

Assembly Bill No. 2485

Passed the Assembly August 24, 2016

Chief Clerk of the Assembly

Passed the Senate August 18, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 1970, 1970.5, and 1973 of, to amend and repeal Section 1976 of, and to repeal and add Sections 1971, 1972, and 1975 of, the Business and Professions Code, relating to dentistry, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2485, Santiago. Dental Corps Loan Repayment Program.

Under the Dental Practice Act, the Dental Board of California is responsible for the licensure and regulation of dentists. Existing law establishes the Dental Corps Loan Repayment Program of 2002 to assist dentists who practice in an underserved area with loan repayment pursuant to an agreement between the board and the dentist, as specified. Existing law governs eligibility, application, selection, placement, and repayment for the program, and authorizes the board to adopt standards to implement the program relating to eligibility, placement, and termination. Existing law creates the Dentally Underserved Account within the State Dentistry Fund and moneys in the account are continuously appropriated for purposes of the program.

This bill would require that the program be known as the California Dental Corps Loan Repayment Program and would revise program provisions regarding eligibility, application, selection, and placement. The bill would require the board to develop a process for repayment of loans or grants disbursed if the participant is terminated from the program or is not able to complete the required service obligation, as provided.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 1970 of the Business and Professions Code is amended to read:

1970. There is hereby established in the Dental Board of California the Dental Corps Loan Repayment Program of 2002,

which shall become operative on January 1, 2003. This program shall be known and may be cited as the California Dental Corps Loan Repayment Program.

SEC. 2. Section 1970.5 of the Business and Professions Code is amended to read:

1970.5. It is the intent of this article that the Dental Board of California implement the California Dental Corps Loan Repayment Program.

SEC. 3. Section 1971 of the Business and Professions Code is repealed.

SEC. 4. Section 1971 is added to the Business and Professions Code, to read:

1971. As used in this article:

(a) “Account” means the Dentally Underserved Account established in Section 1973, which is contained within the fund.

(b) “Board” means the Dental Board of California.

(c) “Dentally underserved area” means a geographic area eligible to be designated as having a shortage of dental professionals pursuant to Part I of Appendix B to Part 5 of Chapter 1 of Title 42 of the Code of Federal Regulations or an area of the state in which unmet priority needs for dentists exist as determined by the California Healthcare Workforce Policy Commission pursuant to Section 128224 of the Health and Safety Code.

(d) “Dentally underserved population” means persons without dental insurance and persons eligible for Denti-Cal who are population groups described as having a shortage of dental care professionals in Part I of Appendix B to Part 5 of Chapter 1 of Title 42 of the Code of Federal Regulations.

(e) “Fund” means the State Dentistry Fund.

(f) “Medi-Cal threshold languages” means primary languages spoken by limited-English-proficient (LEP) population groups meeting a numeric threshold of 3,000 eligible LEP Medi-Cal beneficiaries residing in a county, 1,000 Medi-Cal eligible LEP beneficiaries residing in a single ZIP Code, or 1,500 LEP Medi-Cal beneficiaries residing in two contiguous ZIP Codes.

(g) “Program” means the California Dental Corps Loan Repayment Program.

(h) “Practice setting” means either of the following:

(1) A community clinic, as defined in subdivision (a) of Section 1204 and subdivision (c) of Section 1206 of the Health and Safety

Code, a clinic owned or operated by a public hospital and health system, or a clinic owned and operated by a hospital that maintains the primary contract with a county government to fulfill the county's role pursuant to Section 17000 of the Welfare and Institutions Code that is located in a dentally underserved area or at least 50 percent of whose patients are from a dentally underserved population.

(2) A dental practice or dental corporation, as defined in Section 1800, located in a dentally underserved area or at least 50 percent of whose patients are from a dentally underserved population.

SEC. 5. Section 1972 of the Business and Professions Code is repealed.

SEC. 6. Section 1972 is added to the Business and Professions Code, to read:

1972. (a) (1) A program applicant shall possess a current valid license to practice dentistry in this state issued by the board pursuant to Section 1626, or be currently eligible for graduation from a predoctoral or postdoctoral dental education program approved by the Commission on Dental Accreditation or the board and meet all criteria for licensure, subject to successful completion of applicable education and examination requirements.

(2) An applicant shall submit a completed application provided by the board that shall include, but is not limited to, documentation detailing current loan obligations from any government or commercial lender obtained for purposes of financing tuition or fees at a dental school approved by the Commission on Dental Accreditation or the board. Documentation shall contain the applicant's account number and the lender's contact information, as well as current balance owing and monthly installment plan details, if applicable.

(3) An application shall include disclosure of any and all obligations for which the applicant has defaulted or been subject to a judgment lien within the last 10 years, and explanations for each default or judgment lien disclosed.

(4) An applicant, if selected to receive a repayment grant, shall sign an agreement with the board to maintain qualified employment for 36 months continuously, and that the qualified employment meets or once commenced will meet the minimum requirements of the program regarding practice setting, and clinical hours worked.

(5) An applicant shall also agree to provide an annual progress report, signed by both the applicant and employer or employer's designee. A progress report shall verify the practice setting's qualified status, clinical hours worked by the applicant, number of patients treated, specific treatment rendered and its value, and patient's payer source.

(b) The board, in selecting a participant for the program, shall give priority consideration to an applicant who is best suited to meet the cultural and linguistic needs and demands of dentally underserved populations by demonstrating experience in one or more of the following areas:

(1) Speaks one or more Medi-Cal threshold languages.

(2) Comes from an economically disadvantaged background with economic, social, or other circumstances.

(3) Has worked in a health field in an underserved area or with an underserved population.

(4) Is a dentist specialist recognized by the American Dental Association or has met all eligibility requirements to graduate from a dental specialty residency program approved by the Commission on Dental Accreditation.

(5) Has completed an extramural program or rotation during dental school or postgraduate education in which the applicant provided services to a population that speaks any Medi-Cal threshold language.

(c) The practice setting shall meet one or both of the following criteria:

(1) The practice setting shall be located in a dentally underserved area.

(2) The practice setting shall ensure that the program participant serves a patient population that consists of at least 50 percent dentally underserved populations.

(d) A program applicant shall be working in, or have a signed agreement for future employment with, an eligible practice setting. The program participant shall be employed on a full-time basis. "Full-time basis" means 30 hours of clinical hands-on care per week, for no less than 45 weeks per year, except as provided for during customary holidays, personal or family illness, and vacation time as described in a separate employment agreement between the recipient and the practice setting. Upon 30-day notice to the board, the board shall grant an extended leave of absence period

for serious illness, pregnancy, or other natural cause. The board may establish other exemptions to the minimum time requirements of this subdivision on a case-by-case basis.

(e) A program participant shall commit to a minimum of three years of service in one or more eligible practice settings. Loan repayment or grant disbursement shall be deferred until the dentist is employed on a full-time basis.

(f) The board may coordinate with local and statewide trade and professional dental organizations, as well as educational institutions, for outreach to potentially eligible applicants.

(g) The board shall develop a process for a program participant's repayment of loans or grants disbursed in the event that the participant is terminated prior to completion of, or is otherwise unable to complete, his or her three years of service obligation. Cause for termination includes, but is not limited to, the following:

- (1) Recipient's termination of full-time, qualified employment.
- (2) Recipient's failure to maintain his or her professional license in good standing.
- (3) Recipient's failure to comply with any other term or condition of this article.

(h) The board may adopt any other standards of eligibility, placement, and termination appropriate to achieve the aim of providing competent dental services in these approved practice settings.

SEC. 7. Section 1973 of the Business and Professions Code is amended to read:

1973. (a) The Dentally Underserved Account is hereby created in the State Dentistry Fund.

(b) The sum of three million dollars (\$3,000,000) is hereby authorized to be expended from the State Dentistry Fund on this program. These moneys are appropriated as follows:

(1) One million dollars (\$1,000,000) shall be transferred from the fund to the account on July 1, 2003. Of this amount, sixty-five thousand dollars (\$65,000) shall be used by the board in the 2003–04 fiscal year for operating expenses necessary to manage this program.

(2) One million dollars (\$1,000,000) shall be transferred from the fund to the account on July 1, 2004. Of this amount, sixty-five thousand dollars (\$65,000) shall be used by the board in the

2004–05 fiscal year for operating expenses necessary to manage this program.

(3) One million dollars (\$1,000,000) shall be transferred from the fund to the account on July 1, 2005. Of this amount, sixty-five thousand dollars (\$65,000) shall be used by the board in the 2005–06 fiscal year for operating expenses necessary to manage this program.

(c) Funds placed into the account shall be used by the board to repay the loans per agreements made with dentists.

(1) Funds paid out for loan repayment may have a funding match from foundation or other private sources.

(2) Loan repayments shall not exceed one hundred five thousand dollars (\$105,000) per individual licensed dentist.

(3) Loan repayments shall not exceed the amount of the educational loans incurred by the dentist applicant.

(d) Notwithstanding Section 11005 of the Government Code, the board may seek and receive matching funds from foundations and private sources to be placed into the account. The board also may contract with an exempt foundation for the receipt of matching funds to be transferred to the account for use by this program.

(e) Funds in the account appropriated in subdivision (b) or received pursuant to subdivision (d) are continuously appropriated for the repayment of loans per agreements made between the board and the dentists.

(f) On or after July 1, 2010, the board shall extend the program and distribute the moneys remaining in the account until all the moneys in the account are expended.

SEC. 8. Section 1975 of the Business and Professions Code is repealed.

SEC. 9. Section 1975 is added to the Business and Professions Code, to read:

1975. The terms of loan repayment granted under this article shall be as follows:

(a) After a program participant has been selected by the board to provide services as a dentist in the program, the board shall provide thirty-five thousand dollars (\$35,000) for loan repayment annually, for three years, to reach a total of one hundred five thousand dollars (\$105,000), or the total amount of the loan, whichever is the lesser amount.

(b) The initial disbursement of funds shall be made within 30 days from execution of a program agreement between the board and the recipient directly from the board to the qualified lender selected by the recipient, to be credited to the recipient's account.

(c) Subsequent disbursements in sums equal to the initial disbursement, but not equaling more than the total amount owed by the recipient, shall be made within 30 days of months 13 and 25 of the recipient's participation in the program.

SEC. 10. Section 1976 of the Business and Professions Code is amended to read:

1976. (a) The board shall report to the Legislature, during its sunset review period, the experience of the program since its inception, an evaluation of its effectiveness in improving access to dental care for underserved populations, and recommendations for maintaining or expanding its operation. The report to the Legislature shall also include the following:

- (1) The number of program participants.
- (2) The practice locations.
- (3) The amount expended for the program.
- (4) The information on annual progress reports by program participants.

(b) The report to the Legislature pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that low-income communities immediately receive the dental care they desperately lack as soon as possible by removing barriers to available and unused special funds for dentists who seek to serve designated underserved populations, it is necessary that this act take effect immediately.

Approved _____, 2016

Governor