



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #394

### Dental Services -- Public Health (Health Services -- Public Health)

[LFB 2019-21 Budget Summary: Page 199, #5]

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#### CURRENT LAW

The oral health program in the Division of Public Health (DPH) administers several programs that are intended to improve access to dental care throughout the state. These programs are designed primarily to serve low-income individuals, Medicaid recipients, and individuals who lack dental insurance.

One such program is Wisconsin Seal-a-Smile, under which DHS awards annual grants, totaling \$170,000 annually, for fluoride supplements (\$25,000), a fluoride mouth-rinse program (\$25,000), and a school-based dental sealant program (\$120,000).

Additionally, the Department is required to distribute grants to at least nine nonprofit dental clinics in Wisconsin that are not federally qualified health centers (FQHCs) and that primarily serve low-income patients. Base funding for these grants is \$850,000 GPR annually.

#### GOVERNOR

Provide \$1,189,500 GPR in 2019-20 and \$1,789,500 GPR in 2020-21 and 4.60 positions, beginning in 2019-20, to support three dental health initiatives in the Division of Public Health.

*Seal-a-Smile.* Provide \$275,000 in 2019-20 and \$450,000 in 2020-21 to increase the scope and funding levels for grants DHS provides under the Seal-A-Smile program. Beginning in 2020-21, DHS would be required to award annual grants totaling no less than \$50,000 for fluoride varnish and other evidence-based oral health activities, \$700,000 for school-based preventive dental services, and \$100,000 for school-based restorative dental services. Notwithstanding the annual allocation amounts described above, in fiscal year 2019-20, DHS would be directed to

award \$525,000 for school-based preventive dental services, \$100,000 for school-based restorative dental services, and \$50,000 for fluoride varnish and other evidence based oral health activities.

The following table summarizes the funding changes for the Seal-a-Smile program in the bill.

### Seal-A-Smile Funding Allocations

	2019-20			2020-21		
	<u>Base</u>	<u>Bill</u>	<u>Change</u>	<u>Current</u>	<u>Bill</u>	<u>Change</u>
Fluoride Supplements	\$25,000	\$0	-\$25,000	\$25,000	\$0	-\$25,000
Fluoride Mouth-Rinse Program	25,000	0	-25,000	25,000	0	-25,000
School-Based Dental Sealant Program	350,000	0	-350,000	350,000	0	-350,000
School-Based Preventive Dental Services	0	525,000	525,000	0	700,000	700,000
School Based Restorative Dental Services	0	100,000	100,000	0	100,000	100,000
Fluoride Varnish and Other Evidence-Based Oral Health Activities	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Total	\$400,000	\$675,000	\$275,000	\$400,000	\$850,000	\$450,000

*Dental Clinics.* Provide \$425,000 in 2019-20 and \$850,000 in 2020-21 to increase funding for grants provided to dental clinics that serve low-income patients.

*Oral Health Program Positions.* Provide \$489,500 annually to support 4.60 positions, beginning in 2019-20, for the state's oral health program in the Division of Public Health

### DISCUSSION POINTS

1. According to the U.S. Surgeon General, poor oral health is associated with a broad range of negative medical, social, and economic outcomes that adversely affect one's quality of life. Additionally, several academic studies have found that early detection and intervention of dental problems can reduce utilization and cost of dental and other medical services later in one's life.

2. The Department's state health plan identifies significant disparities in access to dental care and oral health outcomes based on an individual's income, ethnicity, and disability status. People of color are significantly more likely to have permanent teeth removed due to tooth decay or gum disease, and are less likely to have visited a dentist, dental hygienist, or dental clinic in the past year. Permanent tooth removal and lack of dental visits are significantly more common among people with low incomes and disabilities.

3. The oral health program in the Division of Public Health operates several programs aimed at providing dental services to underserved populations, including the Wisconsin Seal-a-Smile and the low-income dental clinic grant program.

### *Seal-a-Smile*

4. The mission of Seal-a-Smile is to prevent dental decay and promote oral health as part of children's total health by increasing the number of dental sealants applied to their teeth. The sealants are applied to the chewing surfaces of a child's teeth, where they prevent cavities and the need for fillings. The sealants have been shown to effectively prevent tooth decay for several years.

5. The Seal-a-Smile program is funded from an appropriation for general dental services. This appropriation also funds contributions to Marquette University for the dental services provided by their students and faculty to underserved populations, for fluoride supplements and treatment efforts, and to technical colleges for oral health services. Base funding for all of these programs is \$2,974,300 GPR.

6. In practice, DHS has allocated approximately \$350,000 GPR per year for the school-based dental sealant program, which is matched by private funding from Delta Dental, and supplemented by MA reimbursement for eligible services provided to children enrolled in the MA program. The program is jointly administered by DHS and the Children's Health Alliance of Wisconsin (CHAW). Grant funding is awarded to approximately 40 local programs to provide services statewide. Each local program must follow statewide policies and protocols and use evidence-based strategies in providing care.

7. DHS anticipates that Delta Dental would contribute \$450,000 for the 18-month period from July 1, 2019, to December 30, 2020. Combined with GPR base funding for the program, approximately \$675,000 would be available to fund grants to local programs in 2019-20. Approximately \$150,000 that would be budgeted for the program would fund supplies, such as toothbrushes for children, travel, data management and CHAW staff salaries.

8. The additional funding in the bill is intended to increase, from approximately 700 to 1,400 the number of schools that could be served through the program. The Department indicates that the Seal-a-Smile program served approximately 720 schools in the 2016-17 school year, while approximately 1,400 schools qualified for the program. Preliminary information suggests that, during the 2017-18 school year, Seal-a-Smile funded programs served approximately 71,000 children, of which approximately 19,300 children (27%) had untreated decay and 29,400 (42%) received dental sealants. Of the children that received an oral screening, 8,300 (12%) had special health care needs.

### *Dental Clinics Serving Low-Income Families*

9. The low-income dental clinic grant provides funding to non-profit entities, excluding FQHCs, which serve primarily MA recipients, low-income populations, children, elderly individuals, and persons with disabilities. Base funding for the program is \$850,000 annually.

10. In 2018-19, 19 clinics applied for state grants under the program, with funding requests totaling \$2.0 million. The following table lists the agencies that applied for grants in 2018-19, the amount each agency requested, and the grant funding DHS awarded to each agency.

**Dental Clinics Serving Low-Income Families  
2018-19 Grant Applications**

<u>Agency</u>	<u>Public Health Region</u>	<u>Amount Requested</u>	<u>Award</u>
<b>Funded Clinics</b>			
Bread of Healing Clinic	Southeast	\$92,600	\$46,000
Brown County Oral Health	Northeast	100,000	51,000
CAP Services, Inc.	North	97,700	48,000
Chippewa Valley VTAE District	West	100,000	68,700
Door County Medical Center Foundation	Northeast	78,400	78,400
HealthNet of Rock County	South	65,100	65,100
Lake Area Free Clinic	Southeast	117,800	117,800
Open Arms Free Clinic	Southeast	125,000	125,000
Dr. James E. Albrecht Free Clinic	Southeast	68,000	68,000
Aspirus Riverview Dental Clinic	North	115,300	57,000
Madison Dental Initiative	South	<u>125,000</u>	<u>125,000</u>
Subtotal		\$1,084,900	\$850,000
<b>Applications Submitted, Not Funded</b>			
AIDS Resource Center of Wisconsin	South, Southeast, Northeast	\$125,000	
Children's Medical Group	Southeast	125,000	
Church Health Services, Inc.	South	125,000	
Columbia St. Mary's Foundation	Southeast	100,000	
Community Dental Clinic	Southeast	100,500	
St. Anne Center for Intergenerational Care	Southeast	125,000	
Tri-County Dental	Northeast	90,000	
Waukesha County Community Dental Clinic	Southeast	<u>125,000</u>	
Subtotal		\$915,500	
Grand Total		\$2,000,400	

The administration indicates that, by increasing the annual grant amount by \$425,000 in 2019-20 and \$850,000 in 2020-21, it would be able to address demonstrated unmet needs, while still maintaining a competitive grant program.

*Oral Health Program Positions*

11. Finally, the bill would provide \$489,500 GPR annually to replace federal grants from the Health Research Services Agency and the Centers for Disease Control that had previously funded 4.60 FTE positions. In the summer of 2018 the Department was informed that this federal funding would no longer be provided, with grant funding expiring August 31, 2018. DHS used carryover funds from the federal grants to maintain these positions through February, 2019. The Department currently has no other funding available to support these positions.

12. The 4.60 FTE positions for which grant funding expired included:

- 1.0 sealant program coordinator to manage the state school-based dental sealant

program and data collection system and assist with community water fluoridation and response efforts;

- 1.0 oral health epidemiologist to develop and maintain a statewide oral health surveillance plan, develop and implement statewide, regional, and local oral health surveys, coordinate evaluation activities with an evaluation contractor, and analyze, interpret, publish and communicate information on oral health;

- 1.0 fluoridation coordinator to plan, implement, and monitor water fluoridation activities, including documentation of public water systems that adjust fluoride, and provide education on the benefits, safety and effectiveness of community water fluoridation and promote quality control and management of fluoridated water systems;

- 1.0 an oral health workforce evaluation specialist to provide technical assistance on improving quality in dental health professional shortage areas (HPSAs) and developing metrics and identifying data sources for program evaluation; and

- 0.6 oral health workforce program coordinator to expand the capacity of the oral health program to address gaps in the oral health workforce, including access to dental services with substance use disorders.

13. Of these formerly federally-funded positions, 2.6 of these positions are currently filled, while 2.0 positions are vacant and cannot be filled due to a lack of funding. The administration indicates that the current incumbents would move into the newly created GPR positions were funding and position authority provided in the bill.

14. The Department states that these positions are necessary for the Department to carry out duties required of it in state statute, such as the operation of a school-based sealant program. The operation of the Seal-a-Smile program has depended on positions funded by federal grants since 2008.

15. The administration argues that the federal grants are awarded to states on a competitive basis, and that providing additional state funding for the oral health program would make it more likely that the state would receive similar federal grants in the future. Similarly, the administration contends that a lack of state funding for the oral health program could result in the Department being unable to meet best practice standards required by the CDC for the receipt of federal grant funding.

16. Several options are presented for the Committee's consideration. First, the Committee could approve all of the Governor's recommendations (Alternative 1). Second, the Committee could choose to delete funding or positions for one or more of the purposes recommended by the Governor (Alternatives 2a, 2b, or 2c). Third, the Committee could choose to offer some other amount of additional funding, and leave it up to the Department to determine how to distribute the funding. (Alternative 3). Finally, the Committee could maintain base funding for the program by deleting all of the additional funding that would be provided in the bill (Alternative 4).

## ALTERNATIVES

1. *Governor's Recommendation.* Adopt the Governor's recommendation to provide \$1,189,500 in 2019-20 and \$1,789,500 in 2020-21 and 4.60 positions, beginning in 2019-20, to support dental health initiatives in the Division of Public Health. Adopt the statutory changes in the bill relating to Seal-a-Smile funding allocations.

ALT 1	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$2,979,000	4.60	\$0	0.00

2. Modify the Governor's proposal by choosing one or more of the following alternatives. [If the Committee chooses more than one of the alternatives, the change to bill is cumulative, but the change to base is not.]

a. *Reduce Funding Increase for Seal-A-Smile.* Reduce the funding increase that would be provided for the Seal-a-Smile program by \$75,000 GPR in 2019-20 and by \$150,000 GPR in 2020-21, so that an additional \$200,000 GPR in 2019-20 and \$300,000 GPR in 2020-21 would be provided for the program. Repeal the statutory allocations for specific types of services that would be funded under the program.

ALT 2a	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$2,754,000	4.60	-\$225,000	0.00

b. *Delete Funding Increase for Seal-a-Smile.* Delete the funding increase that would be provided for the Seal-a-Smile program (-\$275,000 GPR in 2019-20 and -\$450,000 GPR in 2020-21). Repeal the statutory allocations for specific types of services that would be funded under the program.

ALT 2b	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$2,254,000	4.60	-\$725,000	0.00

c. *Reduce Funding Increase for Clinics.* Reduce the funding increase that would be provided for low-income dental clinic grants by \$175,000 GPR in 2019-20 and \$350,000 GPR in 2020-21 so that an additional \$250,000 GPR in 2019-20 and \$500,000 GPR in 2020-21 would be provided for the grant program.

ALT 2c	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$2,229,000	4.60	-\$750,000	0.00

d. *Delete Funding Increase for Clinics.* Delete the funding increase that would be provided for grants to dental clinics that serve low-income patients (-\$425,000 GPR in 2019-20 and -\$850,000 GPR in 2020-21).

ALT 2d	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$1,704,000	4.60	-\$1,275,000	0.00

e. *State Positions.* Delete funding and position authority that would be provided to maintain funding and positions for the DHS oral health program (-\$489,500 GPR annually and -4.60 GPR positions, beginning in 2019-20).

ALT 2e	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$2,000,000	0.00	-\$979,000	- 4.60

3. Take no action.

ALT 3	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$0	0.00	-\$2,979,000	- 4.60

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