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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/09

SPONSOR Begaye LAST UPDATED _____ HB 54

SHORT TITLE Navajo Nation Portable Dental Clinic Services SB _____

ANALYST Chabot

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$100.0	Recurring	General fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$100.0	\$100.0	\$200.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health
 Health Policy Commission
 Human Services Department
 Indian Affairs Department
 Public Education Department

SUMMARY

Synopsis of Bill

House Bill 54 appropriates \$100 thousand from the general fund to the Department of Health (DOH) for the purpose of contracting with a nonprofit school-based portable dental program to provide dental screening examinations and dental sealants to uninsured low-income children, not enrolled in Medicaid but eligible for the free or reduced-price school lunch program, in the Shiprock and Crownpoint agencies of the Navajo Nation.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

SIGNIFICANT ISSUES

The LFC submitted a balanced general fund appropriation recommendation for fiscal year 2010. Any additional general fund expenditures appropriated by the Legislature must be off-set by an equal amount from the appropriation recommendation.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Indian Affairs Department (IAD) states the bill “would provide much needed oral health services for children in the Shiprock and Crownpoint agencies of the Navajo Nation.” The Centers for Disease Control and Prevention reports that tooth decay can lead to speech problems, eating disorders and learning difficulties. American Indian children are disproportionately affected by oral disease with 79 percent of these children having tooth decay.

However, IAD cautions that careful consideration should be given to how Native American children would access dental care beyond the screenings and preventative care to be provided by this bill. These children will need coordinated care with a dental professional in the region.

DOH reports dental disease is found more often and to a more advanced degree in low income, uninsured, and minority children. These children and adolescents are almost twice as likely as non-minority children and adolescents to have not seen an oral health provider in the last two years (Newacheck, et al. 2000. The Unmet Needs of America’s Children. Pediatrics. 105(4):989-992). Compared to the general U.S. population, American Indians and Alaska Natives (AI/AN) experience more oral disease including both tooth decay and periodontal diseases. A 1999 survey conducted by the Indian Health Service (IHS) found that 87% of AI/AN children aged 6-14 years had experienced dental decay. It is estimated that over one third of Navajo children living on the reservation in New Mexico and Arizona had missed school because of dental-related pain or discomfort.

DOH spends approximately \$1.2 million statewide for dental services and this appropriation would augment the operating budget for a specific group.

The Public Education Department states at the district/school level school nurses and staff identified to work with the free and reduced lunch application process will have to devote time to support the implementation of this program.

PERFORMANCE IMPLICATIONS

This bill relates to the Executive’s Comprehensive Strategic Health Plan. DOH will have to develop measures to determine outcomes related to the appropriation.

RELATIONSHIP

This appropriation relates to those to DOH in the General Appropriation Act.

TECHNICAL ISSUES

Line 21, the terms “uninsured low-income children” are not defined. Specific eligibility criteria should be included. HPC also assesses this statement needs clarification.

IAD recommends that page 1, line 25, after the word “districts” be amended by inserting “The nonprofit organization shall provide assistance to the parents or legal guardian of a screened child to help the parent or legal guardian identify locations for free or reduced cost dental services to treat any dental problems identified during the dental screening examination.

OTHER SUBSTANTIVE ISSUES

DIA states there is a lack of availability of dental services in the Shiprock and Crownpoint areas with a ratio of one dentist to every 3,091 residents versus a desired standard of one to 2,000.

ALTERNATIVES

DOH could consider expanding dental services in the Navajo areas of New Mexico.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Additional funding would not be available.

GAC/svb