Department of Health Care Services

2016 Activities Relating to

Medi-Cal Dental Managed Care

Report to the Legislature

July 2017

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Executive Summary

The Department of Health Care Services (DHCS) delivers dental services to California's Medicaid Program (Medi-Cal) beneficiaries through two delivery systems: Dental Managed Care (DMC) and Denti-Cal Fee-For-Service (FFS). DMC is carried out through contracts established between DHCS and dental plans licensed with the Department of Managed Health Care (DMHC), whereas Denti-Cal FFS provides services through providers enrolled by DHCS' Fiscal Intermediary (FI). DMC is only offered in Los Angeles and Sacramento Counties. Between the two counties, there are currently approximately 912,000 beneficiaries receiving care under DMC. Assembly Bill (AB) 1467 (Committee on Budget, Chapter 23, Statutes of 2012), requires DHCS to provide an annual report to the Legislature on DMC in Sacramento and Los Angeles Counties.

Key Highlights from 2016

In 2016, DHCS continued to actively monitor DMC and made various efforts to improve DMC through collaboration with DMC plans, stakeholders, and the Legislature, including but not limited to the following:

- Implementation of the Dental Transformation Initiative (DTI), as part of the Medi-Cal 2020 Section 1115 waiver, to improve dental health for Medi-Cal eligible children by focusing on high-value preventive care, improved access, and utilization of performance measures to drive delivery system reform.
- Ongoing collaboration with Children Now to promote better oral health and preventive education for children in California through the Medical-Dental Collaboration project in Los Angeles County;
- Ongoing work with stakeholders to improve beneficiary educational materials and outreach mechanisms for DMC beneficiaries;
- Continued monitoring of guidelines for decisions regarding hospital dentistry, general anesthesia, and various levels of sedation;
- Development and distribution of educational materials to help inform providers how to determine the appropriate location to render the aforementioned services, with the assistance of state contractor(s) and various stakeholders;
- Publication of performance measures, demonstrating:
    - Sacramento County Geographic Managed Care (GMC) program average annual dental visit (ADV) utilization percentage for children slightly decreased in comparison to the previous year;
    - Los Angeles County Prepaid Health Plans (PHP) program average ADV utilization percentage for children slightly decreased in comparison to the previous year.
- Quarterly monitoring of DMC quality improvement projects (QIPs) and associated data.
- Launch of the "Early Smiles" initiative to address oral health disparities in the Sacramento region through a collaborative and innovative School Based Oral Health Program. This project is being led by the Center for Oral Health and LIBERTY Dental Plan, in partnership with Health Net and Access Dental plans. The initiative set a goal of serving 12,000 children in Sacramento-area elementary schools in its first year.

- Early planning for implementation of the federal managed care final rule (Final Rule 2390-P), which provides a more rigorous regulatory structure for all forms of Medicaid managed care, including DMC plans.

Background

DMC was established in the 1990s to provide dental services to Medi-Cal dental eligible beneficiaries. These services are provided through contracts DHCS has with dental plans licensed by DMHC, pursuant to the Knox-Keene Health Care Services Plan Act of 1975 (Knox-Keene Act). DHCS pays the contracted dental plans a per-member-per month (PMPM) capitation payment to provide oral health care to DMC beneficiaries enrolled in the dental plans. DMC beneficiaries are assigned to a specific provider to establish a relationship, creating a "dental home."

DHCS is responsible for overseeing dental plan contracts in both Sacramento and Los Angeles Counties. DHCS ensures DMC contractual requirements comply with state and federal statutes, regulations, and policies while providing access to dental services for Medi-Cal beneficiaries. In Sacramento County, Medi-Cal beneficiaries are mandatorily enrolled into a contracting dental plan, with the exception of specific populations. Approximately 430,000 beneficiaries are currently enrolled in DMC plans in Sacramento County. The DMC plans receive federally approved capitated rates based on which county they serve. The plans are paid the Fiscal Year (FY) 2014-15 rates package approved in October 2016, which will continue until a new rates package is approved. DHCS provides these plans with a PMPM rate of $11.45 for children ages 0 to 20 and $8.42 for adults ages 21 and older. In Los Angeles County, Medi-Cal beneficiaries have the option to enroll into DMC or Denti-Cal FFS. Approximately 482,000 beneficiaries are currently enrolled in DMC plans in Los Angeles County. DHCS provides these plans with a PMPM rate of $12.95 for children ages 0 to 20 and $7.80 for adults ages 21 and older.

Ongoing Efforts

During 2016, DHCS employed the following efforts in the DMC delivery system to achieve increases in dental utilization rates in the Medi-Cal population:

- Implementation of the DTI, which aims, over a five year period, to increase the use of preventive dental services for children, prevent and treat more early childhood caries, increase continuity of care for children, and support local collaborations that are focused on these goals. Many of these efforts are being implemented for DMC beneficiaries.
- Close monitoring and oversight of DMC plans to enforce contract provisions and performance standards.
- Transparency and public reporting of DMC service delivery while abiding by DHCS' public aggregate reporting requirements.
- Collaboration with the Centers for Medicare and Medicaid Services (CMS), DMC plans, and stakeholders to increase children's utilization rates through the Oral Health Learning Collaborative and the Medical-Dental Collaboration initiatives.

- Collaboration with DMC plans to increase children's utilization rates through quarterly monitoring of plan proposed QIPs and associated data.
- Monitoring of guidelines for decisions regarding hospital dentistry, general anesthesia, and various levels of sedation.
- Development and distribution of educational materials to help inform providers how to determine the appropriate location to render the aforementioned services, with the assistance of state contractor(s) and various stakeholders.
- Ongoing implementation of a VDH component in the dental managed care delivery system.
- Implementation of the federal managed care final rule (Final Rule 2390-P), which provides a more rigorous regulatory structure for all forms of Medicaid managed care, including DMC plans.

Beneficiary Dental Exception Process

The Beneficiary Dental Exception (BDE) process was established, pursuant to Welfare & Institutions (W&I) Code §14089.09, for individuals mandatorily enrolled into dental plans in Sacramento County, who have issues accessing dental services. The statute allows DHCS to work with the dental plans to facilitate scheduling an appropriate appointment within specified contractual timeframes in accordance with the Knox-Keene Act based on the identified needs of the beneficiary.

The intent of BDE is to provide timely access to care. In the event timely access is not possible under DMC, the beneficiary will be permitted to transition from DMC and into Denti-Cal FFS. Under Denti-Cal FFS, individuals can select any provider in the Denti-Cal FFS network and access services without an assigned dental home. Since the inception of BDE, no beneficiaries have been transferred to Denti-Cal FFS through the BDE process.

The BDE process has been operational since September 2012. DHCS publishes monthly BDE reports[1] on the Medi-Cal Dental Services Program website. As of December 2016, DHCS has received 2,527 incoming inquiries, of which 332 were requests in 2016 for DHCS to facilitate scheduling an appointment with the beneficiary's assigned dental plan. Further breakdown of BDE requests for Calendar Year (CY) 2016 are as follows:

- 236 out of 332 (71.1 percent) BDE requests have been closed successfully as a result of DHCS facilitating appointments and verifying that beneficiaries kept their appointments and received treatment;
- 73 of the 332 (22.0 percent) BDE requests were categorized as unsuccessful due to beneficiaries not showing up to their scheduled appointments;
- 23 of 332 (6.9 percent) BDE requests currently have appointments scheduled to receive dental services and will be closed when treatment is completed;
- 118 out of 332 (35.5 percent) BDE requests were for children under the age of 21 and 214 (64.5 percent) were adults;
- No cases were transitioned from GMC to Denti-Cal FFS through BDE; and

[1] Department of Health Care Services: Monthly Beneficiary Dental Exception Reports

- 100 percent success rate with warm transfers resulting in the GMC plans scheduling appointments within the *Timely Access to Non-Emergency Health Care Services* standards.

In addition to helping beneficiaries obtain access to timely dental care, BDE affords beneficiaries the opportunity to obtain information regarding their eligibility status and plan or provider information. DHCS contacts each beneficiary through a follow-up phone call after their scheduled appointment to verify the services needed were received, and to solicit feedback regarding their overall satisfaction of services received from their provider. The feedback received is assessed so that concerns related to the dental care provided may be shared with the respective GMC plan for follow up, as appropriate. Additionally, DHCS provides annual notifications to all existing and new GMC beneficiaries regarding BDE.

In 2016, DHCS experienced an approximately 19.9 percent decrease in the average number of incoming phone calls per month and an approximately 6.3 percent decrease in the average number of correspondences received per month for BDE from the previous year.

Medical-Dental Collaboration Project

Children Now, a nonprofit advocacy organization dedicated to promoting children's health and education in California, was awarded an Oral Health Initiative implementation grant for 2014, from the DentaQuest Foundation. The grant supported Children Now's implementation of a pilot project to strengthen medical and dental collaboration in Los Angeles County in order to increase preventive dental service utilization among children from ages 1-6, who are currently enrolled in Medi-Cal and have not had a dental visit within the past 12 months. DHCS, an active participant with this project since its inception, along with Children Now, the DMC plans, Medi-Cal Managed Care Plans and Dental FI, worked collaboratively toward the implementation of this pilot project to improve dental utilization for the designated population in Los Angeles County. Federally Qualified Health Centers (FQHC) have been utilized in 2016 for improving the oral health quality for publicly insured children in Los Angeles County through medical and dental integration. With a focus on FQHCs and their expanding capacity to meet the growing oral health needs of California children, Children Now, First 5 LA, and UCLA identified the following recommendations in their December 2016 report:

1. Expand programs to increase co-location of dental and medical clinics at FQHC sites.
2. Support programs to improve FQHCs' oral health care capacity through medical-dental integration.
3. Expand investments in information technology and personnel to enhance care coordination, dental home referrals, outreach and preventive services consistent with current children's oral health care guidelines.
4. Prioritize children's oral health care in Medi-Cal/Denti-Cal Quality Improvement Plans, including provisions for care provided by FQHCs.

DHCS reviewed data for the designated population that was used to locate primary care physicians and dentists to participate in the efforts of increasing dental utilization for children through educational materials and a direct dental referral method from their doctors. Participating practices received tools and guidance to educate and provide dental appointment referrals to parents of non-utilizing children during well visits. Clinics reported that sharing these materials with patients and their families increased children's access to oral health care services. DHCS has tracked improvements in dental service utilization among children in the target population, who were served by these practices for the period of June 1, 2015, through March 1, 2016.

DHCS is pleased to report a positive outcome through increasing children's access to care which may segue to further medical-dental collaboration opportunities.

Quality Improvement Projects

As part of the DMC contracts, DMC plans are contractually obligated to conduct and/or participate in two DHCS-approved QIPs per year. One QIP must be DHCS-designated, while the second may be proposed by the plans. In 2014, DHCS approved a plan-proposed QIP for each DMC plan, due to time constraints in developing a DHCS-designated QIP. The QIPs began August 1, 2014, and will continue through July 1, 2017.

Access Dental Plan

Access Dental Plan's (Access) QIP study sought to identify baseline population statistics related to differences in utilization within the enrolled population based on race/ethnicity and to identify intervention strategies, including educational activities. Access identified the following areas of concern in their QIP submission:

- Use of preventive services was focused on the decision in 2015 to change the provider compensation as well as implement a bonus program (5-11 Kids Preventive Package) because of the poor utilization performance for all races/ethnicities;
- Use of Sealants was also focused on due to the bonus program (5-11 Kids Preventive Package);
- Per member per month cost of clinical services was used to compare overall trends with the cost of those trends. The plan assessed whether higher utilizers were more or less costly to the program and what additional factors could play into the cost of these populations.

Access initiated several new projects in 2016 to further the provider and member relationships including the following:

- Refreshed Member Materials – This will include a comprehensive member material approach with a strategy to reach the member at least five (5) times a year.
- Member Town Hall/Focus Groups – In an effort to better understand the differences in the population, these groups will assist in developing new materials to target specific populations. A Town Hall would allow members

to voice their concerns, gather plan and program information as well as serve as an educational opportunity.

- Sponsored Qualifier Days and Community Education – Qualifier Days assist offices in concentrating on their Medi-Cal population, it allows Medi-Cal members to be scheduled in an off time (typically Saturday) where they know they will be seen, and helps the plan achieve the necessary performance. By increasing the education level of the Medi-Cal providers who directly work with the members they hope to better focus members' attention on the dental benefits available to them and how to utilize them.

Access' findings through third quarter 2016 concluded that the overall project has been successful in identifying populations that need additional focus. They have also determined that the bonus program is affecting change and improvement so far, and will continue to strategize to improve member experience and relationship for those identified with the lowest utilization of services. Further, findings show that from 2013-2016 there was minimal change in utilization and an overall decrease in the use of sealants. In order to mitigate the overall decline of sealants, fluoride, and preventive services utilization, Access implemented a preventive bonus for providers and updated member materials for outreach. Access will share results from the compensation programs in the 2017 DMC Report Card.

LIBERTY Dental Plan and Health Net of California Dental Plan

LIBERTY Dental (LIBERTY) and Health Net of California (Health Net) collaborated on their QIP submission to reflect the CMS goals to: 1) increase by four percentage points over a five-year period, the proportion of children ages 1-20 enrolled in a Medicaid program for at least 90 consecutive days, who receive a preventive dental service, and 2) increase by four percentage points over a two-year period, the proportion of children ages 6-9 enrolled in Medicaid program for at least 90 consecutive days, who receive a dental sealant on a permanent molar tooth. The baseline year is Federal Fiscal Year 2014 (October 2013 to September 2014). LIBERTY and Health Net have implemented a PCP fluoride varnish and PCD referral initiative to increase preventive and sealant utilization; these types of programs will continually be prioritized and implemented in the future.

Table 1: *Health Net and LIBERTY Utilization of Preventive Dental Services and Dental Sealant in 2014, 2015 and 2016*

Measures	Plans	2014[1],[2]	2015[1]	2016[1], [3]
Preventive Dental Services (Age 1 to 20)	Health Net GMC	29.8 percent	29.7percent	30.5 percent
	Health Net PHP	33.8 percent	32.2 percent	33.7 percent
	LIBERTY GMC	31.4 percent	30.9 percent	32.5 percent
	LIBERTY PHP	29.8 percent	28.3 percent	33.1 percent
Dental Sealant on a Permanent Molar Tooth (Age 6 to 9)	Health Net GMC	12.9 percent	11.8 percent	12.8 percent
	Health Net PHP	14.7 percent	12.9 percent	14.5 percent
	LIBERTY GMC	15.8 percent	15.3 percent	15.6 percent
	LIBERTY PHP	11.2 percent	10.0 percent	14.5 percent

Data Source: MIS/DSS updated in July 2017
[1] 12-month period in the Federal Fiscal Year beginning October of the prior year and ending in September of indicated year.
[2] Baseline data includes sealant utilization by child beneficiaries ages six through nine from October 2013 to September 2014.
[3] Utilization in 2016 is captured as of July 2017, and does not include complete submission of claims data for the reporting period.

Utilization data for 2016 shows, for preventive dental services utilization, most plans have improved from their 2014 baseline percentage and all plans have improved on their 2015 percentage. For dental sealants, LIBERTY PHP shows a 3.3 percentage point increase from 2014 to 2016. Other plans show no more than a 0.2 percentage point decrease, but all plans improved on their 2015 percentage. Both plans are involved in multiple outreach programs in efforts to improve utilization, and study results are not yet finalized. One factor reflected in the data is the significant increase in the numerators and denominators for all measures based on the substantial growth of the Medi-Cal population since 2014, meaning many more patients are being seen, many of which are new to the program.

General Anesthesia

In 2016, DHCS published supplemental documents to address commonly asked questions with regard to general anesthesia policy and to instruct providers on how to properly submit documentation for review.

Effective October 14, 2016, DHCS began requiring the DMC plans to report general anesthesia utilization along with other contractually required measurements of utilization to allow for utilization studies and public transparency. Findings from the DMC plans will

be publicly reported on the DHCS Internet site and will be reported on in future updates to this report.

DHCS also initiated efforts to align the Medi-Cal managed care general anesthesia criteria and policy with the Medi-Cal dental system. DHCS held meetings with the DMC Plans in 2016 to discuss best practices for streamlining these policies, and these discussions will continue in 2017.

DHCS will continue to engage providers, plans, and stakeholders to assist Medi-Cal beneficiaries statewide who are in need of hospital dentistry services, maintain timely access to care by increasing cooperation and interaction between DHCS and alternative care locations, and to release materials that provide guidance on DHCS policy.

Virtual Dental Home (VDH)

VDH is a community-based oral health delivery system in which beneficiaries receive preventive and simple therapeutic services in community settings. VDH utilizes the teledentistry technology to facilitate the diagnosis, consultation, and treatment of a beneficiary's dental health care by their primary care dentists and allied professionals. The VDH demonstration was conducted from 2010 to 2016. It was a largely grant funded "proof-of-concept" demonstration that also tested and collected data on a number of elements of the delivery system and its outcomes. Approximately 27 funders provided over $5.5 million to support this demonstration in 11 communities and approximately 50 sites across California, including sites in Sacramento and Los Angeles counties.

The Pacific Center for Special Care at the University of the Pacific School of Dentistry conducted the VDH demonstration from 2010 to 2016, and some of the results include the following:

- The project demonstrated the ability to organize and use geographically distributed telehealth-connected teams. These teams provided services for 3,442 patients through 7,967 visits.
- Examining dentists using the telehealth system determined that approximately two-thirds of children and about half of seniors and people with disabilities in long term care facilities could have their oral health needs met by allied dental personnel in the community site without the need to see a dentist in-person.
- The VDH system allows dentists using the telehealth system to verify that most people can be and are kept healthy in the community. This allows scarce referral and care navigation resources to be focused on those minority of people who need additional care.
- Approximately one-third of children were determined to need to see a dentist in person. A preliminary analysis indicated that 83% of children had all their needs met.

- There was a high degree of satisfaction with this system of care among parents, caregivers, and administrators.

DHCS Partnerships

DHCS constantly strives to improve its services and is committed to maintaining effective, open communication and engagement with the public, our partners, and other stakeholders to assist in accomplishing this goal. The following sections highlight accomplishments made in DMC in 2016 as a result of these partnerships.

Department of Managed Health Care

Pursuant to California Health and Safety Code §1380 and §1382, DMHC must conduct routine administrative surveys and financial examinations of the dental plans participating in DMC at least once every three years. Under the current oversight structure, DMHC issues the Corrective Action Plans (CAPs) and as the oversight entity, DHCS works with DMHC to enforce the CAPs and monitor the dental plans.

The most recent DMHC medical and financial surveys for LIBERTY Dental Plan were completed in 2014. The results of the surveys indicated that the plan's provider manual needed to be updated to reflect beneficiary rights regarding options to file grievances and appeals, and that the plan needed a written policy addressing the notice requirement for changes in grievance, appeals, and fair hearing processes. LIBERTY corrected both of these findings.

DHCS and DMHC conducted a routine survey of Access in March 2016. Results from the Access routine survey indicated several areas of non-compliance, including quality management, grievances and appeals, access and availability of services, utilization management, and language assistance. In response to these findings, Access updated the grievances and appeals policy and tracking log, implemented systems changes and an annual Language Assistance Program review schedule, and developed and filed policy and procedures for Out-of-Network General and Specialty Care Referrals. Additionally, Access submitted a draft Disaster Recovery and Business Continuity Plan, which is under DHCS review. Additional time is necessary to allow for full implementation and to assess the effectiveness of the corrective actions. DHCS will verify implementation of the corrective action during a Follow-Up Survey. DHCS will need to see evidence of implementation and reports to the Quality Management committee to make sure that the plan's staff are in compliance with the new policies.

DHCS and DMHC completed a financial examination of Access in June 2016. There were several areas of improvement needed, including claim settlement practices, payment accuracy, interest calculation, claims adjustment, records retention requirements, and past due payments. In response to these findings, Access corrected the provider contract, developed systems testing to prevent payment errors, provided staff training on Fair Claims Settlement, established internal audit processes, and updated policies, procedures, and processes to include financial hold claims to accrue interest and penalties correctly. Access submitted a CAP to substantiate the corrective

actions implemented and DHCS determined that the Plan's compliance effort is responsive to the corrective action required.

The last financial examination of Health Net occurred in 2015. DHCS and DMHC conducted a routine survey of Health Net in February 2016. Results indicated that Health Net did not provide fully translated vital documents to its enrollees in all of the required threshold languages. Health Net showed proof of correction by providing DHCS with all of the member informing translation materials.

Corrective Action Plan

DHCS monitors all DMC plan utilization and services provided to beneficiaries on an ongoing basis through the quarterly Performance Measures and Benchmarks (PMBs) reporting.[2] PMBs are based on 11 separate performance measures, which are stratified across various age ranges.

- Annual Dental Visit (ADV);
- Use of Preventive Services;
- Uses of Sealants;
- Sealant to Restoration Ratio (Surfaces);
- Treatment/Prevention of Caries;
- Exams/Oral Health Evaluations;
- Use of Dental Treatment Services;
- Preventive Services to Fillings;
- Overall Utilization of Dental Services;
- Continuity of Care; and
- Usual Source of Care

The plans submitted the CAPs in January 2016. DHCS continues to evaluate the submitted CAP responses and DHCS will continue to monitor their utilization data, and continue monthly discussions with the plans to discuss their ongoing efforts. The CAPs will remain in effect until utilization is at or above the required benchmarks.

Medi-Cal Dental Advisory Committee

Pursuant to W&I Code §14089.08, Sacramento County was authorized to establish the Sacramento County Medi-Cal Dental Advisory Committee (MCDAC). Committee membership shall include but not be limited to local non-profit organizations, representatives from the First 5 Sacramento Commission, representatives and members of the local dental society, local health and human services representatives, representatives of DMC plans, beneficiaries, and other interested individuals. DHCS is required to meet periodically with the committee, which minimally must be on a quarterly basis, to facilitate communication, information dissemination and improvements in the provision of oral health and dental care services under Medi-Cal in Sacramento County. MCDAC's purpose is to provide input on the delivery of oral health and dental care services, including, but not limited to, prevention and education services, in DMC and

[2] Dental Managed Care Plan Quarterly Utilization Reports

Dental FFS; as well as collaborate and examine new approaches to beneficiary care; and to maximize dental health by recommending improvements to DHCS.

MCDAC holds monthly meetings to discuss findings and potential improvements to DMC in Sacramento County and may submit written input to DHCS regarding policies that improve the delivery of oral health and dental services in Sacramento under Medi-Cal. The following information represents achievements of MCDAC in 2016 and goals for 2017:

MCDAC Reported 2016 Efforts and Accomplishments

- Continued to work on strategies to improve utilization of services by all Medi-Cal beneficiaries in Sacramento County.
- Continued its partnership with dental plans and provided training to new Family Resource Center staff on DMC, the dental plans, and how to access care.
- Continued efforts with DHCS to improve data transparency, timeliness and reporting.
- Established a General Anesthesia / Intravenous Sedation Ad-Hoc Workgroup to continue work on hospital access to care and streamlining General Anesthesia (GA) Policy Guidelines.
- Assisted the Center for Oral Health and the dental plans in their establishment of the *'Early Smiles Sacramento'* program, a school-based mobile dental services project which served 3,071 children at 13 schools and 8 community events from September to December 2016.
- Supported the California State Dental Director development of a Statewide Dental Plan.
- Utilized the 2015 "Sacramento Children and Dental Care: Better Served than 5 Years Ago?" dental study and adopted a series of short term and long-term recommendations.
- Established an expectation for a five percent increase in utilization each year for the three years beginning July 1, 2016 through June 30, 2019.

MCDAC 2017 Goals

- Partner and support the Sacramento County Dental Transformation Initiative Local Dental Pilot Project *'Every Smile Counts!'* which is funded by a federal waiver from February 2017 through December 2020.
- Continue to support projects and policies to improve utilization and access issues.
- Continue working with DHCS to improve data transparency, timeliness and reporting.
- Continue efforts to provide access to General Anesthesia / Intravenous Sedation for beneficiaries needing these services.
- Develop a richer partnership with DHCS to accomplish goals.

- Continue to work with dental plans on outreach and education.
- Continue support of the California State Dental Director and assist with implementation of the State Dental Plan, when approved.
- Continue to monitor the impact of an increasing number of Medi-Cal beneficiaries, both children and adults.
- Work with legislative leaders in 2017 to improve dental managed care.
- Develop a Sacramento County Dental Plan in partnership with the Department of Health and Human Services, Division of Public Health. Support seeking approval of the Dental Plan from the Sacramento County Board of Supervisors.

Los Angeles Stakeholder Group

The Los Angeles (LA) Stakeholder Group provides input on the delivery of oral health and dental care services in Los Angeles County, which offers both DMC and Dental FFS. The LA Stakeholder Group is comprised of dental providers, DMC plan representatives, researchers, statewide and community advocates, beneficiaries, county and state representatives, and DHCS staff, who come together to discuss barriers to care and identify solutions to promote timely access to care for Medi-Cal beneficiaries. The LA Stakeholder Group meets at least once a quarter to review data on LA County Medi-Cal enrollees access to dental care; identify gaps in access; and assess new approaches to beneficiary education and provider incentives, while collaborating on efforts aimed to improve timely access to dental care.

Meetings in 2016 provided forums for stakeholders to discuss access issues and to share feedback and guidance on DHCS-specific efforts such as:

- Education to dental providers on ensuring access to Denti-Cal services for children in foster care
- Implementation of tele dentistry, VDH, and the provider bulletin to encourage provider participation; and
- Updating beneficiary Choice Packets to more effectively inform beneficiaries regarding their dental plan options.

In addition, several organizations are currently involved in various efforts throughout LA County to help increase dental utilization for Medicaid populations. The LA Stakeholder Group learned about these efforts and at times, were solicited for feedback regarding specific projects. Organizations participating at the LA Stakeholder meetings completed the following efforts related to DMC in 2016:

- Educated Medi-Cal beneficiaries through various outreach methods regarding the importance of good oral health;
- Expanded the availability of full service oral health services in Los Angeles Unified School District schools;
- Targeted outreach to children under age six who have not received a dental visit in the last twelve months using educational materials and dental referrals from their doctor, through the Children Now Medical/Dental Collaboration Project

- Raised concerns/requests shared by FQHCs participating in the UCLA-First 5 LA project that clarity in the Denti-Cal Provider Manual is needed regarding preventive services, specifically fluoride varnish
- Presented data from the Los Angeles County Dept. of Public Health on access to dental care for underserved populations and dental deserts in Los Angeles County

Dental Managed Care Utilization

DHCS is committed to developing effective strategies to increase utilization across all dental plans. This commitment aligns with CMS' goal to improve access to oral health services for children. DHCS anticipates that preventive dental services for children will increase in 2017 through beneficiary and provider education and outreach efforts, as well as the DTI program and increased monitoring of DMC.

In 2016, the average utilization percentage for ADV decreased for all of the Sacramento County GMC plans in comparison to 2015. In FY 2015–16, the average utilization percentage for ADV decreased for the Los Angeles County PHP in comparison to FY 2014-15, with LIBERTY PHP being the only plan to show improvement over their FY 2014-15 percentage. DHCS validated this information by cross referencing with its internal reports and utilization and claims data obtained from the DHCS data warehouse. Although there are slight decreases in utilization, the reasons for the decrease varies among the plans. DHCS has had discussions with the plans about its expectation for the plans to increase utilization rates and meet the targets required in their contracts. DHCS will continue to monitor these efforts.

It is important to note the validated claims data shown below does not reflect complete run out, as DMC plans are contractually permitted to submit encounter data for up to six months following the date of service. As such there may be a slight variation in percentages once run out has completed.

PLEASE NOTE: The data shown in tables 2, 3 and 4 on pages 16 and 17 should not be used for comparison purposes as each table represents data from different periods.

Table 2: Sacramento County ADV Utilization for Children Ages 0 through 20

GMC Plans	2014 Validated	2015 Validated	2016 Validated*
Access	36.2 percent	40.4 percent **	36.1 percent**
Health Net	40.7 percent	40.6 percent	35.5 percent
LIBERTY	42.4percent	42.7 percent	39.5 percent
Total GMC Utilization	**39.9 percent**	**41.3 percent**	**37.3 percent**

*The contract measurement period is from January 1, 2016, through December 31, 2016 using the new methodology to determine eligibility – children enrolled in the same plan at least 90 continuous days. The table displays validated claims data up to date, and does not include complete run-out of claims data for the contract measurement period.
**Due to a data quality issue, DHCS is using EQRO validated self-reported data from Access: Calendar year (CY) 2015: http://www.denti-cal.ca.gov/provsrvcs/managed_care/perf_meas_GMC_rept_2015.pdf and CY 2016: http://www.denti-cal.ca.gov/provsrvcs/managed_care/perf_meas_GMC_rept_2016.pdf

Table 3: Los Angeles County ADV Utilization for Children Ages 0 through 20

PHP Plans	FY 13-14 Validated	FY 14-15 Validated	FY 15-16 Validated*
Access	37.0 percent	42.7 percent	38.6 percent
Health Net	42.7 percent	42.5 percent	40.5 percent
LIBERTY	37.5 percent	38.4 percent	39.5 percent
Total PHP Utilization	39.6 percent	42.1 percent	39.4 percent

*The contract period is from July 1, 2015, through June 30, 2016. The table displays validated claims data captured up to date, and does not include complete run-out of claims data for the contract period.
** Due to a data quality issue, DHCS is using EQRO validated self-reported data from Access: State Fiscal Year (SFY) 2014-2015: http://www.denti-cal.ca.gov/provsrvcs/managed_care/perf_meas_PHP_rept_2014-15_Q4.pdf; and SFY 2015-2016: http://www.denti-cal.ca.gov/provsrvcs/managed_care/prelim_perf_meas_PHP_2015-16_Q4.pdf

Healthcare Effectiveness Data and Information Set (HEDIS)-like criteria were utilized to calculate ADV rates for the data displayed in Table 2 and Table 3 above. HEDIS is a widely used set of performance measures in the managed care industry, which was designed to compare health plan performance to other plans to set benchmarks. DHCS uses a more inclusive list of procedures codes, because it is believed to provide a more accurate picture of overall utilization. The data exhibited within this document are based on validated claims data retrieved from the Medi-Cal Management Information System/Decision Support System data warehouse through the Medi-Cal Dental Dashboard.

Based on an additional DHCS analysis, provided below, beneficiary utilization rates are generally higher in FFS counties than DMC counties.

Table 4: ADV Utilization by Delivery System for Children Ages 0 through 20*

		2013**	2014**	2015**	2016**
Fee-for-Service	**ADV %**	54.6%	54.3%	52.0%	50.9%
	Numerator	1,598,387	2,032,571	2,160,030	2,257,316
	Denominator	2,925,395	3,744,337	4,153,812	4,436,765
Dental Managed Care, Sacramento County	**ADV %**	42.1%	42.2%	41.3%	40.2%
	Numerator	28,371	57,884	64,093	65,029
	Denominator	67,356	137,118	155,149	161,929
Dental Managed Care, Los Angeles County	**ADV %**	41.6%	41.9%	42.1%	40.8%
	Numerator	50,451	92,229	80,954	75,008
	Denominator	121,355	219,984	192,315	183,841

*Data Source: http://www.dhcs.ca.gov/services/Documents/MDSD/DHCSDentalVisitsUtilization.pdf
** 12-month period in the federal fiscal year beginning October of the prior year and ending in September of indicated year.

Post Adjudication Claims and Encounter Data Systems (PACES)

Effective June 12, 2015, DHCS transitioned to PACES, a national standard file format for dental encounter data submission. DHCS is mandated to collect and report on claims paid under Denti-Cal FFS and managed care encounters reported by DMC plans. The PACES transition created consistency with other Medicaid dental programs across the country and further drives DHCS' mission to improve encounter data quality. The DMC plans completed all network testing at the end of 2015, and are currently billing through the PACES system. DHCS continues to work closely with DMC plans to identify and correct any systematic irregularities.

Eligibility Calculation Modification

In order to align with the CMS data reporting requirements for dental program data, DHCS modified the eligibility criteria used for reporting purposes. DHCS also defined eligibility as the number of members enrolled for at least 90 continuous days in the same plan during the reporting period, excluding multi-year measures. This method replaced the existing method of calculation in which eligibility is based on the number of members continuously enrolled in the same plan for 11 out of 12 months with no more than a one month gap in eligibility. All Performance Measures and Benchmarks (PMBs) are subject to the new eligibility criteria effective January 1, 2016, for Sacramento County GMC, and July 1, 2016, for Los Angeles PHP.

Improvement Efforts

The mission of DHCS is to provide Californians with access to affordable, high-quality health care, including dental services. In an effort to increase utilization amongst children, DHCS initiated efforts with advocacy groups and other agencies toward promoting oral health for Medi-Cal beneficiaries and expanding modalities used for the provision of dental services.

Consumer Satisfaction Survey

DHCS is required by W&I Code §14459.6 to conduct consumer satisfaction surveys. The intent of the survey is to evaluate member satisfaction with DMC providers. The consumer satisfaction survey includes representative samples of members enrolled in each of the dental plans in Sacramento and Los Angeles Counties. The survey is the Medi-Cal dental equivalent of the Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey as used by the Healthy Families Program, which transitioned into Medi-Cal in 2013. The consumer satisfaction survey collects information on a beneficiary's dental history, which includes plan and provider information within the last 12 months.

DMC plans contracted with an External Quality Review Organization, Health Services Advisory Group (HSAG), to administer the 2016 CAHPS survey. The CAHPS Dental Plan Survey, currently available for the adult population only, was modified by HSAG for administration to a child Medicaid population to create a Child Dental Satisfaction Survey. Random samples of 1,650 child eligible members from Los Angeles and Sacramento Counties were selected for each of the three DMC plans. The parents and caretakers of enrolled child Medicaid members completed the surveys between June and September 2016. The average response rate for all plans was 17.28 percent.

Based on HSAG's analysis of survey responses, member satisfaction for the three plans is outlined in the tables below:

Table 5: Dental Managed Care Plan Rating

	Rating of Dental Plan		
DMC Plans	Satisfied	Neutral	Dissatisfied
Access	54.1%	29.9%	16.1%
Health Net	51.7%	31.2%	17.1%
LIBERTY	47.5%	28.8%	23.8%

Table 6: Patient Referral Rate for Dental Managed Care Plans

	Would Recommend Dental Plan		
DMC Plans	Yes	Neutral	No
Access	45.5%	42.4%	12.2%
Health Net	46.1%	43.6%	10.3%
LIBERTY	39.8%	44.8%	15.4%

HSAG identified certain responses consistent across DMC plans as, "key drivers of satisfaction," and recommended DMC plans consider efforts to improve overall member satisfaction by focusing on the following identified areas:

- Increase effective dentist communication with parents/caretakers and child members to improve patient satisfaction and quality of care. Provide workshops for dentists to learn effective communication practices and the importance of effective dentist-patient communication.
- Encourage providers to explore an open access scheduling model allowing patients to schedule same-day appointments to increase continuity of care and reduce delays in patient care, patient wait times, and number of no-show appointments.
- Incorporate an online patient portal to provide members user-specific dental plan and dental health information and perform a periodic review of online dental plan information to ensure accuracy and relevancy.
- Establish plan-level customer service performance measures to address potential areas of concern, such as the amount of time it takes to resolve a member's inquiry about dental plan coverage.
- Implement a customer service training program to teach the fundamentals of effective communication and a support structure to ensure learned skills are carried out by staff with leadership involvement.

DHCS and DMC plans are working collaboratively to identify opportunities to improve consumer satisfaction based on the recommendations above.

Sacramento County GMC Dental Study

In November 2016, Barbara Aved presented her research titled "What Parents Are Saying About…Fear, Misconceptions and Other Barriers to Children's Use of Dental Services." The study was conducted by interviewing 157 Sacramento County GMC parents and caregivers, 123 of whom had never taken or delayed taking their child aged 1-6, covered by Medi-Cal, to the dentist. The study explored what kept them from utilizing or fully utilizing their child's dental benefits. One positive finding is that while parents had negative things to say about non child-friendly *dental offices*, there were almost no negative comments about the dental managed care plans they were enrolled in. The study offered several short- and long-term recommendations for improvement, most of which are being addressed by current DHCS efforts. DHCS appreciates the efforts by Barbara Aved and Associates to suggest ways to improve DMC.

Dental Transformation Initiative

On December 30, 2015, CMS granted the state's request to extend California's section 1115(a) demonstration (11-W-00193/9), entitled "California Medi-Cal 2020 Demonstration," through December 31, 2020.[3] Since improving dental care in Medi-Cal is a critical goal of DHCS, the Medi-Cal Dental program was included in the 1115 Waiver under the Dental Transformation Initiative (DTI). Through the DTI, DHCS is implementing four dental efforts (domains), with up to $750 million in funding for these

[3] http://www.dhcs.ca.gov/provgovpart/Pages/medi-cal-2020-waiver.aspx

efforts. DTI is aimed at improving access to care, improving provider participation, and improving overall dental outcomes for children enrolled in Medi-Cal.

DTI allows DHCS to implement targeted pilots and incentives, which go beyond the scope of benefits currently allowed under the State Plan, Schedule of Maximum Allowances, and Manual of Criteria. This affords DHCS the opportunity to test different approaches to increasing provider participation and utilization. The following DTI domains were developed to address specific issues identified by CMS and DHCS:

- Domain 1: Increase Preventive Services Utilization for Children is aimed at increasing preventive services utilization for children ages one through 20 by at least 10 percentage points over the five years through incentive payments to providers who achieve an increase based on their base data. This domain is statewide and all enrolled providers and safety net clinics (SNCs) may participate. The first provider payment will be made in January 2017: 156 DMC providers achieved their benchmarks and are expected to receive incentive payments, while 793 DMC providers did not achieve their benchmarks and did not qualify for Domain 1 incentive payments.

- Domain 2: Caries Risk Assessment and Disease Management Pilot provides incentive payments to dental providers performing caries risk assessments in accordance with a pre-identified treatment plan for children ages six and under. DHCS selected 11 counties for this domain where the ratios were highest of restorative to preventive services. Providers opt in to this domain and must complete training prior to participating. This domain is being implemented in Sacramento County, but not Los Angeles County. Payments to providers will begin in April 2017.

- Domain 3: Increase the Continuity of Care operates in 17 pilot counties and aims to improve continuity of care for children by providing incentive payments for providers who continue to see the same child each year. An incentive payment will be paid to service office locations annually that have maintained continuity of care by providing qualifying examinations to enrolled Medi-Cal beneficiaries, age 20 and under for two (2), three (3), four (4), five (5), and six (6) year continuous periods. The first annual payment is scheduled for June 30, 2017. Sacramento and Los Angeles counties are not included in this domain.

- Domain 4: Local Dental Pilot Programs (LDPPs) provides for local dental pilot projects. DHCS has approved 15 pilots to address goals of Domains 1-3 through alternative programs. The LDPPs are scheduled to begin in July 2017.

Extensive community outreach throughout 2016 has led to high awareness of the initiative across the state. DHCS anticipates increased provider enrollment as a result of the DTI.

Medi-Cal Dental Dashboard

The Medi-Cal Dental Dashboard was developed under a grant from the California HealthCare Foundation. Health Management Associates collaborated with DHCS in developing a dynamic, interactive dental dashboard, which monitors the delivery of Medi-Cal dental services. The dashboard allows for easy interpretation and analysis of the Medi-Cal dental data and more effective monitoring of the dental plans.

It provides DHCS with the ability to easily modify parameters and create data visualizations to efficiently answer questions and make informed decisions by determining any driving trends or program issues in Medi-Cal dental care. DHCS has used the dashboard to develop extensive data reports now published on the DHCS website at http://www.dhcs.ca.gov/services/Pages/MediCalDental.aspx and is developing additional data sets that will be posted on the DHCS website and California Health and Human Services Agency Open Data Portal.

Legislative and Federal Action

Federal Managed Care Regulations

In May 2016, CMS issued Final Rule 2390-P on managed care in Medicaid and the Children's Health Insurance Program (CHIP). The new rule represents a major revision and modernization of federal regulations in this area. Overall, the regulation extends a more rigorous regulatory structure to all forms of Medicaid managed care, including Dental Managed Care. DHCS must implement some provisions as early as July 1, 2017, with additional provisions in 2018 and future years. Key provisions to implement include:

- Implement network adequacy time and distance standards, and submit compliance certifications to CMS.
- Implement additional provider screening and enrollment requirements, as well as state monitoring functions.
- Collect, validate, and maintain data on providers, beneficiaries, and encounters, and submit data to CMS.
- Develop a quality rating system and managed care quality strategy.
- Modify External Quality Review Organization functions to include validation of network adequacy and assistance with quality rating system.
- Implement a beneficiary support system prior to and after enrollment, and develop a uniform beneficiary handbook which meets accessibility standards.

Further, the final rule established a minimum medical loss ratio (MLR) standard for managed care plans, including DMC plans, for the first time. The minimum MLR is 85 percent, effective for contracts starting on or after July 1, 2019. Currently, the DMC plans have MLRs of approximately 70 percent. DHCS must develop capitation rates in a manner such that the plan can reasonably achieve an MLR of at least 85 percent in a rate year, taking into account the plan's actual MLR in the past rate year.

Assembly Bill (AB) 2207

AB 2207 (Wood, Chapter 613, Statutes of 2016) requires DHCS to undertake specified activities for the purpose of improving the Medi-Cal Dental Program, such as expediting provider enrollment and monitoring dental service access and utilization. The bill requires a Medi-Cal managed care health plan to provide dental health screenings for eligible beneficiaries and refer them to appropriate Medi-Cal dental providers. AB 2207 also adds performance measures for both the dental FFS program and dental managed care plans.

Under AB 2207, DHCS is required to align dental FFS and DMC annual and quarterly data reporting requirements, commencing April 30, 2017, and quarterly thereafter. DHCS is required to post the performance measure data for dental FFS and DMC on its website.

Assembly Bill 2346

AB 2346 (Baker, Chapter 522, Statutes of 2016) adds DHCS to the list of public and private agencies, including county departments of social services, which are required by law to write a position statement for a fair hearing on an action taken for a public social services program, including the Medi-Cal program. Agencies must make the position statement available to an applicant or recipient two business days prior to a scheduled fair hearing. Additionally, AB 2346 requires position statements to be sent through the United States Post Office (USPS), or, upon request, through electronic means, in addition to making it available at the county department of social services. DHCS will collaborate with other state agencies to ensure consistency in the implementation of changes to the fair hearing process.

Conclusion

DHCS' mission is to provide Californians with access to affordable, high-quality health care, including dental services. DHCS will continue to collaborate with contracted DMC plans, DMHC, legislative partners, federal partners, and stakeholders to ensure this goal is attained. DHCS will continue close monitoring and oversight of DMC contracts and associated CAPs to encourage growth in utilization. In addition, DHCS will continue working closely with DMC plans to develop strategies for addressing the challenges in meeting contractual requirements related to performance measures. These efforts remain a high priority for DHCS as it constantly seeks to improve services and ensure Medi-Cal members have patient-centered, coordinated care, and are keenly aware of their choices within DMC.