



## AAPD 2022 LEGISLATIVE FACT SHEET

# HRSA TITLE VII PEDIATRIC DENTISTRY APPROPRIATIONS AND DFLRP TAX RELIEF

### REQUESTS

- Provide FY 2023 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 FYs 2021 and 2022.
- Co-sponsor and pass legislation to make DFLRP non-taxable to recipients (S. 449/H.R. 1285).

### 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. All children- whether they are healthy, hospitalized, chronically ill children or have a disability, benefit from a team-based treatment approach. By the nature of their training, pediatric dentists are able to provide comprehensive oral health care to children. They are the backbone of the pediatric oral health care delivery system, helping to ensure all children have access to high quality comprehensive dental services. Access to dentists is especially critical for Medicaid and Children's Health Insurance Program (CHIP) populations. 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. 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 30 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 \$170 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 AAPD is a strong advocate of federal funding to support dental faculty loan repayment, because of the significant difficulties in recruiting qualified individuals to fill faculty positions. This is especially acute in pediatric dentistry.

## JUSTIFICATION

Program Expansion Improved Access to Care. 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 the late 1990s to over 470 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. According to the 2021 NIDCR report, *Oral Health in America: Advances and Challenges*, some of the improved oral health for children over the past 20 years is a result of services being more widely available due to the doubling of the pediatric dental workforce- made possible by Title VII funding as noted above.

Program Enhancement. New FY 2020 postdoctoral training grants were focused on program outreach to rural and underserved communities rather than program expansion, guided by the AAPD's 2019 pediatric dentistry workforce report. These grants will improve oral health equity by preparing residents to treat underserved populations and/or practice in underserved 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 between those

who elect to teach the next generation of dentists and those who enter private practice. The average educational debt for all indebted dental school graduates in the Class of 2020 was \$304,824, with the average for public and private schools at \$270,125 and \$349,730 respectively. Academic positions typically pay only one-third of what graduates can earn upon entering private practice.

Thanks to strong and sustained 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, 2018, 2021, and 2022. 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.

Importantly, Congress has directed that grant cycles include a funding preference for pediatric dentistry faculty, 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. AAPD maintains profiles of the pediatric dentist faculty grant recipients. These compelling stories are available by scanning the **QR Code** in this report.

*Three year programs generally require additional masters level research and often prepare trainees for careers in academic dentistry.*

## MAKING DFLRP NON-TAXABLE

### BACKGROUND

Unless the tax code is amended, individual recipients of DFLRP awards must pay income tax on those awards. To correct this serious problem, during National Children's Dental Month in February 2021, H.R. 1285 was introduced by Congresswoman Yvette Clarke (D-N.Y. 9th) and Congressman (and dentist) Mike Simpson (R-Idaho 2nd) in the House. The Senate companion bill, S. 449, was introduced by Senators Ben Cardin (D-Md.) and Roger Wicker (R-Miss.), demonstrating the bi-partisan support for addressing this issue. This legislation would exclude from gross income DFLRP awards under Title VII of the Public Health Service Act.

### JUSTIFICATION

As noted above, the DFLRP was created due to the significant difficulties in recruiting qualified individuals to fill faculty positions, which are especially acute in pediatric dentistry. It is illogical and counterproductive to require individuals who receive assistance repaying their dental school loans- because they choose to teach the next generation of dentists- to pay taxes on that loan assistance.

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.

**AAPD strongly urges Congress to incorporate this legislation into any tax package considered this year.**