

**STATE OF CALIFORNIA  
MEDI-CAL DENTAL SERVICES  
DIRECTED PAYMENT PROGRAM  
ANNUAL EVALUATION FOR  
PROGRAM YEAR 5:  
JANUARY 2022 - DECEMBER 2022**

May 2024

## Executive Summary

The Proposition 56 Medi-Cal Dental Services Directed Payment Program (DPP) Annual Evaluation conveys the results of the Evaluation Plan originally submitted by the California Department of Health Care Services (DHCS) in accordance with Title 42 of the Code of Federal Regulations (CFR), section 438.6(c)(2)(ii)(D). Specifically, this Annual Evaluation concerns the Medi-Cal Dental Services DPP that was in effect during the Program Year (PY) 5 for calendar year 2022 and was approved by the Centers for Medicare and Medicaid Services pursuant to 42 CFR section 438.6(c).

## Directed Payment Program Being Evaluated

This DPP directs Medi-Cal Dental Managed Care Plans (Dental MCPs) and Health Plan of San Mateo Dental Integration Pilot (HPSM) to make uniform and fixed dollar amount add-on payments to eligible network providers based on the utilization and delivery of qualifying dental services which included specific restorative, endodontic, prosthodontic, periodontal, oral, and maxillofacial, orthodontics, adjunctive, and visits for diagnostics and preventive services (for adults) identified by the Current Dental Terminology (CDT) codes <sup>1</sup>. These codes combined with the California Advancing and Innovating Medi-Cal (CalAIM) dental initiatives <sup>2</sup> focus on increasing utilization in children and adults. This directed payment arrangement was developed in accordance with the California Healthcare, Research, and Prevention Tobacco Tax Act of 2016 (Proposition 56), a ballot proposition to increase the excise tax rate on cigarettes and other tobacco products for the purpose of funding certain State expenditures including health care programs administered by DHCS.

## Evaluation Purpose and Related Questions

The State has directed Dental MCPs and HPSM to make the enhanced payments to eligible Dental Health Professionals for specified dental services eligible for Proposition 56 funds. These enhanced payments will be in addition to contracted providers' existing payments and are expected to enhance the quality of patient care experience by supporting Dental Health Professionals in California to deliver effective, efficient, and affordable care.

The purpose of this Annual Evaluation is to identify if higher payments to qualifying dental providers serve to maintain or improve utilization of dental services by Medi-Cal members in PY 5 for January 1, 2022, to December 31, 2022. PY 5 is a reporting period

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<sup>1</sup> [Medi-Cal Dental CDT and SMA for Proposition 56 Supplemental Payments](#)

<sup>2</sup> [DHCS-CalAIM-Dental](#)

of 12 months, with the evaluation period outlined in the Evaluation Design to end on December 31, 2022. This evaluation is designed to answer the following questions regarding the Dental Services DPP for this evaluation period:

1. Do higher directed payments to dental providers in PY 5 maintain or improve the percentage of Annual Dental Visits in PY 5?
2. Do higher directed payments to dental providers in PY 5 maintain or improve the percentage of Preventive Services Utilization in PY 5?
3. Do higher directed payments to dental providers in PY 5 maintain or improve the percentage of Dental Treatment Services Utilization in PY 5?

## **Evaluation Design**

For Dental MCPs DHCS utilized the measurement year PY 5 (CY 2022), PY 4 (CY 2021), PY 3.5 (CY 2020), PY 3 (SFY 2019-2020), PY 2 (SFY 2018-2019), PY 1 (SFY 2017-2018), and baseline year (SFY 2016-2017) to identify changes in utilization patterns with the target of maintaining or increasing the baseline number in PY 5 for. The HPSM Dental Integration Program implemented on January 1, 2022, and as such, establishes the baseline for HPSM. This baseline will be used to identify patterns in future program years.

The data measures Medi-Cal members who were enrolled in the same Dental MCP or in HPSM for at least three continuous months during the measurement year and excludes provider types that did not receive Proposition 56 funds, including Federally Qualified Health Centers, Rural Health Clinics, Tribal Health Clinics, and Cost-Based Reimbursement Clinics. DHCS further stratified the results by children (ages 0-20) and adults (ages 21 and above) for specific utilization patterns.

## **Data Sources**

The encounter data utilized for this report was derived from the adjudicated encounter data submitted by HPSM and the six Dental MCPs, three in Sacramento and three in Los Angeles counties. The Dental MCPs and HPSM submit encounter data to DHCS' Post-Adjudicated Claims and Encounters System (PACES) on a weekly basis and the PACES team submits the encounter data to the Management Information System/Decision Support System (MIS/DSS). The three months' continuity data is derived from the Medi-Cal Eligibility Data System that transfers data to MIS/DSS monthly. DHCS calculated dental services utilization using the eligibility and encounter data from DHCS' MIS/DSS. Below is the list of data used in this report with dates of when the data was pulled.

### Dental Managed Care Plans

- Baseline Year (SFY 2016-2017) - data as of October 2018.
- PY 1 (SFY 2017-2018) - data as of May 2020.
- PY 2 (SFY 2018-2019) - data as of October 2021.
- PY 3 (SFY 2019-2020 - data as of October 2021.
- PY 3.5 (CY 2020) - data as of May 2023.
- PY 4 (CY 2021) - data as of May 2023.
- PY 5 (CY 2022) – data as of October 2023.

### Health Plan of San Mateo

- Baseline Year (CY 2022) – Data as of January 2024

## Annual Evaluation Results

### Annual Dental Visits (ADV)

This measure identifies the percentage of Medi-Cal members enrolled in a Dental MCP or HPSM for three continuous months who had at least one (1) dental visit (CDT codes D0100 – D9999) in the measurement year. Tables A and B shows ADV for Dental MCP children and adults in the baseline year, PY 1, PY 2, PY 3, PY 3.5, PY 4, and PY 5. The results show that the ADV increased in both children and adults from the baseline year to PY 2, reflecting a desired outcome for this performance measure. PY 3 and PY 3.5 showed a decrease in dental utilization due to the COVID-19 public health emergency (PHE), which required dental offices to close and Medi-Cal members to postpone all non-emergency health services, including all such dental visits for program members. ADV for children increased in PY 5 relative to PY 4 and the baseline year. ADV for adults increased in PY 5 relative to the baseline but decreased compared to PY 4 year.

**Table A: ADV in Dental MCP Children (Ages 0-20)** for Baseline Year (SFY 2016-2017), PY 1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY 3 (SFY 2019-2020), and PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year <sup>3</sup>	PY 1 <sup>4</sup>	PY 2 <sup>5</sup>	PY 3 <sup>6</sup>	PY 3.5 <sup>7</sup>	PY 4 <sup>8</sup>	PY 5 <sup>9</sup>
Three Months Continuous Eligibility	473,740	425,691	391,705	371,506	358,032	367,080	366,389
Any Dental Services Users	188,888	176,390	165,208	139,307	118,127	142,648	149,253
ADV %	39.87%	41.44%	42.18%	37.50%	32.99%	38.86%	40.74%

**Table B: ADV in Dental MCP Adults (Ages 21 and Over)** for Baseline Year (SFY 2016-2017), PY 1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY 3 (SFY 2019-2020), PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year	PY 1	PY 2	PY 3	PY 3.5	PY 4	PY 5
Three Months Continuous Eligibility	622,675	581,098	547,521	532,050	526,142	582,722	637,730
Any Dental Services Users	117,960	116,833	115,636	97,703	91,093	122,605	130,928
ADV %	18.94%	20.11%	21.12%	18.36%	17.31%	21.04%	20.53%

Tables C and D shows ADV for HPSM children and adults in the baseline year CY 2022.

<sup>3</sup> Data as of October 2018.

<sup>4</sup> Data as of May 2020.

<sup>5</sup> Data as of October 2021.

<sup>6</sup> Data as of October 2021.

<sup>7</sup> Data as of May 2023.

<sup>8</sup> Data as of May 2023.

<sup>9</sup> Data as of October 2023.

**Table C: ADV in Dental HPSM Children (Ages 0-20)**

Measure	Baseline Year <sup>10</sup>
Three Months Continuous Eligibility	57,316
Any Dental Services Users	23,287
Annual Dental Visit %	40.63%

**Table D: ADV in Dental HPSM Adults (Ages 21 and Over)**

Measure	Baseline Year
Three Months Continuous Eligibility	94,392
Any Dental Services Users	16,599
Annual Dental Visit %	17.59%

## Preventive Services Utilization

This measure identifies the percentage of members enrolled in a Dental MCP or HPSM for three continuous months who received any preventive service (CDT Codes D1000 – D1999) in the measurement year. Tables E and F shows the Preventive Services Utilization in MCP children and adults for the baseline year, PY 1, PY 2, PY 3, PY 3.5, PY 4, and PY 5. Similar to the Annual Dental Visits, Preventive Services Utilization in adults consistently increased from the baseline year to PY 2 but was subsequently substantially impacted by the COVID-19 PHE. PY 5 Preventive Services Utilization in adults showed an increase compared to the baseline year but decreased slightly compared to PY 4.

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<sup>10</sup> Data as of January 2024

**Table E: Preventive Services Utilization in Children in Dental MCP (Ages 0-20)**

Baseline Year (SFY 2016-2017), PY 1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY 3 (SFY 2019-2020), PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year	PY 1	PY 2	PY 3	PY 3.5	PY 4	PY 5
Three Months Continuous Eligibility	622,675	581,098	547,521	532,050	526,142	582,722	130,220
Dental Treatment Users	69,554	73,137	78,497	66,092	61,691	83,143	366,389
Dental Treatment Utilization %	11.17%	12.59%	14.34%	12.42%	11.73%	14.27%	35.54%

**Table F: Preventive Services Utilization in Dental MCP Adults (Ages 21 and Over)**

Baseline Year (SFY 2016-2017), PY 1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY 3 (SFY 2019-2020), PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year	PY 1	PY 2	PY 3	PY 3.5	PY 4	PY 5
Three Months Continuous Eligibility	622,675	581,098	547,521	532,050	526,142	582,722	637,730
Preventive Services Users	46,438	47,898	50,004	41,069	42,692	63,070	65,227
Preventive Services Utilization %	7.46%	8.24%	9.13%	7.72%	8.11%	10.82%	10.23%

Tables G and H shows the Preventive Services Utilization in MCP children and adults for the baseline year CY 2022.

**Table G: Preventive Services Utilization in Children in HPSM (Ages 0-20)**

Measure	Baseline Year
Three Months Continuous Eligibility	57,316
Preventive Services Users	21,666
Annual Dental Visit %	37.80%

**Table H: Preventive Services Utilization in Dental HPSM Adults (Ages 21 and Over)**

Measure	Baseline Year
Three Months Continuous Eligibility	94,392
Preventive Services Users	9,229
Annual Dental Visit %	9.78%

### Dental Treatment Services Utilization

This measure identifies the percentage of members enrolled in MCPs or HPSM for three continuous months who received any dental treatment service (CDT codes D2000 – D9999) in the measurement year. Tables I and J show the Dental Treatment Services Utilization in Medi-Cal adults and children for the baseline year, PY 1, PY 2, PY 3, PY 3.5, PY 4, and PY 5. In comparison with the baseline year, Dental Treatment Services Utilization in adults and children decreased in PY 3 and PY 3.5 as a result of the overall decrease in utilization due to the COVID-19 PHE. Dental Treatment Service Utilization in children showed an increase in PY 5 relative to PY 4 and the baseline year, which is a desired outcome of the Dental Services DPP. Dental Treatment Service Utilization in adults increased relative to the baseline year and decreased relative to PY 4. DHCS will continue to monitor this measure in future program years.

**Table I: Dental Treatment Services Utilization in DMC Children (Ages 0-20)** Baseline Year (SFY 2016-2017), PY1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY3 (SFY 2019-2020), PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year	PY 1	PY 2	PY 3	PY 3.5	PY 4	PY 5
Three Months Continuous Eligibility	473,740	425,691	391,705	371,506	358,034	367,080	366,389
Dental Treatment Users	92,952	90,271	89,840	77,173	68,268	87,575	88,351
Dental Treatment Utilization %	19.62%	21.21%	22.94%	20.77%	19.07%	23.86%	24.11%



**Table J: Dental Treatment Services Utilization in DMC Adults (Ages 21 and Over)**

Baseline Year (SFY 2016-2017), PY 1 (SFY 2017-2018), PY 2 (SFY 2018-2019), PY 3 (SFY 2019-2020), PY 3.5 (CY 2020), PY 4 (CY 2021), and PY 5 (CY 2022).

Measure	Baseline Year	PY 1	PY 2	PY 3	PY 3.5	PY 4	PY 5
Three Months Continuous Eligibility	622,675	581,098	547,521	532,050	526,142	582,722	637,730
Dental Treatment Users	69,554	73,137	78,497	66,092	61,691	83,143	89,008
Dental Treatment Utilization %	11.17%	12.59%	14.34%	12.42%	11.73%	14.27%	13.96%

Tables K and L show the Dental Treatment Services Utilization in HPSM adults and children for the baseline year.

**Table K: Dental Treatment Services Utilization in HPSM Children (Ages 0-20)**

Measure	Baseline Year
Three Months Continuous Eligibility	57,316
Dental Treatment Users	11,138
Dental Treatment Utilization %	19.43%

**Table L: Dental Treatment Services Utilization in HPSM Adults (Ages 21 and Over)**

Measure	Baseline Year
Three Months Continuous Eligibility	94,392
Dental Treatment Users	12,394
Dental Treatment Utilization %	13.13%

## Evaluation

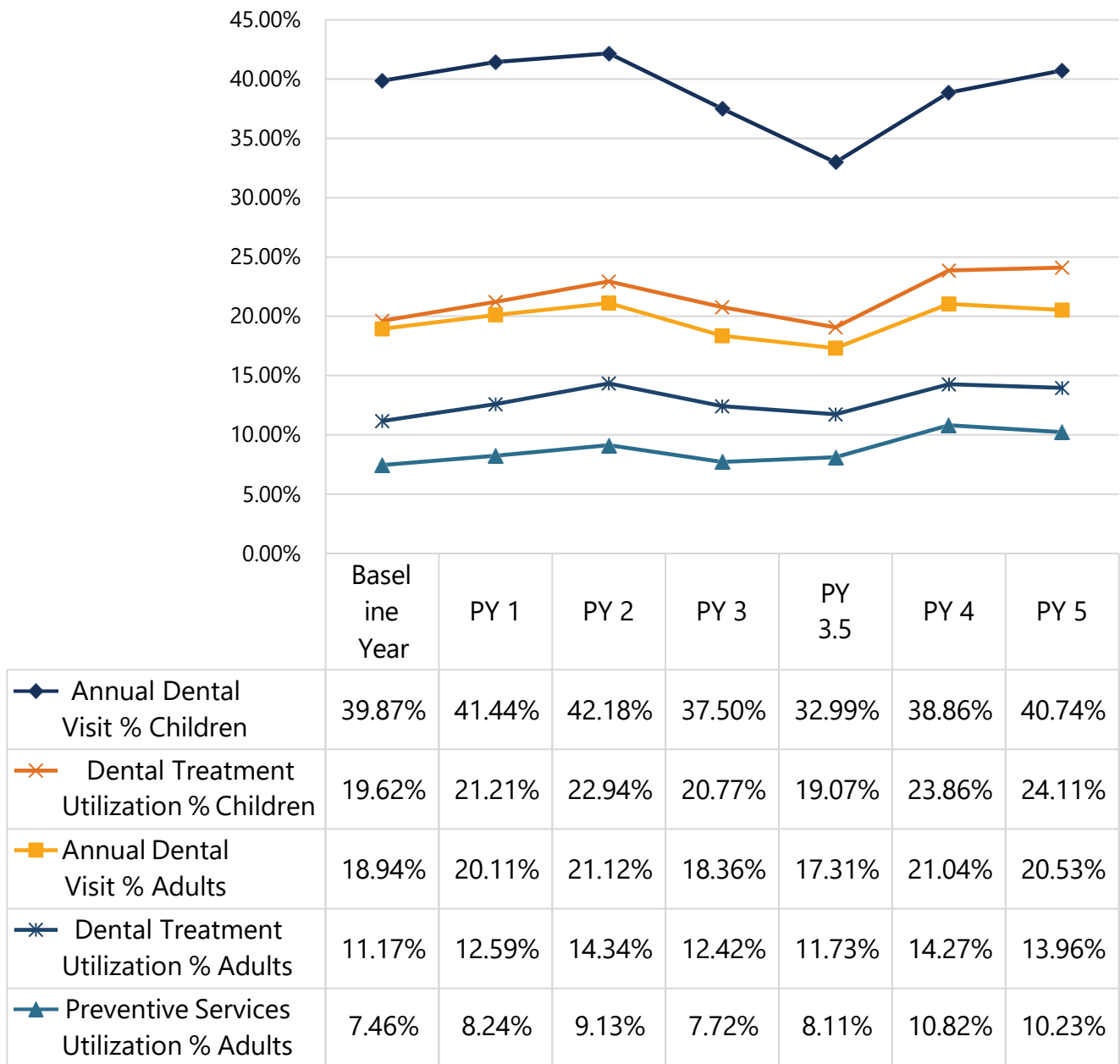
The three dental performance measures were evaluated to determine the utilization of Dental MCP services during the baseline year, PY 1, PY 2, PY 3, PY 3.5, PY 4, and PY 5 as a result of the Dental Services DPP, which has the following outcomes:

1. ADV increased by 0.87 percentage points for children and increased 1.59 percentage points for adults when compared to the baseline year.
2. Preventive Services Utilization increased by 2.77 percentage points in adults when compared to the baseline year.
3. Dental Treatment Services Utilization increased by 4.49 and 2.79 percentage points in children and adults, respectively, when compared to the baseline year.

HPSM will be evaluated in future program years when there is further data to compare to the baseline year.

Below, Figure M shows Dental MCP utilization changes over the program years for children and adults for each measure.

**Figure M: Utilization for Select Measures from Baseline Year to PY 5**



## Conclusions

Utilization percentages for PY 5 exceeded the baseline year and PY 4 for children for all measures. Adult Annual Dental Visit utilization, Preventive Services, and Dental Treatment Services Utilization decreased compared to PY 4 but stayed higher than the baseline year.