

AAPD 2019 LEGISLATIVE FACT SHEET

HRSA TITLE VII PEDIATRIC DENTISTRY APPROPRIATIONS AND DFLRP TAX RELIEF



AMERICA'S PEDIATRIC DENTISTS
THE BIG AUTHORITY on little teeth™

REQUEST: Provide FY 2020 funding of \$40 million for the HRSA Title VII Primary Care Dental Training Cluster and related oral health programs, with not less than \$12 million for Pediatric Dentistry Training programs including continuation of dental faculty loan repayment program awards under FY 2017 and FY 2019 funding criteria.

Pass legislation to make DFLRP non-taxable to recipients. Co-sponsor S. 359 / H.R. 996.

Background. Pediatric Dentistry training is vital to meeting the nation's oral health care needs. The two to three year Pediatric Dentistry residency program¹, 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. Nearly 70 percent of pediatric dentists treat children enrolled in Medicaid, CHIP or both, which represents on average 25 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 \$130 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.

A summary of recent Title VII dental grants related to pediatric dentistry is attached.

Justification. 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 \$287,331 in 2017, 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. 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 directed that the FYs 2016 and 2018 grant cycles included 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 pediatric dentistry training as described in the attached DFLRP recipient profiles.

MAKING DFLRP NON-TAXABLE

Background. Unless the tax code is amended, individual recipients of DFLRP must pay income tax on their awards. To alleviate this problem, legislative efforts began in the 115th Congress.

H.R. 6149 was introduced on June 19, 2018, by Congresswoman **Yvette Clarke** (D-N.Y. 9th), Congressman (and dentist) **Mike Simpson** (R-Idaho 2nd) and Congressman (and dentist) **Paul Gosar** (R-Ariz. 4th). This legislation would exclude from gross income certain federally subsidized dental faculty loan repayment awards under Title VII of the Public Health Service Act.

On Nov. 27, 2018, **Senators Ben Cardin** (D-Md.) and **Roger Wicker** (R-Miss.) co-introduced S. 10, companion legislation to the House bill. This further demonstrates the bi-partisan support for this legislation.

In December 2018 Congresswoman Clarke attempted to get the bill in the queue for House Floor consideration under the suspension calendar. The bill was reintroduced as H.R. 7259 to mirror the exact language of S. 10. While this effort ultimately fell short, it indicates the importance of this issue.

New legislation was introduced in the 116th Congress on Feb. 5, 2019, as S. 359 and H.R. 996.

JUSTIFICATION

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

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.

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