to assure maximum expenditure of funds, accountability by the participants, and geographic distribution of dental providers receiving loan repayment. It is anticipated that the program will continue to grow more competitive, indicating a willingness on the part of new graduate dentists and hygienists to serve low-income populations in exchange for assistance in meeting their education loan obligations.

Appendix A

Dental Loan Repayment Program

Revised 11/2/04

