

2017 HOUSE HUMAN SERVICES

HB 1035

2017 HOUSE STANDING COMMITTEE MINUTES

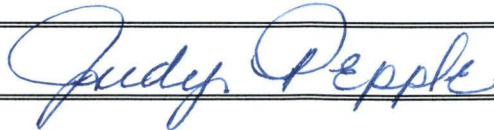
Human Services Committee
Fort Union Room, State Capitol

House Bill 1035

1/4/2017
26566

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to the dentist loan repayment program

Minutes:

Attachments # 1, 2, 3

Chairman Weisz: opened the hearing on HB 1035

Sheila Sandness, Senior Fiscal Analyst for the Legislative Council

My testimony is neither for or against HB 1035, it is just to give information and to answer any questions. (See attachment # 1)

Chairman Weisz: Just to be clear, this is really going back to the terms of the other loan repayment programs, correct?

Sheila Sandness: The other loan repayment programs do not have a penalty in the loan repayment if they leave their contract early.

Chairman Weisz: Their payments are just spread out over five years.

Sheila Sandness: Yes, that is correct.

Chairman Weisz: They just don't get paid going forward then.

Sheila Sandness: yes, that is correct, but they don't have to repay what they have received.

Chairman Weisz: That's what we set up on the other ones last session. Are there any questions?

Representative Porter: I don't recall the retroactive component in the interim.

Sheila Sandness: Yes, it was there.

Chairman Weisz: Why if people had entered into a contract and were bound by it, why we should go back and change that?

Sheila Sandness: I don't remember that being discussed to being discussed. I do remember there was some discussion, but I don't remember if there was a reason given. I suspect it was about keeping them in the contract. I don't know.

Chairman Weisz: Clarify then what you are saying that what we passed when we changed things in 2015 did make it retroactive?

Sheila Sandness: I think Representative Porter's question has to do with section 4.

Chairman Weisz: Last session we made several changes to the loan repayment program. do they have a provision that allows section 4 to be in effect for those? That's why I was asking why are we allowing them to go back and change the terms of the contract that they signed. Do we allow that with the other repayment programs that we changed in 2015. Are you aware of that?

Sheila Sandness: I am not aware of that.

Chairman Weisz: I didn't think we did, but we'll get that information.

Sheila Sandness: I am sorry I don't remember.

Chairman Weisz: Any other questions from the committee?

Chairman Weisz: Any support for HB 1035

Bobbie Will, Primary Care Office Manager at ND Dep of Health (Attachment #2)

Chairman Weisz: Questions? None

Chairman Weisz: Anyone else here in support of HB # 1035

Dr. Brent L. Holman, Exe. Director of the ND Dental Assoc. (Attachment #3)

Chairman Weisz: Questions?

Representative Westlind: I am not familiar with this loan payback on dentists, but I am a little bit familiar with MP's and PA's and doctors. Can you tell me the difference between a nurse practioner and a doctor of dentistry on loan repayments?

Dr. Holman: Are you talking about the amount of loan repayments?

Representative Westlind: No, about the same conditions and restrictions.

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Dr. Holman: There are other folks who can tell you the details better, but the intent is to try to make those programs similar, because the dental program was always separate. I think it came into being at a different time so the language was not the same. So in the last session it was changed to be more closely matched to that language. I don't think it's exact, but it is closer. I think the intent was that all of the programs were supposed to be aligned, including the repayment penalty but it wasn't.

Chairman Weisz: More questions? None

Chairman Weisz: Any further support for HB: 1035?

My name is Jerry Jurena, President of the ND Hospital Association and I am supportive of this, but I don't know if I can testify because I am a member of the State House Council.

Chairman Weisz: You are testifying as a member of the State House Council?

Jerry Jurena: I just want to explain why we are going down this path, because there is inconsistency and as the State Health Council we are taking a look at applicants. We have physicians, PAs and dentists and the applications in the paybacks are so much different we wanted some consistency.

Chairman Weisz: Good enough. Any further testimony in favor of HB 1035?

Representative Porter: I have a question for Miss Will. You can ask for opposition first.

Chairman Weisz: Is anyone here in opposition to HB 1035?

Miss Will: There is a question for you.

Representative Porter: Inside the retroactive component is kind of where my question is. Under the old program or the program up until this bill would go into effect. Was the dentist given annual payments or were they given a lump sum payment to cover the 5 years of the obligation?

Miss Will: It is a 5 year payment, so if they received payment, they have to be on the contract for one year and then they receive the first year and that would continue for 5 years. So it would be the total amount divided by 5 years.

Representative Porter: Then the payment isn't a lump sum payment it's an annual payment, so if we go back and accept the retroactive application of this then it just converts those old loans into the annual payment system. No one inside of the existing program was given the lump sum payment up front.

Miss Will: Not up front, but they are under a contract and they are obligated to pay the full amount back.

Chairman Weisz: Any further questions?

Chairman Weisz: opened the discussion on 1035

Chairman Weisz: explained that they are getting annual payments, not an upfront payment we tried to basically use the same criteria, although there were some unique difference, but for the most part we put them all on the same standards. I am not sure why we missed this part on the loan repayment on the dentists, but they were a little different to begin with so that might be part of the reason it got missed. We were trying to come up with some consistency—they all have a 5 year repayment, they all get their payment a year after they served, so that payment keeps coming. Part of it is that back then some of them received a lump sum and then after a year they went to where ever, so good luck getting it back, so rather than going through that if you stay here you get the first year's payment and if you stay the second year payment you get the second payment. If you are here for the full 5 year term, you get your full 5 years and then if they do leave for whatever reasons the Health Dept. wasn't trying to collect which wasn't going to happen.

Representative Porter: Understanding the contract doesn't really change how the payments are given. That the individual didn't sign a contract and receive a lump sum, they were still getting annual payment it really doesn't make any difference other than the fact that it releases them from the full 5 year obligation which is what we had done with the other group, so as long as it wasn't the upfront full 5 year payment, I am ok, if they were previously on annual payments, to go retroactive.

Representative Porter: moved do pass on HB 1035

Chairman Weisz: We do have a motion for a do pass on HB 1035 is there a second?

Representative Seibel: Seconded the motion.

Chairman Weisz: I have a question for someone from the Health Dept. Are there any contracts out there that are lump sum? Way back some of these were lump sum payments.

Health Dept. I will have to go back to the office and check on that. I do not believe there are, but I cannot tell you that. Can I clarify something as well?

Chairman Weisz: Now would be the time before we vote.

Health Dept. I am not going to redo any contracts. This just would allow the Health Council to choose release someone if the situation came up.

Chairman Weisz: Thank you. We have a motion before us. Is there any discussion?
If there is no discussion the clerk will call the roll for a do pass on HB 1035.

Roll call vote was taken: 13 yes 0 no absent 1 (Representative D. Anderson)

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Chairman Weisz: I don't assign people to carry bills. I like volunteers, but you may be volunteered.

Representative Porter: will carry the bill

Chairman Weisz: adjourned meeting.

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1035**

House Human Services Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Porter Seconded By Rep. Seibel

Representatives	Yes	No	Representatives	Yes	No
Chairman Weisz	✓		Rep. P. Anderson	✓	
Vice Chairman Rohr	✓		Rep. Schneider	✓	
Rep. B. Anderson	✓				
Rep. D. Anderson					
Rep. Damschen	✓				
Rep. Devlin	✓				
Rep. Kiefert	✓				
Rep. McWilliams	✓				
Rep. Porter	✓				
Rep. Seibel	✓				
Rep. Skroch	✓				
Rep. Westlind	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Rep. Porter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1035: Human Services Committee (Rep. Weisz, Chairman) recommends **DO PASS**
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1035 was placed on the
Eleventh order on the calendar.

2017 SENATE HUMAN SERVICES

HB 1035

2017 SENATE STANDING COMMITTEE MINUTES

Human Services Committee
Red River Room, State Capitol

HB 1035
3/8/2017
Job Number 28868

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A bill relating to the dentist loan repayment program; to repeal a section relating to breach of the dentist loan repayment program and to provide for application.

Minutes:

2 Attachments

Chair J. Lee: Brought the hearing to order, all members were present.

Shelia Sandness (0:41-2:35) introduced the bill. SCR 4004 directed the continuation of a study of dental services in the state to improve services and address shortages. The study was assigned to the interim Health Services Committee, which recommends this bill, to change the program to provide for repayment. The House didn't amend it; a walk through followed (2:00-2:30).

Senator Kreun: Section 4 will be retroactive?

Ms. Sandness: That's correct. The application allows them to go back and amend current contracts to give them the same standing as the new contracts going forward.

Chair J. Lee: To clarify, the language that has been deleted in section 1, the health council was able to look at that?

Ms. Sandness: Yes, it consolidates language.

Chair J. Lee: Just wanted to make sure we're not putting anybody in a circumstance we don't want them to be in.

Dr. Brent Holman, Executive Director ND Dental Association (4:25-6:10) testified in favor, please see attachment #1.

Senator Piepkorn: This bill would be retroactive to help the doctors mentioned, would they benefit from this bill?

Chair J. Lee: They could. The point is it would benefit to dentists if it is retroactive.

Senator Anderson: Those two dentists could reapply. We have had dentists who decided to not accept it, because they had to pay all of it back if they left early. We changed all of our other loan repayment programs, they don't have to repay if they have another opportunity, because they are paid at the end of the year. This will make it consistent with our other loan repayment programs. Those dentists who didn't accept it could reapply. We could rewrite those existing contracts to say they would no longer have to pay it back.

Chair J. Lee: The intention wasn't for it to be different.

Senator Anderson: When we made the change the dental loan repayment program was in a different section.

Bobbie Will, Primary Care Office Manager, ND Doh (10:10-11:50) testified in favor, please see attachment #2.

Senator Piepkorn: It doesn't seem outrageous if you sign a contract, to expect them to adhere to it.

Chair J. Lee: We want some of these underutilized spots to be filled by dentists, because they're not going to make as much money working for the government. So the incentive for them to fill those places would be access to this plan, if they work 3 years, it seemed reasonable that they would get credit for that.

Senator Piepkorn: Is there a minimum time?

Senator Anderson: I've served on the health council when dentists decide they need to go someplace else, the health council would be very happy if we rewrote those contracts.

Senator Heckaman: Let's say a dentist is here for a part of a year, do you prorate that?

Ms. Will: They have to complete a full year, if they stay 6 months, they get nothing.

Chair J. Lee: There would be rules involved with this.

Senator Piepkorn: That helps, is there a minimum time?

Chair J. Lee: At the end of each year, there is a payment for that year.

No opposition or neutral testimony

Chair J. Lee: Closed the public hearing.

Senator Heckaman: I move do pass.

Senator Piepkorn: Second.

V-Chair Larsen: Gave a loan repayment example from the automotive industry.

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A roll call vote was taken.

Motion passes 7-0-0.

Senator Heckaman will carry.

Chair J. Lee: Closed the hearing.

Date: 3/8 2017

Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1035

Senate Human Services Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Sen. Heckaman Seconded By Sen. Piepkorn

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee (Chairman)	X		Senator Joan Heckaman	X	
Senator Oley Larsen (Vice-Chair)	X		Senator Merrill Piepkorn	X	
Senator Howard C. Anderson, Jr.	X				
Senator David A. Clemens	X				
Senator Curt Kreun	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Sen Heckaman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1035: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1035 was placed on the
Fourteenth order on the calendar.

2017 TESTIMONY

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Q.H. #1
1-4-17
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Mr. Chairman, members of the committee:

For the record, my name is Sheila Sandness and I am a Senior Fiscal Analyst for the Legislative Council. I am here to present information on House Bill No. 1035 relating to the dentist loan repayment program. I appear neither for nor against the bill, but just to provide information and answer any questions you may have.

Senate Concurrent Resolution No. 4004 (2015) directed the continuation of a study of dental services in the state that began during the 2013-14 interim. The resolution directed a study of dental services in the state, including the effectiveness of case management services and the state infrastructure necessary to cost-effectively use mid-level providers to improve access to services and address dental service provider shortages in underserved areas of the state. This study was assigned to the interim Health Services Committee.

The interim Health Services Committee received information regarding state dental care programs, dental service provider programs, the dental health workforce, access to dental services, and proposals to increase access to dental services, including case management, expanded function dental auxiliaries, support for safety net clinics, and mid-level providers.

The interim Health Services Committee recommends House Bill No. 1035 to change the dental loan repayment program to provide for a prorated payback of loan repayment funds if a dentist breaches the loan repayment contract. Section 1 of the bill amends Section 43-28.1-07 related to releasing a dentist from the loan repayment contract. Section 2 of the bill amends Section 43-28.1-08 related to payments under the contract. Section 3 of the bill repeals Section 43-28.1-06 related to breach of loan repayment contract. Section 4 allows the State Health Council to amend existing contracts to comply with the Act.

The Health Services Committee's findings and recommendation regarding the dental services study can be found in the "Report of the North Dakota Legislative Management".

That concludes my testimony and I would be happy to answer any questions you may have.

Att. 2
HB1035
1-4-17

Testimony
Human Services Committee
House Bill 1035
Wednesday, January 4, 2017
North Dakota Department of Health

Good afternoon, Chairperson Weisz and members of the Human Services Committee. My name is Bobbie Will, and I am the Primary Care Office Manager at the North Dakota Department of Health. I am here to provide information on the dental loan repayment program on the proposed amendments to HB 1035 relating to release from contract obligation.

In April 2016, the State Health Council approved eight applications based on the availability of funds. However, since issuing the contracts, two of the dentists decided to decline the contract because of the penalty section currently included in the statute. Both dentists felt they could not commit to the full five years based on their personal situation. The current penalty language is as follows:

If a dentist who receives loan repayment funds under this chapter breaches the loan repayment program contract by failing to begin or failing to complete the obligated service, the dentist is liable for the total amount of any loan repayment funds received.

House Bill 1035 will allow the State Health Council to make a prorated payment to dentists that leave the loan repayment program before completing five years of service. The bill also allows the State Health Council to amend the terms of existing contracts to allow for prorated payments.

The bill will align obligation language of the dental loan repayment contract to the health care professional student loan repayment program.

This concludes my testimony. I am happy to answer any questions you may have.

att. #3
HB1035
1-4-17

ND House Human Services Committee

January 3, 2017

Testimony- House Bill No. 1035

North Dakota Dental Association Brent L Holman DDS

Chairman Weisz, and members of the Committee, my name is Dr Brent L Holman and I am Executive Director of the North Dakota Dental Association. The North Dakota Dental Association supports House Bill 1035.

Besides incentivizing new dentists to practice in areas of need, dental loan repayment has marketing value in that newly licensed dentists are enticed to consider North Dakota when doing their research about locations. It has contributed greatly to the nation-leading increase of in-migration of dentists into North Dakota (ADA Health Policy Institute, 2016). Also, these programs are absolutely critical to maintain an adequate workforce in non-profit safety-net clinics.

The dental loan repayment program as described in Section 43-28 of the North Dakota Century Code was simplified and amended during the last legislative session in 2015 with intent to more closely align it with other professional loan repayment programs in the state. During the interim, it has become clear that the requirement for payback of dental loan proceeds for breach of the contract may have not in fact been the intent of the changes made in the program in 2015, since the requirement

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is not in the language of the other professional loan repayment statutes. Two dentists, who currently practice at the non-profit public health clinic, Bridging the Dental Gap in Bismarck, are examples of the payback penalty and its affect on applicants. Drs Sarah Mertz and Alexa Carlson were both accepted for loan repayment awards but chose not to accept loan repayment due to fear that they might have to pay back all of the yearly payments should circumstances require a change in practice location. The changes in HB 1035 simply address this inconsistency by not requiring payback of the awarded repayment for years of completed service short of the 5-year maximum payback period.

Please vote DO PASS on HB 1035. Thanks for your consideration.

A handwritten signature in blue ink, appearing to be the letter 'L' or a similar stylized mark.

Resource Requested after 1/4/2017 Testimony for Bill 1035-**Overview of State Loan Repayment Programs**

Program	# of yrs.	Loan Amount per/yr. from State	Total Loan Amount from State	Community Match Required	Total Award from State and Community	Qualifications	Priorities
Dental	5	20,000	100,000	0	100,000	Licensed, accept Medicaid and Medicare, full time	Public Health Clinics, focus underserved population, designated health professional shortage area
Physicians	5	20,000	100,000	50,000	150,000	Licensed, practice in specialty needed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area
Advanced Practice Registered Nurse/PA	5	4,000	20,000	2,000	22,000	Licensed, practice in specialty needed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area
Clinical Psychologist	5	12,000	60,000	15,000	75,000	Licensed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area, Federally qualified Health Center, state human service center, county social service office, school-based facilities, state prison, youth correctional center, etc.
Behavioral Health							
Licensed Addition Counselor	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Licensed Professional Counselor	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Licensed Social Worker	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Registered Nurse	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Psychiatric Nurse Specialist	5	4,000	20,000	2,000	22,000	Same as above	Same as above

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ND Senate Human Services Committee

March 8, 2017

Testimony- House Bill No. 1035

North Dakota Dental Association Brent L Holman DDS

Chair Lee, and members of the Committee, my name is Dr Brent L Holman and I am Executive Director of the North Dakota Dental Association. The North Dakota Dental Association supports House Bill 1035.

Besides incentivizing new dentists to practice in areas of need, dental loan repayment has marketing value in that newly licensed dentists are enticed to consider North Dakota when doing their research about locations. It has contributed greatly to the nation-leading increase of in-migration of dentists into North Dakota (ADA Health Policy Institute, 2016). Also, these programs are critical to maintain an adequate workforce in non-profit safety-net clinics.

The dental loan repayment program as described in Section 43-28 of the North Dakota Century Code was simplified and amended during the last legislative session in 2015 with intent to more closely align it with other professional loan repayment programs in the state. During the interim, it has become clear that the requirement for payback of dental loan proceeds for breach of the contract may have not in fact been the intent of the changes made in the program in 2015, since the requirement is not in the language of the other professional loan repayment statutes. Two

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pg. 2

dentists, who currently practice at the non-profit public health clinic, Bridging the Dental Gap in Bismarck, are examples of the payback penalty and its affect on applicants. Drs Sarah Mertz and Alexa Carlson were both accepted for loan repayment awards but chose not to accept loan repayment due to fear that they might have to pay back all of the yearly payments should circumstances require a change in practice location. The changes in HB 1035 simply address this inconsistency by not requiring payback of the awarded repayment for years of completed service short of the 5-year maximum payback period.

Please vote DO PASS on HB 1035. Thanks for your consideration.

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#2
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Testimony
Human Services Committee
House Bill 1035
Wednesday, March 8, 2017
North Dakota Department of Health

Good morning, Madam Chairman and members of the Human Services Committee. My name is Bobbie Will, and I am the Primary Care Office Manager at the North Dakota Department of Health. I am here to provide information on HB 1035 relating to release from contract obligation for the dental loan repayment program.

In April 2016, the State Health Council approved eight applications based on the availability of funds. However, since issuing the contracts, two of the dentists decided to decline the contract because of the penalty section currently included in the statute. Both dentists felt they could not commit to the full five years based on their personal situations. The current penalty language is as follows:

If a dentist who receives loan repayment funds under this chapter breaches the loan repayment program contract by failing to begin or failing to complete the obligated service, the dentist is liable for the total amount of any loan repayment funds received.

House Bill 1035 will require the State Health Council to make payments at the conclusion of each twelve-month period and allow the state health council to prorate payments if during the twelve month period, a dentist doesn't meet the qualifying terms of the contract or leaves the program prior to completing a full year. Therefore, the dentist will not be penalized for previous service and payments. The bill also allows the State Health Council to amend the terms of existing contracts to allow for prorated payments.

The bill will align obligation language of the dental loan repayment contract to the health care professional student loan repayment program.

This concludes my testimony. I am happy to answer any questions you may have.