

KANSAS DENTAL BOARD

| | Actual FY 2020 | Agency Est. FY 2021 | Gov. Rec. FY 2021 | Agency Req. FY 2022 | Gov. Rec. FY 2022 | Agency Req. FY 2023 | Gov. Rec. FY 2023 |
|--------------------------------|-------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
| Operating Expenditures: | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Other Funds | 418,211 | 425,814 | 425,814 | 418,500 | 418,500 | 417,000 | 417,000 |
| <i>Subtotal</i> | <i>\$ 418,211</i> | <i>\$ 425,814</i> | <i>\$ 425,814</i> | <i>\$ 418,500</i> | <i>\$ 418,500</i> | <i>\$ 417,000</i> | <i>\$ 417,000</i> |
| Capital Improvements: | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Other Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Subtotal</i> | <i>\$ 0</i> | <i>\$ 0</i> | <i>\$ 0</i> | <i>\$ 0</i> | <i>\$ 0</i> | <i>\$ 0</i> | <i>\$ 0</i> |
| TOTAL | \$ 418,211 | \$ 425,814 | \$ 425,814 | \$ 418,500 | \$ 418,500 | \$ 417,000 | \$ 417,000 |

Percentage Change:

| | | | | | | | |
|------------------------|------|------|------|-------|-------|-------|-------|
| Operating Expenditures | | | | | | | |
| State General Fund | -- % | -- % | -- % | -- % | -- % | -- % | -- % |
| All Funds | 9.9 | 1.8 | 1.8 | (1.7) | (1.7) | (0.4) | (0.4) |
| FTE Positions | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Kansas Dental Board was established in 1943 to enforce the Dental Practices Act, KSA 65-1420 to 65-1469. The Board licenses qualified candidates desiring to practice dentistry or dental hygiene in Kansas, administers examinations, and issues credentials to applicants according to licensure regulations. The Board also issues sedation permits to dentists and extended care permits to hygienists.

The Board conducts inspections of licensees to ensure compliance with sanitary and other regulations and investigates complaints of incompetence, negligence, illegal practice, and other violations of the Dental Practices Act. When warranted, administrative hearings are held, and the Board is empowered to suspend, restrict, or revoke the license of the practitioner.

MAJOR ISSUES FROM PRIOR YEARS

The **2011 Legislature** passed HB 2181, the Omnibus Health Bill, which allowed the franchise practice of dentistry in Kansas and revised portions of the Dental Practices Act pertaining to definitions and oversight functions of the Board. Under prior law, licensed dentists were prohibited from entering into arrangements with unlicensed proprietors and specifically prohibited from the franchise practice of dentistry.

The **2012 Legislature** passed HB 2631, which made several changes and additions to the Dental Practices Act for the purpose of expanding dental service in the state, including targeting children who are dentally underserved by creating an additional extended care permit (ECP) level of service for dental hygienists *via* creation of a new permit level (ECP III);

In 1998, the Board was expanded from five to nine members, and includes six dentists, two dental hygienists, and one member from the general public. Board members are appointed for four-year terms by the Governor, and of the six licensed dentist Board members, one is to be appointed from each congressional district and two from the state at large.

In 2006, the Board began staggering the renewal of all licenses based on license numbers. Odd-numbered licenses renew in odd years, and even-numbered licenses renew in even years. Prior to 2006, dentists and hygienists renewed in alternating years. Previously, the Board collected more revenue in years when the dental licenses renewed because renewal fees for dentists are higher. The change has allowed the agency to operate with a more-consistent revenue stream.

encouraging additional capacity for Kansas residents in dental schools; establishing a volunteer license for retired dentists who choose to donate their services in certain settings; expanding the locations where such special volunteer license dentists and dental hygienists may provide free services and be exempt from liability under the Kansas Tort Claims Act; extending the length of time dentists may be employed to provide services to patients after the death or substantial disability of a dentist until the practice can be sold or closed; and directing ECP III dental hygienists to notify the patient or the patient's legal guardian when the need for treatment by a dentist is indicated.

The **2014 Legislature** passed HB 2611, which amended KSA 65-1435 to reduce the amount of time a dentist actively

must work in a dental office he or she owns or advertise under their name to 20.0 percent of the time patients are being treated in that office. Under prior law, a dentist had to be present a majority of the time patients were being treated.

The **2017 Legislature** authorized a transfer of up to \$18,000 in FY 2018 and for FY 2019 from the Dental Board Fee Fund to the Pharmacy Fee Fund in the Kansas Board of Pharmacy for the operation and maintenance of the Kansas Prescription Monitoring Program (K-TRACS).

The **2019 Legislature** added language to the Kansas Department of Health and Environment (KDHE) proviso

associated with the Aid to Local Units—Primary Health Projects State General Fund (SGF) account to include dental clinics and added \$3.0 million, including \$1.3 million SGF, to the KDHE—Health Care Finance budget to increase Medicaid dental reimbursement rates for FY 2020. The 2019 Legislature also authorized a transfer of \$41,500, all from the Dental Board Fee Fund, to the Board of Pharmacy as part of a multi-agency plan to provide new funding for K-TRACS for FY 2020 and FY 2021.

The **2020 Legislature** deleted the \$41,500 transfer, which had been slated to help fund K-TRACS for FY 2021, from the Dental Board Fee Fund to the Board of Pharmacy.

BUDGET SUMMARY AND KEY POINTS

FY 2021 Agency Estimate

The **agency** estimates \$425,814, all from special revenue funds, for operating expenditures in FY 2021. This revised estimate is no change from the amount approved by the 2020 Legislature. Within the approved amount, the agency has

decreased expenditures on salaries and wages and increased expenditures on contractual services. The revised estimate includes 3.0 FTE positions, which is the same number approved by the 2020 Legislature.

FY 2021 Governor Recommendation

The **Governor** concurs with the agency's revised estimate of \$425,814, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures in FY 2021.

FY 2022 Agency Request

The **agency** requests \$418,500, all from special revenue funds, for operating expenditures for FY 2022. This request is a decrease of \$7,314, or 1.7 percent, below the agency's FY 2021 revised estimate. This decrease includes \$7,465 in contractual

expenditures and \$2,100 in commodities, and is partially offset by an increase of \$2,251 in salaries and wages. The FY 2022 request includes 3.0 FTE positions, which is the same number as the FY 2021 revised estimate.

FY 2022 Governor Recommendation

The **Governor** concurs with the agency's request of \$418,500, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2022.

FY 2023 Agency Request

The **agency** requests \$417,000, all from special revenue funds, for operating expenditures for FY 2023. This request is a decrease of \$1,500, or 0.4 percent, below the agency's FY 2022 request. This decrease includes \$2,729 in contractual

expenditures, partially offset by an increase of \$1,329 in salaries and wages. The request includes 3.0 FTE positions, which is the same number as the FY 2022 request.

FY 2023 Governor Recommendation

The **Governor** concurs with the agency's request of \$417,000, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2023.

PERFORMANCE MEASURES

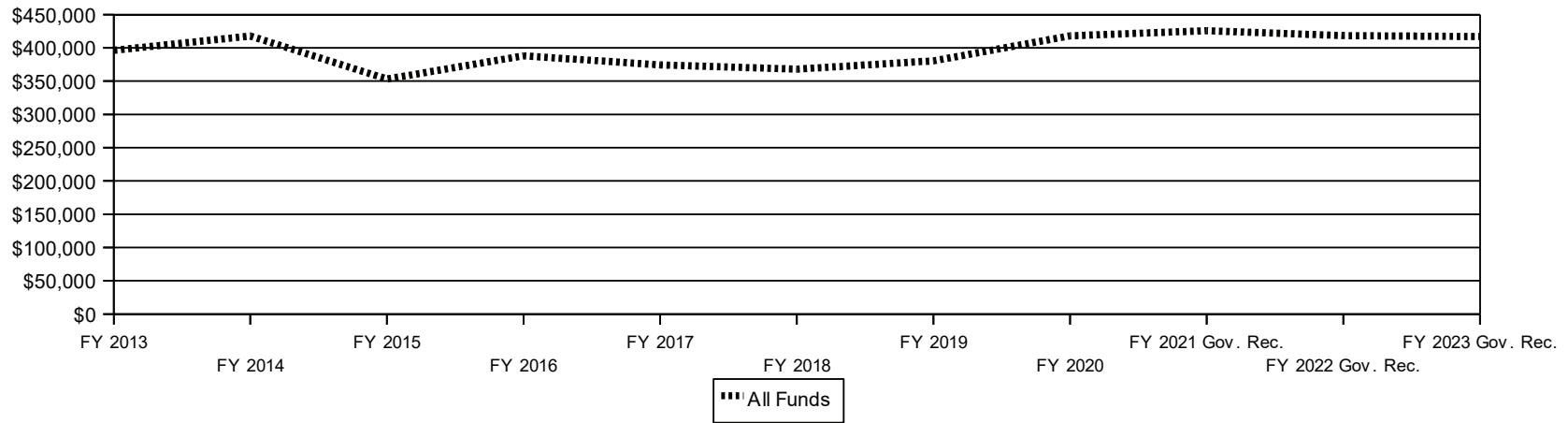
The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

| PERFORMANCE MEASURES | | | | | | |
|-------------------------------------|-------------------|-------------------|----------------------|-------------------|----------------------|----------------------|
| Measure | Actual FY 2018 | Actual FY 2019 | Gov. Rec. FY 2020 | Actual FY 2020 | Gov. Rec. FY 2021 | Gov. Rec. FY 2022 |
| Number of complaints received | 101 | 93 | 100 | 97 | 100 | 100 |
| Number of disciplinary actions | 6 | 4 | 5 | 4 | 5 | 5 |
| Number of dental office inspections | 360 | 360 | 360 | 360 | 360 | 360 |
| Cost per license* | \$ 69.82 | \$ 70.85 | \$ 79.20 | \$ 77.84 | \$ 78.85 | \$ 77.14 |
| Agency Expenditures | | | | | | |
| All Funds (Dollars in Thousands) | \$ 368.1 | \$ 380.5 | \$ 423.7 | \$ 418.2 | \$ 425.8 | \$ 418.5 |
| FTE Positions | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

(*Staff Note: The cost per license for FY 2021 and FY 2022 is calculated using the estimated total budget. The calculations for FY 2018, FY 2019, and FY 2020 were calculated using actual expenditures in each fiscal year. Historically, each year's budget request has been higher than the actual amount for the same fiscal year due to the flexibility built into each year's budget to account for possible increases in contractual legal fees.)

BUDGET TRENDS

OPERATING EXPENDITURES FY 2013 – FY 2023



| Fiscal Year | SGF | Percent Change | All Funds | Percent Change | FTE |
|--------------------|------|----------------|------------|----------------|-----|
| 2013 | \$ 0 | -- % | \$ 396,337 | (1.3)% | 3.0 |
| 2014 | 0 | -- | 417,868 | 5.4 | 3.0 |
| 2015 | 0 | -- | 353,244 | (15.5) | 3.0 |
| 2016 | 0 | -- | 388,081 | 9.9 | 3.0 |
| 2017 | 0 | -- | 374,518 | (3.5) | 3.0 |
| 2018 | 0 | -- | 368,083 | (1.7) | 3.0 |
| 2019 | 0 | -- | 380,511 | 3.4 | 3.0 |
| 2020 | 0 | -- | 418,211 | 9.9 | 3.0 |
| 2021 Gov. Rec. | 0 | -- | 425,814 | 1.8 | 3.0 |
| 2022 Gov. Rec. | 0 | -- | 418,500 | (1.7) | 3.0 |
| 2023 Gov. Rec. | 0 | -- | 417,000 | (0.4) | 3.0 |
| Eleven-Year Change | \$ 0 | -- % | \$ 20,663 | 5.2 % | 0.0 |

Summary of Operating Budget FY 2020 – FY 2022

| | Actual 2020 | Agency Estimate | | | | Governor's Recommendation | | | |
|--|-------------------|---------------------|--------------------|--------------------------------|---------------------------------|---------------------------|-------------------|--------------------------------|---------------------------------|
| | | Estimate FY 2021 | Request FY 2022 | Dollar Change from FY 21 | Percent Change from FY 21 | Rec. FY 2021 | Rec. FY 2022 | Dollar Change from FY 21 | Percent Change from FY 21 |
| By Program: | | | | | | | | | |
| Administration | \$ 418,211 | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % |
| By Major Object of Expenditure: | | | | | | | | | |
| Salaries and Wages | \$ 196,813 | \$ 211,945 | \$ 214,196 | \$ 2,251 | 1.1 % | \$ 211,945 | \$ 214,196 | \$ 2,251 | 1.1 % |
| Contractual Services | 215,405 | 208,869 | 201,404 | (7,465) | (3.6) | 208,869 | 201,404 | (7,465) | (3.6) |
| Commodities | 3,688 | 5,000 | 2,900 | (2,100) | (42.0) | 5,000 | 2,900 | (2,100) | (42.0) |
| Capital Outlay | 2,305 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Debt Service | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| <i>Subtotal - Operations</i> | \$ 418,211 | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % |
| Aid to Local Units | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Other Assistance | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 418,211 | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % |
| Financing: | | | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | -- % | \$ 0 | \$ 0 | \$ 0 | -- % |
| Dental Board Fee Fund | 418,211 | 425,814 | 418,500 | (7,314) | (1.7) | 425,814 | 418,500 | (7,314) | (1.7) |
| All Other Funds | 0 | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 418,211 | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % | \$ 425,814 | \$ 418,500 | \$ (7,314) | (1.7) % |

Summary of Operating Budget FY 2022 – FY 2023

| | Agency Estimate | | | | Governor's Recommendation | | | |
|--|--------------------|--------------------|--------------------------------|---------------------------------|---------------------------|-------------------|--------------------------------|---------------------------------|
| | Request FY 2022 | Request FY 2023 | Dollar Change from FY 22 | Percent Change from FY 22 | Rec. FY 2022 | Rec. FY 2023 | Dollar Change from FY 22 | Percent Change from FY 22 |
| By Program: | | | | | | | | |
| Administration | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4) % | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4)% |
| By Major Object of Expenditure: | | | | | | | | |
| Salaries and Wages | \$ 214,196 | \$ 215,525 | \$ 1,329 | 0.6 % | \$ 214,196 | \$ 215,525 | \$ 1,329 | 0.6 % |
| Contractual Services | 201,404 | 198,675 | (2,729) | (1.4) | 201,404 | 198,675 | (2,729) | (1.4) |
| Commodities | 2,900 | 2,800 | (100) | (3.4) | 2,900 | 2,800 | (100) | (3.4) |
| Capital Outlay | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Debt Service | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| <i>Subtotal - Operations</i> | <i>\$ 418,500</i> | <i>\$ 417,000</i> | <i>\$ (1,500)</i> | <i>(0.4) %</i> | <i>\$ 418,500</i> | <i>\$ 417,000</i> | <i>\$ (1,500)</i> | <i>(0.4)%</i> |
| Aid to Local Units | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| Other Assistance | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4) % | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4)% |
| Financing: | | | | | | | | |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | -- % | \$ 0 | \$ 0 | \$ 0 | -- % |
| Dental Board Fee Fund | 418,500 | 417,000 | (1,500) | (0.4) | 418,500 | 417,000 | (1,500) | (0.4) |
| All Other Funds | 0 | 0 | 0 | -- | 0 | 0 | 0 | -- |
| TOTAL | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4) % | \$ 418,500 | \$ 417,000 | \$ (1,500) | (0.4)% |

BUDGET OVERVIEW

A. FY 2021 – Current Year

Adjustments to Approved State General Fund Budget

The agency’s revised estimate does not include any State General Fund (SGF) expenditures.

| | CHANGE FROM APPROVED BUDGET | | | | |
|--------------------|------------------------------------|-------------------------------|-----------------------------------|-----------------------------|-------------------------------------|
| | Legislative Approved FY 2021 | Agency Estimate FY 2021 | Agency Change from Approved | Governor Rec. FY 2021 | Governor Change from Approved |
| State General Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| All Other Funds | 425,814 | 425,814 | 0 | 425,814 | 0 |
| TOTAL | \$ 425,814 | \$ 425,814 | \$ 0 | \$ 425,814 | \$ 0 |
| FTE Positions | 3.0 | 3.0 | 0.0 | 3.0 | 0.0 |

The **agency** requests \$425,814, all from special revenue funds, for operating expenditures in FY 2021. This revised estimate is the same amount approved by the 2020 Legislature. The revised estimate includes 3.0 FTE positions, which is the same number approved by the 2020 Legislature. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$211,945, which is a decrease of \$1,358 or 0.6 percent, below the amount approved by the 2020 Legislature. The decrease is primarily attributable to a decrease in fringe benefits;

- **Contractual Services.** The agency requests \$208,869, which is an increase of \$1,358, or 0.7 percent, above the amount approved by the 2020 Legislature. The increase is necessary to maintain contracted services for legal and investigative operations; and
- **Commodities.** The agency requests \$5,000, which is the same amount approved by the 2020 Legislature, for office supplies and equipment.

The **Governor** concurs with the agency's revised estimate of \$425,814, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures in FY 2021.

B. FY 2022 – Budget Year

| FY 2022 OPERATING BUDGET SUMMARY | | | |
|---|-------------------|------------------------------|------------|
| | Agency Request | Governor's Recommendation | Difference |
| Total Request/Recommendation | \$ 418,500 | \$ 418,500 | \$ 0 |
| FTE Positions | 3.0 | 3.0 | 0.0 |
| <i>Change from FY 2021:</i> | | | |
| <i>Dollar Change:</i> | | | |
| State General Fund | \$ 0 | \$ 0 | |
| All Other Funds | (7,314) | (7,314) | |
| TOTAL | \$ (7,314) | \$ (7,314) | |
| <i>Percent Change:</i> | | | |
| State General Fund | 0.0 % | 0.0 % | |
| All Other Funds | (1.7) | (1.7) | |
| TOTAL | (1.7) % | (1.7) % | |
| Change in FTE Positions | 0.0 | 0.0 | |

The **agency** requests \$418,500, all from special revenue funds, for operating expenditures for FY 2022. This is an all funds decrease of \$7,314, or 1.7 percent, below the agency's FY 2021 revised estimate. The decrease is primarily attributable to a decrease in contractual service expenditures resulting from efforts to streamline the application process through an online license system. The agency request includes 3.0 FTE positions, which is the same number included in the agency's 2021

revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$214,196, which is an increase of \$2,251, or 1.1 percent, above the agency's FY 2021 revised estimate. The increase is due to increased costs for retirement and health benefits.

- **Contractual Services.** The agency requests \$201,404, which is a decrease of \$7,465, or 3.6 percent. The decrease is primarily attributable to a decrease in anticipated costs associated with the agency's online license renewal system and decreased travel; and

- **Commodities.** The agency requests \$2,900, which is a decrease of \$2,100, or 42.0 percent, below the agency's FY 2021 revised estimate. The decrease is due to an anticipated reduction in the use of office supplies.

The **Governor** concurs with the agency's request of \$418,500, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2022.

C. FY 2023 – Budget Year

| FY 2023 OPERATING BUDGET SUMMARY | | | |
|---|-------------------|------------------------------|------------|
| | Agency Request | Governor's Recommendation | Difference |
| Total Request/Recommendation | \$ 417,000 | \$ 417,000 | \$ 0 |
| FTE Positions | 3.0 | 3.0 | 0.0 |
| Change from FY 2022: | | | |
| <i>Dollar Change:</i> | | | |
| State General Fund | \$ 0 | \$ 0 | |
| All Other Funds | (1,500) | (1,500) | |
| TOTAL | \$ (1,500) | \$ (1,500) | |
| <i>Percent Change:</i> | | | |
| State General Fund | 0.0 % | 0.0 % | |
| All Other Funds | (0.4) | (0.4) | |
| TOTAL | (0.4) % | (0.4) % | |
| Change in FTE Positions | 0.0 | 0.0 | |

The **agency** requests \$417,000, all from special revenue funds, for operating expenditures for FY 2023. This is an all funds decrease of \$1,500, or 0.4 percent, below the agency's FY 2022 request. The decrease is primarily attributable an anticipated reduction in travel-related expenditures, partially offset by an anticipated increase in employee fringe benefits. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$215,525, which is an increase of \$1,329, or 0.6

percent, above the agency's FY 2022 request. The increase is attributable to an anticipated increase in fringe benefits;

- **Contractual Services.** The agency requests \$198,675, which is a decrease of \$2,729, or 1.4 percent below the agency's FY 2022 request. The decrease is primarily attributable to a decrease in anticipated travel-related costs; and

- **Commodities.** The agency requests \$2,800, which is a decrease of \$100, or 3.4 percent below the agency's FY 2022 request. The decrease is due to an anticipated reduction in the use of office supplies.

The **Governor** concurs with the agency's request of \$417,000, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2023.

Governor's Recommended Salary and Wage Adjustments

For FY 2022, the Governor recommends adding \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved. Employees of state universities are also not included in the proposed pay plan; however, the Governor recommends adding \$10.4 million, all SGF, to the university operating grants. This amount is equivalent to what the pay plan would have provided for university employees, but the funds are included in the Kansas Board of Regents budget for use at their discretion.

Longevity Bonus Payments. In FY 2021 and for FY 2022, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2021 payment is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF. **For this agency, there are no longevity payments.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate, including Death and Disability contributions, for the KPERs State and School Group is scheduled to be 14.23 percent in FY 2021 and 15.09 percent for FY 2022. The FY 2021 rate excludes the 1.0 percent KPERs Death and Disability

contribution that is currently subject to a moratorium described below.

The Governor recommends the KPERs State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2022, an extension of 10 years to the current plan. Reamortization would reduce employer contributions for the KPERs State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$177.3 million, including \$158.7 million SGF, for FY 2022. The Governor's recommendation would also incorporate \$25.8 million in KPERs layering payments into the amortization schedules. **No savings from this policy are currently included in this agency's budget.**

KPERs Death and Disability Group Insurance Fund. During FY 2021, a moratorium on employer contributions to the KPERs Death and Disability Group Insurance Fund was in effect. The fund had a sufficient balance to suspend payments on a temporary basis without affecting employee benefits. The moratorium was implemented *via* the Governor's allotment authority; therefore, the Legislative and Judicial branches are currently excluded from the moratorium. The total savings for the moratorium are estimated at \$46.7 million in contributions from the SGF. Included in this amount were savings of approximately \$40.3 million from KPERs School Group contributions in the Kansas State Department of Education budget. No similar moratorium is proposed for FY 2022, requiring the addition of \$46.7 million to annualize the payments for the full fiscal year.

Funding Sources

| Funding Source | Agency Req. Percent of Total FY 2022 | Gov. Rec. Percent of Total FY 2022 | Agency Req. Percent of Total FY 2023 | Gov. Rec. Percent of Total FY 2023 |
|---------------------------------|--|--|--|--|
| Dental Board Fee Fund | 100.0 % | 100.0 % | 100.0 % | 100.0 % |
| Special Litigation Reserve Fund | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 100.0 % | 100.0 % | 100.0 % | 100.0 % |

(Note: Totals may not add due to rounding.)

Dental Board Fee Fund and Special Litigation Reserve Fund Analysis

The Dental Board receives most of its revenue from biennial registration fees. The 1995 Legislature passed legislation changing the Board's practice of annual licensing to biennial licensing. This change reduced the Board's mailing expenses and related costs. Starting in FY 2015, the biennial fee for dentists was reduced from \$300 to \$275, with a statutory maximum of \$325. The biennial fee for dental hygienists was reduced from \$150 to \$125, with a statutory maximum of \$160. These biennial fees will be effective FY 2015 through FY 2023. Projected savings to licensees from reduced fees is more than \$350,000.

The agency also collects receipts from credential verifications, certification fees, corporation fees, license verifications, penalties, directories of dental personnel, and application fees for examinations. The Board created a *pro rata* fee that helped with the collection of biennial fees listed above. The schedule breaks the fee a licensee pays into 24-month blocks. The agency's statutory fee limits were increased by the 2005 Legislature.

Prior to 2006, dental and hygienist licenses were renewed in alternating years. Since the fee for dental licenses is greater than that of hygienist licenses, the Kansas Dental Board was collecting more revenue in years when the dental licenses renewed and less in the years when the hygienist licenses renewed. Starting in 2006, the Board staggered the renewal of all licenses based on license numbers. Odd-numbered licenses renew in odd years, and even-numbered licenses renew in even years.

In FY 2011, the Special Litigation Reserve Fund was established to ensure adequate resources in the event of significant legal action against licensees. The agency periodically requests transfers from the Dental Board Fee Fund to the Special Litigation Reserve Fund to ensure necessary funding. The Board does not currently anticipate the need to make transfers into the Special Litigation Reserve Fund in FY 2021, FY 2022, or FY 2023.

The 2017 Legislature authorized a transfer of up to \$18,000 in FY 2018 and for FY 2019 from the Dental Board Fee Fund to

the Pharmacy Fee Fund in the Kansas Board of Pharmacy for the operation and maintenance of the Kansas Prescription Monitoring Program (K-TRACS).

KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are deposited into the SGF up to a maximum of \$100,000 per fiscal year per fund. The table below summarizes estimated receipts and fund balances based upon the agency estimate and the

Governor's recommendation, including the \$18,000 transfer to the Kansas Board of Pharmacy. The 2019 Legislature authorized a transfer of \$41,500, all from the Dental Board Fee Fund, to the Board of Pharmacy as part of a multi-agency plan to provide new funding for K-TRACS for FY 2020 and FY 2021.

The 2020 Legislature deleted the \$41,500 transfer, which had been slated to help fund K-TRACS for FY 2021, from the Dental Board Fee Fund to the Board of Pharmacy.

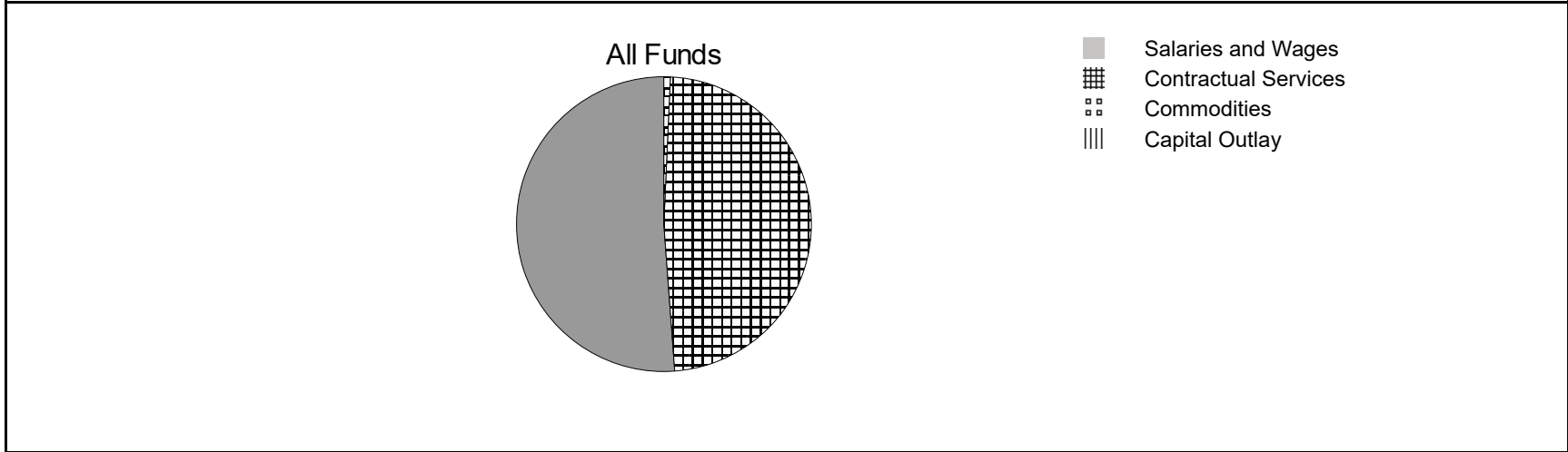
| Resource Estimate | Actual FY 2020 | Agency Estimate FY 2021 | Governor Rec. FY 2021 | Agency Request FY 2022 | Governor Rec. FY 2022 | Agency Request FY 2023 | Governor Rec. FY 2023 |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Beginning Balance | \$ 844,333 | \$ 864,684 | \$ 864,684 | \$ 893,708 | \$ 893,708 | \$ 930,046 | \$ 930,046 |
| Revenue | 467,675 | 454,838 | 454,838 | 454,838 | 454,838 | 454,838 | 454,838 |
| Transfers in | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Funds Available</i> | \$ 1,312,008 | \$ 1,319,522 | \$ 1,319,522 | \$ 1,348,546 | \$ 1,348,546 | \$ 1,384,884 | \$ 1,384,884 |
| Less: | | | | | | | |
| Expenditures | \$ 418,211 | \$ 425,814 | \$ 425,814 | \$ 418,500 | \$ 418,500 | \$ 417,000 | \$ 417,000 |
| Transfers Out | 29,113 | 0 | 0 | 0 | 0 | 0 | 0 |
| Off-Budget Expenditures | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Ending Balance | <u>\$ 864,684</u> | <u>\$ 893,708</u> | <u>\$ 893,708</u> | <u>\$ 930,046</u> | <u>\$ 930,046</u> | <u>\$ 967,884</u> | <u>\$ 967,884</u> |
| Ending Balance as Percent of Expenditures | 206.8% | 209.9% | 209.9% | 222.2% | 222.2% | 232.1% | 232.1% |
| Month Highest Ending Balance | December <u>\$ 935,975</u> | December <u>\$ 958,735</u> | December <u>\$ 958,735</u> | December <u>\$ 990,709</u> | December <u>\$ 990,709</u> | December <u>\$ 1,030,991</u> | December <u>\$ 1,030,991</u> |
| Month Lowest Ending Balance | September <u>\$ 650,453</u> | September <u>\$ 666,269</u> | September <u>\$ 666,269</u> | September <u>\$ 688,490</u> | September <u>\$ 688,490</u> | September <u>\$ 716,484</u> | September <u>\$ 716,484</u> |

LICENSURE FEES

| License | Current Fee | Statutory Limit |
|--|-------------|-----------------|
| Examination fee for dental applicants | \$ 200 | \$ 200 |
| Subsequent examination fee for dental applicants | 0 | 100 |
| Examination fee for specialty qualifications | 200 | 200 |
| Credentials/qualifications fee | 300 | 300 |
| Duplicate certificate fee | 25 | 25 |
| Certificate fee, including certificate for credentials/qualifications | 0 | 25 |
| Biennial license renewal fee for dentists | 275 | 325 |
| Examination fee for dental hygienist applicants | 100 | 100 |
| Subsequent examination fee for dental hygienist applicants | 0 | 100 |
| Biennial license renewal fee for dental hygienists | 125 | 160 |
| Reinstatement of a revoked license | 2,000 | 2,000 |
| Processing fee for failure to notify of change of address | 0 | 100 |
| Registration fee to operate a mobile dental facility or portable operation | 350 | 500 |
| Sedation permit fee level I | 100 | 200 |
| Sedation permit fee level II | 150 | 200 |
| Sedation permit fee level III | 200 | 200 |

CATEGORY DETAIL

EXPENDITURES BY CATEGORY—GOVERNOR’S FY 2022 RECOMMENDATION



| Category | Gov. Rec. All Funds FY 2022 | Percent of Total | Gov. Rec. SGF FY 2022 | Percent of Total |
|----------------------|-----------------------------------|---------------------|-----------------------------|---------------------|
| Salaries and Wages | \$ 214,196 | 51.2 % | \$ -- | -- % |
| Contractual Services | 201,404 | 48.1 | -- | -- |
| Commodities | 2,900 | 0.7 | -- | -- |
| Capital Outlay | 0 | 0.0 | -- | -- |
| TOTAL | \$ 418,500 | 100.0 % | -- | -- % |

FTE POSITIONS FY 2020 – FY 2023

| <u>Program</u> | <u>Actual FY 2020</u> | <u>Agency Est. FY 2021</u> | <u>Gov. Rec. FY 2021</u> | <u>Agency Req. FY 2022</u> | <u>Gov. Rec. FY 2022</u> | <u>Agency Req. FY 2023</u> | <u>Gov. Rec. FY 2023</u> |
|----------------|---------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|
| Administration | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

(Note: For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.)