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FISCAL IMPACT REPORT

ORIGINAL DATE 01/21/08

SPONSOR Sandoval LAST UPDATED _____ HJM 12

SHORT TITLE Study NM Dental School Establishment SB _____

ANALYST Escudero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Health Policy Commission (HPC)
 Department of Health (DOH)
 New Mexico Higher Education Department (HED)

SUMMARY

Synopsis of Bill

This Joint Memorial requesting the New Mexico Health Policy Commission and the University of New Mexico Health Sciences Center to study the establishment of a Dental School in New Mexico.

- New Mexico is facing a shortage of dentists, being ranked forty-ninth in the nation in dentists per capita for the year 2000, according to the United States Department of Health and Human Services.
- In the year 2000, six hundred sixteen dentists and five hundred sixty dental hygienists practiced in the state, reflecting approximately thirty-four dentists per one hundred thousand population, well below the national rate of approximately sixty-four dentists per one hundred thousand population.
- The number of dentists in New Mexico increased by only two percent between the years 1991 and 2000, while the state's population grew by eighteen percent.
- In New Mexico, two counties have no dentists, four counties have only one dentist and six counties have only two dentists.

- The most underserved populations in New Mexico for oral health care are rural and low-income persons.
- One impediment to dental care access is the lack of dental profession diversity, with only six and eight-tenths percent of dentists and only eleven and seven-tenths percent of dental students, nationally, being members of underrepresented minority groups.
- The oral health care needs of New Mexico could be met by the establishment of a dental school in the state that focuses on education, outreach and research.
- The benefits of having a dental school in the state include increased access to dental and oral health services in all parts of the state, comprehensive medical and dental clinics, economic development from an increased oral health workforce and a more diverse oral health workforce.
- A dental school study would determine the appropriate model to use in establishing a dental school, such as a patient-centered delivery system that provides services to community-based patient care centers.
- A dental school study should use the "pipeline, profession and practice: community-based dental education" program model, which is the result of a collaborative effort among fifteen dental schools in the United States.
- The "pipeline" program model provides disadvantaged populations with access to dental care, increases the diversity of the dental workforce and gives dental students and dental resident doctors clinical experience in patient-centered community health care facilities.
- A dental school study should have as its goals reduction in the disparity in dental care between populations; the education of dentists who will provide care to low-income rural citizens; the development of effective oral health care delivery systems; the recruitment of dental students from rural and underserved areas of the state; and the development of a combined doctor of dental science and master of public health degree program, with a focus on training to meet the needs of rural areas.
- A study should also address the economic impact of a dental school, the number of dentists needed to meet the need for oral health care in rural areas and the cost of establishing and maintaining a dental school.
- A dental school in New Mexico would best be established at the university of New Mexico health sciences center, and the health sciences center can support a study by providing expertise on developing a comprehensive dental health program for practitioners, conducting research on best practices in dentistry, extending dental services into underserved areas of the state, administering the accreditation process for a dental school and creating public-private partnerships for development of a dental school.
- A study should consider that a dental school in New Mexico would admit its first class of students in the fall of 2009, with an enrollment of thirty students per year for the first four years and a total enrollment of one hundred twenty students by the year 2013.
- A cost study that was conducted by the university of North Carolina for a new dental school, using a "pipeline" program model, indicates that a dental school to meet New Mexico's oral health needs would require a total capital budget of forty-six million dollars (\$46,000,000), including costs for design, planning, physical facilities and equipment and a full, annual operating budget of approximately ten million dollars (\$10,000,000) by fiscal year 2012.
- The Health Policy Commission, together with the DOH and other state agencies, is responsible for developing a comprehensive strategic plan for health care in New Mexico.

- The comprehensive strategic plan for health care includes addressing the accessibility of oral health care.
- The HPC is responsible for performing a needs assessment for health education, among other health care needs, in the state.
- The HPC is required by law to respond to legislative requests.
- The Legislature of The State of New Mexico that the HPC and the University of New Mexico Health Sciences Center be requested to conduct a joint study to determine the feasibility of establishing a dental school in New Mexico.
- The study is to determine a model for a dental school in New Mexico that will serve the oral health care needs of New Mexico's diverse populations, including its rural and low-income persons.
- HPC and the University of New Mexico Health Sciences Center be requested to submit the dental school study to the Interim Legislative Health and Human Services Committee by November 1, 2008.
- This memorial will be transmitted to the Chair of the Legislative Health and Human Services Committee, the Secretary of Finance and Administration, the Secretary of Health, the Board of Regents of the University of New Mexico and the Executive Vice President for Health Sciences at the University of New Mexico.

FISCAL IMPLICATIONS

HED estimates that the capital budget for this project is estimated at \$46,000,000 including costs for design, planning, physical facilities, and equipment. The full annual operating budget would be approximately \$10,000,000 by 2012.

SIGNIFICANT ISSUES

- HED states that HJM12 states that New Mexico faces a shortage of dentists, that most underserved populations are rural and low income, and that the profession lacks ethnic diversity. The establishment of a dental school in the state could meet the need for education, outreach, and research. The benefits of such a school would be increased access to services and economic development from an increased and more diverse oral health workforce.
- The dental school study would determine the appropriate model for the delivery system that would focus on providing access to disadvantaged populations by a diverse workforce and clinical experience in patient-centered community health care facilities. The study would also develop a combined Doctor of Dental Science and Master of Public Health Degree program with an emphasis on serving rural areas.
- The study will address the economic impact of a dental school, the number of dentists needed, and the cost of establishing and maintaining a dental school. HJM12 recommends that the UNM Health Sciences Center house the dental school and support the study of a program by conducting research on best practices, underserved areas of the state, the accreditation process, and public-private partnerships for the development of the dental school.
- The first class of 30 students would begin in the fall of 2009. Thirty additional students would be enrolled each year for a total of 120 by the year 2013.
- The DOH states that HJM12 was developed in response to an acknowledged need to increase the number of dentists in New Mexico. Through the establishment of a dental

school it is anticipated that the number of dentists would increase. With the increase in the number of dental providers, the oral health access needs of New Mexicans would begin to be addressed. The Governor is in support of the establishment of a New Mexico dental school, and has asked that planning begin on such an effort.

- The Governor's Oral Health Council (GOHC) has been exploring different models of dental education that would address the issue of access to dental services in the state. HJM12 would support and enhance the efforts of the GOHC.

PERFORMANCE IMPLICATIONS

- HPC, the DOH, and other state agencies are responsible for developing a comprehensive strategic plan for health care in New Mexico that addresses accessibility to oral health care. HPC is also responsible for performing a needs assessment and is required by law to respond to legislative requests.
- The dental school study will be submitted to the interim Health and Human Services Committee of the Legislature by November 1, 2008.

ADMINISTRATIVE IMPLICATIONS

- Per the HED the dental school study is to be conducted by the HPC and the UNM Health Sciences Center. Copies of the memorial are to be transmitted to the chair of the legislative Health and Human Services Committee, the Secretary of Finance and Administration, the Secretary of Health, the UNM Board of Regents, and the Executive Vice President of Health Sciences at UNM.
- In addition, the HED shares concern about the dental professional shortage and supports this study. NMHED suggests that the department be involved in the study and that a copy of the memorial also be submitted to the Secretary of Higher Education.

DISPARITIES ISSUES

- DOH addresses the disparity issue to low income and minority individuals that are not receiving needed dental treatment services due to the lack of the availability of dentists in rural and frontier portions of New Mexico, fewer dentists participating in the New Mexico Medicaid Dental Program, and lack of transportation.
- The Centers for Disease Control and Prevention report "Trends in Oral Health Status—United States, 1988–1994 and 1999–2004," states that: tooth decay in primary (baby) teeth of children aged 2 to 5 years increased from 24 percent to 28 percent between 1988-1994 and 1999-2004.
- In addition, the report indicated that thirty-one percent (31%) of Mexican American children aged 6 to 11 years had experienced decay in their permanent teeth, compared with nineteen percent (19%) of non-Hispanic white children, and that three times as many children aged 6-11 twelve percent (12 %) from families with incomes below the federal poverty line had untreated tooth decay, compared with children from families with incomes above the poverty line four percent (4%). These national statistics may be indicative of the dental problems faced in New Mexico. (See web site below for further information.)

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

HED states that if the study is not performed, New Mexico will continue having problems with access to oral health care, especially in rural areas of the state. Lack of preventive health care will lead to higher medical costs for the state in the future.

PME/bb