



TO: Oregon Board of Dentistry Board Members  
FROM: Stephen Prisby, OBD Executive Director  
DATE: June 12, 2024  
SUBJECT: License Compacts – Issues to Consider

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The Oregon Board of Dentistry (OBD) was created by an Act of the Legislature in 1887. The authority and responsibilities of the Board are contained in Oregon Revised Statutes Chapter 679 (Dentists and Dental Therapists), Chapter 680.010 to 680.205 (Dental Hygienists), and Oregon Administrative Rules, Chapter 818. These statutes charge the OBD with the responsibility to regulate the practice of dentistry, dental therapy and dental hygiene, and also enforce all provisions in statute as well.

*The Mission of the OBD is to promote quality oral health care and protect all communities in the state of Oregon by equitably and ethically regulating dental professionals.*

This document intends to capture the important mission critical issues regarding the OBD's participation in a license compact. It seems short-sighted not to assess and highlight potential issues since more than seven states have passed legislation to enact the CSG License Compact and the AADB License Compact also has state support. It seems logical to assume legislation will be introduced in Oregon, requiring the OBD to join a license compact.

While license compacts offer various benefits, there are also potential problems and challenges to consider. Here are some potential concerns and issues associated with joining a dental/dental hygiene license compact. The OBD 2025-2027 budget revenue projections are included as there is no doubt any participation in a license compact will have an impact on the Board's revenue and operations. The OBD's expenses to administratively comply with any new legislation and participation in a compact may be significant.

We thankfully will have data on the CSG Dental/Dental Hygiene License Compact during the rest of 2024 and into 2025 as that license compact takes form and its commission meets and prepares for creation of its bylaws, policies, rulemaking and other administrative functions. I will request documents from the participating states and the CSG on behalf of the OBD so it can better understand the number of meetings, costs, level of complexity and staff time needed regarding the work of this new administrative body.

**These are some concerns I note from my research and review of available documents related to the Oregon Board of Dentistry participating in a licensing compact.**

**Loss of State & Board Autonomy:** Participating in a license compact may require states to relinquish some degree of autonomy over their licensing standards and regulations. States may need to adhere to uniform standards established by the compact, limiting their ability to tailor licensure requirements to their state's specific needs or preferences.

**Complexity and Variability:** License compacts can be complex to implement and administer, particularly if they involve multiple states with different regulatory frameworks and procedures. Variability in requirements and processes across participating states can create confusion and administrative burdens for professionals and licensing authorities.

**Legal and Regulatory Challenges:** Compacts may face legal and regulatory challenges related to interstate commerce, state sovereignty, and constitutional issues. Disputes over jurisdiction, enforcement, or interpretation of compact provisions could arise, leading to legal uncertainty and potential conflicts. The CSG Compact would require legal issues be addressed and litigated in Washington D.C.

**Potential for Weakened Standards:** Critics argue that license compacts could potentially lead to a race to the bottom in regulatory standards if not implemented effectively. Concerns may arise about maintaining consistent and rigorous standards for licensure, particularly if states prioritize ease of mobility over public safety and consumer protection. States still have very different levels of regulatory oversight and uneven consumer protections in the oral healthcare arena.

**Oregon specific requirements & continuing education (CE) that may be overlooked, not taken seriously and/or ignored by people practicing via a Compact:**

- Oregon Jurisprudence Examination
- Cultural Competency CE
- Pain Management CE
- Dental Implant CE - requires 56 hrs initially and 7 hours every renewal cycle
- Sedation Permits - Oregon has four permits, these do not align with other states and have fees and different requirements listed under Division 26 in the Dental Practice Act
- BLS for Health Care Professionals certification required to be maintained at all times for all Licensees even if not practicing or in a non-clinical position
- Suicide Prevention CE – potentially adding CE requirements like many other Oregon health licensing boards
- Registration and utilization of the Oregon Prescription Drug Monitoring Program
- Healthcare Interpreters utilized to comply with OHA and OBD rules

Participation in Oregon Health Care Workforce Reporting Program (HWRP) which collaborates with our Board and 16 others to collect data on health care professionals in Oregon. The Dentists, Dental Therapists and Dental Hygienists are surveyed when renewing their licenses. The HWRP uses this important practitioner data from renewing licensees to estimate supply at

the state and county levels and to inform educational investments and policy recommendations. This data may not be captured by those practicing in Oregon via a Compact.

**Dental Therapy:** Dental Therapists in Oregon may only practice under an Oregon Licensed Dentist and under provisions of specific ORS and OAR. A seven-page Collaborative Agreement has to be filed with the Board and updated annually or when any parameters of the agreement change. Would dentists practicing in Oregon via a Compact (located outside Oregon) be able to supervise and enter into a collaborative agreement with Oregon Dental Therapists?

**Dental Hygiene:** Dental Hygienist who have an Expanded Practice Permit (EPP) and other Dental Hygienists without the EPP may not be understood by dentists practicing via a Compact. It is not clear how a license compact could account for this expansion in scope for those with an EPP versus a dental hygienist who does not have it. Those that possess an EPP have to complete 36 hours of CE versus a dental hygienist without an EPP have to complete 24 hours of CE. Some EPP holders also choose to utilize their expanded scope and enter into collaborative agreements with Oregon licensed dentists for additional procedures. Would dentists practicing in Oregon via a Compact (located outside Oregon) be able to supervise and enter in a collaborative agreement with Oregon Dental Hygienists who possess an EPP?

**Dental Assistants:** Dentists supervise dental assistants and the rules regarding various procedures and certification can be somewhat complicated and the level of supervision required as well for certain procedures and functions.

**Military & Spouses:** The Civil Rights Division enforces the Servicemembers Civil Relief Act (SCRA), which provides servicemembers and their dependents with certain civil protections related to military service. Congress added a new provision to the SCRA in January 2023, which allows service members and their spouses to use their professional licenses and certificates when they relocate due to military orders, in certain circumstances. The 2023 Congressional action now mandates licenses for military and their spouses be immediately licensed, basically with few requirements or impediments to practicing in Oregon. So their issues of license portability are in essence resolved already without the state needing to join a license compact, which previously had been one driving reason for needing a license compact.

**Teledentistry/Telehealth:** Out of state practitioners could create a lot of issues and unforeseen problems from a regulatory agency's perspective. Would you be comfortable with having a Dentist in another state like Maine, directing clinical care and supervising Dental Hygienists, Dental Therapists and Dental Assistants serving Oregonians?

**Administrative and Operational Challenges:** Managing the administrative and operational aspects of a license compact could be resource-intensive and require ongoing coordination among participating states. Licensing boards may need to invest in technology, infrastructure, and staff training to effectively implement and maintain compact provisions. A separate Commission would add another layer of bureaucracy for the Board's Staff & Licensees to interact with and of course would require wholesale amendments and updates to the statutes and rules in the Dental Practice Act.

Loss of Revenue: The OBD relies on licensing fees as the main source of revenue and may experience a reduction of revenue if professionals are allowed to practice across state lines without obtaining separate licenses. This loss of revenue could impact funding/staffing/work for any and all of the regulatory activities, professional development, Oregon Wellness Program and other programs supported by licensing fees. The Compact fees would need to be set carefully to ensure the OBD has the resources to effectively function.

Overall, while license compacts may offer benefits in terms of mobility, access to services, and baseline regulatory consistency, they also present various challenges and considerations that must be carefully weighed and addressed to ensure their effectiveness and success. It is essential for Boards, policymakers, licensing authorities, and interested parties to evaluate the potential implications of joining a license thoroughly and develop strategies to mitigate any drawbacks or risks associated with participation.

The CSG's inaugural D/DH Compact Commission Meeting is going to be held in August 2024 and all commission meetings are public. There will be minutes taken and posted on the compact's website [ddhcompact.org](http://ddhcompact.org) after each meeting. Oregon has a wonderful opportunity to observe with elevated interest the start-up of the CSG License Compact to see if it is worth pursuing at some point.

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#### OBD SOURCES OF REVENUE

The Board of Dentistry's funding is 100% Other Funds generated primarily from fees paid by Licensees and applicants for new licenses, license renewals and various permits. A small portion (generally less than six percent) of the Board's revenue is from miscellaneous revenues generated from civil penalties, the sale of documents, late fees, interest and dental assistant certifications fees.

#### PROGRAM FUNDED

The Oregon Revised Statutes directs that all money received by the Board be used only for the administration and enforcement of ORS 676.850 and 680.010 to 680.205 and all referenced in Chapter 679.

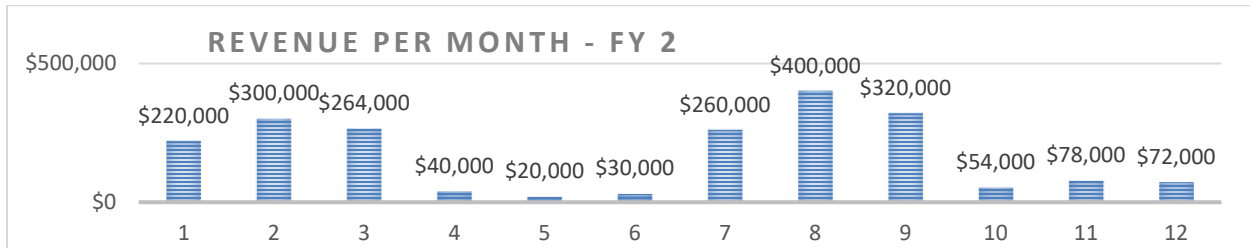
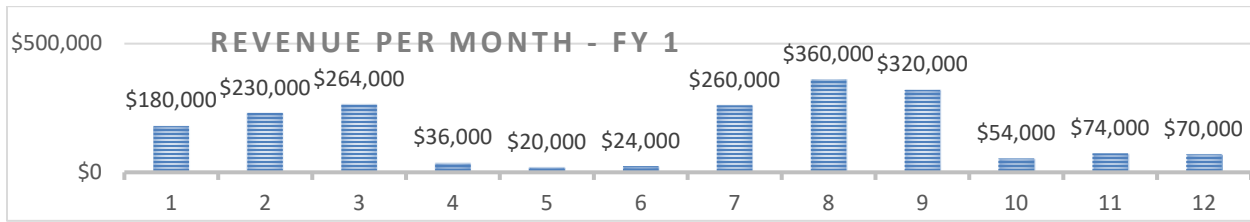
#### BACKGROUND FOR THE OBD 2025-2027 REVENUE ESTIMATES

Licenses regulated by the Board are issued to expire and be renewed every year in two distinct timeframes. The result is that our biennial revenue is primarily received at different times during each biennium. Half of the dentists renew spring each year and half our dental hygienists and dental therapists renew in the fall each year. The agency aims for a minimum beginning balance of a minimum of three months of operating expenses at the beginning of every biennium.

#### Revenue stream- uneven every year due to Licensees renewing in spring & fall

Every year one half of our dentists renew their 2-year license between Jan – March 31. Every year one half of our dental hygienists and dental therapists renew their 2-year license between July – Sept 30. Example of the uneven revenue typically received per Fiscal Year (FY) shown below. The OBD began licensing dental therapists in November 2022 and we forecast

that it will have a minimal impact on revenue in the current biennium or in the 2025 - 2027 biennium.



### OBD Revenue Estimates

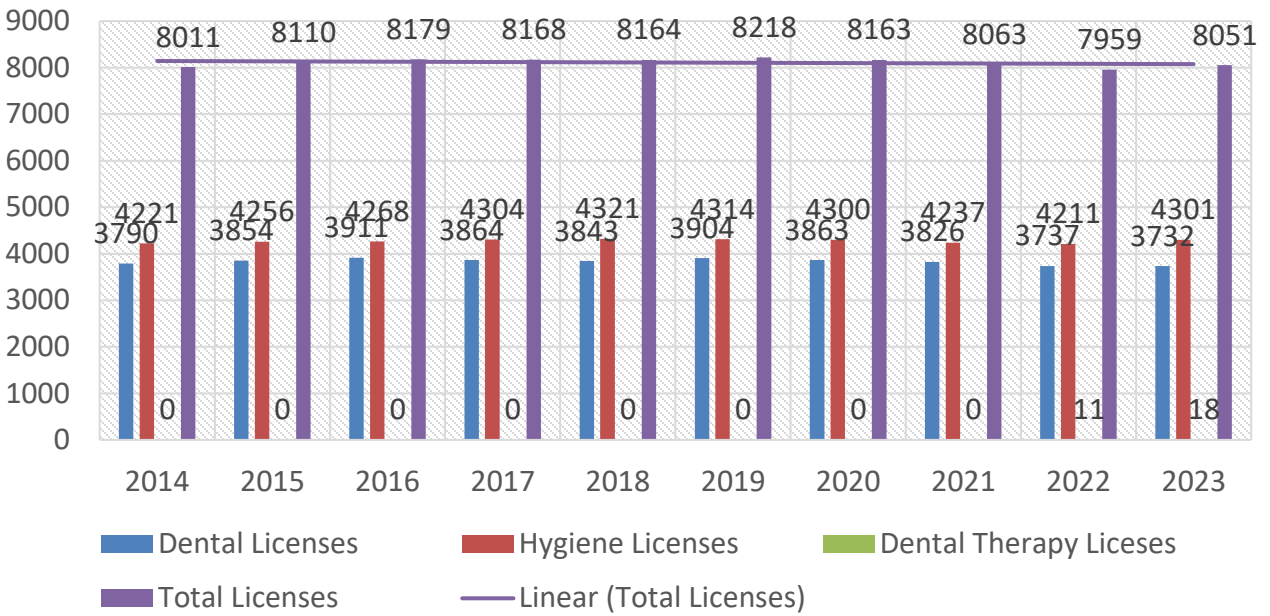
At this point, I am projecting revenue for the 2025-27 biennium to be approximately 10% higher than the 2023-25 budget biennium. The main driver for this revenue increase is the fee increases that were approved by the Legislature in the OBD's 2023-25 budget, and effective July 1, 2023. The revenue growth will not be due to any significant increase in the number of Licensees in Oregon during the 2025-27 biennium.

These estimates are based on the current fees, without any increases for 2025-27, though in the future projections those may need to be considered and included.

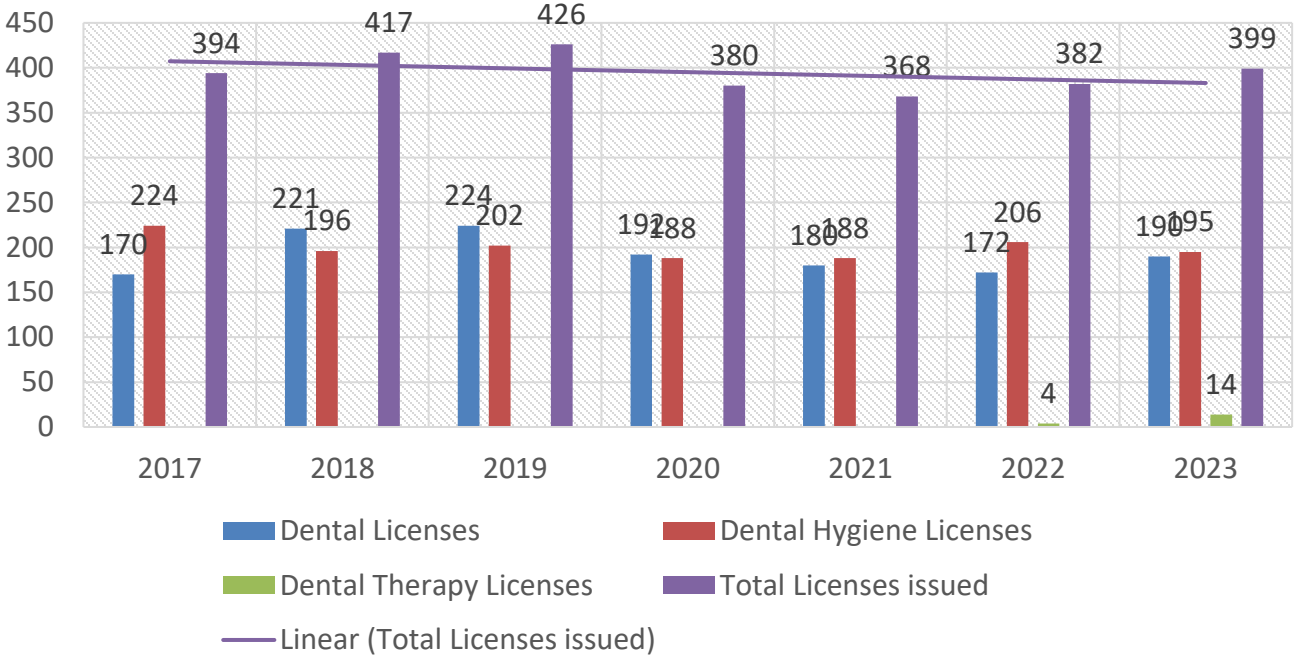
| Revenue                      | FY 19-21 Actual  | FY 21-23 Actual  | FY 23-25 ESTIMATE | FY 25-27 ESTIMATE |
|------------------------------|------------------|------------------|-------------------|-------------------|
| OTHER BUSINESS LICENSES      | 3,197,000        | 3,096,000        | 3,400,000         | 3,765,000         |
| OTHER NONBUSINESS LIC & FEES | 14,900           | 22,200           | 14,000            | 14,000            |
| CHARGES FOR SERVICES         | 25,100           | 25,600           | 146,000           | 146,000           |
| FINES AND FORFEITS           | 243,000          | 191,000          | 240,000           | 240,000           |
| INTEREST AND INVESTMENTS     | 49,000           | 49,000           | 60,000            | 60,000            |
| OTHER REVENUE                | 14,700           | 7,000            | 9,000             | 9,000             |
| <b>TOTAL</b>                 | <b>3,543,700</b> | <b>3,390,000</b> | <b>3,869,000</b>  | <b>4,265,000</b>  |

Numbers have been rounded.

## Licensees per year 2014 - 2023



## Licenses Issued Per Calendar Year 2017 - 2023



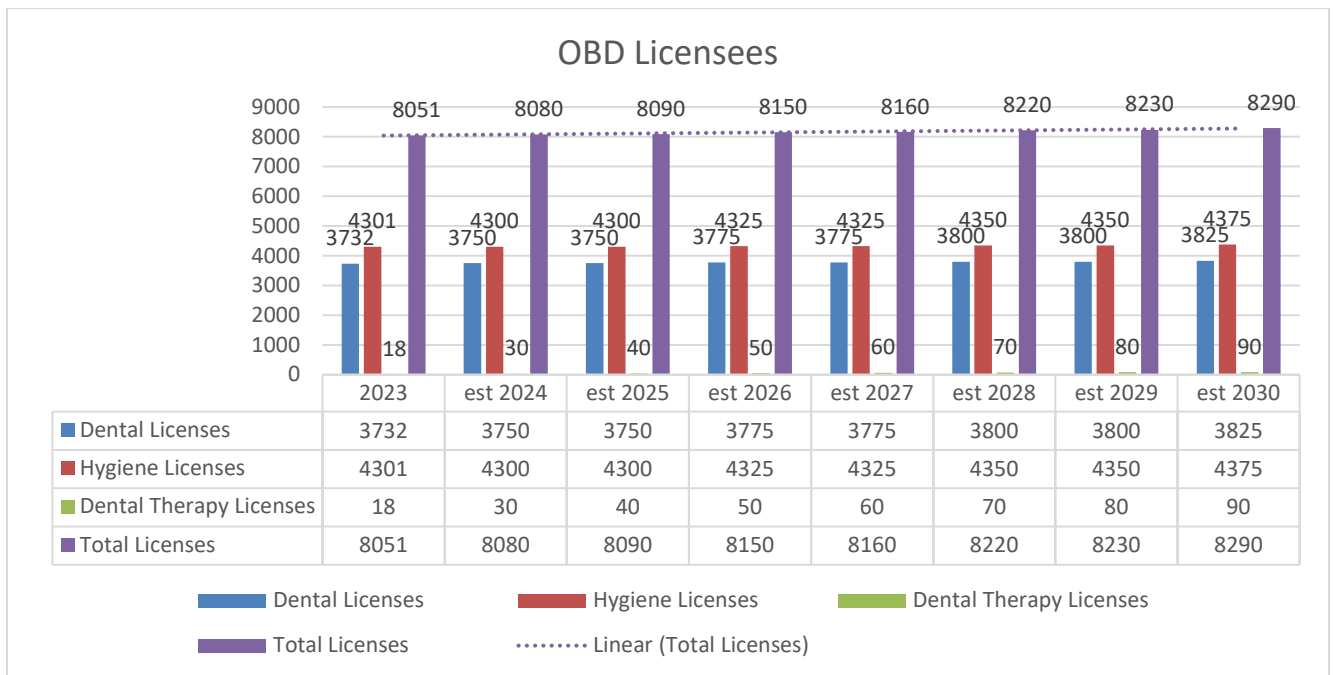
PROJECTIONS going up to 2030

A slight trend upward in licensees projected due to:

Dental Therapy Programs being implemented and more widely recognized in the United States  
 New dental hygiene and dental schools being built which will expand workforce  
 Many oral healthcare workforce initiatives at state and national level to expand workforce  
 Other initiatives to support retention and wellness of oral healthcare workforce

**An important issues which could impact projections is a dental/dental hygiene license compact. It is unclear if that could increase Oregon license base (revenue), but more likely it could decrease license base. Licensees might logically choose the least expensive route for initial licensure and forego maintaining licensure in multiple states.**

| Calendar Year           | 2023 | est 2024 | est 2025 | est 2026 | est 2027 | est 2028 | est 2029 | est 2030 |
|-------------------------|------|----------|----------|----------|----------|----------|----------|----------|
| Dental Licenses         | 3732 | 3750     | 3750     | 3775     | 3775     | 3800     | 3800     | 3825     |
| Hygiene Licenses        | 4301 | 4300     | 4300     | 4325     | 4325     | 4350     | 4350     | 4375     |
| Dental Therapy Licenses | 18   | 30       | 40       | 50       | 60       | 70       | 80       | 90       |
| Total Licenses          | 8051 | 8080     | 8090     | 8150     | 8160     | 8220     | 8230     | 8290     |



Summary

The OBD like all state agencies is charged with being a good steward of its resources and also to plan for upcoming challenges. The OBD is also directed to fulfill its mission and all its statutory requirements. The OBD is funded by a finite number of Licensees and this is not growing in any substantial way. There will be revisions and changes to the revenue projections as more information becomes available.