

Kansas Dental Board

The Kansas Dental Board respectfully requests your favorable consideration of Senate Bill 91.

Section 1 increases the cap on fees that the Board can set.

The Kansas Dental Board is funded principally by net revenues from fees authorized in legislation and set by the Board.

Of existing revenues 90% to 95% are the result of the biennial license renewals of dentists and dental hygienists.

By statute the Dental Board is required to split its license fee revenues with the state general fund with 20% going to the SGF and 80% going to the Dental Board Fee Fund,.

As a part of the Fiscal Year 2006 and 2007 budget submission process the Board conducted a long-range financial analysis of the existing and projected fee fund balances. Net revenues were projected on the basis of the existing number of dentists and dental hygienists and the existing fee schedule. Expenditures were projected on the basis of a flat-line budget beyond the FY 2005 appropriation of \$344,000. This projection revealed that the Fee Fund balances would be insufficient for continued operations of the Board beyond the end of FY 2006.

This situation is reinforced by the fact that the Governor's budget request for the Dental Board is \$54,000 less than the requested amount of \$344,000—a 16% cut. The Budget Director could not justify an expenditure of \$344,000 when there was evidence that the revenue stream was insufficient to support it. Thus the cut.

In short, the Dental Board must raise the fees it imposes in order to support the ongoing operations of the Board and insure a longer term financial stability.

The bill before you raises the cap on fees. It does not raise fees. The Board sets the fees based on the ceilings set by the Legislature.

Without the authority to increase fees sufficient to support the flat-line budget expenditures into the future, the \$54,000 cut in the budget will likely prevail and the Board will be required to make some severe adjustments. Within the existing budget the fixed costs of 3 FTE plus compensation to the Board for meetings represents 38% of the budget. The costs associated with investigations and adjudications of complaints represent another 40%. So the fixed personnel costs and the costs of investigations claims almost 4/5's of the operating budget.

The increased fee structure is consistent with the fees charged by border states when the net revenue is taken into account. Of the six border states only

Oklahoma requires a split with the state general fund and that is set at 10%.

There are three new fees proposed in the bill. The fee for failure to provide a change of address gives enforcement power to KSA 65-1432 which requires this update but does not provide for a penalty. Keeping current addresses is a serious issue and this fee will help to encourage compliance. Further, the advent of mobile dentistry in Kansas is a new circumstance that meets the needs of place-bound patients and certain underserved populations. The KDB is developing rules and regulations to ensure oversight of these mobile dentistry operations and needs a mechanism to register and biennially reregister these operations.

Based on the projections of the Dental Board the fee ceilings that this bill would allow will be sufficient to beyond Fiscal Year 2011 even if potential future enhancements in the budget are submitted and approved.

Section 2 defines mobile dental facilities and portable dental operations and establishes the authority for the Board to regulate these delivery systems.

Mobile dentistry and portable dental operations are a coming methodology for the delivery of dental services to place-bound, underprivileged and underserved populations.

The Dental Act needs to provide authorization for the registration and regulation of these operations.