COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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December 1, 2009

MEMORANDUM

TO: The Honorable Charles J. Colgan
Chairman, Senate Finance Committee

The Honorable Lacey E. Putney
Chairman, House Appropriations Committee

Daniel S. Timberlake
Director, Virginia Department of Planning and Budget

FROM: Patrick W. Finnerty

SUBJECT: Report on Dental Program

Item 306(H) of the 2009 Appropriations Act requires the Department of Medical Assistance Services (DMAS) and the Virginia Department of Health to work with representatives of the dental community to: expand the availability and delivery of dental services to pediatric Medicaid recipients; streamline the administrative processes; and remove impediments to the efficient delivery of dental services and reimbursement thereof. The Appropriations Act requires DMAS to report on these activities to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget by December 15 of each year. I have enclosed for your review the report for 2009.

Should you have any questions or need additional information, please feel free to contact me at (804) 786-8099.

PWF/

Enclosure

Cc: The Honorable Marilyn B. Tavenner, Secretary of Health and Human Resources

Annual Report on the Dental Program

Virginia Department of Medical Assistance Services

December 2009

I. INTRODUCTION

This document responds to Item 306(H) of the 2009 Appropriations Act that requires the Department of Medical Assistance Services (DMAS) to report annually to the Chairmen of the House Appropriations and Senate Finance Committees on its efforts to expand dental services (a copy of Item 306(H) is provided in Attachment A). This report examines the progress that DMAS and its multiple partners have made towards this goal over the last four years.

II. BACKGROUND

Implemented on July 1, 2005, ***Smiles For Children*** is Virginia's dental program that was designed to improve access to quality dental services for Medicaid and CHIP children across the Commonwealth. The program was made possible through the support of the Governor and the General Assembly, including the provision of an overall 30 percent increase in funding for the reimbursement of dental services. The program celebrated its fourth year anniversary in 2009 and substantial evidence continues to demonstrate that ***Smiles For Children*** is achieving its goals and is serving as a model dental program among Medicaid programs.

Smiles For Children operates as a fee-for-service dental health benefit plan with a single benefits administrator, Doral Dental, USA. DMAS retains policymaking authority and, in conjunction with the Dental Advisory Committee, closely monitors contractor activities (see Attachment B for a list of current Committee members). The program now serves more than 600,000 Medicaid and CHIP children.

Medicaid and FAMIS dental benefits for children include: diagnostic, preventive, restorative/surgical procedures, and orthodontics. Comprehensive dental benefits are not covered for adults under ***Smiles For Children.*** Adult dental services are limited to medically necessary oral surgery and associated diagnostic services, such as X-rays and surgical extractions. To qualify for reimbursement, dental conditions must compromise an adult's general health and be documented by the dentist or medical provider.[1]

III. *SMILES FOR CHILDREN* STRATEGIC GOALS

Two of DMAS' strategic goals focus on the ***Smiles for Children*** program, specifically:
(1) increasing provider participation and (2) increasing pediatric dental utilization. In 2009, DMAS again exceeded these goals.

A. Goal #1: Increase Provider Participation

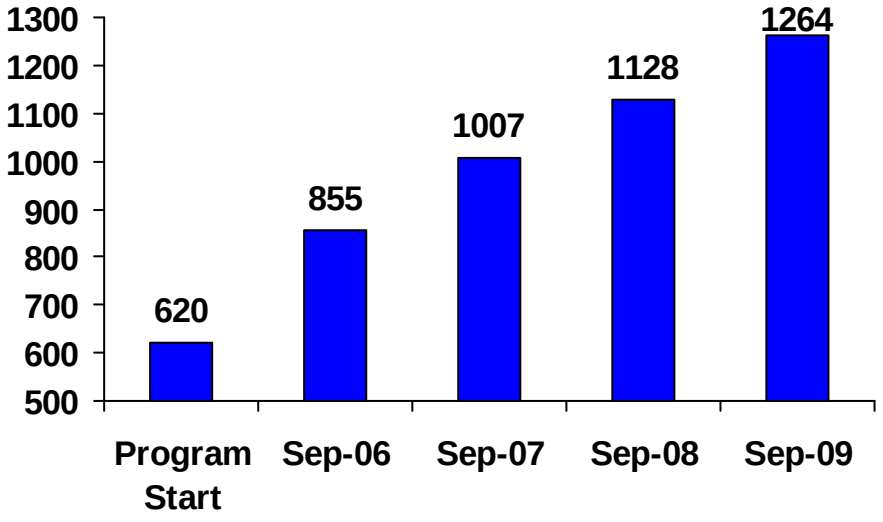
The number of providers enrolled in the dental program continues to increase. Provider participation has doubled since the program began in 2005. In 2005, there were 620 dental providers, representing only 11 percent of Virginia licensed dentists. As shown in Table 1, by the

[1] DMAS refers adults whose dental treatment needs are not covered under ***Smiles For Children*** to charitable dental resources in Virginia. The Virginia Dental Health Foundation has been instrumental in assisting these adults through the Donated Dental Services and Mission of Mercy programs.

end of August 2009, there were 1264 providers, representing 22 percent of Virginia licensed dentists as reported on Kaiser Family Foundation's Statehealthfacts.org. for 2008.

DMAS' 2009 goal was to reach a network total of 1220 providers in the ***Smiles For Children*** network. Currently at 1,264 providers (August 2009), the network has experienced a 103% increase since the program started. Additional providers continue to enroll in the program monthly, further strengthening the program's provider network.

Table 1: Increase in Participating Dental Providers



Source: Doral Dental Provider Reports

In addition to an expanded dental network, more providers are actually treating patients, as evidenced by the number of providers who submit claims. When ***Smiles For Children*** began, fewer than half of participating dental providers submitted claims for services rendered to Medicaid/FAMIS children. As of 2009, over 80 percent of the participating network providers were submitting claims. Having these additional providers actively participating in the network helps expand network capacity and improves availability of services for ***Smiles For Children*** enrollees.

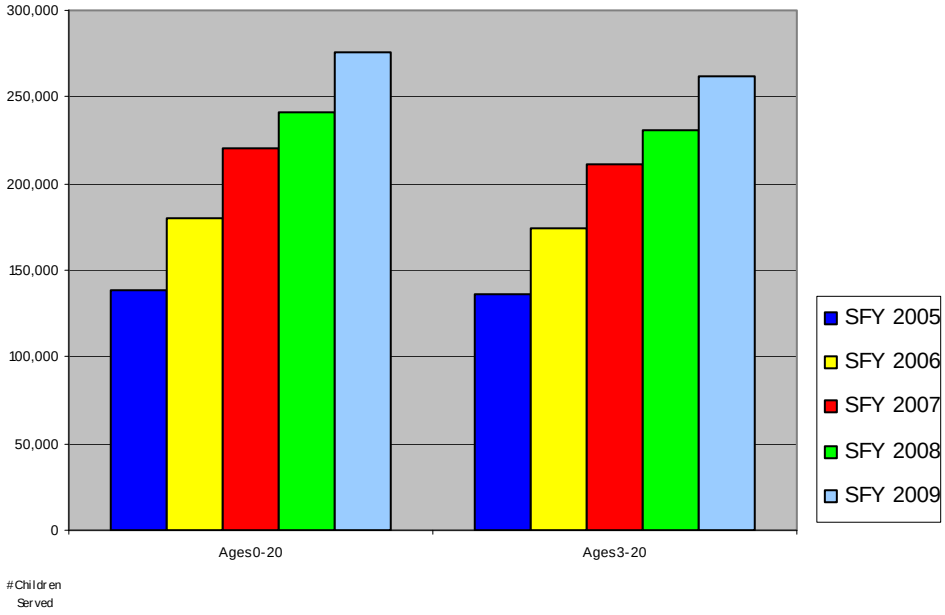
Provider satisfaction remains high among ***Smiles For Children*** providers. According to the most recent provider satisfaction survey conducted in 2009, average overall provider satisfaction with the program was 94 percent and 98 percent indicated a willingness to continue participating in the program.

B. Goal #2: Increased Dental Utilization

As shown in Table 2, the number of children ages 0-20 who received dental services increased from 240,973 in FY 2008 to 275,501 in FY 2009. This translates into 40 percent of children in this age group utilizing dental services (compared to 38 percent last year, and 24 percent when the program started). Furthermore, utilization of dental services among children ages 3-20

increased from 230,250 in FY 2008 to 262,010 in FY 2009, resulting in a utilization rate of 48 percent (compared to 46 percent last year, and 29 percent when the program started). The cumulative increases in utilization since the program began represents an approximate 99 percent increase in low-income children ages 0-20 and 93 percent more children ages 3-20 receiving needed oral health care since the start of the new program.

Table 2: Increases in Medicaid/FAMIS Children Receiving Dental Services



Source: Centers for Medicare and Medicaid Services EPSDT 416 Report produced on SFY reporting timeframe. Figures are based on claims received through September 30, 2009.

IV. *SMILES FOR CHILDREN* ACTIVITIES

A. Provider Recruitment and Outreach

In an effort to support positive relations with the provider community and to be responsive to the provider community needs, ***Smiles For Children*** continues to actively recruit providers and conduct outreach to the provider community. Part of the outreach effort seeks to identify problems with the program from the provider perspective so that solutions can be developed. Over the course of the program, ***Smiles For Children*** has implemented several initiatives to address provider-identified issues.

Broken Appointments: In Virginia and nationwide, the most common reason given by dental providers for not participating in Medicaid dental programs is the extremely high rate of missed or "broken" appointments for Medicaid membership. The results of a provider survey developed and conducted by Doral illustrated these provider concerns. As a result of the survey findings, Doral created and published a list of best practices that

were shared with all network providers detailing ways to decrease the number of broken appointments. The practices encompass recommendations from within the provider community that were identified by individual providers as helping to address and resolve broken appointments in individual practices. Some of those practices include: calling 24 hours prior to the appointment as a reminder to the family; developing a specific broken appointment policy for all patients; having a contract that the patient signs that spells out their rights and responsibilities; confirming appointment after hours when the patient is likely to be home to answer the call; continuing care appointment made for three to six months ahead should be reserved for patients of record with no history of broken appointments; having extended hours on selected days or occasional weekend hours; and, maintaining a list of patients who can be contacted to come in on short notice. While this initiative remains ongoing, it appears that some providers are seeing improvement in their broken appointments.

- ***Smiles For Children*** has partnered with the dental provider, Kool Smiles (Virginia operations only), to assess the effects of best practices for decreasing broken appointment rates in specific dental clinics. Preliminary results suggest that these best practices decrease broken appointment rates. The pilot remains ongoing; however, the final results will be published in 2010 and shared with Doral's ***Smiles For Children*** provider network to help increase provider participation, satisfaction, and member utilization.

- ***Education Materials:*** English and Spanish member-focused oral health education literature was expanded to include periodicity scheduling details. Important benefits of seeing a dentist regularly are also detailed.

- ***Provider Trainings:*** Doral offered provider training opportunities across the state in October 2008 and April 2009 in a number of venues and locales to allow providers in each region of the state an opportunity to receive updated training information about ***Smiles For Children***. Training topics included member appeals, adult dental coverage, treatment protocols for periodontal disease, dental records, accurate claim payment, and program updates.

- ***Electronic Funds Transfer: Smiles For Children*** introduced electronic funds transfer (EFT) for providers. EFT is free of charge to providers and offers a number of benefits to both DMAS and the provider community. The benefits of EFT are the elimination of forged, counterfeit and altered checks, lost or stolen checks, faster provider reimbursement, and decreased administrative costs for both providers and the program. Six percent of providers are already using EFT. Provider outreach will continue to work toward increasing the number of providers participating in EFT.

- ***Other Activities:***

Other ongoing provider outreach efforts include:

  - Collaborative partnerships with the Virginia Dental Association and multiple dental community service agencies;

- DMAS and Doral leadership continue to participate in the Mission of Mercy events offered through the Virginia Dental Association;
- DMAS and Doral have resumed attendance at local provider meetings to present ***Smiles For Children*** and promote dental program participation;
- Targeted network analyses were conducted to direct recruitment efforts in underserved areas of the state;
- Personal assistance has been provided to dentists to answer questions about the program and to complete the network application; and,
- Targeted providers were visited to solicit program participation.

B. Member Outreach

One of the cornerstones of the ***Smiles for Children*** program is member outreach and personalized attention to help members locate appropriate providers. Toward that end, DMAS and Doral have demonstrated commitment to expediting access to care for members and ensuring members have dental care resources. For example,

- Members can easily locate participating dentists by calling the program's toll-free number 1-888-912-3456 to speak with a specialist or they can go to either DMAS' or Doral's website to enter their zip code and search for available providers;
- ***Smiles For Children*** mails communications to enrollees stressing the importance of appropriate dental care;
- ***Smiles For Children*** has been represented at multiple outreach events throughout the Commonwealth over the last year. Promotional items, such as toothbrushes and educational materials, were provided to over 10,000 attendees at these events; and,
- Reaching ***Smiles For Children*** enrollees throughout the Commonwealth is also made possible through extensive collaboration between DMAS and community-based organizations, community leaders, child advocacy groups and multiple key stakeholders. A few examples of valued partnerships and shared event opportunities over the last year include:

    ◊ Virginia Dental Association and Mission of Mercy Events
    ◊ Virginians for Improving Access to Dental Care
    ◊ Virginia Healthcare Foundation - Toothtalk
    ◊ Virginia Rural Health Association and the Annual Conference
    ◊ Head Start Association and the Health Advisory Committee
    ◊ Old Dominion Dental Society

The Centers for Medicare and Medicaid Services (CMS) which is the federal agency that oversees Medicaid established an Oral Health Technical Advisory Group (TAG), chaired by Patrick Finnerty, DMAS Director. The Oral Health TAG is composed of state Medicaid agencies and CMS representative tasked to: (1) address dental issues in Medicaid programs; (2) help promote dental health in national health reform; and, (3) improve the quality and delivery of dental care to Medicaid recipients.

C. Dental Disease Prevention

Fluoride varnish remains a proven treatment in the prevention of dental decay. National attention has focused on how states can increase ways to make fluoride application more available to children. DMAS has responded by increasing access to fluoride services outside of the dental provider network.

DMAS continues to work with the Virginia Department of Health's "Bright Smiles for Babies" program to expand access to this service. For children under the age of three, DMAS pays for two fluoride varnish applications per year by a non-dentist. Fluoride varnish application is covered by Fee-for-Service Medicaid and by Managed Care Organizations. Medical providers rendering this service must be a Medicaid provider and approved to bill for the dental code. Access to this particular service has steadily increased since coverage was initiated in SFY 2006. As shown in Table 4, the number of trained providers, the volume of claims, and claim dollar amounts increased substantially from SFY 2006 to SFY 2009.

Table 4: Fluoride Varnish Medical Data

State Fiscal Year	Providers	Claims	Claims Dollars
2006	24	516	$10,727.64
2007	47	873	$18,149.67
2008	47	1,146	$22,468.64
2009	55	1,714	$31,174.30
Total	**173**	**4,249**	**$82,520.25**

Source: DMAS Claims Data

V. QUALITY MANAGEMENT

Ongoing evaluations of the quality of care members receive through ***Smiles For Children*** remains a priority of DMAS. DMAS strives to continuously improve quality of care by working with the provider community to adhere to evidence-based guidelines. This is accomplished through multiple quality assessment activities, such as: site visits, dental record reviews, data mining and standard deviation reporting, dental surveys and interviews, provider communication and trainings, and Virginia-based peer reviews. The DMAS Dental Advisory Committee continues to have a significant influence on the ***Smiles for Children*** program and is consulted and included in decisions regarding quality monitoring activities.

Topics reviewed again over the past year to determine the need for quality improvement included:

- The volume of stainless steel crowns and pulpotomies performed in a single date of service;

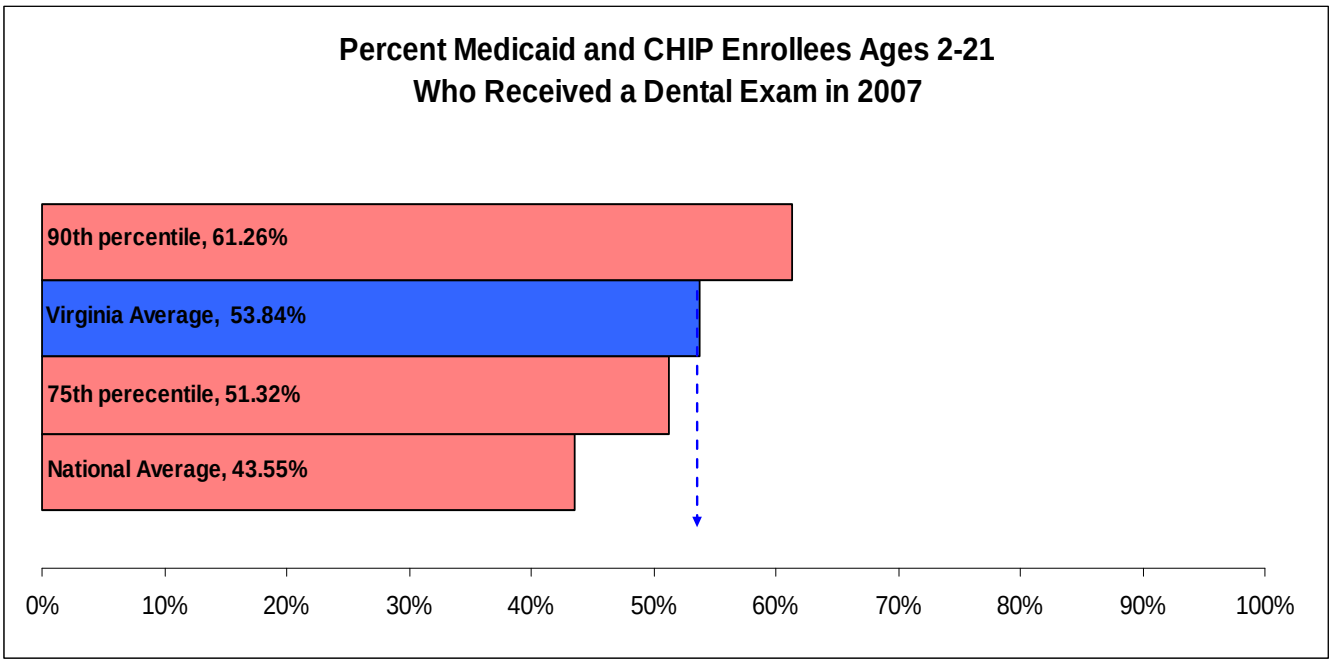
- Potential duplicative or excessive treatments due to reduced prior authorization requirements;
- Ongoing assessment of medical necessity of scaling and root planing procedures performed on children;
- Ongoing efforts to improve patient treatment compliance including improving broken appointment rates; and,
- Compliance with the dental treatment periodicity schedule for children.

Results of these quality assessment reviews have demonstrated overall compliance with accepted standards of care.

The practice of behavior management techniques during necessary dental treatment of children remains a focus of the ***Smiles For Children*** program. Inquiries regarding the appropriateness of behavior management techniques, specifically protective stabilization, have been received by DMAS. Protective stabilization is an approved method of behavior management, and pediatric dentists receive behavior management training during post graduate education. These techniques are allowed under the scope of practice, as defined by the Virginia Board of Dentistry, for licensed dentists in Virginia. DMAS investigates the use of protective stabilization in the ***Smiles For Children*** network to determine if problems exist among participating providers, with the results reviewed with the Dental Advisory Committee. ***Smiles For Children*** conducted a survey to find out which network providers use protective stabilization. The results showed that general dentists without additional training did not use protective stabilization. The use of protective stabilization is confined to pediatric dentists and general dentists with additional protective stabilization training, following the American Academy of Pediatric Dentist guidelines. The review of this practice is ongoing.

Smiles For Children now requires an annual dental visit report using HEDIS 2008 technical specifications. This report measures the percentage of members 2-21 years of age who had at least one (1) dental visit during the measurement year. DMAS received the first SFC report based on calendar year 2007. The SFC data showed that 54.84% of the members had at least one dental visit which was well above the National Medicaid average of 43.55%. The SFC data showed the percentage of members with at least one dental visit fell between the 75^{th} and 90^{th} percentile of the national average (next page).

Table 5: HEDIS 2008 Report



***Data Sources and Limitations:** Virginia Medicaid and CHIP Average was provided by Doral Dental USA, LLC using 2008 HEDIS Technical Specifications. National Averages were collected from Quality Compass 2008. While Doral used the HEDIS technical specifications to calculate the scores, the final score is not audited by HEDIS. It is based on HEDIS calculation.

VI. PROGRAM INTEGRITY

DMAS upholds firm standards when monitoring compliance with billing and allowable reimbursements for dental services. For example, in response to a highly publicized dental fraud case, DMAS conducted an extensive review of our business practices to ensure that proper fraud identification occurs. Multiple measures are taken to identify fraudulent billing activities among ***Smiles For Children*** providers, such as:

- claims data are routinely monitored to identify providers with unusual patterns of claim submissions;
- claim payment accuracy;
- data mining techniques and benchmark reporting are used; and,
- chart reviews are conducted to audit and reconcile services billed and rendered.

377 patient record reviews occurred in 2009. Findings indicated that providing inadequate clinical documentation is a problem for some dental providers. Proper clinical documentation is critical for providers to substantiate services rendered. As such, when services are unsubstantiated in the patient record, cases are referred to the Virginia Peer Review Committee. Funds are recouped from providers when overpayment has occurred. Any potentially fraudulent

activity is referred to the DMAS Program Integrity Division and the Virginia Board of Dentistry. DMAS cooperates fully with the Office of the Attorney General when assistance is requested with any inquiry or investigation.

DMAS supports providers being reimbursed accurately for dental services rendered to ***Smiles For Children*** patients. Resources are available to providers through the Doral electronic billing process and provider relations activities for clarification and understanding of proper billing procedures. Training opportunities and personalized attention are provided to bring providers into compliance with procedural standards. ***Smiles For Children*** initiates recovery of overpayments in accordance with program integrity requirements. In SFY 2009 $96,993.18 was recovered.

VII. PROGRAM ACHIEVEMENTS

In addition to improved dental utilization and increased provider participation, Virginia's dental program continues to receive national attention. DMAS continues to receive requests to present the ***Smiles For Children*** program at national meetings of the American Dental Association, the National Association of Dental Plans, the National Association of State Medicaid Directors, the Medicaid Managed Care Congress, and the National Academy for State Health Policy, and the National Oral Health Conference. Most recently, DMAS provided testimony at a Congressional Hearing in Washington, DC to the House Committee on Oversight and Government Reform and Domestic Policy Subcommittee.

DMAS continues to participate in dental leadership opportunities on both local and national levels. The DMAS Director continues to serve as Chairman of a national Technical Advisory Group sponsored by the Centers for Medicare and Medicaid Services and the National Association of State Medicaid Directors. DMAS participates in the Medicaid/CHIP Dental Association and the Virginians Improving Access to Dental Care Coalition. The Virginia Dental Association has recognized DMAS for its commitment to the ***Smiles For Children*** program and works closely with the Department and its leadership. DMAS frequently responds to requests for program information from other states.

In 2009, Congress passed the Children's Health Insurance Reauthorization Act (CHIPRA) reauthorizing and revising children's health insurance programs and adding certain dental requirements. While many states are struggling to meet CHIPRA requirements; ***Smiles For Children,*** through it successful collaboration with the provider community, has been and continues to provide dental coverage to Virginia's eligible children and complies with CHIPRA requirements.

Smiles For Children's success continues as a result of multiple stakeholders working together with a common interest to increase access to dental care for low-income children. All components of the dental community are supportive and helpful. They are partners in our mission to improve oral health in Virginia. The Governor and General Assembly continue to support DMAS and provide what is needed to make all of the improvements and continue these endeavors. Their continued support has been instrumental to the success of ***Smiles For Children***.

VIII. ACKNOWLEDGEMENTS

The staff of the ***Smiles For Children*** program wish to thank the many partners who have contributed to the success of the program. These partners include: Governor Kaine, the Virginia General Assembly, the Virginia Dental Association, the Old Dominion Dental Society, and the Virginians for Improving Access to Dental Care Coalition, Doral, the Virginia Commonwealth University School of Dentistry, the Virginia Health Care Foundation, Virginia Department of Health, and Virginia community programs and advocacy organizations.

We are especially grateful to dentists across the Commonwealth who participate in the program and provide quality dental care to enrolled children and adults. It is through the commitment of and contributions of these partners that dental access has improved.

Attachment A

APPROPRIATIONS LANGUAGE

306. Medicaid Program Services (45600)

Authority: Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-87, as amended, Title XIX, Social Security Act, Federal Code.

H. The Department of Medical Assistance Services and the Virginia Department of Health shall work with representatives of the dental community: to expand the availability and delivery of dental services to pediatric Medicaid recipients; to streamline the administrative processes; and to remove impediments to the efficient delivery of dental services and reimbursement thereof. The Department of Medical Assistance Services shall report its efforts to expand dental services to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget by December 15 each year.

Attachment B

Dental Advisory Committee Members and Specialty

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES DENTAL ADVISORY COMMITTEE PARTICIPANTS		
Carl O. Atkins, Jr., D.D.S.	Pediatric Dentist	Richmond, VA
Chuck Duvall	Virginia Dental Association	Richmond, VA
Cynthia Southern, D.D.S.	General Dentist	Pulaski, VA
Frank Farrington, D.D.S.	Pediatric Dentist	Midlothian, VA
David Hamer, D.D.S.	Orthodontist	Charlottesville, VA
Girish Banaji, D.D.S.	Pediatric Dentist	Fairfax, VA
Ivan Schiff, D.D.S.	General Dentist	Virginia Beach, VA
Joe A. Paget, Jr., D.D.S.	Pediatric Dentist	Blacksburg, VA
John H. Unkel, D.D.S	Pediatric Dentist	Richmond, VA
Karen Day, D.D.S.	Virginia Department of Health	Richmond, VA
Linda S. Bohanon	MCV/VCU Education Centers	Richmond, VA
Lynn Browder, D.D.S.	Virginia Department of Health	Richmond, VA
Neal Graham	Virginia Primary Care Association	Richmond, VA
Neil Morrison, D.D.S.	Oral Surgeon	Virginia Beach, VA
Randy Adams, D.D.S.	Pediatric Dentist	Richmond, VA
Tegwyn H. Brickhouse, D.D.S	Pediatric Dentist	Richmond, VA
Terry D. Dickinson, D.D.S.	Virginia Dental Association	Richmond, VA
Zachary Hairston, D.D.S.	General Dentist	Danville, VA
John Ashby, D.D.S., MS	Orthodontist	Virginia Beach, VA
David M. Strange, DDS, MS	Pediatric Dentist	Atlanta, GA
Bhavna Shroff, DDS, MDentSc	Orthodontist	Richmond, VA
Carolyn Kelly-Mueller, DDS	Hiram Davis Medical Center	Petersburg, VA