

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 8, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
 Rae Anne Davis, KS Legislative Research Department
 Debra Hollon, KS Legislative Research Department
 Norman Furse, Revisor of Statutes
 Michael Corrigan, Asst. Revisor of Statutes
 Judy Bromich, Administrative Assistant to the Chairman
 Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Charles Whelan, Kansas Association of Osteopathic Medicine
 Terri Roberts, Kansas State Nurses Association
 Kevin Robertson, Kansas Dental Association

Others attending: See attached list

SB 266 **Medical student loan act; satisfaction of loan recipients service obligation**

The Chairman noted that **SB 266** was heard last year, but was opposed by the Kansas Academy of Family Physicians. Paul West, Kansas Legislative Research Department, told members that **SB 266** adds teaching at the University of Kansas Medical Center in the area of emergency medicine to ways one can satisfy obligations of the medical student loan act. He stated that the program has the same authority for professors in general internal medicine, general pediatrics, family medicine and family practice and the participants would have to serve twice as long. It was noted that this proposal would probably address only one or two participants.

A letter from the Kansas Academy of Family Physicians in support of **SB 266** was distributed to members (Attachment 1).

It was moved by Senator Salmans and seconded by Senator Salisbury that **SB 266** be recommended favorably for passage. The motion carried on a roll call vote.

SB 381: **Professional service scholarships, osteopaths, optometrists, nurses, teachers, dentists, national guard officers**

Paul West reviewed the supplemental note on **SB 381** written by the Kansas Legislative Research Department. In answer to a question about the fiscal note attached to this bill, Mr. West stated that technically there is none because it is subject to appropriation. However, the dentistry program would have the highest potential fiscal note which has been estimated to be \$600,000 per year. In answer to other questions, it was stated that:

- ethnic minority scholarships would be funded at 100% to encourage graduate level ethnic minorities to stay within Kansas institutions upon graduation, and the definition of ethnic minority parallels the language in **SB 380**
- this bill does not broaden the definition in the area of obstetrics and gynecology

Charles Wheelen, representing the Kansas Association of Osteopathic Medicine, reviewed his written testimony in support of **SB 381** (Attachment 2). He added that despite the brevity of the conferees' testimony, **SB 381** is the product of two years' work to try to improve the scholarship programs and make them more uniform. He pointed out that the written testimony submitted by Marlin Rein points to the reasons **SB 381** is a good proposal (Attachment 8). In answer to concerns, Mr. Wheelen stated that the

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

study that has been historically used at KUMC for determining underserved areas is obsolete, so the Board of Regents was consulted regarding criteria that might help define a community within an urban area that could be recognized as an underserved areas where service obligations could be fulfilled.

Terri Roberts, Executive Director of the Kansas State Nurses Association, provided written testimony for the Committee in support of **SB 381** which she reviewed (Attachment 3). She told members that **SB 381** expands the nursing student scholarship eligible sponsors list to include licensed home health agencies and local health departments.

Kevin Robertson, Executive Director of the Kansas Dental Association, appeared before the Committee in support of **SB 381** (Attachment 4) and reviewed four factors that he believed contributed to the decreasing number of dentists who are being trained in the U.S. and the factors influencing practice location. He stated that the dental scholarship portion of the bill might be more "palatable" to legislators if the number of scholarships was decreased and if the dental scholarship is tied to students attending dental schools in states in which Kansas does not formally have an agreement in an effort to increase the number of Kansans attending dental school. Concern was expressed about the state of Kansas providing scholarships when a participant has the ability to buy out of the service obligation. In answer to a request, Mr. Robertson stated that he would provide information regarding salaries of dentists for the purpose of comparing it with information regarding tuition and fees.

Written testimony in support of **SB 381** from the following persons was distributed to members for their review:

Gary Robbins, Executive Director of the Kansas Optometric Association (Attachment 5)
Marvin Burris, Director of Fiscal Affairs, Kansas Board of Regents (Attachment 6)
Craig Grant, Kansas National Education Association (Attachment 7)

Written testimony submitted by Marlin Rein, University Director of Budget and Governmental Relations, KUMC, pointed out the manner in which the changes to the Osteopathic Program will result in differences to the Medical Loan Program (Attachment 8).

It was noted that no conferees appeared to testify in regard to the fellowship for ethnic minority graduate students. In answer to a question, it was stated that 100% of the cost of attendance in this case would be below the current \$8,000 stipend. There was some concern that language in the bill would allow an award larger than the cost of attendance.

Staff noted that it is the intent of the language in the bill to make exceptions for fulfilling service obligations for all programs as similar as possible. The Chairman stated that the bill would be held in Committee.

SB 648: Contract entered into to provide services for the Kansas tax institute

No conferees appeared to testify either in support or opposition to this bill. The Chairman noted that Kansas State University had not requested the bill.

SB 380 as amended by Sn Cmt: Kansas ethnic minority scholarship program, definition of institution, award amounts

Mr. Marvin Burris, Director of Fiscal Affairs, Kansas Board of Regents, told members that **SB 380** expands the list of eligible institutions to include area vocational technical schools and changes the criteria for the maximum award. It was noted that the program is subject to appropriation and if every student receives the maximum amount, there would be fewer students served.

It was moved by Senator Feleciano and seconded by Senator Lawrence that **SB 380** as amended by Senate Committee be recommended favorably for passage. The motion carried on a roll call vote.

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

Senator Lawrence moved, Senator Jordan seconded, that 9rs 2400 be introduced as requested by the Board of Regents. The motion carried on a voice vote.

The Chairman referred **SB 436** (repeal of child support pass through) to the SRS Issues subcommittee for consideration.

The meeting was adjourned at 12:10 p.m. The next meeting will be March 9, 2000.

SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 8, 2000

NAME	REPRESENTING
Bill Brady	Ks Gov't Consulting
Marlin Renu	KU
GARY Robbins	Ks Optometric Assn
Grant Gray	KNSA
KEVIN ROBERTSON	Ks Dental Assn
Chip Wheeler	Osteopathic Assoc.
Terri Roberts	Kansas State Nurses Assn.
Sheila Kahn	KACCT
Chuck Sudahl	Adjutant Generals Dept
Bob Dammann	Johnson County Comm. College
Tom Bell	Ks. Hosp. Assn.
Bill Henry	Ks Governmental Consulting
Debra Prideaux	FHSU
Mike Matson	Ks Board of Regents
M. Burris	KBOB
Bob Kelly	KICA
Rich Kelley	WU
MC Ponnatto	PSU

Kansas Academy of Family Physicians

889 N. Maize Rd, Suite 110 • Wichita, KS 67212 • 316-721-9005
1-800-658-1749 • Fax 316-721-9044 • kafp@southwind.net • <http://www2.southwind.net/~kafp/>



February 22, 2000

Keith A. Wright, MD
President

Charles T. Allred, MD
President-Elect

Robert P. Moser, Jr., MD
Vice President

Richard M. Glover, II, MD
Secretary

Todd A. Miller, MD
Treasurer

Joel E. Homung, MD
Immediate Past-President

John R. Eplee, MD
Rick D. Kellerman, MD
AAFP Delegates

Diane D. Klingman, MD
Dennis D. Tietze, MD
Alternate Delegates

Jeff Atwood, MD
Greg Chambon, MD
Joe D. Davison, MD
Steve Grillo, DO
Kim Hall, MD
Verlin Janzen, MD
Mike Kennedy, MD
Thomas L. Kosiul, MD
Board of Directors

Patricia Patrinely, DO
Resident Representative

Bruce Labes
Student Representative

Carolyn N. Gaughan, CAE
Executive Director



*Representing the largest
medical specialty group
in Kansas*

Senator David Kerr
300 SW 10th Ave, Room 120-S
Topeka, KS 66612-1504

RE: SB 266

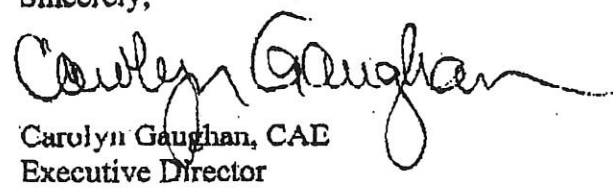
Dear Sen. Kerr

Officers of the Executive Committee of the Kansas Academy of Family Physicians met recently with Dr. Deborah Powell, Dean at KUMC. During that meeting we discussed SB 266, regarding inclusion of emergency medicine faculty as payment of obligation of the medical student loan program.

We listened to Dr. Powell's explanation of the importance of the bill and discussed our concerns with her. Based upon her explanation and subsequent discussion, the Executive Committee voted to remove our objection to SB 266.

Feel free to give me a call if you have any questions about this position.

Sincerely,


Carolyn Gaughan, CAE
Executive Director

Senate Ways and Means Committee

Date *March 8, 2000*

Attachment # *1*



Testimony
To The
Senate Ways and Means Committee
Regarding Senate Bill 381
By Charles Wheelen
March 8, 2000

Thank you for this opportunity to express our support for Senate Bill 381. This is an extremely valuable bill which is the product of extensive hearings, staff work, and deliberations by the Legislative Educational Planning Committee over a two-year period. These changes in the rules and procedures for professional service scholarships make significant improvements in the various programs such that more health care professionals, teachers, ethnic minorities, and military officers will remain in Kansas to pursue their careers.

These scholarships were created by the Legislature at different times to address a documented shortage of professionals. Each scholarship program creates incentives for students to engage in an academic curriculum leading to a particular occupation. This bill improves all of the programs and does so in a uniform manner. *This bill does not create demand transfers or require appropriations of any kind.* Funding of these scholarship programs is completely separate as a function of annual appropriation acts.

Some of the highlights of the bill are as follows:

- Maximum limits on scholarship amounts would be based on the cost of education rather than a fixed dollar amount.
- Recipients would be allowed to fulfill their obligation to the state by practicing part-time in a rural or otherwise underserved area while also practicing part-time in an urban area. Of course the duration of service obligation is commensurately longer for the recipient who practices part-time in a rural county or underserved location.
- The rules governing repayment of the grant are changed. If the recipient decides not to engage in the occupation, or decides not to practice in a rural county of the State, he or she would repay the funding based on the prevailing rate for student loans plus five percentage points. Whether the recipient provides service in Kansas or repays the money, the Legislature and the taxpayers receive an excellent return on their investment.
- Several sections in SB381 reflect conformity with the federal Family and Medical Leave Act of 1993. This allows the recipient to postpone the service obligation for good cause.
- The bill also creates a Professional Service Scholarship Advisory Committee to work with the Board of Regents staff. This Committee would include one member to represent each of the interested professions. The purpose of this Committee is to continue the valuable collaboration which occurred ad hoc during the 1998 and 1999 interims between legislative sessions.

Thank you for considering our comments in your deliberations. We respectfully request that you recommend passage of SB381.

Senate Ways and Means Committee

Date *March 8, 2000*

Attachment # *2*



1208 SW Tyler
Topeka, Kansas 66612-1735
785.233.8638 * FAX 785.233.5222
www.nursingworld.org/snas/ks
the Voice of Nursing in Kansas

Emma Doherty, R.N.
President

Terri Roberts, J.D., R.N.
Executive Director

March 8, 2000

S.B. 381 Professional Scholarship Programs

Senator Kerr and members of the Senate Ways and Means Committee, my name is Terri Roberts and I represent the KANSAS STATE NURSES ASSOCIATION appearing before you today to support the proposed changes in S.B. 381 the Professional Scholarship Programs bill. KSNA worked with representatives of the other health disciplines and the Board of Regents staff throughout the interim to realign provisions of the various programs to streamline the management of these programs administered by the Board of Regents.

There is one specific change that is unique to the Nursing Student program that bears highlighting: Currently the program requires a sponsoring hospital or long term care facility. This program was initiated as a public private partnership by the Hayden administration to respond to the nursing manpower shortage of the late 1980's and requires a sponsoring organization to contribute half the scholarship amount (with the exception of rural facilities that are required to contribute \$1000 or the \$1500 match). **S.B. 381 expands the nursing student scholarship eligible sponsors list to include licensed home health agencies and local health departments. (Page 12 line 26)**

In addition to the specific change made to the Nursing Student Scholarship Program KSNA supports the substantive changes recommended by the LEPC and Senate Education Committee to this program and the the ARNP Scholarship Program:

- * Retitle the program by adding the term "Service" prior to scholarships.
- * Standardize the grace period to six months for all programs
(nursing is at six months already.)
- * Increase the scholarship amount from \$3500 to a higher amount.
- * Provide to the Board of Regents the option of contracting out repayment collections.
- * Add language for deferral of service obligations mimicking the "family leave" definition in the FMLA, and standardize deferral language among all scholarship programs.
- * Lower the Interest Rate for repayments
Federal PLUS program loan interest rate plus 5%, with the interest rate in effect the first year remaining consistent for the student for succeeding years.

The mission of the Kansas State Nurses Association is to promote professional nursing in Kansas and to advocate for the health and well-being of
Senate Ways and Means Committee
Date *March 8, 2000*
Attachment # *3*

The public-private partnership that is unique to the Nursing Student Scholarship Program was preserved and we are very appreciative of this. The sponsorship element provides a responsible mechanism to meet nursing manpower demands throughout Kansas communities.

As a footnote I'd like to add that we have begun to experience geographic shortages of RN's and anticipate increasing difficulty in this area in the future. Recruiting nursing students will be an ongoing challenge for the profession. There are currently 29 Schools of Nursing preparing R.N.'s, 20 programs preparing LPN's and 5 ARNP programs in Kansas at this time. The nursing profession according to the Kansas Department of Human Resources has one of the highest projected growth of job opportunities of any profession from 1998-2005. We do anticipate increased interest and participation in this scholarship opportunity in the next couple years due to the impending shortage. We support the proposed revisions that should provide greater continuity for administration and increased attraction for nursing students.

THANK YOU

Kansas Nursing Occupational Projection 1995-2005

The Kansas State Department of Human Resources recently released a study of occupational employment throughout the state. The data was compiled using staffing pattern employment from the 1992, 1993 and 1994 occupational employment statistics program survey of industries, along with base year 1993 average annual employment for Kansas industries. Projected demand for occupational employment is significantly affected by the projected employment for industries.

In 1995, the population of Kansas was at 2.5 million with approximately 70% of residents living in urban areas. Kansas has consistently experienced unemployment rates below the nation as a whole. In 1995 the state unemployment rate was 4.4% compared to a national unemployment rate of 5.6%. Currently the Kansas unemployment rate stands at 3.9% and the nation at 4.9%.

The base year used for the study was 1993. The average annual job openings are estimates of annual job growth and replacement needs. The report is an indication of economic trends based on knowledge of the industries at the time of the study.

National Trends

In 1994 registered nurses held approximately 1,906,000 jobs. Approximately two out of three jobs were in hospitals. Others were in offices and clinics of physicians, home health care agencies, nursing homes, temporary help agencies, schools and government agencies. More than one-fourth of all RNs worked part-time.

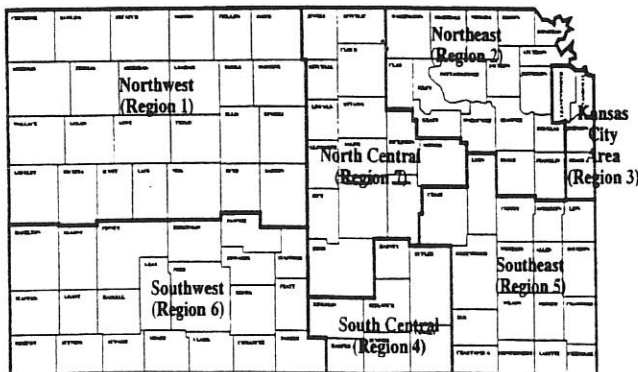
Job prospects in nursing are very good. Employment of registered nurses is expected to grow faster than the average for all occupations through the year 2005 and, because the occupation is large, many new jobs will result. Job prospects will be even better if nursing school enrollments level off or decline, as they have on a cyclical basis in the past, thus reducing the number of qualified applicants. There will always be a need for traditional hospital nurses, but a large number of new nurses will be employed in home health, long term care, and ambulatory care. Growth will also be driven by technological advances in patient care, which permit a greater number of medical problems to be treated, and increasing emphasis on primary care. Many job openings will also result from the need to replace experienced nurses who leave the occupation, especially as the average age of the registered nurse population continues to rise.

Employment in hospitals, the current largest sector of employment, is expected to grow more slowly than in other health-care sectors. While the intensity of nursing care is likely to increase requiring more nurses per patient, the number of hospital inpatients is unlikely to increase, if current trends continue. Rapid growth is expected in hospitals' outpatient facilities.

Employment in home health care is expected to experience the greatest growth. This is in response to a growing number of older persons with functional disabilities, consumer preference for care in the home, and technological advances which make it possible to bring increasingly complex treatments into the home.

Employment in nursing homes is expected to experience increased growth, also due to the increasing age of the population. In addition, the financial pressure on hospitals to release patients as soon as possible should produce more nursing home admissions. Growth in units to provide specialized long-term rehabilitation for stroke and head injury patients or to treat Alzheimer's victims will also increase employment.

In evolving integrated health care networks, nurses may rotate among employment settings. Since jobs in traditional hospital nursing positions are no longer the only option, RNs will need to be flexible. Opportunities will be best for nurses with advanced training. The report breaks Kansas into 7 areas that encompass several counties per area. The following is a brief summary of each area's projections.



Kansas

Occupations in Kansas adding the highest number of jobs include registered nurses. In 1993, average employment of RNs stood at 20,380. Registered nurses are projected to experience a 35.3% growth or the addition of 7,200 new jobs by the year 2005. RNs maintaining a active license and a resident of Kansas total 23,687. (Kansas Board of Nursing August 1996: not a total of RNs actually practicing nursing.)

RNs are also considered a high demand occupation. To be considered high demand, the occupation must have 500 or more projected average annual job openings. RNs are projected to experience a growth of 610 new jobs per year. Replacement positions are projected at 320, which are separate from growth projections. RNs are considered the fastest growth occupation at 35.3%.

New job increases are also expected for nurses aides: In 1993 there were 17,830 nurses aides and orderlies employed. This occupation is expected to experience a 30.6% growth rate with the addition of 5,460 new jobs. There are currently 29,692 certified nurses aides with KDHE, with 300-600 newly certified each month (KDHE: those eligible to work versus those actually working.)

(see page 2 for regional map)

Northeast Kansas:

17 counties: [Atchison, Brown, Clay, Doniphan, Douglas, Franklin, Geary, Jackson, Jefferson, Marshall, Nemaha, Osage, Pottawatomie, Riley, Shawnee, Wabaunsee, Washington.]

Major employment centers include Topeka, Lawrence, Manhattan, and Junction City. The unemployment rate for the region has historically been stable, but higher than that of the state as a whole. The 1995 rate for this region was 4.8% compared to 4.4% for the state. RNs will be the single largest and fastest growing occupation with the most annual job openings; an expected increase of 33.9% or the addition of 1,390 new positions are projected.

Kansas City:

4 counties: [Johnson, Leavenworth, Miami, Wyandotte.] The region is one of the most densely population in the state. The 1995 unemployment rate for the region was 4.3%. RNs are considered to be one of the Kansas City occupations adding the most jobs by 2005. The area is projected to experience a 34.3% increase in nursing positions.

South Central Kansas:

7 counties: [Butler, Cowley, Harper, Harvey, Kingman, Sedgwick, Sumner.] Wichita is the major employment center in the area. In 1993 south central Kansas led the state in manufacturing employment, with 34.1% of the workers in this industry. The unemployment rate for this region is closely related to the economic stability of the aircraft production industry. In 1995 the unemployment rate was 4.8% compared to the state rate of 4.4%. RNs are expected to have the largest growth

Ranking of Projected Job Increases (Most to least)

RNs		LPNs		PAs		Aides		Physicians	
SW	39.1%	NW	31.3%	SW	33.3%	NE	52.2%	KC	27.6
SE	38.7	NC	30.8	KC	27.3	SC	32.7	SC	23.7
NW	37.9	SE	29.7	SC/SE	25.0	NC	32.2	NE	17.
NC	36.8	NE	28.8	NE	18.8	SE	31.3	SW	13.3
SC	34.9	SW	28.6	NC/NW	0.0	NW	8.5	NC	12.1
KC	34.3	SC	28.1			KC	28.3	SE	11.1
NE	33.9	KC	26.5			SW	28.2	NW	6.1

Key

RN=Registered Nurse
 LPN=Licensed Practical Nurse
 PA=Physician Assistant
 Aide=Nurses Aide or orderly
 Physician= MD or DO

Key to Regions

SW Kansas SC Kansas
 SE Kansas KC (Kansas City)
 NW Kansas NE Kansas
 NC Kansas

of professional occupations with an increase of 34.9% or 2,030 new jobs by 2005. Also one of every four jobs will be a nursing aide or orderly position which will experience a 32.7% growth.

Southeast Kansas:

17 counties: [Allen, Anderson, Bourbon, Chase, Chautauqua, Cherokee, Coffey, Crawford, Elk, Greenwood, Labette, Linn, Lyon, Montgomery, Neosho, Wilson, Woodson.]

Major employment centers include Emporia, Pittsburg, Coffeyville, and Parsons. The unemployment rate for this region has remained stable in recent years, but has been above that of the state, with a rate of 5.6% in 1995.

Nursing aides and orderlies are projected to add the most new jobs (790), while RNs are expected to have the greatest growth (38.7%) and are considered one of the fastest growth occupations.

Southwest Kansas:

21 counties: [Barber, Clark, Comanche, Edwards, Finney, Ford, Grant, Gray, Hamilton, Haskell, Hodgeman, Kearny, Kiowa, Meade, Morton, Pawnee, Pratt, Seward, Stafford, Stanton, Stevens.]

Major unemployment centers include Garden City, Dodge City, and Liberal. The unemployment rate has historically been lower than the state average with a 3.3% rate for the region.

RNs are projected to experience a 39.1% growth in jobs by 2005 and are considered the fastest growing occupation.

NorthCentral Kansas:

14 counties: [Cloud, Dickinson, Ellsworth, Jewell, Lincoln, McPherson, Marion, Mitchell, Morris, Ottawa, Reno, Republic, Rice, Saline.]

Primary employment centers include Salina, Hutchinson, and McPherson. The unemployment rate for the region has historically been stable and below that of the state average rate. In 1995 the regional rate was 3.8% in. Nurses aides and orderlies have an anticipated growth of 32.2% or 640 new jobs. RNs have a projected growth of 36.8% or 600 new jobs. Both areas are considered the fastest growing occupations.

NorthWest Kansas:

25 counties: [Barton, Cheyenne, Decatur, Ellis, Gove, Graham, Greeley, Lane, Logan, Ness, Norton, Osborne, Phillips, Rawlins, Rooks, Rush, Russell, Scott, Sheridan, Sherman, Smith, Thomas, Trego, Wallace, Wichita.]

The area has the lowest population density of all the regions. Major employment centers are Hays and Great Bend. Agriculture is a major factor in the region's economy. The unemployment rate in the area is one of the lowest compared to other regions and the statewide average. In 1995, the rate was 3.2% compared to 4.4% for the state. Nurses aides and orderlies are expected to add the most number of new jobs by 2005. RNs will have the greatest % increase in the occupation and is considered to be the fastest growth-occupation.

Kansas Nursing/Health Employment Projections

Region	Occupation	1993 Annual Average Employment	Projected Employment 2005	Numeric Change	% Increase	Actual Job Growth	Job Replacements
Kansas	RNs	20,380	27,580	+7,200	35.3	610	320
	LPNs	6,610	8,500	1,890	28.6	170	130
	PAs	470	570	100	21.3	-	-
	Aides	17,830	23,290	5,460	30.6	460	290
	Physicians	6,560	7,850	1,290	19.7	120	120
NorthEast	RNs	4,100	5,490	1,390	33.9	120	60
	LPNs	1,600	2,060	460	28.8	40	30
	PAs	160	190	30	18.8	10	-
	Aides	230	350	120	52.2	10	-
	Physicians	1,130	1,330	200	17.7	20	20
Kansas City	RNs	5,280	7,090	1,810	34.3	150	80
	LPNs	1,360	1,720	360	26.5	30	30
	PAs	110	140	30	27.3	-	-
	Aides	2,970	3,810	840	28.3	70	50
	Physicians	1,850	2,360	510	27.6	40	30
South Central	RNs	5,820	7,850	2,030	34.9	170	90
	LPNs	1,530	1,960	430	28.1	40	30
	PAs	80	100	20	25.0	-	-
	Aides	3,700	4,910	1,210	32.7	100	60
	Physicians	1,520	1,880	360	23.7	30	30
South East	RNs	1,420	1,970	550	38.7	50	20
	LPNs	640	830	190	29.7	20	10
	PAs	40	50	10	25.0	-	-
	Aides	2,520	3,310	790	31.3	70	40
	Physicians	540	600	60	11.1	10	10
South West	RNs	1,100	1,530	430	39.1	40	20
	LPNs	350	450	100	28.6	10	10
	PAs	30	40	10	33.3	-	0
	Aides	1,240	1,590	350	28.2	30	20
	Physicians	450	510	60	13.3	10	10
North Central	RNs	1,630	2,230	600	36.8	50	30
	LPNs	650	850	200	30.8	20	10
	PAs	20	20	0	0.0	10	-
	Aides	1,990	2,630	640	32.2	50	30
	Physicians	580	650	70	12.1	10	10
North West	RNs	1,030	1,420	390	37.9	30	20
	LPNs	480	630	150	31.3	10	10
	PAs	30	30	0	0.0	10	-
	Aides	1,860	2,390	530	28.5	50	30
	Physicians	490	520	30	6.1	50	10



KANSAS DENTAL ASSOCIATION

Date: March 8, 2000

To: Senate Committee on Ways and Means

From: Kevin J. Robertson, CAE
Executive Director

Re: Hearing on SB 381

Senator Kerr and members of the Committee I am Kevin Robertson, executive director of the Kansas Dental Association which represents about 80% of Kansas' practicing dentists. I am here today to testify in support of SB 381, particularly sections 38-43, which create the "dentistry service scholarship program", patterned largely after the existing osteopathic medical service scholarship program.

The number of dentists in Kansas, particularly in rural Kansas is decreasing. This is largely due to four factors: the total number of dentists being trained nationwide has decreased, the number of dental school slots available for Kansas residents is not replacing retiring dentists, the location of dental schools are largely in urban centers, and student debt continues to increase.

The number of dentists being trained in the U.S. has decreased dramatically over the past 20 years due to the closing of a number of dental schools and the reduction of dental school class sizes. In fact, the number of dental school graduates decreased by 28.6% from a high of 5,336 in 1976 to 3,810 in 1996. The large number of dental school graduates during the 1960s and 1970s was largely the result of federal money provided to dental schools to increase the dentist population. Following the withdrawal of the federal money and an over abundance of dentists throughout the 1980s, many schools drastically reduced their class sizes. Persons having graduated from these larger dental school classes are now reaching retirement age.

An examination of the ages of Kansas dentists reveals this concern. Consider the following data for numbers of professionally active Kansas dentists in 1997:

Under 35	35-44	45-54	55-64	65 and over
130	386	350	199	112

The small number of dentists under the age 35 is particularly troubling as Kansas attempts to replace its retiring dentists. According to figures provided by the Kansas Dental Board, the number of practicing dentists in Kansas is decreasing at a rate of about 6% per year. There is concern that the number of practicing dentists will soon decline even more rapidly as the larger enrollment dental school classes reach retirement age and are not replaced at the same rate by incoming dentists. This is of even greater concern in rural areas, as the average age of rural dentists appears to be greater than that of the larger populated areas. Who will replace the dentists practicing in the smaller communities of our state? Currently in Kansas, 60% of dentists practice in Douglas, Johnson, Sedgwick, Shawnee, and Wyandotte counties, though the 1990 state census shows these counties make up only 47.7% of our population. Conversely then, 52.3% of our population is being treated by only 40% of the dentists. Attached is a chart that shows the disparity in ages among practicing dentists in Kansas and a map showing the number of dentists per 1,000 population in each Kansas county.

5200 Huntoon
Topeka, Kansas 66604-2398
Phone: 785-272-7360
Fax: 785-272-2301

Senate Ways and Means Committee

Date March 8, 2000

Attachment # 4

In Kansas, the Board of Regents and the Missouri Coordinating Board for Higher Education have entered into an agreement whereby the UMKC School of Dentistry accepts a total of 80 Kansas students in their dental, dental specialty, and dental hygiene programs. This school year, UMKC reports a total of 52 Kansas residents in the four-year doctor of dental surgery (DDS) program, nine students in dental specialty training programs, and the balance are enrolled in the dental hygiene program. Tuition and fees at UMKC totals \$77,835 for four years of education. A cost comparison with the private School of Dentistry at Creighton University in Omaha, and the University of Nebraska, School of Dentistry is attached.

Among the many factors influencing practice location of recent graduates is the amount of their indebtedness upon graduation. According to the American Association of Dental Schools (AADS), in 1997 average educational debt for dental students increased 11.8% in 1996 and another 7.8% in 1997. Only 13% of 1997 graduates had no debt. Average student debt in 1997 was \$81,688 for all schools; public schools averaged \$66,669, while private schools reported \$113,128. A staggering 32.5% of dental student graduates from ALL schools reported debt of over \$100,000. This indebtedness, more often than not, forces new graduates to seek opportunities within busy metropolitan practices as an associate as it offers an opportunity to practice without bearing additional debt or overhead. Conversely then, the debt is a disincentive to practicing in a less populated area or in an underserved clinic. Generally, clinics do not offer the salary that a medium to large to private practice can offer, and dentists in rural areas may not have the patient-base to support an associate. Because of the indebtedness, purchasing or starting practices directly out of school has become less common. Depending upon infinite variables, a dentist starting a new practice would likely need in the neighborhood of \$250,00 in capital to purchase equipment, hire staff, lease office space, etc.

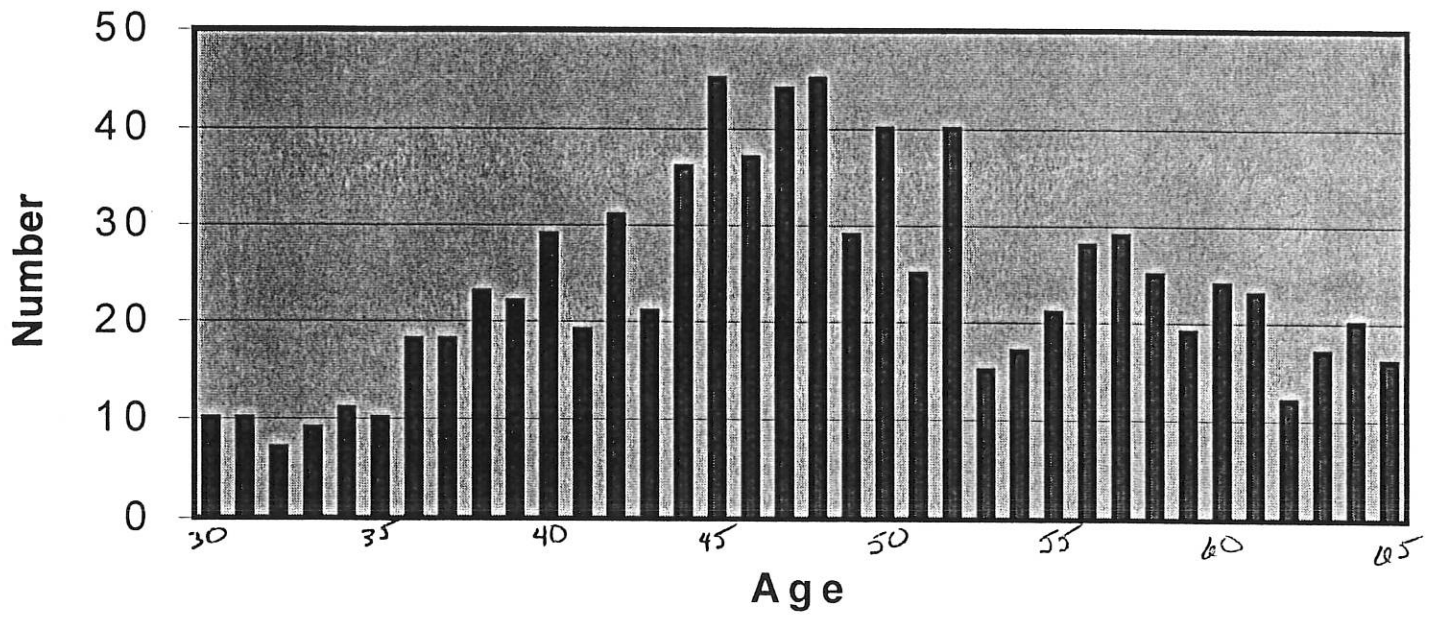
UMKC is reportedly considering increasing its dental class size, however, many issues regarding funding must be worked out by the Missouri Coordinating Board for Higher Education before final approval is given to move forward. In the meantime, the KDA has begun to explore the possibility of finding additional openings for Kansas students with Creighton University in Omaha and the University of Nebraska-Lincoln. The success of such discussions depend largely on the Kansas Board of Regents and the State's willingness to provide additional funding to purchase or trade for dental school slots. Regardless of the future number of dental slots available for Kansas residents, the current system offers no incentive for Kansas dental students to return to Kansas after completing their dental education – especially to the more rural areas of Kansas.

The KDA believes that the creation of a "dentistry service scholarship program" specifically designed to encourage dental school graduates to locate in the less populous areas of the state would be a positive step toward increasing (or maintaining) access to oral health care in rural Kansas.

Since the issues regarding dental school slots, indebtedness, and the need for incentives to encourage new graduates to practice in rural areas are all intertwined, I would suggest the dental scholarship portion of the bill may be more palatable if the number of available scholarships was decreased (page 34, lines 12 and 15) from 15 and 60, to 5 and 20. Also, I would suggest tying the dental scholarships to students attending dental schools in states in which Kansas does not formally have an agreement in an effort to increase the number of Kansans attending dental school.

Thank you for your time. I'll be happy to answer any questions you may have.

Age of Kansas Dentists



School of Dentistry
Tuition and Fees
 1999

The UMKC School of Dentistry reports that in-state tuition and fees in the DDS program is as follows:

	Tuition	Equip. & Books	Total
1st Year	\$13,929	\$6,500	\$20,429
2nd Year	\$13,929	\$4,710	\$18,639
3rd Year	\$17,411	\$2,710	\$20,121
4th Year	\$17,411	\$1,235	\$18,646
	\$62,680	\$15,155	\$77,835

The Creighton University, School of Dentistry tuition and fees are as follows:

	Tuition	Equip. & Books	Total
1st Year	\$22,826	\$5,800	\$28,626
2nd Year	\$22,826	\$7,500	\$30,326
3rd Year	\$22,826	\$500	\$23,326
4th Year	\$22,826	\$350	\$23,176
	\$91,304	\$14,150	\$105,454

The University of Nebraska, School of Dentistry **out-of-state** tuition and fees are as follows:

	Tuition	Equip. & Books	Total
1st Year	\$24,587	\$4,030	\$28,617
2nd Year	\$24,587	\$4,030	\$28,617
3rd Year	\$24,587	\$4,030	\$28,617
4th Year	\$19,670	\$3,910	\$23,580
	\$93,431	\$16,000	\$109,431

TESTIMONY FOR THE SENATE EDUCATION COMMITTEE

March 8, 2000

Thank you for the opportunity to support Senate Bill 381. I am Gary Robbins, Executive Director of the Kansas Optometric Association. I wish to thank the Legislative Educational Planning Committee for introducing this legislation, which reflects two years of work and deliberation by that committee. Our association is strongly in favor of the administrative improvements initiated by this bill. This bill was a cooperative team effort with the staff of the Legislative Research Department, Revisor of Statutes, and Board of Regents working with interested organizations who had rather diverse professional service scholarship programs. I was very impressed with the patience and cooperation exhibited by everyone in this process to reach agreement.

My comments will be directed to the optometry seat program, which starts on page 8 in Section 7. After completing the necessary undergraduate requirements and entrance examination, optometry students enter a four-year, post-graduate program. There are only 17 optometry schools in the United States and obtaining admission is very competitive. This program guarantees admission and continued enrollment for Kansas students. In addition, this program allows Kansas students to pay in-state tuition.

We are pleased that this bill allows for part-time practice to count toward the service obligation for the first time, along with more flexibility in determining the interest rate on loans for those not returning to practice in Kansas. My final comments are directed toward section 52, which establishes a professional service scholarship committee to advise the Board of Regents. Hopefully, this advisory committee will be a beneficial resource to the Board of Regents in addressing issues relative to these various professional programs. The Kansas Optometric Association is extremely appreciative of the support from the Board of Regents in administering our current program.

Due to the many hours of work by all interested parties, we strongly believe that Senate Bill 381 will further improve the administration of all these programs. We respectfully request your support of Senate Bill 381, which provides uniform guidelines for similar programs.

Thank you for your time and consideration.

SENATE WAYS AND MEANS COMMITTEE

TESTIMONY ON SENATE BILL 381

Presented by Marvin Burriss, Director of Fiscal Affairs
Kansas Board of Regents
March 8, 2000

PROFESSIONAL SERVICE SCHOLARSHIP PROGRAMS

The Board of Regents administers several professional scholarship programs designed to help insure that needed professional services are available to Kansans. This is accomplished by creating a service obligation for recipients to practice in Kansas, and/or by purchasing seats for Kansas students to attend schools in other states for professional training that is not available in Kansas. Last fall, a group of representatives of the professional associations, legislative staff and Regents staff worked together to recommend statutory changes in the programs to the Legislative Educational Planning Committee. Many of the changes recommended by the LEPC are intended to streamline the administration of the programs by making them consistent with one another and generally update the law.

As recommended by the LEPC, SB 381 makes several changes to the following programs: Osteopathic Scholarship; Nursing Student Scholarship; Optometry Education; Teacher Scholarship; Ethnic Minority Fellowship; and Advanced Registered Nurse Practitioner. In addition, the Kansas National Guard ROTC Scholarship Program is included and a new professional scholarship program is created for dentists.

In addition to the amendments recommended by the LEPC, the Board of Regents recommended amendments to the Ethnic Minority Fellowship Program, which are intended to recognize the need to enhance the diversity of the student population. These amendments were adopted by the Senate Education Committee.

The following is a brief description of the changes included in SB 381:

1. Expands the list of eligible sponsors for nursing students to include licensed home health agencies and local health departments.
2. Adds language to the Teacher Scholarship Program under which a student could fulfill the service obligation by serving in a part of the state where there is a critical teacher shortage, regardless of the discipline taught.
3. Reconciles the definitions of "primary care" in the Osteopathic Scholarship Program to make them consistent.
4. Adds the reason of "family leave", as defined in the Family Medical Leave Act, to the list of reasons the service obligation could be deferred.

Senate Ways and Means Committee

Date *March 8, 2000*

Attachment # *6*

5. Adds an "extenuating circumstances" reason, as determined by the Board of Regents, to the list of reasons for deferral of the service obligation.
6. Adds training in residency programs or other similar programs to the list of reasons for deferral of the service obligation for optometry graduates.
7. Standardizes the grace period between the time a person is eligible to work and must begin to fulfill the service requirement to six months.
8. Increases the maximum scholarship to an amount not to exceed 70 percent of the cost of attendance at a Regents university for the ROTC, nursing, advanced registered nurse practitioner and teaching scholarship programs; in the case of the osteopathic scholarship program, increases the maximum amount of the scholarship to the amount allowed under the Medical Student Loan Act; establishes the maximum award for the ethnic minority fellowship program to an amount not exceed the cost of attendance at a Regents university.
9. Renames all programs as service programs to emphasize that a service commitment is expected.
10. Lowers the interest rate on repayments from 15 percent to rates applicable to loans made under the federal PLUS (Parent Loan for Undergraduate Student) program at the time the recipient first entered the program, plus 2 percentage points. Currently the interest rate on the PLUS Program is around 8.5%.
11. Makes consistent the ways in which the recipient's obligation can be satisfied.
12. Gives the Board of Regents the option to contract with a private service to collect repayments.
13. Allows practitioners to work part-time, as long as part-time service equated to full-time equals the total amount of time required under the service agreement.
14. Amends the existing Kansas National Guard ROTC Scholarship Program to reallocate unused slots among eligible institutions.
15. Establishes the dental scholarship program that would award scholarships in an amount up to 70% of the cost of attending a dental school and would not have to be repaid if the recipient practices dentistry in a medically underserved area or a rural area for each year for which a scholarship was received.
16. Establishes the professional service scholarship advisory committee comprised of eight members that represent each of the service area.

The Board of Regents supports passage of SB 381, as amended by the Senate Education Committee, and urges the Committee to pass the bill out favorably.



KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

Craig Grant Testimony Before
Senate Ways and Means Committee
Wednesday, March 8, 2000

Thank you, Mr. Chair. Members of the committee, I am Craig Grant and I represent Kansas NEA. I appreciate this opportunity to visit briefly with the committee about Senate Bill 381 as introduced by LEPC this legislative session. I am submitting written testimony on the bill to conserve time for other conferees.

Kansas NEA certainly supports SB 381 and the changes it would bring to the teacher scholarship program. We appreciated being part of the group which worked with legislative staff in crafting the legislation before the LEPC introduced it. We asked for and LEPC included an addition to the scholarship by adding "underserved area" to the list of qualifiers for a teacher service scholarship.

With the impending teacher shortage upon us, KNEA believes that we will need to give an incentive for teachers to go to certain geographic areas of the state. In the past, higher beginning salaries attracted teachers to the isolated locations of our state. There no longer seems to be a differential that allows districts to attract replacement teachers. The Department of Education will need to determine if there is a need and declare an "underserved area" if there are problems. If the need is not there, we know that the "hard-to-fill teaching discipline" area continues to be a problem in the state.

Kansas NEA is not only satisfied with the wording of SB 381 but also supports this bill as one of our legislative initiatives for the 2000 Legislative Session. We hope that you will give your blessing to this concept. Thank you for listening to our concern

Senate Ways and Means Committee

Date *March 8, 2000*

Attachment # *7*

The University of Kansas

Office of the Chancellor

March 8, 2000

The Honorable Dave Kerr
Chair, Senate Ways and Means Committee
Capitol Building, Room 120-S
Topeka, KS 66612

Dear Senator Kerr:

Senate Bill 381 makes a number of changes to the Osteopathic Scholarship Program. The University of Kansas Medical Center does not oppose these changes. We do, however, wish to note the manner in which these changes to the Osteopathic Program will result in differences to the Medical Loan Program. Over the years, there have been strong similarities between the two programs with the Osteopathic Program typically patterned after the former Medical Scholarship Program, and more recently, the Kansas Medical Loan Program.

Briefly stated, the major areas of difference resulting from Senate Bill 381 would be as follows:

- 1) Currently, students participating in the Osteopathic Scholarship Program are entitled to receive a scholarship for payment of all tuition and required fees to a maximum of \$15,000 per year. Senate Bill 381 would revise this provision to prescribe that the scholarship payment shall be an amount not to exceed the maximum amount of loan authorized under the Medical Student Loan Act. Medical Loan recipients may receive a loan equal to tuition together with a stipend of up to \$1,500 per month for each month in school. On average, the annual maximum value of a medical student loan is approximately \$24,000. I believe the intent of Senate Bill 381 is to cap the awards at a monetary equivalent (\$24,000) and not to provide tuition and \$1,500 per month, an amount which could vary depending on tuition rates. If this interpretation is correct, Senate Bill 381 could possibly eliminate an existing area of difference between the two programs.
- 2) Both programs currently require students who fail to satisfy the service obligation repay the amount of money received together with accrued interest at a rate of 15 percent from the date such money was received. Under the provisions in Senate Bill 381, the rate of interest for osteopathic students will now be at the rate applicable to loans under the federal PLUS Program at the time such person first entered into an agreement plus five percentage points. The current rate for the PLUS program is 7.72 percent which, when increased by the five percentage

points, would result in a current rate of interest of 12.72 percent. As the PLUS loan rate is currently capped at 9 percent, the maximum could never exceed 14 percent.

- 3) The current service obligation for osteopathic students is similar to medical students and requires full-time service for a period of 12 months for each year for which the scholarship was received. Under the changes in Senate Bill 381, osteopathic students will be able to work on a part-time basis for a period equivalent to 12 months as determined by the Board for each year a scholarship was received. It is assumed that this provision means that if a physician worked on a half-time basis, they would have to work 24 months for each year of obligation. A similar option is not available to medical students.
- 4) Like with the Medical Loan Program, osteopathic students have to agree to enter into an approved residency training program. Senate Bill 381 would add pediatrics and obstetrics and gynecology to the list of approved residency programs. Pediatrics is currently a qualifying specialty under the Medical Loan Program. On several occasions in the past, legislation has been sought to add obstetrics and gynecology to the approved residency programs for the Medical Loan Program as well, but at this point, medical loan recipients are not permitted to enter this medical specialty.
- 5) Both the Osteopathic and Medical Loan programs have permitted recipients to satisfy their service obligation by employment in a State medical care facility or institution. Senate Bill 381 would enable an osteopathic graduate employed on a part-time basis equivalent to at least .5 FTE to satisfy the service obligation on a year-for-year basis. Medical loan recipients can satisfy their obligation in a state medical facility but must work full-time in order to satisfy the obligation.
- 6) Osteopathic graduates may satisfy the obligation by service in a rural area of Kansas (counties other than Sedgwick, Shawnee, Johnson, Douglas, and Wyandotte) in a manner similar to medical loan recipients. Senate Bill 381 makes it possible for osteopathic graduates to also satisfy the obligation in a medically underserved area as determined by the Board of Regents. No guidance is provided in the legislation as to the manner in which the Board will determine an area to be medically underserved. It is presumed that any such medically underserved designation would be applicable only to the five urban counties.
- 7) Finally, I note that Section 5 would amend K.S.A. 74-3268 relating to the postponement of service obligations to make some additional provisions for osteopathic students not presently afforded recipients of the Medical Loan Program.

The above comments are provided merely to point out areas of difference between osteopathic scholarship recipients and medical loan recipients under the changes embodied in Senate Bill 381. It would not be unreasonable to suggest that similar modifications to the Medical Loan Act would also be appropriate. While I do not plan to testify at the Ways and Means Committee hearing on March 8 on Senate Bill 381, I do plan to be in attendance and would be available for questions should the committee have any.

Sincerely,

A handwritten signature in cursive script that reads "Marlin L. Rein".

Marlin L. Rein
University Director
of Budget and Governmental Relations

MLR:dmr