

**NOTE:** As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR: Papen DATE TYPED: 2/7/03 HB \_\_\_\_\_

SHORT TITLE: Rural Portable Dental Clinics for Children SB 408

ANALYST: Dunbar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$100.0			Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates SB 450; HB370 SB173; SB182; SB293

### SOURCES OF INFORMATION

#### Responses Received From

Department of Health (DOH)  
 Health Policy Commission (HPC)  
 NM State Department of Education (NMSDE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 408 appropriates \$100.0 from the state general fund to the Department of Health (DOH) in fiscal year 2004. These funds would be used to contract with a nonprofit school-based portable dental program to provide dental screening, examinations and dental sealants. The population targeted in SB 408 is uninsured low-income children, not eligible for Medicaid, but who are eligible for the free or reduced-price school lunch program in rural school districts.

#### Significant Issues

SB 408 would provide funding to a non-profit organization for the provision of dental screening, examinations and sealants in a school based setting. The DOH, Office of Dental Health (ODH) currently contracts with two organizations for these services, targeting second and third grade students in public schools. The DOH/ODH also provides these services. Collectively, 15,000

students are screened annually and 60% of these students were provided dental sealants. The ODH, private for-profit dental organizations and non-profit dental organizations also bill Medicaid and private insurances. The ODH serves children regardless of their ability to pay.

The oral health of children in New Mexico (NM) lags behind other states. A recent Oral Health Survey conducted by the DOH/ODH, revealed 35% of New Mexico children did not have dental insurance. Providing school-based portable dental services in rural communities has helped overcome some barriers to dental care. Since the increase in the Medicaid fee schedule in 1999, programs delivering preventive dental treatment for children have been successful. However, uninsured children not eligible for Medicaid and not receiving services from the ODH have traditionally missed out on valuable preventive services.

### **FISCAL IMPLICATIONS**

The appropriation of \$100.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY 04 shall revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

There is minimal administrative impact on the Department. Existing staff would handle additional procurement, contracting and monitoring activities.

### **RELATIONSHIP**

Relates to:

SB 450, which would appropriate \$669.0 from the general fund to the Public Health Division of the Department of Health to provide community dental health services in the fiscal year 2004.

HB370, Early Childhood Dental Caries Program -- funds and coordinates an early childhood caries program.

HB354, Personal Responsibility Education Program -- educate low-income families on traditional family health care techniques, nutrition, home first aid and how to obtain necessary health care services.

SB173, Expand Access to Dental and Health Services -- appropriates \$1,200.0 from the General Fund to the Department of Health to contract with rural primary health care and dental clinics to leverage federal dollars at newly established or expanded clinic sites,

SB182, Expand New Mexico Health Services Corps -- appropriates \$500.0 from the General Fund to the New Mexico Health Service Corps (NMHSC) to increase the number of physicians, dentists, dental assistants and psychiatrists, pursuant to the Health Services Corps Act.

SB293, Fund Professional Health Recruitment in New Mexico -- provides an appropriation of \$500.0 from the General Fund to the Department of Health to contract with a qualified health professional recruitment agency to expand statewide health professional recruitment efforts.

SJM24, Develop Early Childhood Dental Caries Program -- requests that the University of New

Mexico Health Sciences Center (UNM HSC) Division of Dental Services create a task force to coordinate efforts to develop a comprehensive early childhood caries program, and evaluate and make recommendations about fluoride varnish projects.

### **TECHNICAL ISSUES**

Funding under SB 408 should not be confined to a single non-profit provider, as public, for-profit and non-profit organizations provide these services.

### **OTHER SUBSTANTIVE ISSUES**

Dental decay is the single most common chronic childhood disease, five times more common than asthma and seven times more common than hay fever. Twenty-five percent (25%) of children suffer 80% of tooth decay. In an Oral Health Survey conducted by the Health Department in 2000, findings show when compared to other states, New Mexico has higher rates of children experiencing dental decay (64.6%) and higher rates of children with untreated decay (37%) (NM Dept. of Health, Oral Health Survey "Make Your Smile Count" 2000).

The New Mexico Health Policy Commission Report, "Quick Facts 2003," reports 22.4% of New Mexicans are uninsured as compared with a national average of 14.4%. Other socioeconomic indicators rank the state 50<sup>th</sup> in the level of poverty and 49<sup>th</sup> in oral health status.

Poor children suffer twice as much tooth decay as their more affluent peers. More than 51 million school hours are lost each year to dental related illness. Poor children suffer nearly 12 times as many restricted activity days as children from higher income families. Twenty-five percent (25%) of poor and minority children never visit a dentist before entering kindergarten. Fewer than 1 in 5 children covered by Medicaid ever receive a single dental visit. Children from families without dental insurance are three times more likely to have unmet dental needs than children with either public or private insurance. Uninsured children are 2.5 times less likely than insured children to receive dental care (National Governors Association Center for Best Practices, Health Policy Studies Division, 11/02)

Children living in poverty, as well as minorities, American Indians and Alaska Natives are at higher risk for caries (tooth decay) and are less likely than others to receive dental care. (American Association of Community Dental Programs. Seal America The Prevention Invention July 1995).

According to Healthy People 2010, dental caries is the single most common chronic disease in childhood. More than half of all children have caries by the second grade, and by the time students finish high school, about 80% have had dental decay.

The oral health needs of New Mexicans go unmet partly due to a shortage of dental professionals. In 1998, New Mexico ranked 48<sup>th</sup> in the nation, having only 43 dentists per 100,000 population. In 1997, the national average was 60 dentists per 100,000. In the next ten years more dentists will be leaving than entering the workforce. New Mexico does not have a dental school. (Health Policy Commission, Final Report 1999, Senate Joint Memorial 21)

Bringing preventive dental services to children through a school-based portable dental program has been an effective way to increase access to those who otherwise may not receive dental care.

**Senate Bill 408-- Page 4**

Dental sealants are a cost effective way to prevent tooth decay and expensive restorative treatment. Maintaining optimal oral health is important for a child's self esteem and long term health.

**AMENDMENTS**

Amend lines 18 and 19 to read "...to contract with ~~a nonprofit school based portable dental program~~ community based providers..."

BD/yr