March 23, 2015

Mari Cantwell
Chief Deputy Director
California Department of Health Care Services

RE: California’s Medicaid Section 1115 Waiver Renewal

Dear Ms. Cantwell,

It has come to my attention that a proposed Values-Based Incentives pilot project focused on oral health was not included in California’s Medicaid Section 1115 Waiver Renewal. This is a concern as almost two years of planning has been invested in this pilot with input from DHCS. I am writing to urge DHCS to consider including a pilot of “Values-based Incentives” for oral health, which is described below, in the California’s Medicaid Section 1115 Waiver Renewal.

As you know, the recent California State Auditor’s report on the Medi-Cal dental program was critical of the program and recent legislative hearings have highlighted the need for improvements. I recognize that the draft waiver renewal includes some strategies to improve access to dental care for individuals enrolled in Medi-Cal. However, to truly meet the goal of the waiver to redesign California’s delivery system and to focus on improved health while lowering costs, I strongly urge you to include a system for value based incentives for providers to improve the oral health of children and adults enrolled in Medi-Cal.

Significant work has been done to design a pilot of a Values-based Incentive program for oral health in the Medi-Cal Dental program. This work was funded through a HRSA grant to the California Department of the Public Health. Through a subcontract from that grant and a year-long process, the Pacific Center for Special Care at the University of the Pacific Arthur A. Dugoni School of Dentistry (Pacific) worked with a broad stakeholder Advisory Group, which included staff from DHCS, to design a pilot that will lead to more people in underserved communities having access to oral health care, will result in better health of these groups, and will lower the cost per capita for achieving all this. This design was based on the Triple Aim, and in this case applied is to oral health.
Staff from the Denti-Cal Branch of DHCS were very helpful in developing and refining 10 iterations of the preliminary design plan for this pilot. As indicated in the attached Preliminary Design document, to make any real progress in addressing the significant oral health disparities that currently exist in California, it is essential that efforts of oral health providers be refocused on improving the health of the eligible population. The Value-based Incentive pilot is a way to do this. The main idea of the pilot is to use payment incentives based on oral health outcomes to drive providers and community partners to use delivery methods that have been developed as a part of the very successful Virtual Dental Home pilot that resulted in the enactment of AB1174 last year. This system has demonstrated results in reaching people who do not traditionally get any dental care and focusing on delivering prevention and early intervention services in community settings.

The Children’s Dental Health Project recently sent DHCS a report, funded by the California HealthCare Foundation called *Meeting the Triple Aim for Children’s Oral Health: Recommendations for Patient-Centered Pediatric Oral Health Care in Medi-Cal*. The report highlights the need to move the Medi-Cal dental program from paying for volume to paying for value and specifically recommends that California pursue the value-based incentive pilot described here.

In order for this pilot to take place, it is necessary that it have CMS waiver authority. I understand that the proposal to include this pilot in California’s Medicaid Section 1115 Waiver Renewal was presented to DHCS. However, I am not sure what process was followed and what consideration was given to this idea. Nevertheless, I was disappointed to see that it is not included in the Medi-Cal 2020 – 1115 Waiver Renewal Concept Paper released last week.

The crisis in oral health disparities in California is large and will become worse with the increase in eligible people and little ability under the current system to increase capacity. Moving the payment system for oral health from volume to value and adopting delivery systems that bring care to where people are, use allied personnel at the top of their levels of skill and education, and emphasize prevention and early intervention are viable ways to make a real difference.

It is imperative for California to address the findings from the audit report and achieve the Centers for Medicaid and Medicare Services goals to adopt innovative value-based strategies to serve more of California’s Medicaid eligible population. California has the opportunity to do something significant in addressing the oral health problems we face as a state by including the Value-based Incentive program for oral health in California’s Medicaid Section 1115 Waiver Renewal.
I will be happy to meet with you or others to explain this idea in more detail, answer any question about its implementation and, figure out how we can work together to address the oral health needs of California’s most vulnerable populations.

Thank you for your consideration of this request.

Paul Glassman DDS, MA, MBA

Attachment: Value-Based Incentives for Oral Health: Preliminary Design

CC:
Assembly Member Rob Bonta
Assembly Member David Chiu
Assembly Member Mike A. Gipson
Assembly Member Sebastian Ridley-Thomas
Assembly Member Tony Thurmond
Assembly Member Marie Waldron
Assembly Member Jim Wood
Senator Ed Hernandez
Senator Holly J. Mitchell
Senator Bill Monning
Senator Richard Pan
Ms. Jennifer Kent, DHCS
Mr. Jon Chin, DHCS
Ms. Roanna Jackson, CDPH
Dr. Caroline Peck, CDPH
Mr. Mario Gutierrez, Center for Connected Health Policy
Ms. Mei Wa Kwong, Center for Connected Health Policy
Ms. Eileen Espejo, Children Now
Ms. Jenny Kattlove, The Children’s Partnership