Department of Health Care Services 2017 Activities Relating to Medi-Cal Dental Managed Care Report to the Legislature August 2018



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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 Dental 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 FFS provides services through providers enrolled by DHCS' Fiscal Intermediary (FI). DMC provides dental services through Geographic Managed Care (GMC) plans in Sacramento County and Prepaid Health Plans (PHP) in Los Angeles County. Between the two counties, there are approximately 1,054,366 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 2017

In 2017, DHCS continued to actively monitor the DMC plans and made various efforts to improve DMC through collaboration with the plans, stakeholders, and the Legislature. This was done through undertaking the following activities:

- With Proposition 56 supplemental dental payments becoming effective July 1, 2017, DMC plans began issuing the first supplemental payments to their providers in May 2018, which also included current unpaid claims for qualifying services.
- Notified adult beneficiaries and providers that adult dental optional benefits would be fully restored effective January 1, 2018.
- Continued monitoring of the Dental Transformation Initiative (DTI), which has been operational since January 2016. The DTI is 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 collaborative projects throughout the state to drive delivery system reform.
- DHCS issued policy guidance in the form of an all plan letter (APL 17-004) for decisions regarding hospital dentistry, general anesthesia (GA), and various levels of sedation.
  - In June 2017, issued a flow chart to assist dental providers with determining the medical necessity for GA services based on established criteria.
- Developed and distributed educational materials to help inform providers about how to determine the appropriate location to render the aforementioned services, with the assistance of state contractor(s) and various stakeholders.
- Published performance measures, demonstrating:
  - The Sacramento County GMC program total annual dental visit (ADV) utilization rate for children age 0-20 increased from 36.7 percent in 2016 to 38.9 percent in 2017.
  - The Los Angeles County PHP program total ADV utilization rate for children age 0-20 also increased from 40.8 percent in 2016 to 44.2 percent in 2017.
  - Sacramento County GMC program preventive dental services utilization rate for children age 1-20 in 2017 increased from 30.7 percent in 2016 to 33.4 percent in 2017.

- Los Angeles County PHP program preventive dental services utilization rate children age 1-20 increased from 36.0 percent in 2016 to 40.4 percent in 2017.
- Provided quarterly monitoring of DMC quality improvement projects (QIPs) and associated data.
- Implemented the "Early Smiles" initiative to address oral health disparities in the Sacramento region through a collaborative and innovative School Based Oral Health Program, led by the Center for Oral Health and LIBERTY Dental Plan, in partnership with Health Net and Access Dental plans.
  - The initiative served 10,461 children in Sacramento-area elementary schools in its first year.
- Undertook implementation of the Final Rule provisions, which provide a more rigorous regulatory structure for all forms of Medicaid managed care, including DMC plans.
- Conducted All Plan Meetings bi-monthly instead of monthly to improve communication around the federal Managed Care Final Rule (Final Rule) implementation and contract monitoring.
- Issued several All Plan Letters (APLs) to instruct DMC plans to comply with the Final Rule regulations. Additionally, the amendments made to the DMC contract are currently pending approval from the Centers for Medicare and Medicaid Services (CMS).
- Ongoing collaboration with Children Now (a nonprofit advocacy organization dedicated to promoting children's healthcare education in California) to promote better oral health and preventive education for children in California through the Medi-Cal Dental Collaboration project in Los Angeles County.
  - DHCS reported improvements in dental service utilization among children in the target population.
- Ongoing work with stakeholders to improve beneficiary educational materials and outreach mechanisms for DMC beneficiaries through projects such as Every Smile Counts, Early Smiles Sacramento, and taking part in multiple community events throughout the year.

## 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 in the dental plan network, which enables the beneficiary to establish 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 Los Angeles County, Medi-Cal beneficiaries have the option to enroll into DMC or FFS. Approximately 544,030 beneficiaries<sup>1</sup> are enrolled in DMC plans in Los Angeles County. DHCS provides plans in Los Angeles County with a PMPM rate of \$12.95 for children ages 0 to 20 and \$7.80 for adults ages 21 and older.
- In Sacramento County, Medi-Cal beneficiaries are mandatorily enrolled in a contracted dental plan, with the exception of specific populations. Approximately 510,336 beneficiaries<sup>2</sup> are enrolled in DMC plans in Sacramento County. DHCS provides plans in Sacramento County with a PMPM rate of \$11.45 for children ages 0 to 20 and \$8.42 for adults ages 21 and older.
- During this reporting period, the dental plans were paid the Fiscal Year (FY) 2014-15 rates, which were approved in October 2016, and will continue until a new rate package is approved.

## **Ongoing Efforts**

During 2017, DHCS employed the following efforts to strengthen the DMC delivery system and to attempt to achieve increases in dental utilization rates in the Medi-Cal population:

- Monitored the DTI efforts under the DMC plans. The DTI 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.
- Closely monitored and provided oversight of DMC plans to enforce contract provisions and performance standards.
- Engaged in transparency and public reporting of DMC service delivery.
- Collaborated with CMS, DMC plans, and stakeholders to increase children's utilization rates through the Oral Health Learning Collaborative and the Medical-Dental Collaboration initiatives.
- Closely monitored prior authorizations for general anesthesia requests processed by DMC plans for medical necessity and ensured appropriate documentation to support such necessity.

## Proposition 56 Implementation

On November 8, 2016, California voters approved Proposition 56 (Prop 56) the California Healthcare, Research and Prevention Tobacco Tax Act to increase the excise tax rate on cigarettes and tobacco products. Under Prop 56, a specified portion of the tobacco tax revenue is allocated to DHCS for use as the nonfederal share of health care expenditures. During the 2017 Budget process, \$140 million was allocated to the Medi-Cal Dental program to provide supplemental provider payments to dental providers to improve dental provider participation, access to care, and increase utilization, particularly in underserved areas. Supplemental payments are for specific dental services, which include restorative, endodontic, prosthodontic, oral and maxillofacial, adjunctive, visits and diagnostic services. Supplemental payments are

<sup>&</sup>lt;sup>1</sup> November 2017 Data is used for CY 2017. Data source: DHCS Data Warehouse. Query date: January 2018.

<sup>&</sup>lt;sup>2</sup> November 2017 Data is used for CY 2017. Data source: DHCS Data Warehouse. Query date: January 2018.

paid to the provider as an additional 40 percent of the Schedule of Maximum Allowance (SMA) for dates of service during the period of July 1, 2017, through June 30, 2018.

DHCS submitted State Plan Amendment 17-031 to CMS on September 1, 2017 and received approval from CMS on November 22, 2017. DHCS also published APL 17-007: One Year Supplemental Payment for Certain Dental Services Using Proposition 56 Tobacco Tax Funds Allocated For the 2017-18 State Fiscal Year, to inform DMC plans about the additional funding allocated for supplemental payments for dental services as a result of Prop 56. DMC plans issued the first Prop 56 supplemental payments to their providers in May 2018 for services rendered July 1, 2017 – April 30, 2018. Future supplemental payments will include the retroactive payments related to qualifying services performed during FY 17/18.

## **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 difficulty 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 and the federal Final Rule 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 through DMC, the beneficiary is permitted to transition from DMC to FFS. Under FFS, individuals can select any provider enrolled in the FFS network and access services without an assigned dental home. Since the inception of BDE, no beneficiaries have requested to be transferred to FFS through the BDE process.

The BDE process has been operational since September 2012. DHCS publishes monthly BDE reports<sup>3</sup> on the Medi-Cal Dental Services Program website. As of December 2017, DHCS had received 2,106 incoming inquiries for Calendar Year (CY) 2017, of which 652 were requests for DHCS to facilitate scheduling an appointment with the beneficiary's assigned dental plan. Further breakdown of BDE requests for CY 2017 are as follows:

- 368 out of 652 (56 percent) BDE requests have been closed successfully as a result of DHCS facilitating appointments and verifying that beneficiaries kept their appointments and received treatment;
- 261 of the 652 (40 percent) BDE requests were categorized as unsuccessful due to DHCS facilitating appointments, but the beneficiaries not showing up to their scheduled appointments;
- 23 of 652 (4 percent) BDE requests currently have appointments scheduled to receive dental services and will be closed when treatment is completed;
- 104 out of 652 (16 percent) BDE requests were for children under the age of 21 and 548 (84 percent) were adults;
- No cases were transitioned from GMC to FFS through BDE; and

<sup>3</sup> http://www.dhcs.ca.gov/services/Pages/BDE-Reporting.aspx

• 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 were received, and to solicit beneficiary feedback regarding the overall satisfaction of services received from the dental 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 notifications regarding the availability of BDE to both newly enrolled and existing GMC beneficiaries on a monthly and annual basis, respectively.

In 2017, DHCS experienced an approximately 5.5 percent increase in the average number of incoming phone calls per month and an approximately 40.6 percent decrease in the average number of correspondences received per month for BDE from the previous year. The average number of incoming phone calls increased due to beneficiaries' concerns about dental coverage changes at the federal level and impending changes to the Affordable Care Act.

### Medical-Dental Collaboration Project

Children Now 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 among Medi-Cal children ages one through six, who had no dental visit within the past 12 months. DHCS, an active participant with this project since its inception, along with Children Now, the DMC plans, and Medi-Cal Managed Care Plans, worked collaboratively toward the implementation of this pilot project to improve dental utilization for the designated population in Los Angeles County.

DHCS reviewed data for the designated population that was used to locate primary care physicians (PCP) and primary care dentists (PCD) to participate in efforts to increase children's dental utilization through PCP dental referral methods and educational materials. Participants' 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.

The pilot project targeted children enrolled in Medi-Cal under age six who received at least one medical exam and who did not have a dental visit within twelve months of the medical exam (indicated by the Current Procedural Terminology (CPT) code) between June 2015 and March 2016. Dental visits include FFS, DMC dental office visits or safety net clinic (SNC) encounters. Los Angeles County has two medical managed care plans, LA Care and Health Net. Internal DHCS data indicates that dental utilization for age group one through six is approximately 44 percent to 45 percent. Table 1 below shows

that both plans' dental utilization ranges from 44 percent, up to 63 percent, showing increases in the ages three through six. These results show that all age groups were positively impacted by this pilot demonstration. Utilization of dental services for children ages three through six increased to more than 50 percent, which is higher than the average statewide dental utilization, regardless of which delivery system rendered the service.

| Table 1 Utilization of the Targeted Children in the Medical Dental Collaboration |
|--|
| Pilot Project  |

| Age <sup>1</sup> | Number of<br>children who<br>received<br>medical<br>exams <sup>2</sup> | Number of children who<br>had at least one dental visit<br>within 6 months of each<br>medical exam <sup>3</sup> | Dental<br>Utilization<br>under<br>collaboration<br>project |
|------------------|--|---|--|
| 2 and under      | 6,667  | 2,983   | 44.74%   |
| 3                | 10,126   | 5,866   | 57.93%   |
| 4                | 7,898  | 4,884   | 61.84%   |
| 5                | 4,750  | 3,026   | 63.71%   |
| 6                | 3,358  | 2,123   | 63.22%   |

1. Beneficiary age at the time of receiving medical exam

2. CPT code 99381, 99391, 99382, 99392, 99383, or 99393

3. Current Dental Terminology (CDT) code D0100 to D9999 or CPT code 00003

DHCS has continued its medical-dental collaboration with SNCs to increase child dental services utilization. There are many medical-dental collaboration and care coordination projects approved as part of DTI Domain 4 in 2017 (see "Dental Transformation Initiative" on page 21 for a description of the DTI Domains), including, but not limited to, projects from Alameda County, Sacramento County, UCLA, and Cal-State Los Angeles.

## **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. The QIPs began August 1, 2014, and continued through July 1, 2017. DHCS anticipates release of a DHCS-designated QIP in 2018.

### Access Dental Plan

Access Dental Plan's (Access) QIP study was a child preventive services initiative focusing specifically on children between the ages of 3-14, as well as ages 0-20 overall. Access had the following goals for their QIP study:

- Increase the number of children receiving an annual dental visit by two percent annually.
- Increase the number of children receiving a preventive service by two percent annually.
- Increase the Level 1 and Level 2 of the 5-11 Kids Preventive Bonus Program by two percent.

Access conducted a variety of provider relationship improvement initiatives, including: new roster enhancements, removal of provider capitation withholds, increase in supplemental services, and rededication of Provider Relations to optimize their provider network. Access also added compensation increases and targeted bonus programs to compensate providers for their additional work.

Beneficiary initiatives and activities conducted by Access to boost awareness and utilization included: additional timely access notification, postcard/birthday notice updates, participation in the Early Smiles program, as well as changing the frequency of outreach calls to beneficiaries who had not been seen in 6 to 12 months.

In addition, Access continued several projects that were initiated in 2016 to further the provider and beneficiary relationships, including the following:

- <u>Refreshed Materials</u> This included a comprehensive beneficiary material approach with a strategy to reach the beneficiary at least five times a year.
- <u>Town Hall/Focus Groups</u> In an effort to better understand the differences in the population, these groups assisted in developing new materials to target specific populations. A Town Hall meeting allowed beneficiaries to voice their concerns, and gather dental plan and program information.
- <u>Sponsored Qualifier Days and Community Education</u> Qualifier Days assist offices in concentrating on their Medi-Cal population, it allows Medi-Cal beneficiaries 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 improving the knowledge level of the Medi-Cal providers who directly work with beneficiaries, they hoped to better focus beneficiaries' attention on the available dental benefits and how to utilize them.

Access continued the following outreach efforts in 2017:

- Onsite relationship management
- New provider orientations
- Written provider notifications
- Website provider tools (including the provider manuals, and individual provider training and counseling, as needed)
- Semi-annual newsletter 'Premier Pipeline'

Access found that their QIP efforts in 2017 were not as successful as they had anticipated. Their QIP proved to be unsuccessful in Sacramento County, with actual results being lower than their target metric for each age group within each performance metric. Access attributes this to the fact that the number of eligible beneficiaries grew at an exponentially faster rate than those utilizing services. Their QIP was far more successful in Los Angeles County, with that market on track to meet the goals of a two percent increase in Annual Dental Visits, Preventive Services, and children seen in the Kids Preventive Bonus program. Since Los Angeles has a comparatively larger provider network, Access took a firmer stance on providers who were not performing by limiting participating offices to those who are performing, which has contributed to an increase in utilization.

## LIBERTY Dental Plan and Health Net of California Dental Plan

- LIBERTY Dental and Health Net of California collaborated on their QIP submission to reflect the baseline Federal Fiscal Year 2014 (October 2013 to September 2014) and CMS goals to:
  - Increase by 10 percent 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
  - Increase by ten percent 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.
- LIBERTY and Health Net implemented a PCP fluoride varnish and a PCD referral initiative to increase preventive care and sealant utilization
- Participated in state collaboration on dental education and access for children 0-3 years old.
- Participated in the Early Smiles project in Sacramento County.
- Participated in the Children Now project, which offered statewide dental health classes and health education screenings.

LIBERTY Dental Plan conducted the following outreach efforts over the course of 2017:

- Supported enrollment initiatives with dental educational materials: flyers and brochures with tips on Healthy Teeth, Healthy Smiles, and beneficiary articles in the plan's newsletter.
- Participated in Health Fairs conducting over 500 dental screenings.
- Distributed quarterly provider newsletters through the Provider Portal.
- Sent provider alerts through Fax Blasts informing providers of policy changes, coverage guidelines, and other essential information across various markets.
- Updated the Language Assistance poster to reflect newly added languages, distributed to dental offices, and posted on its webpage for general access to provider and beneficiaries.
- Made available additional training to all network providers on the provider portal.

| Measures                            | Plans             | CY 2015 | CY 2016 | Change<br>from<br>2015 to<br>2016 | CY 2017 <sup>*</sup> | Change<br>from<br>2016 to<br>2017 |
|-------------------------------------|-------------------|---------|---------|-----------------------------------|----------------------|-----------------------------------|
|                                     | Access GMC        | 28.4 %  | 29.2 %  | 0.8%                              | 32.0%                | 2.8%                              |
|                                     | Access PHP        | 39.1 %  | 37.4 %  | -1.7%                             | 42.4%                | 5.0%                              |
| Preventive<br>Dental                | Health Net<br>GMC | 29.6 %  | 30.3 %  | 0.7%                              | 31.9%                | 1.6%                              |
| Services<br>(Age 1 to 20)           | Health Net<br>PHP | 34.9 %  | 34.7 %  | -0.2%                             | 38.5%                | 3.8%                              |
|                                     | LIBERTY<br>GMC    | 31.0 %  | 32.6 %  | 1.6%                              | 35.6%                | 3.0%                              |
|                                     | LIBERTY PHP       | 32.0 %  | 34.4 %  | 2.4%                              | 39.7%                | 5.3%                              |
|                                     | Access GMC        | 10.0 %  | 11.3 %  | 1.3%                              | 10.2%                | -1.1%                             |
|                                     | Access PHP        | 16.5 %  | 16.0 %  | -0.5%                             | 17.2%                | 1.2%                              |
| Dental<br>Sealant on a<br>Permanent | Health Net<br>GMC | 12.0 %  | 12.6 %  | 0.6%                              | 12.6%                | 0.0%                              |
| Molar Tooth<br>(Age 6 to 9)         | Health Net<br>PHP | 14.9 %  | 15.6 %  | 0.7%                              | 17.3%                | 1.7%                              |
| (                                   | LIBERTY<br>GMC    | 15.1 %  | 15.5 %  | 0.4%                              | 16.0%                | 0.5%                              |
|                                     | LIBERTY PHP       | 12.8 %  | 15.7 %  | 2.9%                              | 17.2%                | 1.5%                              |

Table 2: Utilization of Preventive Dental Services and Dental Sealant on aPermanent Molar Tooth by plan

Data Source: Medi-Cal Management Information System/Decision Support System (MIS/DSS) queried in May 2018 Measurements based on 90 days continuous eligibility

\* Data does not include complete run-out of encounter data submission

As shown in Table 2 above, most plans have improved their utilization percentage for preventive dental services and dental sealant on a permanent molar tooth from 2015 through 2017. In several cases, the plans have improved continuously over the three-year period.

For preventive dental services, all plans increased utilization from 2016 to 2017. LIBERTY PHP increased utilization 5.3 percent from 2016 to 2017. This is the highest percentage point increase between any two-year periods among DMC plans. Access PHP increased 5.0 percent; Health Net PHP increased 3.8 percent. These are the second and third highest percentage point increases from 2016 to 2017.

For dental sealants, all PHP plans showed an increase from 2016 to 2017. In that period, the percentage increase for Health Net PHP was 1.7, LIBERTY PHP was 1.5, and Access PHP was 1.2. LIBERTY GMC increased dental sealants utilization in all years. Health Net GMC and Access GMC improved their overall dental sealants utilization from 2015 to 2017, with a slight decrease in one of the years.

## General Anesthesia (GA)

Effective October 14, 2016, DHCS began requiring the DMC plans to report GA 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 webpage and will be included in future updates to this report.

During the months of February and March 2017, DHCS met with medical and dental stakeholders to develop a flow chart to assist providers (both FFS and DMC) with determining medical necessity for GA services based on established criteria. In April 2017, the flow chart was presented to the DMC Medical Directors Meeting for the managed care plans to review. This flow chart was issued to the DMC plans via <u>APL 17-004</u>: Prior Authorization for Intravenous Sedation and General Anesthesia Services. Provider feedback confirmed the flowchart to be an extremely useful tool to determine GA medical necessity.

DHCS continues to engage providers, plans, and stakeholders to assist Medi-Cal beneficiaries statewide who are in need of hospital dentistry services. DHCS is also working to 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 dental professionals.

VDH is a component of Sacramento County's DTI Local Dental Pilot Projects (LDPP), with the goal of providing care coordination to schools in Sacramento and Amador Counties. The goal of the Sacramento County LDPP is to utilize VDH with care coordination to raise the utilization rate by at least five percent per year, each year of the pilot (four years). Access, LIBERTY, and Health Net dental plans are participating in the Sacramento County VDH pilot. The pilot will focus on elementary children in the Twin Rivers School District in Sacramento County within the GMC delivery system. In 2017, Sacramento County executed their LDPP contract with DHCS and began implementing their pilot. Sacramento County intends to purchase their VDH equipment to practice the VDH model in 2018.

### Final Rule Implementation

On May 6, 2016, CMS published the Medicaid and Children's Health Insurance Program Managed Care Final Rule. 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 was required to implement some provisions by July 1, 2017, with additional provisions to be implemented in 2018 and future years. Key provisions implemented in 2017 include:

- Network adequacy time and distance standards, and drafting compliance certifications to submit to CMS.
- Additional provider screening and enrollment requirements, as well as state monitoring functions.
- Collecting, validating, and maintaining data on providers, beneficiaries, and encounters, and submit data to CMS.
- Developing a quality rating system and managed care quality strategy.
- Modifying External Quality Review Organization functions to include validation of network adequacy and assistance with quality rating system.
- Establishing a beneficiary support system prior to and after enrollment, and developing a uniform beneficiary handbook that meets accessibility standards.

DHCS released the following APLs in 2017 aimed to clarify the new federal regulations:

- APL 17-002 Member Handbook and Evidence of Coverage
- <u>APL 17-003 Grievance and Appeal Requirements</u>
- <u>APL 17-008 Network Adequacy Standards For Time and Distance</u>
- <u>APL 17-010 Include Specialty Type in Plan Provider Network Report, And</u> Changes to Plan Provider Network Report
- <u>APL 17-011 Transition of Care Policy</u>

Furthermore, contract amendments were submitted to CMS to address the substantial differences between the Final Rule provisions and the DHCS-DMC contracts. The 2017 amendments align with the July 2017 implementation date, and a separate set of 2018 amendments will address the July 2018 implementation requirements.

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.

## **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 2017 results of these partnerships.

## Department of Managed Health Care (DMHC)

Pursuant to California Health and Safety Code §1380, DMHC conducts onsite routine surveys of Knox-Keene Act (KKA) licensed dental plans at least once every three years. DMHC also assesses DMC plans' compliance with the DMC Contract for the Medi-Cal population on behalf of DHCS through an Interagency Agreement (13-90172).

In March 2016, DMHC conducted an onsite survey of Access to assess compliance with both KKA and DMC contractual standards. The final report, published in January 2017, identified six KKA violations and four DMC contract violations. In January 2018, DMHC

conducted a follow-up survey to assess remediation of uncorrected KKA violations and DHCS is currently monitoring compliance on two outstanding DMC contract violations.

In February 2016, DMHC conducted an onsite survey of Health Net to assess compliance with both KKA and DMC contractual standards. The final report, published in September 2016, identified one KKA violation and one DMC contract violation. In October 2017, DMHC conducted a follow-up survey to assess remediation of the KKA violation and deemed the single finding to be corrected. DHCS similarly deemed the single DMC contract violation to be corrected.

In March 2017, DMHC conducted an onsite survey of LIBERTY to assess compliance with KKA standards. The final report, published in March 2018, identified nine KKA violations. The plan is past due for its onsite survey to assess compliance with DMC contractual standards as the last contract compliance survey was conducted in January 2014. DHCS plans to complete a review of LIBERTY during the second half of 2018 to ensure compliance with contractual standards. Furthermore, going forward, DHCS will be performing all onsite audits of DMC plans for compliance with DMC contractual standards as this responsibility has transitioned from DMHC to DHCS.

## **Corrective Action Plan (CAP)**

Dental encounter data is submitted by DMC plans to DHCS and is uploaded to the DHCS data warehouse. In September 2017, DHCS issued a CAP to Access Dental regarding their encounter data resubmission due to the data discrepancy of the Performance Measures reports. By the end of 2017, Access Dental had submitted the majority of the missing encounter data resolving the data discrepancy. DHCS continues to monitor the encounter data submission for all DMC plans.

### 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), comprised of providers, dental plans, researchers, advocates, and beneficiaries. 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 (DMC and FFS), as well as collaborate and examine new approaches to beneficiary care and 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 for consideration to DHCS regarding policies that improve the delivery of oral health and dental services in Sacramento under Medi-Cal. The following represents achievements of MCDAC in 2017 and goals for 2018:

### MCDAC Reported 2017 Efforts and Accomplishments

- Partnered with and continued to support the Sacramento County Dental Transformation Initiative Local Dental Pilot Project *'Every Smile Counts!'* which was funded by a federal waiver from February 2017 through December 2020.
- Continued supporting projects and policies to improve utilization and access issues.
- Continued working with DHCS to improve data transparency, timeliness, and reporting.

- Continued efforts to provide access to GA/ Intravenous Sedation for beneficiaries needing these services.
- Developed a richer partnership with DHCS by providing oversight and guidance to improve Medi-Cal Dental utilization.
- Continued to work with dental plans on outreach and education with projects such as Every Smile Counts, Early Smiles Sacramento, and taking part in multiple community events throughout the year.
- Continued supporting the California State Dental Director and assisting with implementation of the State Oral Health Plan.
- Continued monitoring the impact of an increasing number of Medi-Cal beneficiaries, both children and adults, to ensure timely access and utilization of dental services.
- Worked with legislative leaders in 2017 to improve DMC to facilitate improvements in accessing care.
- Developed a Sacramento County Dental Plan in partnership with the county Department of Health and Human Services, Division of Public Health.

## MCDAC 2018 Goals

- Continue to support projects and policies to improve utilization and access issues, such as the Dental Transformation Initiative and the Center for Oral Health's 'Early Smiles Sacramento' project.
- Review DMC contract requirements and provide input to the dental plans and DHCS for potential future contracts.
- Monitor access to General Anesthesia/Intravenous Sedation to reduce barriers for beneficiaries needing this service.
- Maintain a meaningful partnership with DHCS to accomplish the State's oral health goals for children and adults.
- Support and promote the work of the Dental Plans to provide education and outreach to beneficiaries by reviewing materials, recommending effective approaches, facilitating access to beneficiaries in community locations, and other relevant activities.
- Support the California Department of Public Health Dental Director and participate in implementation of the State Oral Health Plan.
- Continue to monitor the impact of an increasing number of adult and child Medi-Cal beneficiaries to ensure timely access and utilization of dental services.
- Work with legislative leaders in 2018 to facilitate improvements in accessing care in Medi-Cal Dental services for beneficiaries.
- Assist the Sacramento County Department of Health and Human Services, Division of Public Health, in the development of a Sacramento County Oral Health Plan and the implementation of other Prop 56 funded activities by serving on the Sacramento County Oral Health Planning Committee.
- Complete a MCDAC Strategic Plan to determine future goals, committee structure and possible membership expansion.
- Increase resources available to dental providers.

## 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 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, assess new approaches to beneficiary education and provider incentives, and collaborate on efforts aimed to improve timely access to dental care.

Meetings in 2017 provided forums for stakeholders to discuss access issues and to share feedback and guidance on DHCS-specific efforts such as:

- Beneficiary outreach campaigns involving mailers sent to head of household beneficiaries who had not utilized dental services for 12 months, followed by robo-calls within 60 days after mailers were sent.
- Provider outreach efforts that were focused on enrollment, recruitment, and retention such as letter campaigns to the newly licensed, recruitment of providers in underserved areas, presentations, increased provider support, and enrollment assistance events.
- Alternative modalities, such as mobile dental van services, VDH, and teledentistry.

In addition, several organizations are currently involved in various efforts throughout LA County to help increase dental utilization for the Medi-Cal population. The LA Stakeholder Group learned about these efforts and were solicited for feedback regarding specific projects. Organizations participating at the LA Stakeholder meetings completed the following efforts related to DMC in 2017:

- First 5 LA's Health Systems Department held the final meeting for the Children's Dental Health Care Project, a partnership between UCLA, USC and Western University aimed at increasing the capacity of community oral health clinics to provide dental care for underserved children and pregnant women.
- Los Angeles Unified School District (LAUSD) Nursing Services Oral Health Program worked closely with the LA Trust for Children's Health, dental providers, community partnerships and stakeholders to increase the number of oral health services for LAUSD students.
- UCLA lead a pilot program to expand preventive dental care for 500,000 Los Angeles children enrolled in Medi-Cal.

## **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 monitors all DMC plan utilization and services provided to beneficiaries on an ongoing basis through the quarterly Performance Measures (PMs) reports published at the DHCS website, <u>Dental Data Reports page</u>. PMs are based on 11 separate measures, which are stratified across various age ranges and include:

- Annual Dental Visit (ADV)
- Preventive Dental Services Utilization
- 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
- Usual Source of Care

Healthcare Effectiveness Data and Information Set (HEDIS)-like criteria were utilized to calculate ADV utilization, preventive dental services utilization and dental sealant utilization for the data displayed in Tables 3 to 6. HEDIS is a widely used set of performance measures in the managed care industry, which was designed to compare performance among health plans. DHCS uses a more inclusive list of procedures codes because DHCS believes it provides a broader and more accurate picture of overall utilization. DHCS publishes 15 DMC performance measures by plan and updates the report every quarter beginning state fiscal year 2015-16, per legislative requirements<sup>4</sup>. The data exhibited within this document are based on validated encounter data retrieved in January 2018 from the Medi-Cal Management Information System/Decision Support System (MIS/DSS) data warehouse through the Medi-Cal Dental Dashboard. Considering the time lag of the encounter data submission process, dental utilization captures encounter data to as current as possible where runout will not impact the validity of the submission. 2017 dental utilization is estimated by the closest measurement period: December 1, 2016 to November 30, 2017.

### Annual Dental Visit Utilization

In 2017, the utilization percentages for ADV increased for all of the Sacramento County GMC and Los Angeles County PHP plans in comparison to 2015 and 2016. DHCS validated this information by cross-referencing with its quarterly performance measure reports and the encounter data submitted by the plans, processed by DHCS and uploaded to the DHCS data warehouse, MIS/DSS. DHCS regularly discusses the expectation to increase utilization rates. DHCS will continue to monitor these efforts and encourage the plans to continue increasing their ADV utilization.

<sup>&</sup>lt;sup>4</sup> http://www.dhcs.ca.gov/services/Pages/DMCPerformanceMeasures.aspx

## Table 3: Sacramento County GMC Plans ADV Utilization for ChildrenAges 0 through 20

| GMC Plans             | CY 2015 | CY 2016 | CY 2017 |
|-----------------------|---------|---------|---------|
| Access                | 34.3 %  | 34.9 %  | 36.8 %  |
| Health Net            | 35.1 %  | 35.6 %  | 36.7 %  |
| LIBERTY               | 37.9 %  | 39.3 %  | 42.2 %  |
| Total GMC Utilization | 35.9 %  | 36.7 %  | 38.9 %  |

Data Source: MIS/DSS queried in May 2018

Measurements based on 90 days continuous eligibility

\* Data does not include complete run-out of encounter data submission

# Table 4: Los Angeles County PHPs ADV Utilization for ChildrenAges 0 through 20

| PHP Plans             | CY 2015 | CY 2016 | CY 2017 |
|-----------------------|---------|---------|---------|
| Access                | 44.1 %  | 42.1 %  | 46.8 %  |
| Health Net            | 40.5 %  | 39.7 %  | 43.8 %  |
| LIBERTY               | 37.8 %  | 39.1 %  | 44.6 %  |
| Total PHP Utilization | 42.0 %  | 40.8 %  | 45.3 %  |

Data Source: MIS/DSS queried in May 2018

Measurements based on 90 days continuous eligibility

\* Data does not include complete run-out of encounter data submission

As shown in table 5 below, utilization rates are generally higher in FFS than GMC and PHP plans. In 2016, FFS and PHP both decreased the ADV utilization while GMC increased 0.8 percent from 2015; however, both delivery systems increased the ADV utilization from 2016 to 2017.

## Table 5: ADV Utilization for Children Ages 0 through 20 for FFS, GMCand PHP

|     |             | <u>CY 2014</u> | <u>CY 2015</u> | <u>CY 2016</u> | <u>CY 2017*</u> |
|-----|-------------|----------------|----------------|----------------|-----------------|
|     | ADV %       | 45.2%          | 45.3%          | 45.0%          | 47.5%           |
| FFS | Numerator   | 2,305,533      | 2,403,907      | 2,505,065      | 2,596,671       |
|     | Denominator | 5,096,934      | 5,311,700      | 5,565,454      | 5,465,625       |
|     | ADV %       | 34.2%          | 35.9%          | 36.7%          | 38.9%           |
| GMC | Numerator   | 71,749         | 80,677         | 85,558         | 91,152          |
|     | Denominator | 209,522        | 224,901        | 232,901        | 234,284         |
|     | ADV %       | 38.8%          | 42.0%          | 40.8%          | 45.3%           |
| PHP | Numerator   | 133,979        | 122,006        | 105,657        | 96,701          |
|     | Denominator | 345,497        | 290,718        | 259,008        | 213,567         |

Data Source: MIS/DSS queried in May 2018

Measurements based on 90 days continuous eligibility

\* Data does not include complete run-out of encounter data submission

#### **Preventive Dental Services Utilization**

DHCS has seen improvement of preventive dental services utilization for children age 1-20 in 2016 and 2017. DHCS anticipates that preventive dental services for children will increase in 2018 through beneficiary and provider education and outreach efforts, as well as the DTI program and increased monitoring of DMC. Preventive dental services utilization by plan is shown below (Table 6).

## Table 6: Preventive Dental Services Utilization by Delivery System for<br/>Children Ages 1 through 20

|     |             | <u>CY 2014</u> | <u>CY 2015</u> | <u>CY 2016</u> | <u>CY 2017*</u> |
|-----|-------------|----------------|----------------|----------------|-----------------|
|     | Prev. %     | 38.5%          | 39.6%          | 43.3%          | 45.9%           |
| FFS | Numerator   | 1,865,100      | 2,003,939      | 2,304,644      | 2,403,789       |
|     | Denominator | 4,844,787      | 5,064,660      | 5,324,719      | 5,236,336       |
|     | Prev. %     | 27.7%          | 29.7%          | 30.7%          | 33.4%           |
| GMC | Numerator   | 56,369         | 65,080         | 69,750         | 76,289          |
|     | Denominator | 203,863        | 219,079        | 226,927        | 228,587         |
|     | Prev. %     | 32.9%          | 36.6%          | 36.0%          | 40.4%           |
| PHP | Numerator   | 111,856        | 104,939        | 91,998         | 85,462          |
|     | Denominator | 340,013        | 286,766        | 255,736        | 211,332         |

Data Source: MIS/DSS queried in May 2018

Measurements based on 90 days continuous eligibility

\*Data does not include complete run-out of encounter data submission

### **Improvement Efforts**

In an effort to increase dental utilization among 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 consumer satisfaction with DMC providers. The consumer satisfaction survey includes representative samples of beneficiaries 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 2017 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 beneficiaries from Los Angeles and Sacramento Counties were selected for each of the three DMC plans. The parents and caretakers of enrolled child Medi-Cal beneficiaries completed the surveys between May and August 2017. The average response rate for all plans was 17.13 percent.

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

|            | Rating of Dental Plan |         |              |
|------------|-----------------------|---------|--------------|
| DMC Plans  | Satisfied             | Neutral | Dissatisfied |
| Access     | 54.8%                 | 26.6%   | 18.7%        |
| Health Net | 50.4%                 | 29.8%   | 19.8%        |
| LIBERTY    | 53.5%                 | 29.3%   | 17.2%        |

## **Table 7: Dental Managed Care Plan Rating**

## Table 8: Patient Referral Rate for Dental Managed Care Plans

| Would Recommend Dental Plan |       |         |       |  |  |  |
|-----------------------------|-------|---------|-------|--|--|--|
| DMC Plans                   | Yes   | Neutral | No    |  |  |  |
| Access                      | 48.1% | 40.4%   | 11.5% |  |  |  |
| Health Net                  | 40.7% | 45.6%   | 13.6% |  |  |  |
| LIBERTY                     | 45.8% | 42.7%   | 11.5% |  |  |  |

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

- Perform root cause analyses to investigate, identify, and devise improvement strategies for process deficiencies and unexplained outcomes.
- Measure and monitor targeted interventions to support continuous quality improvement data collection and analysis.
- Test and apply innovative system models to improve access and wait times, including an open access scheduling model that allows patients to schedule

same-day appointments to reduce delays in patient cases, patient wait times, and the number of no-show appointments.

HSAG also made recommendations to specific plans, which include the following:

- Establish plan-level customer service performance measures to address potential areas of concern, such as the amount of time it takes to resolve a consumer's inquiry about dental plan coverage.
- Examine past appointments in order to determine when to reserve time slots for walk-in patients and when to double book due to cancellations, which will assist with the flow of operations and minimize wait times.

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

## 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.<sup>5</sup> 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 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, SMA, and the 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 may participate. In 2017, two provider incentive payments were made, one in January and one in July. In January, 156 DMC providers achieved their benchmarks and received a total of \$491,342 in incentive payments, while 793 DMC providers did not achieve their benchmarks and did not qualify for Domain 1 incentive payments. In July 2017, 253 DMC providers achieved their benchmarks and received a total of \$608,666 in incentive payments, while 696 DMC providers did not achieve their benchmarks and did not qualify for Domain 1 incentive payments. In total, DMC providers received \$1,100,008 in incentive payments in 2017.
- Domain 2: Caries Risk Assessment and Disease Management Pilot provides incentive payments to dental providers performing caries risk assessments in

<sup>&</sup>lt;sup>5</sup> http://www.dhcs.ca.gov/provgovpart/Pages/medi-cal-2020-waiver.aspx

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 began in April 2017, and a total of \$411,929.00 was paid to DMC providers who participated in this domain during 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 annual incentive payment will be paid to service office locations that have maintained continuity of care by providing qualifying examinations to enrolled Medi-Cal beneficiaries, age 20 and under for two, three, four, five, and six year continuous periods. The first annual payment was distributed in June 2017 totaling \$9,456,560. Sacramento and Los Angeles counties are not included in this domain.
- Domain 4: Local Dental Pilot Projects (LDPPs) offer broad-based provider and community support and collaboration, including Tribal and Indian health programs, with incentives related to goals and metrics that contribute to the overall goals of Domains 1-3. DHCS approved 15 pilots and began execution of contracts with the LDPPs starting in April 2017. One of the projects opted to withdraw their application, which resulted in 13 out of the 14 approved contracts being executed. DHCS began receiving invoices in September 2017 with the pilots. As of December 2017, \$269,722 has been paid to the LDPPs. The Sacramento County LDPP is partnering with the GMC dental plans to build medical/dental partnerships, in which medical providers will be trained to conduct a dental assessment as well as identify members in their practice who do not have a dental home and refer them to a dentist.

Extensive community outreach throughout 2017 has led to high awareness of the DTI across the state. DHCS continued to conduct outreach in 2017 and anticipates increased provider enrollment in future years as a result of the DTI.

### Medi-Cal Dental Dashboard and Data Publishing

The Medi-Cal Dental Dashboard (dashboard) was developed in 2012 under a grant from the California HealthCare Foundation. Health Management Associates collaborated with DHCS in developing a dynamic, interactive 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.

The dashboard 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 used the dashboard to develop extensive data reports now published on the DHCS website at <u>http://www.dhcs.ca.gov/services/Pages/MediCalDental.aspx.</u> DHCS is developing additional data sets that will be posted on the DHCS website and <u>California Health and Human Services Agency Open Data Portal</u>.

In 2017, DHCS published four datasets of Medi-Cal Dental Performance Measures by age for CY 2013, 2014 and 2015. The four datasets have different stratifications: 1) age, 2) county, 3) ethnicity and 4) county and ethnicity combined. Data has be de-identified for public use, which allows researchers, stakeholders, dental professional association and local health care agencies to use the data. DHCS is in the process of including CY 2016 data to the Open Data Portal.

## **Legislative Action**

## Assembly Bill (AB) 120

AB 120 (Committee on Budget, Chapter 22, Statutes of 2017, §3, Item 4260-101-3305) allocated funds for specific DHCS health care expenditures during state fiscal year 2017-18 and included up to \$140M for supplemental payments on select dental services for providers who bill the Medi-Cal dental FI or DMC plans. The categories of dental services include restorative, endodontic, prosthodontic, oral and maxillofacial, adjunctive, visits and diagnostics. Providers can receive a supplemental payment at a rate equal to 40 percent of the dental SMA for specified codes for dates of service during July 1, 2017- June 30, 2018.

## Assembly Bill (AB) 205

AB 205 (Wood, Chapter 738, Statutes of 2017) requires Medi-Cal managed care plans (MCPs) to provide a beneficiary timely and adequate notice of an adverse benefit determination. The bill also implements changes related to appeals to MCPs for an adverse benefit determination and state fair hearings. It requires that dental MCPs maintain a standard network of providers, as specified and would sunset provisions on January 1, 2022.

Under AB 205, the quality review organization must verify MCPs compilation of data related to network adequacy, as specified.

### Assembly Bill 1688

AB 1688 (Committee on Health, Chapter 511, Statutes of 2017) requires DHCS to implement key provisions of the federal Medicaid managed care regulations from CMS, in relation to medical and dental managed care. It also requires DHCS to provide a report on the California Children's Services (CCS) Whole Child Model (WCM) by January 1, 2021, or three years from the date when all counties in which DHCS is authorized to establish the CCS WCM program are fully operational. Lastly, it repealed an obsolete statute that exempted Alameda County acute care hospital services from DHCS Medi-Cal utilization review process using treatment authorization requests.

Also, by April 30<sup>th</sup> of each year, DHCS will post on the DHCS website, a designated dental external quality review evaluation of the dental health plans' performance in meeting the performance measures.

### Senate Bill 97

Senate Bill 97 (Committee on Budget and Fiscal Review, Chapter 52, Statutes of 2017) fully restored adult optional dental benefits that were not restored in May 2014. Effective January 1, 2018, DHCS restored optional adult dental benefits for

beneficiaries ages 21 and older with full-scope dental coverage. Restored benefits include, for example, laboratory processed crowns, posterior root canal therapy, periodontal services, and partial dentures, including denture adjustments, repairs, and relines. DHCS posted the required <u>Tribal notice</u> and <u>Public notice</u> on October 5, 2017, and submitted State Plan Amendment <u>17-027</u> to CMS on November 8, 2017. DHCS anticipates CMS approval in early 2018. In an effort to inform providers and beneficiaries about this upcoming benefit change, DHCS created a dedicated <u>webpage</u> and released the following notices:

- Jackson v. Rank (beneficiary) notices were sent to all Medi-Cal beneficiaries from October 2017 – December 2017, and posted them on the Medi-Cal Dental website.
- Provider bulletins were issued in <u>November and December 2017</u>.
- <u>APL 17-009</u> issued to DMC plans to inform their providers.

## Conclusion

DHCS' mission is to provide Californians with access to affordable, high-quality dental services. DHCS will continue to collaborate with contracted DMC plans, DMHC, legislative partners, federal partners, and stakeholders to attain the goals identified in this report. DHCS will continue to closely monitor DMC contract compliance and provide oversight of the contractors to meet growth in utilization. In addition, DHCS will continue working closely with DMC plans to develop new 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 provide Medi-Cal beneficiaries with patient-centered, coordinated care, as well as adequate information within DMC.