

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 2-6-06

SPONSOR Lopez LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Dental Care for Indigent Patients SB 661

ANALYST Collard

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$300.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 425, SB 394 and HB447

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Health (DOH)

Health Policy Commission (HPC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 661 appropriates \$300 thousand from the general fund to DOH for the purpose of working with a nonprofit organization dedicated to providing dental care for indigent patients in various communities in the state.

### FISCAL IMPLICATIONS

The appropriation of \$300 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 shall revert to the general fund.

### SIGNIFICANT ISSUES

DOH indicates New Mexico has a shortage of oral health professionals that greatly impacts oral health status. Currently, 26 of 33 New Mexico counties are designated partially or in full as Dental Health Professional Shortage Areas (HPSAs). New Mexicans who reside in rural parts of

the state are at a higher risk for untreated tooth decay due to lack of providers and/or inability to travel to urban areas to receive care due to travel distances.

Currently, as a safety net provider, DOH and DOH contractors provides cost-effective sealants to children in second and third grades who meet the eligibility criteria. DOH funded services to 3,447 children in FY05. The Public Education Department reports that 47,618 children were enrolled in second and third grades in 2004, a majority of whom would be eligible for the service.

HPC indicates the bill addresses the initiatives of the Governor's Oral Health Council, established in August 2004 by Executive Order to address the oral health needs of New Mexicans, including the needs of children and the Medicaid populations.

### **ADMINISTRATIVE IMPLICATIONS**

DOH indicates the funding in this bill would be distributed through contractual arrangements utilizing current staffing.

### **RELATIONSHIP**

Senate Bill 661 relates to Senate Bill 425 and House Bill 447, which propose rural portable dental programs as well as Senate Bill 394 to improve oral health care services in school-based health centers.

### **OTHER SUBSTANTIVE ISSUES**

HPC states the Governor's Oral Health Council reports:

- New Mexico is 49th in the country in oral health access and 50th in the country in poverty;
- 22 percent of residents live in poverty compared to 13.2 percent for the country;
- Poor oral health is a silent epidemic in New Mexico;
- The problems with access to oral health care are generally accepted to be two-fold: limited access due to a shortage of oral health providers, and limited access due to inability to pay for services; and
- Oral health is the gateway to overall health.

“According to the [Centers for Disease Control and Prevention] CDC, children in low-income families are more than twice as likely to have untreated dental cavities and 20 percent more likely to not have had a dental visit in the past year compared to children in higher income families. The U.S. General Accounting Office (GAO) reported that 80 percent of tooth decay is found in just 25 percent of the children, most of who are from low-income families. The National Access to Care Survey indicated that the major reason for not obtaining dental services was financial.” (Childrens' Defense Fund found at <http://www.childrensdefense.org/childhealth/oralhealth.aspx>)

HPC also indicates, while there are approximately 130 primary clinics statewide that treat low-income populations, dental clinic services are not available at all clinics. For those clinics that do have dental services, long waiting lists to be seen are not uncommon.

HPC notes CDC reports:

- In 2004, Americans made about 500 million visits to dentists, and an estimated \$78 billion was spent on dental services. Yet many children and adults still go without measures that have been proven effective in preventing oral diseases and reducing dental care costs.
- Cavities and gum disease may contribute to many serious conditions, including heart disease, diabetes, respiratory diseases, and premature and low weight babies.
- Poor oral health has been linked to sleeping problems, as well as behavioral and developmental problems in children.
- Poor oral health can also affect the ability to chew and digest food properly.
- Good nutrition is important to helping build strong teeth and gums that can resist disease and promote healing.
- Oral health needs to be a priority throughout all stages of life, especially since older adults and seniors are keeping their teeth longer than ever before. However, older adults may have less access to oral care services and dentists because of lower incomes and/or a lack of dental insurance.

KBC/nt