

## OFFICE OF FISCAL AND PROGRAM REVIEW

Work Session Date: March 11, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

### **LD 440, An Act To Support Community Health Centers through Tax Credits for Dentists and Primary Care Professionals Practicing in Underserved Areas**

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**Summary:** This bill extends the existing dental care access tax credit and creates a similar credit for primary care professionals practicing in underserved areas. It requires the DHHS to certify up to 5 eligible dentists and 5 eligible primary care professionals who have unpaid student loans and practice full time for at least 5 years in an underserved area as qualifying for the dental care access credit and primary care access credits, respectively. These eligible dentists and primary care professionals may claim a credit, not to exceed \$12,000, for up to 5 years or until their student loans are paid in full, whichever comes first. The credit is nonrefundable.

#### **Public Hearing:**

##### Proponents

- The sponsor presented the bill and provided written testimony.
- Testifying in support of the bill included representatives from the Maine Primary Care Association, Maine State Chamber of Commerce, Maine Dental Association, Maine Medical Association, the PEW Charitable Trust, Eastern Maine Health Care Systems, Katahdin Health Center and Eastport Health Care. Written testimony was provided by Maine Hospital Association, Maine Osteopathic Association, Maine Dental Access Coalition, Hermon Family Dental, Community Dental and Health Access Network.
- *Major points:* helps in attracting and recruiting dentists, doctors, nurse practitioners, physicians assistance; addresses recommendation in 2010 report on supply of health professionals; problems related to existing incentives and HPSA scores; chart showing healthcare professional shortage in Maine's rural areas.

##### Opposed - None

NFNA- an interested citizen testifying “neither for nor against” shared experience with dental care.

**Technical issues:** Should the Committee choose to move forward with this bill, members may want to consider defining ‘student loan’ and whether the intent is for the credit to be \$12,000 or the amount paid for the student loan during the tax year.

**Amendment proposed:** leave the dental credit as currently structured (6 dentists eligible each year, no direct tie to student loans, credit = \$12,000); but remove the sunset. Add “medically underserved populations” (MUP) to the definition of underserved areas for health care provider credit.

**Additional information:** definitions of HPSA, MUA and MUP are attached.

**Fiscal Information:** The preliminary fiscal impact statement was not available at the time this analysis sheet was finalized. The most current fiscal information can be found online at: [www.mainelegislature.org/LawMakerWeb/search.asp](http://www.mainelegislature.org/LawMakerWeb/search.asp).