Medicaid-CHIP State Dental Association

Silver Tsunami

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~Who We Are~

- Directors, managers and staff of state Medicaid and Children’s Health Insurance Program (CHIP) Oral Health Programs
- Individuals and groups who collaborate or have an interest in Medicaid and CHIP Oral Health Programs and their beneficiaries

Vision:
All Medicaid and Children’s Health Insurance Program beneficiaries receive quality oral health care services.

Mission:
To develop and promote evidence-based Medicaid/Children’s Health Insurance Program (CHIP) oral health best practices and policies through innovative collaboration with a broad spectrum of stakeholders.

Objectives

- To increase knowledge and understanding of Medicaid
- To share information about Medicaid as it presently relates to older adults
- To raise awareness of public payment programs for older adults

Stronger linkages and interconnectivity needed.

CMS: Medicare

Healthcare Delivery for Seniors 65+, Disabled and ESRD

Statutory Dental Exclusion

Section 1862 (a)(12) of the Social Security Act states, "where such expenses are for services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, except that payment may be made under part A in the case of inpatient hospital services in connection with the provision of such dental services if the individual, because of his underlying medical condition and clinical status or because of the severity of the dental procedure, requires hospitalization in connection with the provision of such services."

It's time to reopen the conversation and expand oral healthcare to Medicare beneficiaries.
**Medicaid**

**“Entitlement Program”**
- Enacted in 1965 under Title XIX of Social Security Act
- Jointly administered by federal and state governments
- Pays for “medically necessary” healthcare services defined in statute
  - EPSDT for children
  - Minimum income and eligibility criteria set by federal government
  - States may expand eligibility criteria
- State variability
  - Eligibility
  - Benefits
  - Payment

**Medicaid Federal and State Responsibility**
- Provide appropriate access to care
- Maintain coverage of individuals and benefits
- Ensure adequate provider participation
- Coordinate care with Medicare (dual eligibles)
- Contain costs
- Maintain program integrity
- Maintain fiscal accountability

**Dental Coverage in Medicaid**

**Children**
- Comprehensive for under EPSDT
- 2014 -Estimated 5.3 M additional children
- Limitations under CHIP

**Adults**
- Optional coverage for states
- Not included as part of “essential benefits package” offered in state Exchanges

**Covered Services**
- Federal Role: Establish the Law
  - EPSDT for children defined under statute - mandatory benefits
- State Role: define services and benefits based on amount, duration and scope
  - “Essential Benefits” are not defined under Medicaid
  - Highly variable among states
  - States may expand services (optional)

**Medicaid Eligibility**
- Varies by state
- Statute creates the mandate
- Federal government
  - Establishes minimum criteria - (FPL)
- State government
  - Upholds federal mandate
  - May opt to expand eligibility (i.e. Increase to 200% FPL)
- U.S. Citizenship, nationals or qualified aliens

**Basic Eligibility Requirement**
- Financial
  - Income and resources
- Non-financial criteria
  - State residence
  - Citizen or qualified alien
  - Social Security Number
  - Assignment of rights to medical support and payment
  - Special populations
Medicaid Eligibility Criteria

• Target populations
  • Low-income
  • Disabled
  • Aged
  • Blind
  • Pregnant women
  • Children
  • Single parents
• Varies by state
  • States have discretion and control over their programs

Medicaid Program State Level Financing

• Formulas- Federal and State
• Economic environment
• State budgets
• Medicaid spending is the largest or second largest item in virtually every State budget

Medicaid Eligibility

Federal Mandates

2010
• Low-income children and their parents
• Pregnant women
• Individuals with disabilities
• Individuals ages 65 and over
• Income levels:
  — Children < age 6= 133% of FPL
  — Children age 6 and older=100% FPL
  — FPL=$18,310 for family of 3
  — Diffs for other categories

2014 – PPACA*
• Low-income children and their parents
  — Raises eligibility for children ages 6-9 in 20 states
• Pregnant women
• Individuals with disabilities
• Individuals ages 65 and over
• Low-income adults who do not fall into one of these categories (by 2014 or earlier at state option)*

*Original in American Recovery and Reinvestment Act (ARRA) H.R. 3590

Medicaid Enrollment

2010
• 68 Million Beneficiaries
• 33 Million Children
• 11 Million Low-income with disabilities
• 6 Million Low-income seniors/long-term care

2014 and PPACA
• Additional 32 Million
• Maintenance of Effort (MOE)
  — State eligibility policies must remain in place until 2014 or until state Exchanges are fully operational for adults
  — For children—until 2019
• New formula for eligibility
  — *modified adjusted gross income
  — IT systems modifications

State Medicaid Spending

New Administrative Models

• Historically fee-for-service and “in-house” administration
• Changing to HMOs, MCOs, TPAs, Hybrid
• Increased complexity in state programs
  — Contracting with 1 or more MCOs
  — Dental carve outs
  — Subcontracting for administration of dental
  — Increase in use of risk-based models
Medicaid Spending

- Driven by
  - Enrollment growth
  - Inflation
  - Policy changes
- During economic downturn
  - Eligibles increase
  - Shortfalls in state budgets emerge

Levers that Affect Spending and Costs

- Eligibility
- Benefits
- Cost-sharing
- Provider payments

Medicaid and CHIP Costs

- Overarching costs include
  - Provider payments
  - Managed care plans
  - Administrative tasks
- Disproportionate share
  - Individuals age 65 and older and seniors with disability make up 1/3 total eligible = 2/3 total costs
- Major drivers:
  - Medical practice patterns
  - New, high cost technologies

CMS: Medicaid Enrollment and Spending

Annual Medicaid Costs by Age and Disability

- Non-disabled child @ $2900
- *Non-Disabled adult @ $4100
- *Person with disability @ $16,600
- *Person aged 65 or older $15,700 AFTER Medicare (Primary payer for hospital, physician and other acute services)
Medicaid Spending

- Traditionally fee-for-service
- Changing more to Health Maintenance Organizations (HMO) and Managed Care Plans (MCO)
- Increase in use of risk-based models
- States contracting with 1 or more managed care organizations
  - AZ: 12 managed care contracts (2011)
- Dental carve outs
- HMOs Subcontracting with dental organizations

Medicaid Payer Models

State Program Administration is Variable
- Fee for Service
- Managed Care
- Hybrid Models
- Cost-based Reimbursement
  - FQHC Encounter Rates
  - Title V Agencies

Cost Sharing

- Cost sharing: [Co-payments]
- Maximum allowable charge
- Exclusions from cost sharing
  - Children under age 18
  - Pregnant women
  - Institutionalized individuals
  - Emergency services
  - Family planning services
- No provider may deny services due to inability to pay

Coverage

- Mandatory
  - Early Periodic Screening Diagnosis and Treatment Program [EPSDT]
- Optional
  - Adult Dental

Snapshot of State Medicaid Programs

- Do states cover dental services for seniors (adults)?
  - Yes- Some do.
- If so, do states have a managed care arrangement?
  - Yes- Some do
Alaska

States with Medicaid Dental Benefits for Adults

DC

Hawaii

States with Medicaid Adult Dental Benefits by MCO Status

Benefits

- Please indicate which services are covered by your state Medicaid program for: children, adults, and special adult groups.
- Are your state data on dental screening? If yes, how is it coded?

<table>
<thead>
<tr>
<th>State</th>
<th>Adult MCO</th>
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Selected dental services covered under state Medicaid program

This information is associated with question number 17 of the 2012 MSDA Profile.
State Medicaid Programs with Managed Care Adult Dental Benefits

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<thead>
<tr>
<th>State</th>
<th>Model</th>
<th>Contractor's Name/s</th>
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Other Programs

**Incurred Medical Expenses**

- The Incurred Medical Expense regulations can help most nursing facility residents who are enrolled in Medicaid pay for dental care.
- Medicaid residents with Social Security or other retirement income may be able to pay for medically necessary dental care that is not covered by Medicaid.


Public Health Systems function as the Safety-net for Delivery Systems

Need to be Better Linked and Interconnected with Healthcare Delivery

Programs are only as strong as the policies and financing mechanisms in place to support them.

Health Reform -> Opportunity to Rebuild and Strengthen US Health Systems
Strategies Moving Forward

• Opportunities for states with Medicaid Expansion
  • FMAP available for new adults
• Identify potential dual eligibles (Medicare and Medicaid)
• Assist with Medicaid enrollment
• Proactively coordinate with Medicaid dental program managers
• Participate in Medicaid and Medicare policy development
  • Inform
  • Educate
  • Align policies and protocols

Acknowledgement

Primary Reference for this Presentation

Medicaid and CHIP Payment and Access Commission (MACPAC)
Report to the Congress on Medicaid and CHIP, March 2011
Available at
www.kff.org/healthreform/upload/8061.pdf

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Optimizing Program Impact through Innovation and Leadership: Preparing for 2014

June 2nd-4th, 2013
Washington Marriott Wardman Park
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Public Policies – Cracks in the System

Programs are only as good as the policies that support them.