



Virginia  
Regulatory  
Town Hall

Notice of Intended Regulatory Action  
Agency Background Document

<b>Agency Name:</b>	Department of Health (State Board of)
<b>VAC Chapter Number:</b>	12 VAC 5-520
<b>Regulation Title:</b>	Regulations Governing the Dental Scholarship and Loan Repayment Programs
<b>Action Title:</b>	Adopt emergency regulations to amend an existing scholarship program and to establish a loan repayment program
<b>Date:</b>	August 30, 2000

This information is required prior to the submission to the Registrar of Regulations of a Notice of Intended Regulatory Action (NOIRA) pursuant to the Administrative Process Act § 9-6.14:7.1 (B). Please refer to Executive Order Twenty-Five (98) and Executive Order Fifty-Eight (99) for more information.

Purpose

*Please describe the subject matter and intent of the planned regulation. This description should include a brief explanation of the need for and the goals of the new or amended regulation.*

Section 32.1-122.9:1 of the Code of Virginia has newly established a dentist loan repayment program which funds graduating dentists to encourage them to practice in areas of the Commonwealth that are "underserved," i.e., that have an insufficient number of dentists serving the resident population, as defined by the State Board of Health. These regulations will provide for orderly administration of that program and will promote the availability of dental services to Virginians in conjunction with the existing dental scholarship program. T

The dentist loan repayment program will serve as an augmentation to the existent dental scholarship program established in Section 32.1-122.9 of the *Code of Virginia*. Adopting new regulations for the dentist loan repayment program requires amendments to the dental scholarship regulations. Amending definitions of scholarship areas of need, amount of scholarship and distribution of scholarship funds are a necessary part of the emergency action to adopt the loan program regulations. To administer one program in isolation of the other may jeopardize the interests and integrity of the other.

## Basis

*Please identify the state and/or federal source of legal authority to promulgate the contemplated regulation. The discussion of this authority should include a description of its scope and the extent to which the authority is mandatory or discretionary. The correlation between the proposed regulatory action and the legal authority identified above should be explained. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided.*

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Through an act of the General Assembly of Virginia, the *Code of Virginia* has been amended by adding a section numbered 32.1-122.9:1 authorizing the Board to establish “a dentist loan repayment program for graduates of accredited dental schools ...who agree to perform a period of dental service in the Commonwealth in an underserved area as defined in § [32.1-122.5](#) of the dental scholarship program or a dental health professional shortage area designated in accordance with the criteria established in 42 C.F.R. Part 5.” This Section also authorizes the State Board of Health to “promulgate regulations to implement the Dentist Loan Repayment Program within 280 days of enactment of the provision.” Additionally, subsection B of Section 32.1-122.9 of the *Code of Virginia* authorizes the Board, “after consultation with the School of Dentistry of Virginia Commonwealth University, to promulgate regulations to administer...[an annual dental] scholarship program.” The Office of the Attorney General has certified that the agency has the statutory authority to promulgate the emergency regulation and that it comports with applicable state and/or federal law.

## Substance

*Please detail any changes that would be implemented: this discussion should include a summary of the proposed regulatory action where a new regulation is being promulgated; where existing provisions of a regulation are being amended, the statement should explain how the existing regulation will be changed. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of citizens. In addition, a statement delineating any potential issues that may need to be addressed as the regulation is developed shall be supplied.*

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Adoption of the amended regulations providing for a dental scholarship program and a dental loan repayment program are needed to carry out the mandates of the *Code of Virginia* in an orderly and equitable manner, to assure that dental health services are available in the underserved areas of Virginia and to provide that no citizen of the Commonwealth will be without the availability of dental services.

Adoption of the loan repayment provisions, i.e., 12 VAC 5-520-10 and 130 through 180, will include: (i) defining applicants eligible for the program, including provisions that students of economically disadvantaged backgrounds receive due consideration; (ii) setting an amount of the loan repayment award; (iii) establishing criteria for the administration of the program in concert with the dental scholarship program; (iv) defining the contractual practice obligation of loan

repayment recipients; (v) defining the conditions of default; (vi) criteria for repayment in event of default; (vii) enumerating reporting requirements of recipients; (viii) defining the loan repayment award amount; and (ix) allowing for special requests and approval in the event a fractional need for a dentist exists in an underserved community. Loan repayment programs have proven generally more effective than scholarship programs in recruiting physicians to serve in health professional shortage areas (HPSAs) and a comparable benefit to dental health in the Commonwealth should accrue following the adoption of the loan repayment regulations.

The following amendments will provide for the orderly administration of the program in conjunction with the dentist loan repayment program: (i) amending Section 12 VAC 5-520-10 and deleting Sections 12 VAC 5-520-40 and 12 VAC 5-520-50 to define words and terms used in the regulation as provided for in the Virginia Register Form, Style and Procedure Manual; (ii) amending Section 12 VAC 5-520-80 and deleting Sections 12 VAC 5-520-90 to 12 VAC 5-520-120 to concisely define dental underserved area; (iii) moving Sections 12 VAC 5-520-60 and 12 VAC 5-520-70 regarding special requests and fractional need to follow general regulations as provided for in the Virginia Register Form, Style and Procedure Manual; and (iv) adopting Sections 12 VAC 5-520-130 to 12 VAC 5-520-210 to define eligible scholarship applicants, distribution of scholarships, contractual practice obligation, default, repayment and reporting to be consistent with the regulations adopted for the dentist loan repayment program.

### Alternatives

*Please describe, to the extent known, the specific alternatives to the proposal that have been considered or will be considered to meet the essential purpose of the action.*

No alternatives are possible in ensuring adequate administration of these programs. Regulations are needed to ensure the orderly operation of the dentist loan repayment and dental scholarship programs.

### Family Impact Statement

*Please provide a preliminary analysis of the potential impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.*

Many Virginians, mainly in non-metropolitan areas, will benefit from the adoption of the dentist loan repayment program and amendments to the dental scholarship program. These actions are necessary to improve the access to dental health services and ensure adequate availability of dental services in areas of Virginia where there are presently insufficient dental services.

Improving access to dental health services is a continuing challenge in many rural areas. Poor dental health has been increasingly linked to general well-being, so improving access to dental

health services should not only improve dental health but improve general well-being. Improved access may indirectly serve to strengthen the family.