

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 1470 (First Edition) Impaired Dental Hygienists/Fee

**SHORT TITLE:** Impaired Dental Hygienists/Fee

**SPONSOR(S):** Representative Gordon Allen

| <b>FISCAL IMPACT</b>   |                             |                          |                                  |                          |                          |
|--|-----------------------------|--------------------------|----------------------------------|--------------------------|--------------------------|
|  | <b>Yes (X)</b>              | <b>No ( )</b>            | <b>No Estimate Available ( )</b> |                          |                          |
|  | <b><u>FY 1999-00</u></b>    | <b><u>FY 2000-01</u></b> | <b><u>FY 2001-02</u></b>         | <b><u>FY 2002-03</u></b> | <b><u>FY 2003-04</u></b> |
| <b>REVENUES *</b>  |                             |                          |                                  |                          |                          |
| NC Caring<br>Dentist Program   | \$177,840                   | \$183,887                | \$190,139                        | \$196,603                | \$203,288                |
| <b>EXPENDITURES</b>  | Not yet determined by Board |                          |                                  |                          |                          |
| * Assume maximum \$40 fee  |                             |                          |                                  |                          |                          |
| <b>PRINCIPAL DEPARTMENT(S) &amp;<br/>PROGRAM(S) AFFECTED:</b> North Carolina State Board of Dental Examiners,<br>North Carolina Dental Society |                             |                          |                                  |                          |                          |
| <b>EFFECTIVE DATE:</b> The act is effective when it becomes law.   |                             |                          |                                  |                          |                          |

**BILL SUMMARY:**

This bill authorizes the North Carolina State Board of Dental Examiners to include impaired dental hygienists in programs developed for impaired dentists. The bill imposes an annual \$40 fee on dental hygienists to support the program for impaired dental hygienists.

**BACKGROUND:**

The 1993 General Assembly approved HB 914 (SL 93, chapter 420) that authorized the North Carolina State Board of Dental Examiners to collect a fee of up to \$50 from licensed dentists to be used for a program for impaired dentists operated by a new state – sanctioned peer review organization. The N.C. State Board of Dental Examiners and the N.C. Dental Society signed a Memorandum of Agreement on May 21, 1994 to create the Caring Dentist Program . The purpose of the Caring Dentist Program is to provide intervention and rehabilitation for dental practitioners impaired by chemical dependency or mental illness. Appropriate treatment

programs and aftercare monitoring are sought for the impaired dentists. An eight-member Board of Directors oversees the Caring Dentist Program.

Although G.S. 90-39 allows a fee of \$50 to be charged to pay for the program, only \$15 has been assessed each dentist renewing his license since 1994. (NCAC 21-16M.0001) Actual fees collected in 1997 were \$55,300 and actual program expenses for 1997 were \$43,681. The 1997 fund balance for the program was \$88,861.74. This fee is proposed to rise to \$25 in 1999 and annual revenue will rise to \$97,775. The increase will be used to fund a full-time director.

**ASSUMPTIONS AND METHODOLOGY:**

House Bill 1470 will allow the N.C. State Board of Dental Examiners to create a program for impaired dental hygienists similar to the Caring Dentist Program. The bill allows the Board to charge up to \$40 for this program. Although the Director of the State Board of Dental Examiners suggested the initial fee would probably be \$15, this fiscal note assumes the maximum of \$40 for budget projection purposes. As of April 1, 1999, North Carolina has 4,446 licensed dental hygienists. Over the last five years, the number of licensed hygienists has grown 3.4% per year. This growth rate is projected to continue over the next five years as shown in the chart below.

|            | <u>Hygienists</u> | <u>Revenue</u> |
|------------|-------------------|----------------|
| FY 1999-00 | 4,446             | \$177,840      |
| FY 2000-01 | 4,597             | \$183,887      |
| FY 2001-02 | 4,753             | \$190,139      |
| FY 2002-03 | 4,915             | \$196,603      |
| FY 2003-04 | 5,082             | \$203,288      |
| FY 2004-05 | 5,255             | \$210,200      |

Since the \$40 fee is assessed upon renewal, the 4,446 currently licensed hygienists will pay the new fee in FY 1999-00. Those receiving a license in FY 1999-00 will begin paying the additional \$40 fee in FY 2000-01 and so on. This simplified chart is an estimate and can not precisely account for attrition and new applicants each year.

**FISCAL RESEARCH DIVISION 733-4910**

**PREPARED BY:** Richard Bostic

**APPROVED BY:** Tom Covington

**DATE:** Monday, May 31, 1999



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