

# CHILDREN NOW

January 29, 2015

Members, California State Senate  
California State Capitol  
Sacramento, CA 95814

Members, California State Assembly  
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Sacramento, CA 95814

## **Re: Denti-Cal Audit Findings and Immediate Opportunities to Improve Children's Access to Oral Health Care in California**

Dear California State Senators and Assemblymembers,

As you are likely aware, the California State Auditor's recent report on Medi-Cal's Dental Program, known as Denti-Cal, and administered by the California Department of Health Care Services (DHCS), found critical information shortcomings and ineffective actions in Denti-Cal to ensure children in Medi-Cal have access to dental care. The Auditor's report suggested that these deficiencies are "putting children enrolled in Medi-Cal...at higher risk of dental disease."<sup>1</sup>

Data deficiencies within Denti-Cal include a lack of established criteria to assess utilization rates under the fee-for-service model and a lack of specificity in DHCS' collection efforts required to meet federal and state reporting requirements. The Auditor's report also found that DHCS has not reviewed provider reimbursement rates as required by state law nor have they enforced certain contract provisions such as beneficiary and provider outreach activities in order to increase dental utilization.

On behalf of Children Now, I am writing to ask for your leadership in ensuring that the recent Denti-Cal audit findings do not languish in a report, but are instead used to motivate DHCS, policymakers, and all relevant stakeholders to ensure that child beneficiaries have adequate access to dental care through Medi-Cal. Below we offer several opportunities that the Legislature can take this year to address the audit findings:

### **1) Request that DHCS share the commitments they plan to institute in the Denti-Cal program in order to increase children's dental utilization.**

In 2012 when it was discovered that the Medi-Cal Geographic Managed Care dental care program in Sacramento County was not sufficiently serving child beneficiaries, DHCS issued a list of "immediate action expectations"<sup>2</sup> for the contracted dental managed care plans to execute. While we are aware that DHCS has developed corrective action plans with varying timelines to address several of the findings found in the Denti-Cal audit,<sup>3</sup> we think it would also be helpful for DHCS to provide similar immediate actions to improve Denti-Cal.

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<sup>1</sup> California State Auditor, "Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care," December 2014, pg. 1, <http://www.auditor.ca.gov/pdfs/reports/2013-125.pdf>.

<sup>2</sup> See [http://www.denti-cal.ca.gov/WSI/ManagedCare.jsp?fname=gmc\\_expectations\\_and\\_action\\_items](http://www.denti-cal.ca.gov/WSI/ManagedCare.jsp?fname=gmc_expectations_and_action_items).

<sup>3</sup> California State Auditor, "Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care," December 2014, pgs. 73-82, <http://www.auditor.ca.gov/pdfs/reports/2013-125.pdf>.

2) **Use the Medi-Cal Children’s Health Advisory Panel (MCHAP) and other existing stakeholder forums to address and track the recommendations from the audit.**

The Medi-Cal Children’s Health Advisory Panel (MCHAP) was strengthened per Assembly Bill 357 (Pan, Chapter 376, Statutes of 2014) and advises DHCS on policy and operational issues that affect children in Medi-Cal. We recommend that DHCS utilize the MCHAP meetings<sup>4</sup> to address and track implementation of the corrective action plans that DHCS has developed in response to the Denti-Cal audit as well as any other immediate actions DHCS determines to pursue (per the first recommendation).

3) **Restore funding to the California Children’s Dental Disease Prevention Program (CCDDPP).**

Two of the audit findings – specifically about collecting accurate utilization data and assuring adequate dental provider networks – present a critical opportunity to restore funding to the California Children’s Dental Disease Prevention Program (CCDDPP). Until its suspension in 2009, CCDDPP provided preventive dental services to 300,000 underserved elementary school children students each year. CCDDPP operated in 32 counties in schools where at least 50 percent of the student population participated in the National School Lunch program.<sup>5</sup> CCDDPP provides services including dental screenings, fluoride rinses, dental sealants, and oral health education. Restoring CCDDPP would allow counties to better track dental services provided to children, as well as help the state monitor dental provider enrollment and participation in Denti-Cal.

4) **Support full implementation of California’s Pediatric Oral Health Action Plan (CA POHAP).**

In April 2011, the federal Centers for Medicare and Medicaid Services (CMS) released their Oral Health Strategy<sup>6</sup> in order to improve access to and utilization of oral health services for children enrolled in Medicaid and CHIP Programs. The plan specifically gives states two goals to achieve over a 5-year period: (1) To increase the rate of children ages 1-20 enrolled in Medicaid or CHIP who receive any preventive dental service by 10 percentage points; and (2) To increase the rate of children ages 6-9 enrolled in Medicaid or CHIP who receive a dental sealant on a permanent molar tooth by 10 percentage points.

Even without funds appropriated for states to implement the strategy, DHCS has still developed an action plan to reach these goals. One of the most promising strategies identified is to ensure that public health sites such as those administered by school-based health centers, WICs, and local First 5 programs properly bill Denti-Cal for dental services rendered to children. By billing Denti-Cal, these services can then be counted towards the state’s goals set by CMS *and* the public health sites will receive necessary reimbursement from the Denti-Cal program, thus helping keep these programs sustainable. These and the other strategies in

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<sup>4</sup> Minutes from 2014 meetings and the schedule for 2015 can be found here,

[http://www.dhcs.ca.gov/services/Pages/Medi-Cal\\_Childrens\\_Health\\_Advisory\\_Panel.aspx](http://www.dhcs.ca.gov/services/Pages/Medi-Cal_Childrens_Health_Advisory_Panel.aspx).

<sup>5</sup> To qualify for free or reduced-price meals, a student’s family income must fall below 185 percent of the federal poverty level, or \$42,643 for a family of four in 2012-13, see <http://www.cde.ca.gov/ls/nu/rs/scales1213.asp>.

<sup>6</sup> <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/CMS-Oral-Health-Strategy.pdf>

the CA POHAP need to be fully implemented and supported by policymakers to help address unacceptably low utilization rates as found by the audit report.

**5) Support the Governor's budget proposal to adopt that the Child Health and Disability Prevention (CHDP) Program make dental referrals for children by age one.**

The Governor's proposal would amend the Health & Safety Code to require CHDP to make dental referrals for children at least one year of age rather than three.<sup>7</sup> This amendment would keep in line with guidance issued by the American Academy of Pediatrics and the American Academy of Pediatric Dentistry to promote preventive dental care. We support the Governor's proposal to amend the code so that all CHDP programs throughout the state are making dental referrals for younger children.

**6) Strengthen collaboration between the newly restored State Office of Oral Health and Medi-Cal.**

The 2014-15 budget restored funding for a state dental director and an oral health epidemiologist housed within the California Department of Public Health. Once these positions are filled, one of their tasks will be to develop a statewide oral health plan. We recommend that the State Office of Oral Health and relevant Medi-Cal divisions at DHCS coordinate activities to improve children's utilization of dental services, such as those already identified in the CA POHAP.

The suggested actions above are ideas that could be taken this year by the Legislature to improve the Denti-Cal program, and ultimately ensure that child beneficiaries access the important dental services for which they are eligible and entitled. Thank you for your consideration of these requests. We look forward to working with you to leverage the Auditor's findings and improve the Denti-Cal program. If you have any questions or would like additional background on Children Now's oral health work, please contact me at 510-763-2444, x114 or [eespejo@childrennow.org](mailto:eespejo@childrennow.org).

Sincerely,



Director, Media & Health Policy  
Children Now

cc: Jon Chin, Acting Chief of Medi-Cal Dental Services, California Department of Health Care Services  
Michael Cohen, Director, California Department of Finance  
Diana Dooley, Secretary, California Health & Human Services Agency  
Toby Douglas, Director, California Department of Health Care Services  
Elaine M. Howle, State Auditor, California State Auditor  
Jennifer Kent, Director, California Department of Health Care Services  
Mac Taylor, Legislative Analyst, California Legislative Analyst's Office

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<sup>7</sup> Current code reflecting the age three referral,  
<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hsc&group=124001-125000&file=124025-124110>.