

## Supplemental Materials

### AGENDA ITEM V-I (2)

Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter R, concerning the Dental Education Loan Repayment Program (H.B. 1, 84th Texas Legislature General Appropriations Act, page III-41)

Recommendation: Approval

#### Background Information:

The General Appropriations Act passed by the 84th Texas Legislature includes appropriations for the Dental Education Loan Repayment Program for the 2016-2017 biennium. The program had not been funded for two consecutive biennia, and therefore the rules were repealed in January of 2014. Section 61.908 of the Texas Education Code states that the Coordinating Board shall adopt rules necessary for the administration of the program.

Date approved by the Commissioner for publication in the Texas Register: July 20, 2015.

Date published in the Texas Register: July 31, 2015.

The 30-day comment period with the Texas Register ended on August 31, 2015.

One comment was received from the Texas Dental Association.

**Comment:** The Texas Dental Association was in support of the rules as written and simply asked whether consideration could be made to a higher loan repayment level.

**Staff Response:** The rules do provide for the Commissioner or his designee to increase the maximum amount if the appropriated funding is sufficient to warrant an increase. If, at the end of the application period, less than eleven qualified applicants are identified, the agency will consider an increased repayment amount given the \$110,000 in funding that has been appropriated for FY16.

CHAPTER 21. Student ServicesSUBCHAPTER R. DENTAL EDUCATION LOAN REPAYMENT PROGRAMSection

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21.560. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Chapter 61, Subchapter V, Repayment of Certain Dental Education Loans. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.901 through Section 61.910.

(b) The purpose of the Dental Education Loan Repayment Program is to recruit and retain qualified dentists to provide dental services in areas of the state that are underserved with respect to dental care.

21.561. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Underserved Area with Respect to Dental Care – Dental Health Professional Shortage Areas of Texas (Dental HPSAs) designated by the federal Health Resources and Services Administration.

(2) Federally Qualified Health Centers (FQHCs) – organizations receiving grants under Section 330 of the Public Health Service Act (PHS), qualifying for enhanced reimbursement from Medicare, Medicaid, and Children's Health Insurance Program and other benefits. FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors.

(3) Nonprofit Practice – a clinical practice that is tax-exempt under section 501 (c) (3) of the Internal Revenue Code.

(4) State Hospital -- a hospital authorized by Title 7, Subtitle B., Chapter 552 of the Texas Health and Safety Code, primarily to provide inpatient care and treatment of persons with mental illness.

(5) State-supported Living Center-- A state-supported and structured facility operated

by the Department of Aging and Disability Services to provide to clients with intellectual disabilities a variety of services, including medical treatment, specialized therapy, and training in the acquisition of personal, social, and vocational skills, pursuant to Title 7, Subtitle A, Chapter 531 or the Texas Health and Safety Code.

(6) Service Period – A twelve-month period of service that qualifies an eligible dentist for an annual education loan repayment, beginning on the date the application is received by the board or the date eligible service began, whichever is later.

(7) Program – The Dental Education Loan Repayment Program.

(8) CHIP – The Children’s Health Insurance Program, authorized by the Texas Health and Safety Code, Chapter 62.

(9) Medicaid – The medical assistance program authorized by Chapter 32, Human Resources Code.

(10) Full-time Service – An average of at least 32.5 hours of direct patient care hours per week during the service period at the Dental HPSA site.

(11) Commissioner -- The Commissioner of Higher Education in Texas.

(12) Board – The Texas Higher Education Coordinating Board.

21.562. Priorities of Application Acceptance.

(a) Each fiscal year, applications received by the deadline posted on the program web page will be ranked according to Dental HPSA scores for the applicants’ practice locations, with the highest scores representing the highest degrees of dental shortages. Dental HPSAs having the same Dental HPSA score will be ranked according to the following criteria, in order of priority:

(1) Federally Qualified Health Center (FQHC);

(2) Nonprofit practice;

(3) State hospital or state-supported living center;

(b) The amount of available funding will determine how many applicants will be selected for conditional application approval.

21.563. Eligible Lender and Eligible Education Loan.

(a) The Board shall retain the right to determine the eligibility of lenders and holders of education loans to which payments may be made. An eligible lender or holder shall, in general, make or hold education loans made to individuals for purposes of undergraduate, graduate, or professional education and shall not be any private individual. An eligible lender or holder may be, but is not limited to, a bank, savings and loan association, credit union, institution or higher education, secondary market, governmental agency, or private foundation.

(b) To be eligible for repayment, an education loan must:

(1) be evidenced by a promissory note for loans to pay for the cost of attendance for undergraduate, graduate, or professional education;

(2) not have an existing obligation to provide service for loan forgiveness through another program;

(3) not be subject to repayment through another student loan repayment program, loan forgiveness program, or as an employment benefit or condition at the time of application and disbursement;

(4) if consolidated with other student loans, be supported by documentation provided by the dentist showing the portion of the consolidated debt that was originated to pay for the cost of attendance for the dentist's undergraduate, graduate, or professional education.

21.564. Eligible Dentist.

(a) To be eligible for conditional approval, contingent upon completion of the service period, an applicant must:

(1) be licensed by the Texas State Board of Dental Examiners and have no disciplinary action against him/her;

(2) agree to provide at least twelve consecutive months of comprehensive, general or pediatric dental services in an area that is underserved with respect to dental care; and

(3) submit a completed application to the Board by the published deadline.

(b) To be eligible for disbursement of a loan repayment award, a dentist whose application was conditionally approved must:

(1) have provided at least twelve consecutive months of comprehensive general or pediatric dental services, for an average of at least 32.5 hours of direct patient care per week, in an area that is underserved with respect to dental care;

(2) during the service period, have provided direct patient care to Medicaid enrollees and CHIP enrollees; and

(3) ensure that the Board has received all required end-of-service period verification forms by the established deadline.

21.565. Amount of Repayment Assistance.

(a) The maximum annual award amount to be disbursed to lenders shall be \$10,000 unless the commissioner or his or her delegate determines that the amount of available funding is sufficient to increase the award amount.

- (b) A dentist may receive prorated loan repayment assistance based on the percentage of full-time service provided for each service period, if providing comprehensive direct patient care for a minimum of 20 hours per week for the service period.

21.566. Dissemination of Information.

The Board shall distribute rules and pertinent information about the Dental Education Loan Repayment Program to each dental school in the state and appropriate state agencies, professional associations, and other entities.