

MARYLAND HIGHER EDUCATION COMMISSION  
OFFICE OF STUDENT FINANCIAL ASSISTANCE

GUIDELINES FOR THE  
MARYLAND DENT-CARE LOAN ASSISTANCE REPAYMENT PROGRAM  
FOR DENTISTS

APPROVED: October 22, 2014

MARYLAND HIGHER EDUCATION COMMISSION  
Office of Student Financial Assistance

Maryland Dent-Care Loan Assistance Repayment for Dentists Guidelines

**AUTHORITY**

The 2000 Maryland General Assembly adopted Senate Bill 519. This legislation gives the Maryland Higher Education Commission (the Commission), with assistance from the Department of Health and Mental Hygiene (DHMH) Office of Oral Health, the authority to establish regulations necessary for the administration of the Maryland Dent-Care Loan Assistance Repayment Program (MDC-LARP).

**A. PURPOSE**

The purpose of the MDC-LARP is to increase access to oral health services for Maryland Medical Assistance Program recipients by increasing the number of dentists who treat that population.

This legislation is funded through Maryland General Funds and will provide loan repayment for Maryland licensed dentists depending upon available annual funding. In return, the dentist(s) must agree to provide oral health services to Maryland Medical Assistance Program recipients (MMAP).

**B. ELIGIBILITY**

To be eligible for repayment assistance, an individual must:

1. be employed as a full-time dentist in the State;
2. have received a dental degree from a college or university in the State of Maryland or from an accredited U.S. dental school;
3. have a valid unrestricted license to practice dentistry in the State of Maryland at the time the service obligation begins;
4. have not breached an obligation for service to a federal, state, or local government entity;
5. have no unserved obligations for service to a federal, state, or local government, or to another entity, with the exception of the U.S. Department of Health and Human Services' Primary Care Loans, Exceptional Financial Need Scholarships, and Financial Assistance for Disadvantaged Health Professions Students;

6. have outstanding eligible higher education loans; and,
7. not be in default on any eligible higher education loan.

An eligible practice site is any federal, state, local, or private for-profit or nonprofit dental facility (including a solo, group, or incorporated private practice) that treats all persons and agrees that a minimum of 30% of its practice patient population will be MMAP recipients.

Loans eligible for repayment assistance are any loans for undergraduate or graduate dental professional study obtained for tuition, educational expenses, or living expenses from a college, university, government, or commercial source or an organization, institution, association, society, or corporation that is exempt from taxation under 501(c)(3) or (4) of the Internal Revenue Code of 1986. The MDC-LARP recipient must be able to provide documentation that commercial loans were used for payment of tuition, educational expenses, or living expenses.

### **C. DETERMINATION OF GEOGRAPHIC DENTIST SHORTAGE AREAS**

The Maryland Department of Health and Mental Hygiene, Office of Primary Care Services is responsible for designating geographic dentist shortage areas in Maryland and reporting the designations annually to the Commission. Geographic areas designated by DHMH coincide with Maryland's federal Dental Health Professions Shortage Areas (Dental HPSAs). In addition, DHMH may identify other areas based on health status indicators that DHMH deems appropriate.

DHMH reports the designated dentist shortage areas to the Commission according to a schedule that corresponds to the MDC-LARP award cycle. This information will be provided to the Review Panel as described in Section F when reviewing applications and used to designate underserved areas. It is important to note that a dentist does not have to practice in a Dental HPSA to be considered for MDC-LARP.

### **D. THE GOAL OF THE MARYLAND DENT-CARE LOAN ASSISTANCE REPAYMENT PROGRAM**

The goal of the program is to increase dental access for MMAP recipients. Individuals who participate in this program agree to provide oral health care services to a minimum of 30% MMAP recipients as a proportion of their total patient population, document this information, and submit written reports.

### **E. APPLICATION PROCEDURES**

Individuals must complete an application and provide any additional information required by the Maryland Higher Education Commission-Office of Student Financial Assistance (the Commission) to be considered for MDC-LARP repayment assistance. The Office of Oral Health (OOH) is responsible for the development and distribution of application forms and materials.

1. All applicants must provide:
  - a) a completed application;
  - b) proof of graduation from an accredited U.S. school of dentistry;
  - c) documentation of the amounts and the holders of the applicant's outstanding eligible higher education loans;
  - d) letters of recommendation from 3 individuals;
  - e) proof of a dental license issued by the Maryland State Board of Dental Examiners; and,
  - f) if entering a group practice or incorporated practice, a letter of intent from the employer stating that the other members of the practice are aware of the program and the requirements that need to be fulfilled; or,
  - g) if in solo practice, proof that the practice exists.

## **F. SELECTION PROCESS**

The OOH appoints and convenes a Review Panel to assist in the annual selection of MDC-LARP recipients. The Review Panel is composed of representatives, some of whom are dentists who have experience treating Medicaid and low-income patients. The Review Panel is responsible for reviewing the eligible applicants as determined by the OOH and making recommendations to the Commission of the applicants to whom awards should be made. The OOH makes the final selection of MDC-LARP recipients.

The Review Panel may consider the following criteria in making its recommendations to the OOH :

1. **All applicants**
  - a) the dental health care needs of the geographic area where the dental practice is located;
  - b) the professional competence and conduct of applicants;

- c) applicant's willingness to serve the three year requirement; and,
- d) applicant's personal or professional background that shows an understanding of the dental needs that exist in shortage areas or in underserved populations.

The OOH may direct the Review Panel to use other criteria as appropriate to accommodate the goals of the MDC-LARP program.

## **G. MARYLAND DENT-CARE LOAN ASSISTANCE REPAYMENT PROGRAM AWARDS**

### **1. Number of Awards**

The total number of awards made each year shall be determined on an annual basis by OSFA and DHMH and will be based on the amount of funds available.

### **2. Award Amount**

The award amount for new MDC-LARP awards will be determined on an annual basis by OSFA and DHMH. Award amounts will be based on available annual funding, number of selected recipients, recipient's total indebtedness from eligible higher education loans at time of application, and number of years recipient will agree to serve in the program. Awards will be a minimum of \$10,000 per year up to a maximum of \$30,000 per year.

In addition, the LARP award may not exceed the MDC-LARP recipient's total indebtedness from eligible higher education loans.

### **3. Method and Timing of Payments**

The Commission issues checks to selected MDC-LARP recipients within 60 days of completion of one service year. A "service year" is the 365-day period commencing on the date of the first day the MDC-LARP recipient begins to fulfill the service obligation at an eligible practice site. Unless the MDC-LARP recipient does not fulfill the service obligation as scheduled, subsequent service years for that MDC-LARP recipient begin and end on the same dates as the first service year. The amount of the check (or checks) is equal to the loan repayment amount specified for the service year in the contract between the MDC-LARP recipient and the Commission.

The loan repayment checks are made co-payable to the MDC-LARP recipient and the holder(s) of the MDC-LARP recipient's eligible higher education loans. The responsibility rests with the MDC-LARP recipient to endorse and forward the

check(s) to the holder(s). The MDC-LARP recipient is also responsible for notifying the Commission if the holder of a loan has changed.

4. **Renewal of Awards**

MDC-LARP recipients may renew their MDC-LARP awards for up to a maximum of 3 years if they continue to meet the eligibility criteria, still have outstanding eligible higher education loans, and the Commission has sufficient funding. Individuals applying for award renewal are neither given preference nor guaranteed renewal.

**H. MARYLAND DENT-CARE LOAN ASSISTANCE REPAYMENT PROGRAM  
RECIPIENT OBLIGATIONS**

1. The recipient of a MDC-LARP award is obligated to furnish the Commission with written acceptance of the award and sign a promissory note with the Commission stipulating the terms of the MDC-LARP contract. The promissory note must include:
  - a) the obligations of a MDC-LARP recipient;
  - b) the number of years to which the MDC-LARP recipient commits;
  - c) the total and annual amounts of the MDC-LARP award;
  - d) penalties for breach of contract;
  - e) circumstances under which the obligation may be deferred, cancelled, suspended, or waived; and,
  - f) any other terms the Commission deems necessary.
  
2. In addition, the recipient of a MDC-LARP award must fulfill the criteria as specified below:
  - a) MDC-LARP recipients who are engaged in providing dental care services to MMAP recipients (a least 30% of their practice) must serve three years in a full-time eligible practice site.
  - b) a full-time practice refers to a minimum of 40 hours per week. MDC-LARP recipients must provide at least 32 hours of the 40 hours per week

during normally scheduled office hours providing clinical dental services at an eligible practice site.

- c) No more than seven weeks (35 workdays) can be spent away from the practice for holidays, vacation, continuing professional education, illness, or any other reason. Absences greater than seven weeks in any given 52-week period will extend the service obligation end date.
3. While in practice at an eligible practice site, a MDC-LARP recipient **must** also:
- a) sign up to be a Medical Assistance provider with the Maryland Healthy Smiles Program;
  - b) accept and render services to Maryland Medical Assistance Program recipients;
  - c) maintain a valid license to practice dentistry in the State of Maryland throughout the service obligation;
  - d) notify the Commission if the employment arrangement at the eligible practice site is terminated or changed;
  - e) notify the Commission if the repayment of a loan is undertaken by an entity defined in Maryland Annotated Code., Education Section 18-1601(c)(2) of the statute;
  - f) keep timely records of services rendered to *all* Medicaid patients (both Network Provider Recipients and Maryland Medical Assistance Program Recipients) and provide the OOH with written reports of those services as allowed by federal and state confidentiality statutes and regulations; and,
  - g) complete an exit interview at the end of the final contract period.

## **I. VERIFICATION**

The Commission requires annual verification that the MDC-LARP recipient is fulfilling his or her obligation under the contract.

Prior to issuing the MDC-LARP recipient's check(s) for the first year of service, the Commission must receive notice from the Office of Oral Health that confirms that the MDC-LARP recipient is providing appropriate service at that site. Prior to issuing checks for subsequent years of service, the Commission must receive confirmation from the OOH that the MDC-LARP recipient, in accordance with the contract, provided services in the previous year and continues to practice at the eligible practice site.

## **J. BREACH OF CONTRACT**

1. The following situations constitute a breach of the MDC-LARP contract between the MDC-LARP recipient and the Commission:
  - a) in the case of a practicing dentist or a newly licensed dental school graduate, the service obligation at an eligible practice site does not begin within three months of the close of the fiscal year in which the contract is executed; or,
  - b) the MDC-LARP recipient separates from the eligible practice site prior to fulfilling the service obligation and does not move to a site that complies with the program requirements to continue the program.
2. A MDC-LARP recipient who breaches the contract with the Commission is subject to the following financial penalties. These penalties are equal to the sum of:
  - a) The total amounts paid to, or on behalf of, the recipient for loan repayments for any period of obligated service not served
  - b) An amount equal to the number of months of obligated service not completed multiplied by \$7,500; and,
  - c) Interest on the above amounts at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of breach.

In addition to these penalties, the State of Maryland is entitled to recover costs, fees, and expenses for collection, including attorney's fees, as prescribed by State law or regulation

Amounts not paid within one year of the breach of contract may be subject to garnishment of wages, deductions in Medicaid payments, or other collection methods. The Commission will report recipients who fail to pay their financial penalties, within one year, to the Maryland State Board of Dental Examiners. Recipients may be subject to disciplinary action by the Board. In addition, a MDC-LARP recipient's financial obligation for payment of damages may not be released by discharge of bankruptcy under Title 11 of the United State Code.

## **K. DEFERMENTS AND CANCELLATION, SUSPENSION, AND WAIVER OF OBLIGATION**

The Commission may consider deferment, cancellation, suspension, and waiver of the obligation for the circumstances provided below:

1. Deferments:
  - a) military service for a period not to exceed three years;
  - b) extended illness verified by a physician;
  - c) extenuating family circumstances to be decided on a case-by-case basis; and
  - d) maternity/paternity leave not to exceed six months.
2. Cancellation, suspension, or waiver:
  - a) any service or payment obligation incurred by the MDC-LARP recipient under contract with the Commission is cancelled upon the MDC-LARP recipient's death.
  - b) the Commission may waive or suspend the MDC-LARP recipient's service or payment obligation if, in the opinion of the Commission, compliance by the MDC-LARP recipient with the terms and conditions of the contract is impossible or would involve extreme hardship.