



## AAPD 2021 LEGISLATIVE FACT SHEET

### HRSA TITLE VII PEDIATRIC DENTISTRY APPROPRIATIONS AND DFLRP TAX RELIEF

#### REQUESTS:

- *Provide FY 2022 funding of \$46 million for the HRSA Title VII Primary Care Dental Training Cluster and related oral health programs, with not less than \$14 million for Pediatric Dentistry Training programs including a preference for pediatric dentistry faculty in the dental faculty loan repayment program per report language in FY 2021.*
- *Co-sponsor and pass legislation to make DFLRP non-taxable to recipients (S. 359/H.R. 996 in the previous Congress).*

#### BACKGROUND

Pediatric dentistry training is vital to meeting the nation's oral health care needs. The two to three year Pediatric Dentistry residency program<sup>1</sup>, taken after graduation from dental school, immerses the dentist in scientific study enhanced with clinical experience. This training is the dental counterpart to general pediatrics. The trainee learns advanced diagnostic and surgical procedures, along with:

- child psychology and behavior guidance;
- oral pathology;
- pharmacology related to the child;
- radiology;
- child development;
- management of oral-facial trauma;
- caring for patients with special health care needs; and
- sedation and general anesthesia.

Since children's oral health is an important part of overall health, pediatric dentists often work with pediatricians, other physicians, and dental specialists. Healthy children, as well as hospitalized and chronically ill children or children with disabilities, often benefit from a team approach. Access to dentists is critical for Medicaid and Children's Health Insurance Program (CHIP) populations. By the nature of their training, pediatric dentists are able to provide comprehensive oral health care to children. Pediatric dentists treat a higher percentage of Medicaid and CHIP patients in their practices than any other type of dentist, and are especially successful with this population because of their advanced clinical training and expertise in behavior guidance. Pediatric dentists are the backbone of the pediatric oral health care delivery system, helping to ensure all children have access to high quality comprehensive dental services. Contemporary pediatric dental practice demonstrates the specialty's commitment to access to care. 70 percent of pediatric dentists treat children enrolled in Medicaid, CHIP or both, which represents on average 34 percent of their patients. Almost all pediatric dentists care for patients with special needs. Pediatric dentists also provide a significant amount of charity care and care at a reduced rate.

The authority to fund pediatric dentistry residency training under Title VII was first enacted under the Health Professions Education Partnerships Act of 1998. This expanded the existing general dentistry training authority, providing start-up funds to either increase pediatric dentistry positions at existing programs or initiate new programs. Since FY 2000, over \$160 million has supported over 60 pediatric dentistry programs, including 10 new programs. Pediatric dentistry residency programs provide a significant amount of care to underserved populations. Two-thirds of the patients treated in these programs are Medicaid recipients. Mentally or physically disabled persons are also treated through these programs. Pediatric dental faculty train not only pediatric dentists but all general dentists.

Under the Affordable Care Act (ACA), Title VII authority was expanded to create a primary care dental funding cluster under Section 748 of the Public Health Service Act. Authority was broadened to allow use of funds for faculty development, predoctoral training and dental faculty loan repayment. The latter initiative had long been advocated by the AAPD, because of the significant difficulties in recruiting qualified individuals to fill faculty positions. This is especially acute in pediatric dentistry.

#### JUSTIFICATION

**Program Expansion.** Over the past 20 years, Title VII has led to significant expansion of and quality improvement in pediatric dentistry residency programs. First year positions expanded from 180 in late 1990s to over 450 at present. More children are receiving dental care under Medicaid in recent years thanks in large part to an increase in the number of Pediatric Dentists spurred by Title VII funding. Per a 2019 pediatric dentistry workforce report commissioned by the AAPD, Title VII's success essentially addressed the national shortage of pediatric dentists, although there are still geographic mal-distribution issues.

**Program Enhancement.** New FY 2020 postdoctoral training grants are focused on program outreach to rural and under-served communities rather than program expansion, based on AAPD's recommendations guided by the 2019 pediatric dentistry workforce report. These grants will improve oral health equity by preparing residents to treat under-served populations and/or practice in under-served areas.

### **Dental Faculty Loan Repayment Program (DFLRP).**

A critical factor in recruiting and retaining dental school faculty from recent dental school or residency program graduates is the staggering student loan debt and income disparity with private practice. The average graduating dental student loan debt was \$292,169 in 2019, and academic positions typically pay only one-third of what graduates can earn upon entering private practice.

Thanks to strong support from Congress, new Dental Faculty Loan Repayment Program (**DFLRP**) grant cycles were initiated by the federal Health Resources and Services Administration (**HRSA**) in FYs 2016, 2017 and 2018, with a new cycle expected in FY 2021. Programs may support loan repayment contracts over five years to recruit and retain faculty. Full-time faculty members are eligible for repayment of 10, 15, 20, 25 and 30 percent of their student loan balance (principal and interest) for each year of service.

Congress has directed that grant cycles include a funding preference for pediatric dentistry faculty. These were defined in HRSA's Notice of Funding Opportunity as individuals who have completed a pediatric dental residency, have an appointment in a division or department of pediatric dentistry, and who teach in the field of pediatric dentistry at either the predoctoral or postdoctoral residency level.

The program is already making a real impact in the recruitment and retention of promising new pediatric dentistry faculty.

### **MAKING DFLRP NON-TAXABLE**

#### **BACKGROUND**

Unless the tax code is amended, individual recipients of DFLRP must pay income tax on their awards. In the last Congress, H.R. 996 was introduced on Feb. 5, 2019, by Congresswoman Yvette Clarke (D-N.Y. 9th), Congressman (and dentist) Mike Simpson (R-Idaho 2nd), Congressman (and dentist) Paul Gosar (R-Ariz. 4th), and Congresswoman Grace Meng (D-N.Y. 6th). This legislation would exclude from gross income DFLRP awards under Title VII of the Public Health Service Act. Senate companion legislation (S. 359) was introduced by Senators Ben Cardin (D-Md.) and Roger Wicker (R-Miss.) on the same date, furthering demonstrating the bi-partisan support for this legislation. New bills are expected to be introduced in February 2021 to coincide with National Children's Dental Health Month.

#### **JUSTIFICATION**

As noted above the DFLRP was created due to the significant difficulties in recruiting qualified individuals to fill faculty positions, especially acute in pediatric dentistry.

By alleviating taxation of such payments to the individual, this legislation will make the program even more effective in recruiting and retaining pediatric dental faculty.

<sup>1</sup> *Three year programs generally require additional masters' level research and often prepare trainees for careers in academic dentistry.*