



## 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

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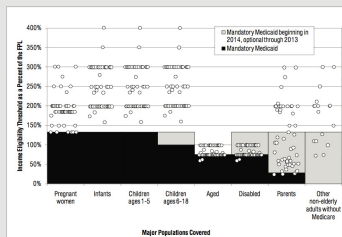
## Medicaid Eligibility Federal Mandates

- |  |  |
|--|--|
| <p><b>2010</b></p> <ul style="list-style-type: none"> <li>• Low-income children and their parents</li> <li>• Pregnant women</li> <li>• Individuals with disabilities</li> <li>• Individuals ages 65 and over</li> <li>• Income levels:                     <ul style="list-style-type: none"> <li>– Children &lt; age 6= 133% of FPL</li> <li>– Children age 6 and older=100% FPL</li> <li>– FPL=\$18,310 for family of 3</li> <li>– Differs for other categories</li> </ul> </li> </ul> | <p><b>2014 – PPACA*</b></p> <ul style="list-style-type: none"> <li>• Low-income children and their parents                     <ul style="list-style-type: none"> <li>– Raises eligibility for children ages 6-9 in 20 states</li> </ul> </li> <li>• Pregnant women</li> <li>• Individuals with disabilities</li> <li>• Individuals ages 65 and over</li> <li>• Low-income adults who do <u>not</u> fall into one of these categories (by 2014 or earlier at state option)*</li> </ul> <p><small>*Patient Protection and Affordable Care Act</small></p> |
|--|--|

## Medicaid Enrollment

- |   |   |
|---|---|
| <p><b>2010</b></p> <ul style="list-style-type: none"> <li>• 68 Million Beneficiaries</li> <li>• 33 Million Children</li> <li>• 11 Million Low-income with disabilities</li> <li>• 6 Million Low-income seniors/long-term care</li> </ul> <p><small>*Originally in American Recovery and Reinvestment Act (ARRA) H.R. 3590</small></p> | <p><b>2014 and PPACA</b></p> <ul style="list-style-type: none"> <li>• Additional 32 Million</li> <li>• Maintenance of Effort (MOE)                     <ul style="list-style-type: none"> <li>– State eligibility policies must remain in place until 2014 or until state Exchanges are fully operational-for adults</li> <li>– For children –until 2019</li> </ul> </li> <li>• New formula for eligibility                     <ul style="list-style-type: none"> <li>– “modified adjusted gross income</li> <li>– IT systems modifications</li> </ul> </li> </ul> |
|---|---|

FIGURE 2-1. Medicaid and CHIP Income Eligibility by Major Populations Covered



Note: Data on the chart generally represent state Medicaid or CHIP upper income eligibility thresholds for each population and may include employer-sponsored premium assistance and limited benefit packages. However, individuals with high medical expenses or long-term care needs may be eligible at higher income levels than those shown. Excludes eligibility for aged and disabled dual applicants who only receive assistance with Medicare premiums and cost-sharing. In addition to meeting income criteria, individuals may be subject to an asset test and meet other additional eligibility criteria as noted in the text of Chapter 2 of Act 1.

Bars on the chart do not reflect Medicaid mandatory thresholds in all states. Exceptions include parents (state, bar reflects U.S. median); pregnant women and infants (Figure 1-10 states that the generally applicable 133 percent FPL, universal); and aged and disabled individuals (11 states may use a threshold that differs from the 100 level shown here).

The mandatory thresholds for parents and disabled individuals will not change as of 2014, however, individuals above the current thresholds will gain mandatory status as of 2015 percent FPL, under the new eligibility group. For other non-elderly adults, who are not pregnant and do not have Medicare coverage.

Source: Social Security Act and Tables 8 through 11 in MACS Data.

## 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

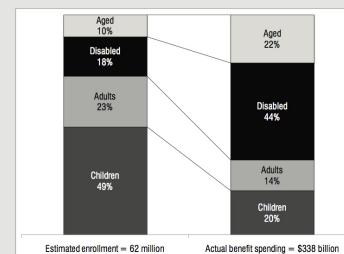
## Medicaid and CHIP Costs

- 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

FIGURE 2-2. Distribution of Medicaid Enrollment and Benefit Spending by Basis of Eligibility, Estimated FY 2009



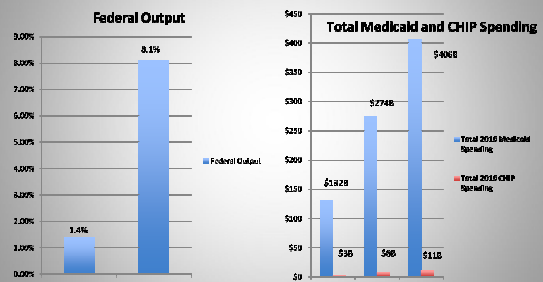
Note: Adults and children are non-disabled enrollees under age 65 and 19, respectively. Reflects people ever enrolled during the year and includes federal and state dollars. Excludes the territories, disproportionate share hospital (DSH) payments, and adjustments.  
Source: DACT 2010

## 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 and CHIP Costs

15% Total U.S. Healthcare Spending (FY2010)



76 Million Beneficiaries \* 68 Million Medicaid \* 8 Million CHIP

## 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

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## 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

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## Coverage

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

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## 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

MSDA  
MEDICAID-CHIP  
STATE DENTAL ASSOCIATION

Welcome Mary Foley

HOME PROFILES FEATURED FACTS ABOUT US

PROFILE CATEGORIES

- Descriptive Program Information
- Managed Care Delivery System
- Benefits
- Provider Network - Dentists
- Provider Networks - Non-Dentists
- Policy (Legislative)
- Management
- Affordable Care Act

Get Started by selecting a state to view Survey Details or choose a category.

**MSDA**  
MEDICAID-CHIP  
STATE DENTAL ASSOCIATION

HOME PROFILES FEATURED FACTS ABOUT US

Home > Profiles > State Information

Select a State: Massachusetts

Compare Massachusetts to: To another State: CA To a Region: North East

**Descriptive Program Information**

Dental Benefits Administration Models

Q: Please indicate ALL FFS or dental benefits administration currently used by your Medicaid/CHIP program (check all that apply)

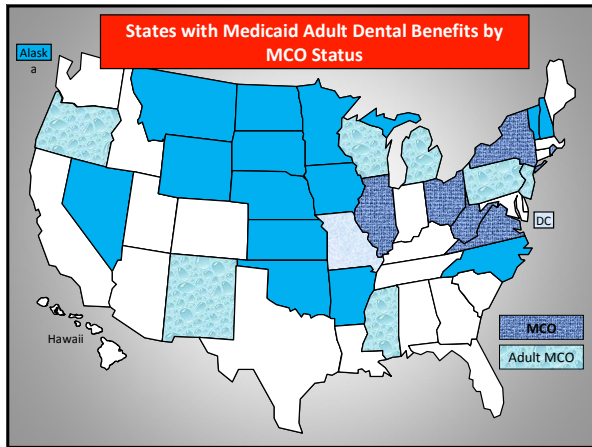
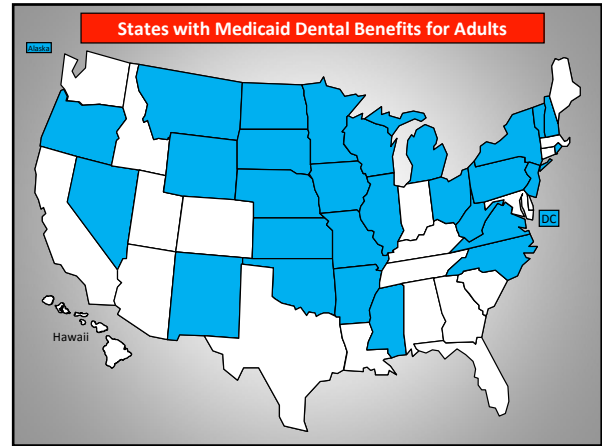
Model	Medicaid	CHIP
Direct	X	X
MCO	X	X
DBA		

Notes / Comments

Methodology for Dental Provider Payments

Q: Please indicate next to each model that your state uses, the methodology for the dental provider in your Medicaid/CHIP program.

Model	Payment Method	Medicaid	CHIP
Direct	FFS	X	X
	Capitation	-	-
	Salary	-	-
	PPS/Encounter Rate	X	-
MCO	FFS	X	X
	Capitation	-	-
	Salary	-	-
	PPS/Encounter Rate	X	X



**State Medicaid Adult Benefits**

**Covered Services**

Q: Please indicate which services are covered by your state Medicaid program for: children, adults, and special adult groups. Does your State Collect Data on dental screening? If yes, how is it coded?

Services	National	Adults									
		Region I	Region II	Region III	Region IV	Region V	Region VI	Region VII	Region VIII	Region IX	Region X
00150- Comprehensive Exam	30	5	2	4	2	4	2	4	4	1	2
00130- Periodic Oral Evaluation	36	4	2	3	1	4	2	3	4	1	2
00140- Limited Oral Evaluation, Problem Focused	37	5	2	3	4	5	4	4	5	1	4
00145- Oral Exam, Child under 3	0	0	0	0	0	0	0	0	0	0	0
01110- Adult Prophylaxis	25	4	2	3	1	4	2	3	4	0	2
01120- Child Prophylaxis	0	0	0	0	0	0	0	0	0	0	0
01200- Fluoride Treatment	7	1	1	0	0	2	1	1	1	0	0
01206- Fluoride varnish	6	2	0	0	0	1	0	1	0	0	2
01351- Dental Sealant	1	0	0	0	0	1	0	0	0	0	0
02130-2134- Composite Restorations	23	2	2	3	1	4	2	3	4	0	2
02140-2143- Amalgam Restorations	24	3	2	3	1	4	2	3	4	0	2
02110-7250- Extractions	39	4	2	0	5	5	4	4	6	1	3
02930-2934- Crowns	18	1	2	2	0	2	2	3	3	1	2
03220-3999- Endodontic Treatment	21	3	2	3	1	3	1	3	3	0	2
04510- Periodontal Maintenance	16	1	2	2	1	1	1	2	3	0	2
09920- Behavioral Management	7	2	2	0	0	0	1	0	1	0	1

Selected dental services covered under state Medicaid program  
This information is associated with question number 17 of the 2012 MSDA Profile.

**State Medicaid Programs**

**National Summary of Adult Dental Benefits**

**Benefits**

**Covered Services**

Q: Please indicate which services are covered by your state Medicaid program for: children, adults, and special adult groups. Does your State Collect Data on dental screening? If yes, how is it coded?

Services	National	Adults
00150- Comprehensive Exam	30	
00130- Periodic Oral Evaluation	36	
00140- Limited Oral Evaluation, Problem Focused	37	
00145- Oral Exam, Child under 3	0	
01110- Adult Prophylaxis	25	
01120- Child Prophylaxis	0	
01200- Fluoride Treatment	7	
01206- Fluoride varnish	6	
01351- Dental Sealant	1	
02130-2134- Composite Restorations	23	
02140-2143- Amalgam Restorations	24	
02110-7250- Extractions	39	
02930-2934- Crowns	18	
03220-3999- Endodontic Treatment	21	
04510- Periodontal Maintenance	16	
09920- Behavioral Management	7	

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**

State	Model	Contractor's Name/s	Adult Benefits	Additional Benefits for Pregnant Adults
Alaska	FFS		L	N
Arkansas	FFS		L	N
Colorado	FFS		E	N
Connecticut	FFS/ASO	Hewlett Packard (FA)/ BeneCare	L	N
District of Columbia	MCO	-Chartered Health Plan -UnitedHealthCare -HCSN	L	N
Idaho	FFS		E	Y
Iowa	FFS		L	N
Illinois	FFS		E	N
Kansas	FFS		E	N
Kentucky	MCO	-WellCare of Kentucky -Coventry Health Care -Kentucky Spirit	E	Y
Louisiana	FFS	-Passport Health Plan	None	Y
Maine	FFS		+	N
Maryland	FFS		L	N
Massachusetts	FFS		E	N

### State Medicaid Programs with Managed Care Adult Dental Benefits

State	Model	Contractor/s Name/s	Adult Benefits	Additional Benefits for Pregnant Adults
Michigan	MCO	- Delta Dental of MI	L	N
Minnesota	FFS		L	N
Mississippi	MCO	- UnitedHealthCare - Magnolia	E	N
Missouri	MCO	- DentaQuest	L	N
Montana	FFS		C	N
North Carolina	FFS		L	N
North Dakota	FFS		L	Y
Nebraska	FFS		L	N
Nevada	FFS		L	Y
New Hampshire	FFS		E	N
New Jersey	MCO	- AmeriGroup - UnitedHealthCare Community Health Plan - Horizon New Jersey Health - Health First - PACE	C	N

### State Medicaid Programs with Managed Care Adult Dental Benefits

State	Model	Contractor/s Name/s	Adult Benefits	Additional Benefits for Pregnant Adults
New Mexico	MCO	- Lovelace	L	N
		- Molina		
		- Presbyterian		
		- Blue Salud		
		- UnitedHealthCare - Amerigroup		
New York	FFS		L	N
Ohio	FFS		L	N
Oklahoma	FFS		E	Y
Oregon	MCO	- Advantage Dental	C	N
		- Capital Dental Care		
		- Willamette Dental Group		
		- ODS Community Health Inc.		
		- Care Oregon		
		- Access Dental Plan		
		- Family Dental Care		
		- Managed Dental Care of Oregon		

### State Medicaid Programs with Managed Care Adult Dental Benefits

State	Model	Contractor/s Name/s	Adult Benefits	Additional Benefits for Pregnant Adults
Pennsylvania	MCO	- Vista Health Plan	L	N
		- Gateway Plan Inc.		
		- UnitedHealthCare of Pennsylvania		
		- Health Partners		
		- UPMC for You Inc.		
		- Aetna Better Health Inc. - CoventryCare		
Rhode Island	FFS		L	N
South Dakota	FFS		L	N
Utah	FFS		E	Y
Vermont	FFS		L	Y
Virginia	FFS		E	N
Washington	FFS		E	Y
Wisconsin	MCO	- Southeast Dental Associates	L	N
		- DentaQuest	L	N
West Virginia	FFS		E	N
Wyoming	FFS		L	N

### 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.

• [http://www.ada.org/sections/professionalResources/pdfs/ime\\_documents.pdf](http://www.ada.org/sections/professionalResources/pdfs/ime_documents.pdf)

### 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](http://www.kff.org/healthreform/upload/8061.pdf)

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## 2013 National Medicaid and CHIP Oral Health Symposium



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## Public Policies – Cracks in the System



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