

HF3560 - 2A - Dentist and Dental Therapy Licensure

Chief Author: **Kaohly Her**
 Committee: **Health Finance and Policy**
 Date Completed: **3/23/2022 1:42:06 PM**
 Agency: **Dentistry Board**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Dollars in Thousands					
Health Related Boards	-	-	(48)	(39)	(39)
Total	-	-	(48)	(39)	(39)
Biennial Total			(48)		(78)

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Health Related Boards	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 3/23/2022 1:42:06 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Health Related Boards	-	-	-	(48)	(39)	(39)
Total	-	-	-	(48)	(39)	(39)
Biennial Total				(48)		(78)
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Health Related Boards						
Expenditures	-	-	13	3	3	3
Absorbed Costs	-	-	(10)	-	-	-
Total	-	-	3	3	3	3
Biennial Total			3			6
2 - Revenues, Transfers In*						
Health Related Boards						
Total	-	-	51	42	42	42
Total	-	-	51	42	42	42
Biennial Total			51			84

Bill Description

This bill creates a new license by credential license for dental therapists; changes fee section.

License by credential for dental therapy section

MN has had licensed dental therapists for over 10 years. This new proposal is to align the license by credential process for this profession, as the Board has a license by credential pathway for all other licensed dental professions (Dentists, hygienists, assistants).

Fees section

Adds a fee for the license by credential for dental therapy, removes some fees that we do not charge, cleans up language. The initial application and renewal fees are combined into one section to make the Statute easier to read. Adds admin fines for licensees that allow their license to lapse for more than a month. The Board already allows a 60-day grace period between expiration and termination for non-payment. The newly proposed fees would start to apply several months after and allow the Board to collect fines instead of opening formal complaints on the license (which is the pathway the Board has now). Adds small fee for mailing list services.

Assumptions

1. The licensing database will require modification to allow for creation of the new license type and to combine fees for application and initial license fees. Database needs will consist of frontend process and back-end tracking process.
2. Licensing staff will have to follow up with licensees that are practicing without a license.
3. It is presumed that there will be new applications for dental therapy by credentials and expenditures for these should increase in FY24 and FY25 and revenues would also presumably increase.
4. It is presumed that there will be a decrease in terminations for non-payment of renewal due to the monetary fines being imposed.
5. License terminations will need to be tracked differently so licensees are notified of any administrative penalty associated with them allowing their license to terminate and continuing to practice.
6. There are only 50 licensed dental therapists outside of MN, so the impact of the dental therapy by credential may not

be measured for a few years, as more dental therapists are educated.

7. The legislative changes should not facilitate the need for additional employees.

Expenditure and/or Revenue Formula

Expenditure

Licensing admin staff wages x approximate number of hours to process new credential applications and prepare, notice, and collect admin fines. Fee for supplies. Increased in FY24 and FY25 due to more anticipated applications for license by credential for dental therapy = \$3,400

One time expenditure-database projects to implement new license and add mechanism for tracking fees. The board can absorb this cost as part of an existing database contract. =\$10,000

Revenue

We are assuming the revenue for the administrative actions based on past licensee behavior. This amount could decrease significantly in the future.

Admin Actions

Admin action for failure to practice with current license- 250 terminations due to non-payment of license renewal fees. 50% reinstate within one month (no fine). Around 40% reinstate within 6 months, 5% within 6-12 months, and 5% after 12 months. =\$43,750

Delegation actions for delegating to individual with terminated license- Approximately 50 licensees- 96% individuals reinstate within 6 months, 2% within 6-12 months, 2% over 12 months. = \$3,875

Reduced 20% in revenue in the chart for FY24 and FY25 due to anticipated reduction in admin actions as more licensees become aware of the consequences of termination and increase renewals in a timely manner.

New License by Credential in Dental Therapy

Possible 10 new applicants per year (to increase as more enter the workforce). = \$3,400

Long-Term Fiscal Considerations

There should be an increase in licensing revenues, due to increase in applications, in future years for dental therapy by credentials. This would be attributed to more dental therapists being trained.

Local Fiscal Impact

N/A

References/Sources

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