

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 738 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

Prepared by: Kim To
Reviewed by: Linda Ames, Steve Bender
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Measure Description:

Authorizes the Oregon Health Authority to approve pilot projects to encourage the development of innovative practices in oral health care delivery systems with a focus on providing care to populations that evidence-based studies have shown have the highest disease rates and the least access to dental care.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Oregon Board of Dentistry (OBD), Department of Consumer and Business Services (DCBS)

Summary of Fiscal Impact:

See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The Legislative Fiscal Office (LFO) believes that the fiscal and budgetary ramifications of this measure cannot be fully quantified, at this time. The purpose of this fiscal impact is to outline broadly the fiscal implications of this measure, and to note that a more detailed analysis is in process.

Oregon Health Authority (OHA)

Senate Bill 738 authorizes the Oregon Health Authority to approve pilot projects to encourage the development of innovative practices in oral health care delivery systems with a focus on providing care to populations that evidence-based studies have shown to have the highest disease rates and the least access to dental care. The bill establishes the Dental Pilot Projects Fund and authorizes OHA to accept gifts, grants or contributions from any public or private source to carry out the provisions of this bill. Certain provisions of the bill become operative on January 1, 2012. The Oregon Board of Dentistry is authorized to take action before the operative date. The pilot programs sunset on January 2, 2018.

The bill is anticipated to have a budgetary and staffing impact on the Oregon Health Authority. At this time, the fiscal impact of the pilot program is indeterminate, contingent on the specific implementation plans, and on available funding from gifts, grants or contributions from public or private sources.

Oregon Board of Dentistry (OBD)

Senate Bill 738 modifies statutes governing the licensing and practice of dentistry, and requires the Oregon Board of Dentistry (OBD) to issue expanded practice permits in place of limited access permits. The board is directed to compile data on expanded practice dental hygienists, and adopt rules requiring health insurers to report to the board on the reimbursement services provided by expanded practice dental hygienists. The board is required to report to an interim legislative committee on the reimbursement of services provided by expanded practice dental hygienists by October 1st of each even numbered year.

This bill is anticipated to have a fiscal impact on OBD. If this bill passes, the board will need to re-write existing rules and establish new rules, which will increase meeting expenses for oversight committees and public rules hearings. The board anticipates an increase in attorney general expenses to review these changes. In addition, the board will need to develop a survey and data collection process, create new application forms, and to modify its licensing systems. The board estimates that the application fee for a new and renewal licensing would increase to cover these costs.

Department of Consumer and Business Services (DCBS)

Senate Bill 738 requires a health insurance policy that offers dental health services to cover service provided by a community health dental hygienist, if the same services would be covered when provided by a licensed dentist. Passage of this bill is anticipated to have a minimal impact on DCBS. If this bill passes, DCBS will use existing staff and resources to update insurance product standards and review contract changes.

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Health Care, Human Services and Rural Health Policy to the Joint Committee on Ways and Means.

A more thorough and complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.