Testimony of the Maine Dental Association before the Taxation Committee

In SUPPORT of

LD 1652 An Act to Create a Tax Credit for Providers of Dental Care for MaineCare Recipients Public Hearing: Tuesday, May 8, 2025

Senator Rafferty, Representative Murphy and Distinguished Members of the Education and Cultural Affairs Committee:

I am Therese Cahill, and I serve as the Executive Director of the Maine Dental Association. The MDA represents all dentists in Maine and is a statewide association dedicated to promoting oral health, advancing excellence in dentistry, and building a future that empowers Maine's communities with sustainable access to oral healthcare. Thank you for the opportunity to testify today.

Without question, LD 1652 An Act to Create a Tax Credit for Providers of Dental Care for MaineCare Recipients is perhaps one of the most consequential pieces of legislation for the people of Maine who are eligible for MaineCare and seeking dental care. Due to a myriad of reasons, the shortage of dental providers in our State is significant, and it is even more challenging for those with MaineCare insurance to find a provider to meet their oral health care needs.

We are at a crossroads. While Maine's population has increased approximately 4.3% over the last 5 years, the same does not hold true for new dentists and dental hygienists practicing in our State. According to the U.S. Bureau of Labor Statistics (2023), the number of Maine dentists declined from 590 in 2019 to 530 in 2023, and the number of hygienists fell from 1,040 to 840. The problem gets worse when you consider like the rest of Maine, the dental workforce is aging. In fact, in March 2024, 57% of active licensed dentists were at least 60 years old. This was discussed in an article published in the Portland Press Herald <u>Access to dental care in Maine reaching a crisis point</u> (May 2024). Last year, Maine had six (6) new dental school graduates (5 from UNE, one from Tufts) apply for dental licenses; conversely, we had over 50 dentists retire. This is trend shows no signs of slowing down.

In this same timeframe of the decline mentioned above, the number of dental providers enrolled in MaineCare has also declined, not surprisingly. Add to this, in July 2022, the expansion of the adult dental benefit started, which emphasized this decline. Providers have shared administrative burdens in enrollment and historical issues with submitting and receiving payment for claims, as well as the lower reimbursement rates, are roadblocks to taking any or more patients with MaineCare. The Office of MaineCare and the MaineCare Advisory Committee's Dental Subcommittee have been discussing how to recruit and retain more dental providers. This legislation takes the concerns expressed dental providers and works to creates solutions to address these issues.

This bill seeks to allow dental providers who care of the oral health needs of people with MaineCare to be eligible for a tax credit of up to \$5,000 to offset licensing fees and malpractice insurance. This incentive would be helpful to providers who take a sometimes-significant reduction of their rates when accepting MaineCare an allowance to get credit for necessary costs of providing care.

The second tenet of this bill addresses the overall rate structure. Here, we'd like to **correct** lines 37-38, which should read "75% of the average commercial rates". Right now, the rates are mostly set at 50% of these commercial rates, with some codes at 67%. By increasing the rates to 75%, and appropriating the State funds to support this, more providers will look at providing care to patients with MaineCare as a more realistic option as they try to run their small businesses.

Lastly, this legislation asks for the addition of staff at the Office of MaineCare to support providers and alleviate the continued and historic issues of enrollment and claim challenges dental providers have run into repeatedly. These small practices often need to hire one person just to manage MaineCare enrollment and billing. Reducing this barrier will go a long way in supporting dental providers who do not have the larger staffs often found at other healthcare provider facilities.

We urge this committee to support the people of Maine and the dental professionals who want to serve them by making an investment in Maine residents' oral health by supporting LD 1652 with the rate amendment. While we are fully cognizant of Maine's fiscal challenges, particularly with MaineCare, we cannot afford to ignore the fact the people who have MaineCare continue to have significant challenges in receiving the oral health care they deserve.

Thank you for your time and attention.