

## MINNESOTA

### *Medicaid/SCHIP Dental Care for Children: Overview*

#### Eligibility and Dental Benefits

Minnesota's Medicaid program, as expanded under the State Children's Health Insurance Program (SCHIP) and a 1115 waiver from the federal Centers for Medicare and Medicaid Services (CMS),<sup>1</sup> is called Medical Assistance and provides benefits to the following individuals:

- Pregnant women and children under age two from families with incomes at or below 280% of the federal poverty level (FPL), and
- Children age two through 18 years from families with incomes to 170% of the FPL.<sup>2</sup>

In addition to these children, those age 19 to 21 who meet the state's eligibility requirements<sup>3</sup> are eligible for Medicaid's comprehensive health and dental services under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) service, known in Minnesota as the Child and Teen Checkups program.<sup>4</sup>

As of October 2003, families of enrolled children with family incomes above 150% of the FPL pay an annual premium of \$48 per child. Pregnant women and families with enrolled children having family incomes above 275% of the FPL pay a premium based on a sliding scale.<sup>5</sup> There are no copayments.

#### Dental Administrative and Organizational Structure

In Minnesota, the Department of Human Services (DHS) oversees the Medical Assistance program,<sup>6</sup> the largest of the three related health care programs managed by DHS. The other two are General Assistance Medical Care (GAMC)—a 100% state-funded program that covers low-income Minnesotans who do not qualify for Medical Assistance or other state and federal health care programs, and MinnesotaCare—a

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<sup>1</sup> Minnesota Title XXI program: Fact sheet. Centers for Medicare & Medicaid Services. Available at: <http://www.cms.hhs.gov/schip/factsheets/chpfsmn.pdf>. Accessed December 2004.

<sup>2</sup> More kids can get health care coverage. DHS Newsroom. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/publications/documents/pub/DHS\\_id\\_005536.pdf](http://www.dhs.state.mn.us/main/groups/publications/documents/pub/DHS_id_005536.pdf). Accessed December 2004.

<sup>3</sup> Information about eligibility for Minnesota Medical Assistance is available at: [http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/DHS\\_id\\_006972.hcsp](http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/DHS_id_006972.hcsp). Accessed December 2004.

<sup>4</sup> Child and Teen Checkups program. Minnesota Department of Human Services. Available at: <http://www.health.state.mn.us/divs/fh/mch/candtc.html>. Accessed December 2004.

<sup>5</sup> Information brief. MinnesotaCare. November 2003. Available at: <http://www.house.leg.state.mn.us/hrd/pubs/mncare.pdf>. Accessed December 2004.

<sup>6</sup> Department overview. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/agencywide/documents/pub/DHS\\_id\\_000256.hcsp](http://www.dhs.state.mn.us/main/groups/agencywide/documents/pub/DHS_id_000256.hcsp). Accessed December 2004.

program for working Minnesotans who do not have access to affordable health care coverage.

The Medical Assistance program functions under a statewide 1115 demonstration waiver, called Prepaid Medical Assistance Plus (PMAP), that mandates managed care enrollment for most pregnant women and children, among others, in most counties.<sup>7</sup> Under this program, the state pays a capitated rate to managed care organizations to provide medical care for Medical Assistance beneficiaries. The managed care organizations, in turn, contract with or employ providers to provide care to Medical Assistance recipients.

The PMAP program also includes prepaid dental care. By July 2004, most Medicaid beneficiaries in 84 of the state's 87 counties were enrolled in managed care contracts,<sup>8, 9</sup> with the remaining beneficiaries enrolled in a traditional fee-for-service program. Under subcontracts with four of the managed care health plans, Delta Dental of Minnesota provides the majority of dental services to Medical Assistance beneficiaries, while one health plan provides dental services through its dental clinics, supplemented by contracts with individual dentists and clinics, and one plan contracts with Doral Dental for the provision of dental services.

In 2001, the state received a waiver to contract with county-based systems to purchase health and dental services in nine counties. In July 2004, 20 counties were participating in one of three such systems. One system subcontracts with a licensed health plan to deliver services, which, in turn, subcontracts to a dental benefits company to provide dental services to the system's enrollees. The other two systems contract with administrative service organizations, but maintain their own dental networks. Each current PMAP or county-based dental subcontractor has its own administrative, prior authorization, and credentialing requirements (not required for fee-for-service). As a pilot program to assess whether dental access increases under this arrangement, five counties have been permitted to operate without dental managed care since January 2001.

Many Medical Assistance recipients still are covered by the Medicaid fee-for-service program, including those with disabilities and residents of some rural counties where managed care has yet to be implemented.<sup>10</sup> In this traditional program, dentists and other providers enrolled with the state are paid directly for services provided.

Concerned that its present delivery model may not be optimally effective or efficient in delivering dental care to program beneficiaries, DHS has made grant dollars available to

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<sup>7</sup> Minnesota health reform demonstration: Fact sheet. Centers for Medicare and Medicaid Services. Available at: <http://cms.hhs.gov/medicaid/1115/mnfact1.pdf>. Accessed December 2004.

<sup>8</sup> Dental access for Minnesota health care program beneficiaries: Report to the 2001 Minnesota Legislature. January 15, 2001. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs\\_id\\_008299.pdf](http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs_id_008299.pdf). Accessed December 2004.

<sup>9</sup> Kennedy M. Minnesota Department of Human Services. Written personal communication to J.B. Bramson. February 19, 2003.

<sup>10</sup> PMAP/Medicaid Equalization: Meeting the cost of caring in rural Minnesota. Minnesota Primary Care Association. Available at: <http://www.mnruralhealth.org/state/equalization.htm>. Accessed December 2003.

develop a new “public health” model of dental care that might offer better access to care, improved patient outcomes, and better value for the state. DHS issued a request for proposals to qualified bidders, directing the prospective grantee to assess creative options for improving health care delivery “even if its recommendations ultimately require DHS to change the way we deliver and finance dental care.” The new model may require changes to DHS’s policies and procedures in addition to waivers of state and federal legislative and regulatory requirements.

Grant funds, awarded subsequently to Apple Tree Dental, a dental public health organization in Minneapolis, are to be used to plan and develop the model, called the Oral Healthcare Solutions Project.<sup>11</sup> In February 2004, Apple Tree began engaging key stakeholders as active participants in the planning process; these stakeholders include the state dental association, the state board on dentistry, health plans, county public health, the state dental hygienists’ association, dental assisting and dental hygiene training programs, Head Start Agencies, the state health department, and a local community action agency. The model, expected to be completed by January 2005, is to be pilot-tested by DHS in limited area(s) of the state beginning mid-2005. If the pilot test results show that the model improves access, DHS may consider the model for implementation in other areas of the state.

#### Enrolled Children under Age 21 Receiving an Annual Medicaid Dental Visit

CMS 416 lines 12a/ and 1	1998	1999	2000	2001	2002 <sup>12</sup>	2003
Number with any Dental Visit	83,184 <sup>13</sup>	110,946	104,342	101,072 <sup>14</sup>	107,236	125,959
Number Enrolled	341,091	326,138	328,090	343,276	365,352	391,482

#### Pediatric Medicaid Dental Reimbursement

The following table compares Minnesota’s 2004 fee-for-service Medicaid payment rates (for 15 procedures) to claims for the same procedures submitted by dentists to commercial insurers and other payers in the state and in the region (IA, KS, MN, MO, NE, ND, SD). For example, column one indicates that in the state, the Medicaid program pays \$18.70 for a periodic oral examination. The second column shows that in the region, 50 percent of dentists’ claims for this procedure (50<sup>th</sup> percentile) were in an amount equal to or less than \$28.00. The third column shows that in the state, 50 percent of dentists’ claims (50<sup>th</sup> percentile) were in an amount equal to or less than \$31.00 for this

<sup>11</sup> DHS selects Apple Tree Dental to design delivery care model. March 15, 2004. DHS Newsroom. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs\\_id\\_016701.hcsp](http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs_id_016701.hcsp). Accessed December 2004.

<sup>12</sup> Fields T. Written personal communication to D. Schneider. Data for 2002 and 2003 provided. August 27, 2004.

<sup>13</sup> Kennedy M. Ibid. Data in this cell provided by T. Fields.

<sup>14</sup> Kennedy M. Ibid.

service. The fourth column shows that in the state, 75 percent of dentists' claims (75<sup>th</sup> percentile) were in an amount equal to or less than \$34.00 for this service. The last column indicates that the state Medicaid payment rate for this service falls at the first percentile when comparing it against claims submitted by dentists to other payers for the same procedure. This indicates that only one percent of dentists' claims for the procedure were \$18.70 or less, while 99 percent of dentists' claims for this service were for a greater amount. (For additional information on the percentile comparison methodology, see Appendix.)

MN Medicaid Payment Rates for Selected Procedures			Comparisons with Dentists' Claims for Insured Patients in the ADA West North Central (WNC) Region and in the State of Minnesota			
CDT4 Procedure Code	Procedure Description	MN Medicaid Payment Rate	WNC Region 50th Percentile	MN State 50th Percentile	MN State 75th Percentile	State Percentile Corresponding to MN Medicaid Payment Rate
<b>Diagnostic</b>						
D0120	Periodic Oral Exam	\$18.70	\$28.00	\$31.00	\$34.00	1st
D0150	Comprehensive Oral Exam	\$25.50	\$40.00	\$42.00	\$49.00	3rd
D0210	Complete X-rays, with Bitewings	\$57.80	\$80.00	\$88.00	\$95.00	< 1st
D0272	Bitewing X-rays - 2 Films	\$17.00	\$26.00	\$29.00	\$32.00	< 1st
D0330	Panoramic X-ray Film	\$46.75	\$70.00	\$76.00	\$83.00	< 1st
<b>Preventive</b>						
D1120	Prophylaxis (cleaning)	\$26.52	\$39.00	\$42.00	\$46.00	< 1st
D1203	Topical Fluoride (excluding cleaning)	\$14.00	\$22.00	\$27.41	\$30.00	< 1st
D1351	Dental Sealant	\$17.70	\$31.00	\$34.00	\$37.00	< 1st
<b>Restorative</b>						
D2150	Amalgam, 2 Surfaces, Permanent Tooth	\$41.65	\$89.00	\$95.00	\$105.00	< 1st
D2331	Resin Composite, 2 Surfaces, Anterior Tooth	\$48.95	\$109.00	\$123.00	\$140.00	< 1st
D2751	Crown, Porcelain Fused to Base Metal	\$409.36	\$613.00			2nd *
D2930	Prefabricated Steel Crown, Primary Tooth	\$76.51	\$160.00	\$166.50	\$178.50	< 1st
<b>Endodontics</b>						
D3220	Removal of Tooth Pulp	\$40.80	\$95.00	\$98.00	\$110.00	1st
D3310	Anterior Endodontic Therapy	\$178.55	\$424.00	\$487.00	\$620.50	< 1st
<b>Oral Surgery</b>						
D7140	Extraction, Single Tooth	\$31.35	\$80.00	\$92.00	\$108.00	< 1st

State Medicaid payment rates are based on 2004 state-reported schedules  
Regional and state actual, 50th and 75th percentile information is based on 2003 data from the ADA's national claims database.  
\* Number of procedures for calculation of state statistics is less than 25. The percentile corresponding to the MN Medicaid payment rate (Column 7) is computed for the region. Make comparisons at the regional level only.

This claims data is provided solely to facilitate state Medicaid and SCHIP reform initiatives. It should not be interpreted by dentists as constituting a fee schedule, and should not be used by dentists for that purpose. Dentists must establish their own fees based on their individual practice and market considerations.

## *State Innovations Affecting Medicaid/SCHIP Dental Programs*

### Infrastructure Developments

As required by statute, the Department of Human Services (DHS) developed a number of legislative reports analyzing dental access problems and possible solutions. The first report, completed in 1999, described a number of efforts beginning in the early 1990s to identify access barriers with a focus on reimbursement and to specify a number of possible solutions for expanding access to public programs.<sup>15</sup> A follow-up report that same year compared utilization rates among managed care and non-managed care enrollees of the state's public programs.<sup>16</sup>

In December 1999, per legislation passed earlier in the year, DHS convened a dental access advisory committee. The group helped to develop a report presented to the legislature in January 2001 that contained numerous recommendations for policy and legislative change, a number of which have been implemented.<sup>17</sup> During this same period, a state delegation participated in a National Governors Association Oral Health Policy Academy in December 2000,<sup>18</sup> and DHS commissioned a 2000 survey of Minnesota's dentists and consumers to assess their attitudes and experiences concerning the state's dental care programs.<sup>19</sup> Additional information on the status of the dental workforce in the state is contained in a 2002 report by the Minnesota Department of Health.<sup>20</sup> Legislation passed in 2001 required DHS to convene another dental access advisory committee to "monitor purchasing, administration, and coverage of dental care services to ensure access and quality" and to prepare a report to be presented to the legislature in 2003.<sup>21</sup>

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<sup>15</sup> Dental services access report. Expanding access to dental services for recipients of the Medical Assistance, General Assistance Medical Care, and MinnesotaCare Programs. March 1999. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs\\_id\\_008304.pdf](http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs_id_008304.pdf). Accessed December 2004.

<sup>16</sup> Dental services access report-addendum. May 1999. Minnesota Department of Human Services.

<sup>17</sup> Dental access for Minnesota health care program beneficiaries: Report to the 2001 Minnesota Legislature. Available at: [http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs\\_id\\_008299.pdf](http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs_id_008299.pdf). Accessed December 2004.

<sup>18</sup> Minnesota's Application, National Governors Association Oral Health Policy Academy for State Officials, December 13, 2000. (Information about NGA's Oral Health Policy Academy is available at: [http://www.nga.org/center/divisions/1,1188,C\\_ISSUE\\_BRIEF^D\\_3915,00.html](http://www.nga.org/center/divisions/1,1188,C_ISSUE_BRIEF^D_3915,00.html).) Accessed December 2004.

<sup>19</sup> McRae JA, Fields TR. Perspectives of dentists and enrollees on dental care under Minnesota health care programs. Minnesota Department of Human Services. St. Paul, Minnesota. May 2002; Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs\\_id\\_008302.pdf](http://www.dhs.state.mn.us/main/groups/healthcare/documents/pub/dhs_id_008302.pdf). Accessed December 2004.

<sup>20</sup> Minnesota dentist workforce profile. Office of Rural Health and Primary Care. February 2002. Minnesota Department of Health. Available at: <http://www.health.state.mn.us/divs/chs/workdata.htm>. Accessed December 2004.

<sup>21</sup> Minnesota Statutes 2002, Section 256B.55. Minnesota State Legislature. Available at: <http://www.revisor.leg.state.mn.us/stats/256B/55.html>. Accessed December 2004.

A number of legislative initiatives since 2001 have created programs to address dental access concerns:

- The Minnesota Department of Health initiated a program in July 2001 that provides loan forgiveness to dental students who agree to see substantial numbers of public program patients.<sup>22</sup> All 28 slots were filled for the program's first biennium, when \$10,000 was provided in loan forgiveness annually for each participant. It is estimated that participating dentists will have provided more than 20,000 patient visits in that biennium and will have delivered more than 50,000 visits when the program completes its start-up period in fiscal year 2005.<sup>23</sup>
- Legislation passed in 2001, as amended in 2003, allows dental hygienists to provide fluoride varnish and pit and fissure sealants in community facilities without prior dentist examination of the patient, if clinical experience requirements are met and there is a collaborative agreement with a licensed dentist who accepts responsibility for the services.<sup>24</sup>
- Statutory language passed in 2003 allows licensed dental hygienists and registered dental assistants who complete a board-approved course to perform certain reversible restorative procedures, such as placing and contouring amalgam restorations and cementing stainless steel crown.<sup>25</sup> Two schools offer courses in the new duties, and it is expected that these duties will first be performed in dental practices and clinics.
- A guest license to practice as a dentist, dental hygienist, or dental assistant may be granted, if the individual is licensed currently in an adjacent state and seeks to practice in an approved nonprofit public health setting in Minnesota serving indigent and underserved populations at that specific location.<sup>26</sup>
- Reimbursement may be provided for certain costs of a retired dentist's provision of services for 100 hours in a 12-month period at a community clinic.<sup>27</sup>
- Foreign-trained dentists may practice as dental assistants or hygienists, and, if they demonstrate appropriate training, they may no longer be disqualified from taking the dental licensure examination<sup>28</sup>
- A dental practice may be donated to a charitable organization that would maintain the practice and provide services to a percentage of underserved patients.<sup>29</sup>

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<sup>22</sup> FY 2005 guidelines for the Dentist Loan Forgiveness Program. Minnesota Department of Health. Available at: <http://www.health.state.mn.us/divs/chs/dentist.htm>. Accessed December 2004.

<sup>23</sup> Kennedy M. Minnesota Department of Human Services. Ibid.

<sup>24</sup> Minnesota Statutes, 2003. Chapter 150A.10, subd.1.a. Limited authorization for dental hygienists. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/150A/10.html>. Accessed December 2004.

<sup>25</sup> Minnesota Statutes, 2003. Chapter 150A.10, subd.4. Restorative procedures. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/150A/10.html>. Accessed December 2004.

<sup>26</sup> Chapter 370-H.F.No. 3200: Minnesota Session Laws. Minnesota Office of the Revisor of Statutes. 2002. Available at: <http://www.revisor.leg.state.mn.us/slaws/2002/c370.html>. Accessed December 2004.

<sup>27</sup> Minnesota Statutes, 2001. Section 256.958: Retired dentist program. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/256/958.html>. Accessed December 2004.

<sup>28</sup> Minnesota Statutes, 2001. Section 150A.06: Licensure. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/150A/06.html>. Accessed December 2004

- Funds have been set aside for innovative clinical training for dental professionals and programs to address access to dental care for underserved populations.<sup>30</sup>

In addition, the Minnesota Department of Health issued a request for proposals from teaching institutions and clinical training sites to increase dental access for underserved communities by, for example, expanding clinical facilities and services and enhancing training opportunities for dental health professional students in community-based settings. Seven grants were awarded in both the 2002 and 2003 grant cycles, and it is anticipated that additional awards will be made, totaling about \$1.5 million.

Other legislative initiatives and administrative activities that directly affect the Medical Assistance program have been described by the DHS and other entities and are summarized in the following sections.<sup>31, 32</sup>

### Administrative Policies and Procedures

- Under a 1993 state law, each health care provider who treats state or county employees enrolled in certain public employee health benefit programs must accept Minnesota health care program beneficiaries (such as Medical Assistance enrollees), until 20% of their patients are Minnesota health care program beneficiaries. In 1997, the legislature lowered the legal threshold for dental providers only to 10% of their patients.<sup>33, 34</sup>
- Effective January 2001, Medical Assistance recipients living in five counties were enrolled in prepaid health plans. However, as part of a pilot project, dental services were carved out of the prepaid plans and are provided on a fee-for-service basis.
- Effective May 2002, additional prior authorization restrictions based on age and frequency were removed for a number of children's dental services in the fee-for-service program.<sup>35</sup>

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<sup>29</sup> Minnesota Statutes, 2001. Section 256.959: Dental practice donation program. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/256/959.html>. Accessed December 2004.

<sup>30</sup> Establishment of a clinical education innovations pool for dental professionals. 2001 legislative summary. Recent Medical Education and Research Costs (MERC) Trust Fund Legislation. Minnesota Department of Health. Available at: <http://www.health.state.mn.us/divs/hpsc/hep/merc/merc1gpg.htm#01summary>. Accessed December 2004.

<sup>31</sup> Kennedy MB. Minnesota's Plan of Action. July 27, 2001. (Minnesota's response to CMS's Center for Medicaid and State Operations Director's letter of January 18, 2001, #01-010, Access of low-income children to necessary dental services. Director's letter is available at: <http://cms.gov/states/letters/smd118a1.pdf>.) Accessed December 2004.

<sup>32</sup> Fields T. August 27, 2004. Ibid.

<sup>33</sup> Minnesota Statutes, 2001. Section 256B.0644; Participation required for reimbursement under other state health care programs. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/256B/0644.html>. Accessed December 2004.

<sup>34</sup> Dental access for Minnesota health care program beneficiaries: Report to the 2001 Minnesota Legislature. Ibid.

<sup>35</sup> Dental Provider Update #123. August 16, 2002. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_009906.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_009906.hcsp). Accessed December 2004.

- American Dental Association (ADA) Code on Dental Procedures and Nomenclature (CDT)-4 codes and claim forms are used,<sup>36</sup> and electronic fund transfers are available.<sup>37</sup>
- Electronic submission of claims is available.<sup>38</sup>
- All providers are able to confirm beneficiary eligibility through an electronic verification system (EVS)<sup>39</sup>, via telephone, 24 hours a day, seven days a week.

### Workforce Resources

- In February 2000, the Department of Human Services awarded eight grants to improve dental access.<sup>40</sup> As a result of legislative action in 2001, additional dental access grants totaling \$800,000 were made available to community clinics and other nonprofit organizations to improve access to dental care. After delays due to funding freezes, these grants were awarded in the fall of 2002. All of the grantees served mostly Medical Assistance patients. Grantees used funds to purchase additional equipment, expand capacity, start two new volunteer dental clinics, develop new workforce initiatives, and develop a model for serving developmentally disabled adults in their homes as an alternative to hospital operating rooms.

### Education, Communication, and Patient Care Facilitation

- A Dental Access Advisory Committee has been established by the Department of Human Services to monitor the administration of the state's public dental care programs and to make recommendations for improving access to quality care.<sup>41</sup> Membership includes a wide range of stakeholders, including representatives of

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<sup>36</sup> American Dental Association claim form instructions. Minnesota Department of Human Services.

Available at:

[http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_010114.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_010114.hcsp). Accessed December 2004.

<sup>37</sup> Electron funds transfer. Minnesota Department of Human Services. Available at:

[http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_017756.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_017756.hcsp). Accessed December 2004.

<sup>38</sup> MN-ITS. Minnesota Department of Human Services. Available at:

[http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_016328.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_016328.hcsp). Accessed December 2004.

<sup>39</sup> Eligibility verification system. Minnesota Department of Human Services. Available at:

[http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/DHS\\_id\\_017786.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/DHS_id_017786.hcsp). Accessed December 2004.

<sup>40</sup> Grants will address dental care shortages in state health care programs. DHS Newsroom. February 14, 2000. Minnesota Department of Human Services. Newsroom items prior to 2003 may be requested from the Communications Office. Available at:

[http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs\\_id\\_000250.hcsp](http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs_id_000250.hcsp). Accessed December 2004.

<sup>41</sup> Human Services commissioner announces appointments to Dental Access Advisory Committee. March 4, 2002. DHS Newsroom. Minnesota Department of Human Services. Newsroom items prior to 2003 may be requested from the Communications Office. Available at:

[http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs\\_id\\_000250.hcsp](http://www.dhs.state.mn.us/main/groups/publications/documents/pub/dhs_id_000250.hcsp). Accessed December 2004.

- metro-area and non-metro area general dentists, oral surgeons, pediatric dentists, dental hygienists, community clinics, client advocacy, public health, Head Start, health plans, the University of Minnesota's School of Dentistry and its Department of Pediatrics, and the Minnesota Department of Health.
- A separate information section for dental providers is available on the Internet.<sup>42</sup> The Medical Assistance provider manual (and Dental chapter) is updated frequently and is available on the Internet,<sup>43</sup> as are the dental fee schedule,<sup>44</sup> provider enrollment materials,<sup>45</sup> and a set of dental-specific, frequently asked questions.<sup>46</sup> A Provider Help Desk is available by telephone to assist fee-for-service dentists with coverage, billing, and payment questions.<sup>47</sup>

### Financing and Reimbursement

- In 1992, the payment rate for the Medical Assistance program was set at 50% of 1989 dental mean usual and customary charges. This was the first fee increase since 1982.
- During the period 1992 to 2001, the Minnesota legislature increased the payment rate for dental services several times:
  - In 1997, dental fees increased by 5%.
  - In 1998, dental fees increased by 3%.
  - In 1999, the payment rate for fluorides and sealants was set at 80% of median 1997 billed charges.
  - In 2000, dental reimbursement increased by 3%.
- Effective with the 2001 prepaid health plan contracts, the Department of Human Services (DHS) included an incentive program under which additional, retrospective payments may be made to the plan, if the plan is successful in documenting increasing numbers of annual dental visits.<sup>48</sup> Only one of the eight contractors earned this payment for 2001.

<sup>42</sup> Dentists and dental groups. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_009272.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_009272.hcsp). Accessed December 2004.

<sup>43</sup> Provider manual. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/DHS\\_id\\_000094.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/DHS_id_000094.hcsp). Accessed December 2004.

<sup>44</sup> MHCP fee schedule. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/DHS\\_id\\_010122.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/DHS_id_010122.hcsp). Accessed December 2004.

<sup>45</sup> MHCP provider enrollment. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/DHS\\_id\\_000090.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/DHS_id_000090.hcsp). Accessed December 2004.

<sup>46</sup> Frequently asked dental questions and answers. June 1999. Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_016569.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_016569.hcsp). Accessed December 2004.

<sup>47</sup> Help desk contact information. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_000089.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_000089.hcsp). Accessed December 2004

<sup>48</sup> 2001 model PMAP/PGAMC/ MinnesotaCare contract. Dental Care Incentive Section 7.7.1. Minnesota Department of Human Services. Available at: <http://www.dhs.state.mn.us/HealthCare/pdf/2001Model.pdf>. Accessed December 2004.

- In January 2002, DHS increased payment rates for diagnostic examinations and dental radiographs for children to 85% of median 1999 charges submitted to DHS.
- Also effective January 2002, Medical Assistance reimbursements to dentists and dental clinics deemed to participate aggressively in the program (critical access providers) were increased substantially above the normal reimbursement rate.<sup>49</sup> DHS initially designated approximately 140 dentists as critical access dental providers. These dentists were paid rates 40% higher than the standard Medical Assistance fee-for-service rates. To be selected, the dentists had to have \$50,000 or more in DHS claims payments, or estimated health plan claims payments, during a 12-month period. In July 2002, DHS expanded the program by approving funds for this purpose to the prepaid managed care contractors. Each plan is responsible for determining the criteria necessary to become a critical access provider.<sup>50</sup> Thirty more providers were designated for fee-for-service rate increases effective January 2003; their designations were based on agreements to provide high volumes of care to the underserved. In January 2004, DHS rescinded the health plans' authority to pay the critical access dental providers the enhanced rate. Instead, DHS began paying the enhancements directly to the critical access dental providers.
- The five-county pilot carve-out of dental services from managed care includes enhanced reimbursement rates. Dentists receive reimbursement 40% higher than the standard Medicaid rate in return for making more visits available to public programs patients. In evaluating the pilot, the aggregate increase in the number of dental visits will be measured for the participating providers. Approximately 65% of the eligible practicing dentists in the five counties are participating.
- Effective January 2004, the legislature directed the Revenue Department to begin collecting the health care provider tax for services provided to public programs enrollees (these services were previously exempt). Concurrently, DHS increased ("add-on") fee-for-service payments for services by 2%, so that the net effect on the provider is zero. This add-on is restricted to services subject to the hospital, surgical center, or health care provider taxes and includes only in-state dental services. As with other legislative add-ons, the 2% add-on does not appear as an increase on the MHCP fee schedule.<sup>51</sup>
- In June 2004, DHS and the Winona Community Foundation began operating a privately funded pilot project in Winona County. An anonymous local philanthropist concerned about dental access for the county's low-income population donated \$600,000 to increase Medicaid provider payment rates to

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<sup>49</sup> Minnesota Statutes, 2001. Section 256B.76; Physician and dental reimbursement. Minnesota Office of the Revisor of Statutes. Available at: <http://www.revisor.leg.state.mn.us/stats/256B/76.html>. Accessed December 2004.

<sup>50</sup> Seeking additional critical access dental providers. Provider Update No. 131. October 21, 2002. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_009914.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_009914.hcsp). Accessed December 2004.

<sup>51</sup> MHCP Provider Update DEN-04-01. Minnesota Department of Human Services. Available at: [http://www.dhs.state.mn.us/main/groups/business\\_partners/documents/pub/dhs\\_id\\_010457.hcsp](http://www.dhs.state.mn.us/main/groups/business_partners/documents/pub/dhs_id_010457.hcsp). Accessed December 2004.

improve access. DHS obtained approval of a state plan amendment from the Center for Medicare and Medicaid Services that allows the state to claim Federal Financial Participation (matching funds) against the private funds, which are transferred to the local community foundation. The county's 17 dentists who are not critical access dental providers are participating. DHS pays the enhanced rates through the same mechanism it pays critical access dental providers and dental providers participating in the five-county dental carve-out project. The community foundation intends to evaluate the project to determine whether higher payment rates lead to increased dental access.

### Reported Results

- Preliminary results of the five-county pilot carve-out of dental services from managed care are expected in 2005.<sup>52</sup>

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<sup>52</sup> Kennedy M. Minnesota Department of Human Services. Ibid.