

Medicaid Adult Dental Benefits: Colorado Case Study



In 2013, Colorado introduced a new law providing extensive dental benefits for all Medicaid-enrolled adults for the first time. The benefit is supported with funds that were freed up when the Affordable Care Act (ACA) eliminated the need for the state's high-risk pool. State officials and key stakeholders are continuing to work to bolster provider participation and address reimbursement rates.

History

Prior to 2013, Colorado only covered emergency dental services for adult enrollees in Medicaid. In 2011, upon taking office, Gov. Hickenlooper identified 10 “winnable battles”—public health priorities with known and effective strategies to address them. Improving oral health was among those chosen. While the original focus was on children's oral health, it paved the way to address oral health issues for pregnant women, mothers, and the larger adult population.

In 2012, Colorado saw its first major push towards expanding adult dental benefits. Senate Bill 12-108 proposed dental services for pregnant women under the state's Medicaid program. Advocacy organizations and the bill sponsor, Sen. Jeanne Nicholson, majority caucus chair and a public health nurse by training, spent years educating members of the state House and Senate on the importance of oral health benefits for an adult's ability to maintain employment and their overall health. Interviewees credit these efforts for the success SB 12-108 initially saw. The bill passed the Senate but did not make it on the House's calendar for voting. Despite the initial bill being pulled back, it paved the way for a more compre-

hensive bill in the following year. With the Governor's leadership, Senate Bill 13-242 extended dental services to all adults over age 21 in the state's Medicaid program. This bill was signed in May 2013 with dental benefits beginning in April 2014.

Approach and Implementation

Funding

Funding for the new adult dental benefit came from a unique source. In 1990, the state established CoverColorado, a state-run high-risk pool to help individuals with pre-existing conditions enroll in coverage. Following the ACA's elimination of denials for pre-existing conditions and the establishment of health insurance exchanges, CoverColorado was made unnecessary. The state's Unclaimed Property Trust Fund (UPTF), which funded CoverColorado, was identified as a possible source of funding for the adult dental benefit. Due to Colorado's Taxpayer's Bill of Rights amendment—which requires that excess state revenue be refunded to taxpayers—there was a very limited window of availability for the freed UPTF funds. It was imperative that the state move quickly to redirect the funds. As a result, the Department of Health Care Policy and Financing

(DHCPF) had to implement the new benefit program on a very compressed timeline of less than a year.

Benefit Design

The new adult dental benefit provides a fairly comprehensive set of benefits for adults over age 21 in Medicaid. The main limitation on the benefit is a \$1,000 annual cap. The initial 2013 benefit also did not include dentures, but in 2014, lawmakers from both parties voted to add this coverage. Notably, this addition gained more support from Republican legislators than the initial 2013 legislation.

Benefits offered to adults in Colorado's Medicaid program include: basic preventive dental exams, diagnostic and restorative dental services, extractions, root canals, crowns, partial and complete dentures (not subject to the \$1,000 cap), and periodontal scaling and root planing. Other procedures requiring prior authorization are available.¹

Since July 2014, the benefit has been administered by DentaQuest, a dental administrative services organization (ASO). Because of the short timeframe for implementation, DHCPF directly administered a more limited benefit from April to July 2014. Colorado used its Children's Health Insurance Program (CHIP) benefit—which uses a specialized dental vendor—as a model to develop the new ASO. Though the multiple changes created some disruptions for providers, state officials suggested that using a successful program such as CHIP as a model was beneficial.

Reimbursement Rates and Provider Incentives

The Colorado General Assembly has continued to support Medicaid dental benefits through appropriations. The Joint Budget Committee approved a 4.5 percent increase in dental provider rates in FY 2013-2014² and a two percent across-the-board provider rate increase in FY 2014-2015.³ Additional targeted rate increases for specific dental services are included in the Joint Budget Committee's budget for FY 2015-2016 as well,

but have not been finalized as of this writing.⁴

The Legislature also approved \$2.5 million in state funding (with a \$2.5 million federal match) to provide financial incentives for dentists who treat Medicaid enrollees.⁵ The state contribution comes from reinvesting a portion of the savings from the change in federal match rate for Medicaid and CHP+, Colorado's CHIP program. As of March 2015, DHCPF was awaiting federal approval of a State Plan Amendment to operationalize the provider incentive program. Provider and stakeholder groups are concerned that the delay in implementing the incentives has taken some momentum out of provider recruitment efforts.

Key Leadership and Partnerships

Key policymakers in Colorado championed the issue of improved access to oral health for adults, ensuring that it was a legislative priority in the state. Engagement by Senator Nicholson, Governor Hickenlooper's office, and the leadership of DHCPF were especially important.

From the stakeholder perspective, the Colorado Dental Association (CDA) and Oral Health Colorado (OHCO) led advocacy and lobbying efforts. OHCO convened a wide array of stakeholders, including community and safety net partners, to provide continued feedback on the development and implementation of the new benefit. The CDA was a strong supporter of the new benefit and has been engaged in helping to communicate providers' concerns and administrative challenges with the new benefit. The CDA has shown commitment to increasing provider participation, particularly through a "Take 5" campaign to encourage dentists to begin seeing at least five Medicaid patients. Colorado reported some success from their provider recruitment efforts, conducted in collaboration with the CDA. The CDA reported that the number of Medicaid-participating dentists had grown 17 percent between 2012 and 2014.⁶

Looking Forward

A major concern for the long-term sustainability of the new adult dental benefit is provider participation. Historically, perceived low reimbursement

rates and administrative barriers have made many dental providers reluctant to participate in the Medicaid program. DHCPF and DentaQuest are holding regular town hall meetings to gather provider and stakeholder feedback to address administrative issues. Also, the General Assembly has appropriated additional funds for reimbursement rate increases, though there is some concern that, without raising the \$1,000 cap, enrollees may more quickly exhaust their annual benefit.

Although it is too early for Colorado to report utilization figures for the first year of the benefit, DHCPF has laid out several benchmarks for evaluating their ASO vendor's performance. In year one, they looked to increase provider enrollment. In year two, they are focusing on decreased utilization of the emergency room for non-emergen-

cy dental care. Finally, the goal for year three will focus on better health outcomes, particularly by thinking of ways to coordinate their ASO with the state's Regional Care Collaborative Organizations.

Colorado is also exploring ways to expand their capacity to provide dental services beyond the traditional dental system. Colorado will soon pilot a 5-year, \$1.65 million Virtual Dental Home initiative, funded by the Caring for Colorado Foundation, replicating legislation recently enacted in California. The Virtual Dental Home will allow licensed independent practice dental hygienists to provide preventive dental care and access to a dentist via telehealth technology.⁷ In addition, Colorado is examining ways to develop better linkages between dental claims data and its all-payer claims database.

Footnotes

1. Colorado Department of Health Care Policy and Financing, fact sheet, Adult Medicaid Dental Benefit, July 2014. Retrieved May 28, 2015. <https://www.colorado.gov/pacific/sites/default/files/Adult%20Dental%20Fact%20Sheet%20.pdf>.
2. State of Colorado Joint Budget Committee, FY 2013-2014 Budget Package and Long Bill Narrative, 69. Retrieved May 28, 2015. http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/13LBNarrative.pdf.
3. State of Colorado Joint Budget Committee, FY 2014-2015 Budget Package and Long Bill Narrative, 68. Retrieved May 28, 2015. http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/14LBNarrative.pdf.
4. State of Colorado Joint Budget Committee, FY 2015-2016 Budget Package and Long Bill Narrative, 55. Retrieved May 28, 2015. http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/15LBNarrative.pdf.
5. Dentists would receive \$1,000 to see five new Medicaid patients, another \$1,000 to see an additional 50 patients, and a final \$1,000 to see an additional 100 patients. Dental hygienists would be eligible to receive a smaller incentive.
6. Interview with Colorado Dental Association, March 26, 2015.
7. Caring for Colorado Foundation, "Caring for Colorado Announces New, Major Investments," news release, January 26, 2015, <http://www.caringforcolorado.org/post/newsroom/caring-colorado-announces-new-major-investments>.