June 8, 2016

Jennifer Kent
Director, Department of Health Care Services
State of California
1501 Capitol Avenue
Sacramento, CA 95814

Dear Director Kent:

The Medi-Cal Children’s Health Advisory Panel (MCHAP) is an independent, statewide advisory board, legislatively authorized to advise the Department of Health Care Services (DHCS) on matters relevant to all children enrolled in Medi-Cal and their families, including, but not limited to, emerging trends in the care of children, quality measurements, communications between DHCS and Medi-Cal families, provider network issues and Medi-Cal enrollment issues.

To carry out this legislative charge, MCHAP organized a number of workgroups to develop recommendations for improving systems and services for low-income children. This letter and recommendations report on MCHAP’s initial review of children’s dental services.

Ensuring access to quality dental services for Medi-Cal eligible children has been a long-standing challenge for California. As part of its analysis, MCHAP had conversations over many months and reviewed a number of reports detailing the barriers in California, as well as current and proposed efforts by DHCS to overcoming these challenges. Dr. Paul Reggiardo, a pediatric dentist and member of MCHAP, provided invaluable information and perspective to the Panel as it discussed these important issues.

On December 30, 2015, the Centers for Medicare and Medicaid Services (CMS) approved California’s Medi-Cal 2020 1115 waiver, which will provide an additional $740 million to California’s Medi-Cal dental program over the next five years. This is the first time the state’s dental program has received such a substantial federal investment and it is unprecedented in other state Medicaid dental programs. MCHAP applauds DHCS for these efforts.

The following recommendations are forwarded in the interest of ongoing collaboration between MCHAP and DHCS to improve dental services to children enrolled in Medi-Cal. MCHAP actively supports current efforts by DHCS such as changes to the provider application process and targeted incentive payments through the Medi-Cal 2020 waiver. MCHAP recommendations propose that DHCS expand its efforts to improve dental access and quality through a number of additional initiatives.

1The following reports were reviewed as background: 1) California Department of Health Care Services: Weaknesses in Its Medi-Cal Dental Program Limit Children’s Access to Dental Care, Report 2013-125. 2) Department of Health and Human Services, OFFICE OF INSPECTOR GENERAL MOST CHILDREN WITH MEDICAID IN FOUR STATES ARE NOT RECEIVING REQUIRED DENTAL SERVICES, Suzanne Murrin Deputy Inspector General for Evaluation and Inspections January 2016 OEI-02-14-00490. 3) Medi-Cal Dental Services Rate Review, July 1, 2015: Submitted by the California Department of Health Care Services In Fulfillment of the Requirements of Welfare & Institutions Code §14079. 4) American Dental Association: Gap in Dental Care Utilization Between Medicaid and Privately Insured Children Narrows, Remains Large for Adults. 5) American Dental Association. A Ten-Year, State-by-State, Analysis of Medicaid Fee-for-Service Reimbursement Rates for Dental Care Services. 6) Request letter sent April 6, 2015 by Senator and Dr. Richard Pan to the Little Hoover Commission requesting they examine California’s Denti-Cal program.

2 Fixing Denti-Cal, Little Hoover Commission report #230 was issued after the MCHAP recommendation was adopted. http://www.lhc.ca.gov/studies/230/Report230.pdf
1. Increase provider reimbursement through targeted changes in the Medi-Cal fee-for-service Schedule of Maximum Allowances (SMA) to incentivize provider participation and retention in the Denti-Cal program.

- While the reversal of the earlier 10% rate reduction contained in the 2015-2016 state budget restores provider payments to 2000 levels, Denti-Cal reimbursement remains inadequate for program sustainability. The Department's own Medi-Cal Dental Services Rate Review, released in July 2015, reported a 44% increase in children enrolled in Medi-Cal since 2008 while, in the same time period, there was a 15% decrease in enrolled Denti-Cal providers. The review also determined that California's 2014 SMA for the 25 most common dental services were well below those in the comparable states of New York, Texas and Florida and only 31% of the national average for commercial benefit (insurance) programs.
- These findings were essentially identical to those of the State Auditor, which reported reimbursement rates paid to Denti-Cal providers amounted to only 35% of the national average.
- Targeted rate increases make sense to enhance access and the provision of care to defined underserved populations (such as the developmentally disabled), dental provider shortage areas, age-related services (especially for infants and children age 6 and under), and to amplify preventive treatment. Less than 15% of all Denti-Cal expenditures now are spent on preventive care.

2. Simplify and streamline the Denti-Cal provider enrollment application and recertification process.

- The current Denti-Cal enrollment and recertification procedure is complex, difficult to maneuver, and discourages and delays provider participation. It is not uncommon for providers to be required to submit many pages of supporting documentation and to experience delays of more than 6 months for enrollment to be successfully completed.
- The Provider Application and Validation for Enrollment (PAVE) provider enrollment system is being implemented by DHCS to move from a manual, paper-based process to a web-based portal for providers to complete and submit applications, verifications, and report changes. PAVE offers providers on-line instructions; secure log-in; increased accuracy; application fee payment; document uploading capability; electronic signature; application progress tracking; and reduced processing time. MCHAP encourages DHCS to pursue the rapid expansion of those improvements to the dental program and its providers.
- The MCHAP offers its active support to these efforts underway by DHCS to simplify and streamline provider enrollment. The MCHAP would like to work with DHCS as changes are made and continue to monitor improvements to the provider enrollment application and recertification process.

3. Reduce unnecessary administrative claim payment and treatment authorization requirements to streamline the Medi-Cal dental program.

- The Denti-Cal documentation and reporting requirements, as well as the pre-authorization criteria for the provision of services, is much more extensive, expensive, and time-consuming than that required by commercial dental plans. More complex documentation and reporting requirements also make it more difficult for dentists to integrate the Denti-Cal program into their practice routines.
- DHCS should continue to clarify the General Anesthesia and IV Sedation policy guidance detailed in the Department of Health Care Services All Plan Letter 15-012 (Revised 8/21/15) and the Denti-Cal Provider Bulletin Vol 31, No 12 (August 2015). DHCS has implemented efforts to clarify the policy for health plans and providers through training and technical assistance. MCHAP requests that DHCS report back on continuing steps to clarify the policy implementation and provide data about trends and concerns related to utilization of services under general anesthesia and sedation.
4. Assess network capacity and report on progress to increase beneficiary utilization by at least 10 percentage points over five years.
   - The Department’s initial Dental Provider Network Capacity Survey, released in 2015, found a majority of providers were willing to accept new child beneficiaries, including patients age three and under. MCHAP recommends expanding the survey to reach more providers, as well as exploring future capacity and input about programmatic or administrative issues to increase beneficiaries accepted into care.
   - MCHAP anticipates that the Medi-Cal 2020 Dental Transformation Initiative (DTI) will increase utilization and is pleased that the Special Terms and Conditions set a benchmark of at least a 10 percentage point increase in utilization rates for dental services (e.g. from approximately 50.9% to 60.9%) over the five-year waiver.
   - MCHAP further recommends that DHCS identify new initiatives and best practices to overcome obstacles and barriers to care, including social determinants of health by strengthening case management services to Denti-Cal beneficiaries and their families.
   - The Los Angeles County Dental pilot (https://www.childrennow.org/local-resources/la-dental) involves working with plans to overcome a lack of dental care by sharing information with primary care physicians and may be a promising practice to improve dental services and care coordination. Medi-Cal 2020 local pilot projects to improve utilization and coordination of services are an opportunity to track and regularly report success.

5. Create additional opportunities for stakeholder participation and transparency in planning and implementing the Dental Transformation Initiative (DTI) of the Medi-Cal 2020 Section 1115 Waiver
   - DHCS should employ a robust stakeholder process in setting and evaluating project benchmarks to determine success in meeting the goals and objectives of the DTI and should regularly report progress.
   - MCHAP requests that one of its members be engaged as a member of the DTI stakeholder process.

6. Utilize the expertise of an independent Medi-Cal Dental Policy Advisory Committee to assess and make recommendations regarding the delivery of Denti-Cal services to the DHCS, in coordination with the California Department of Public Health, State Dental Director.
   - The Fixing Denti-Cal report from the Little Hoover Commission and SB1098 recommend establishing a Dental Advisory Committee. This effort is necessary to maximize the quality, effectiveness, efficiencies, and oral health outcomes of Denti-Cal services and programs and to meet the expectations and requirements of CMS, HRSA and the Healthy People 2020 objectives.
   - MCHAP supports the creation of a Dental Advisory Committee and recommends inclusion of representation of consumers and parents of consumers on the advisory committee.
   - MCHAP requests that one of its members be engaged as a member of this stakeholder process if created.

Thank you for your efforts to date to improve dental care for California’s children. We greatly appreciate the active engagement and dialog with DHCS as MCHAP continues to develop recommendations. We look forward to continuing to work with you.

Respectfully,
Ellen Beck, M.D.
Chair, Medi-Cal Child Health Advisory Panel