COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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December 1, 2010

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: Gregg A. Pane, MD, MPA

SUBJECT: Report on Dental Program

Item 297(G) of the 2010 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 and the Department of Planning and Budget on its efforts to expand dental services by December 15 of each year. This report examines the progress that DMAS and its multiple partners have made towards this goal over the last five years.

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

GAP/

Enclosure

pc: The Honorable William A. Hazel, Jr., MD, Secretary of Health and Human Resources

Annual Report on

Smiles For Children

Improving Dental Care Across Virginia

Virginia Department of Medical Assistance Services

December 2010

EXECUTIVE SUMMARY

Smiles For Children (SFC) was created in 2005 as the result of the support of the provider community, managed care organizations, the Governor, the General Assembly, and DMAS leadership. As a result of this collaboration, SFC was created and modeled after commercial insurance with a single payer and a significantly expanded network.

Since the program's inception in 2005, SFC has continued to increase utilization and has expanded both the pediatric and general dentist network statewide. Specialty provider access has increased significantly as well. Dental utilization continues to increase. SFC has been identified as a model for other states seeking to improve their Medicaid dental programs.

This report highlights key accomplishments for SFY 2010. These include:

- Increased provider participation with 1,439 dental providers participating versus 620 in 2005;
- Utilization of dental services among children ages 3-20 has increased from 29% in 2005 to 51%;
- Expanded provider recruitment, outreach, and collaboration;
- Expanded focus on dental disease prevention;
- Improved quality management;
- Focused program integrity oversight; and,
- Recognition by the Centers for Medicare & Medicaid Services that Virginia is a top performing state with respect to its Medicaid dental program.

INTRODUCTION

This document responds to Item 297(G) of the 2010 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 297(G) is provided in Attachment A). This report examines the progress that DMAS and its multiple partners have made towards this goal over the last five years.

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 fifth year anniversary in 2010 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, DentaQuest (formerly known as Doral 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). More than 800,000 Medicaid and CHIP children are now eligible for the program.

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]

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 2010, DMAS again exceeded these goals.

Goal #1: Increase Provider Participation

The number of providers enrolled in the dental program continues to increase. Provider participation has more than doubled since the program began in 2005. In 2005, there were 620

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[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.

dental providers, representing only 11 percent of Virginia licensed dentists. As shown in Table 1, by the end of August 2010, there were 1,439 providers. This represents approximately 23 percent of the 6,335 Virginia licensed dentists.

DMAS' 2010 goal was to reach a network total of 1,300 providers in the *Smiles For Children* network. Currently at 1,439 providers (August 2010), the network has experienced a 132% 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
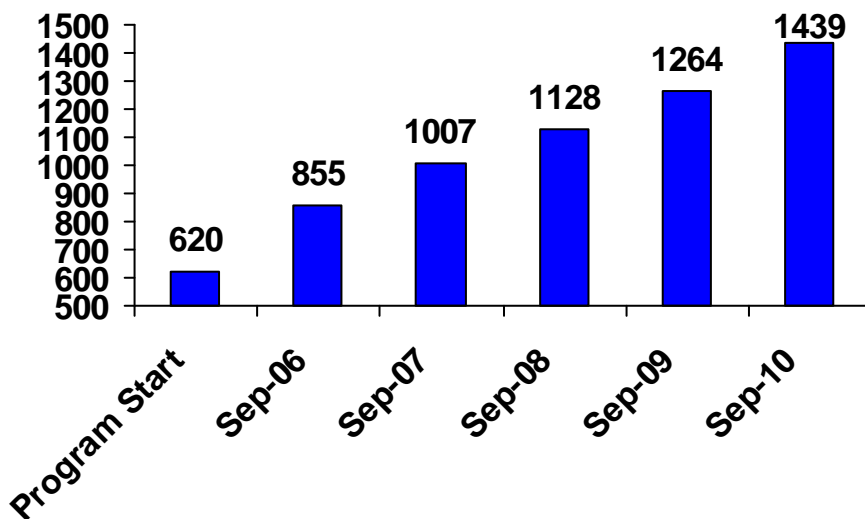
Source: DentaQuest Dental Provider Reports

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 2010, over 81 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 2010, average overall provider satisfaction with the program was 94 percent and 96 percent indicated a willingness to continue participating in the program.

Goal #2: Increased Dental Utilization

As shown in Table 2, the number of children ages 0-20 who received dental services increased from 275,501 in FY 2009 to 314,914 in FY 2010. This translates into 43 percent of children in this age group utilizing dental services (compared to 40 percent last year, and 24 percent when

the program started). Furthermore, utilization of dental services among children ages 3-20 increased from 262,010 in FY 2009 to 298,734 in FY 2010, resulting in a utilization rate of 51 percent (compared to 48 percent last year, and 29 percent when the program started). The cumulative increases in utilization since the program began represents an approximate 128 percent increase in low-income children ages 0-20 and 120 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
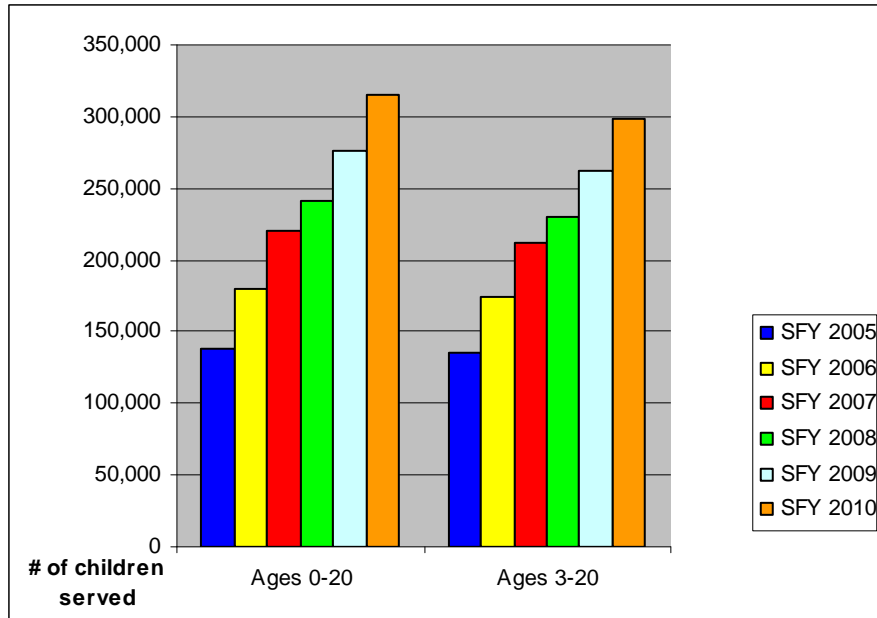
Source: Centers for Medicare and Medicaid Services EPSDT 416 Report produced on SFY reporting timeframe. Figures are based on claims received through August 19, 2010.

SMILES FOR CHILDREN ACTIVITIES

Provider Recruitment and Outreach

In an effort to support positive relations with the provider community and to be responsive to 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 solutions can be developed. *Smiles For Children* has implemented several initiatives to address provider-identified issues.

- *Doral Name Change:* December 1, 2009, the *Smiles For Children* dental benefit administrator "Doral" officially changed its name to DentaQuest. The name change occurred as DentaQuest, the nation's fourth largest oral health enterprise, aligned its lines of business under a single name. As a result of this business transformation, dental providers can benefit from new web portal features, a state of the art claims processing system, and a new and improved automated phone system.

- ***Electronic Communication Improved***: To ensure providers receive information regarding program updates, electronic communication improvements such as personalized URL's offering provider specific information, fax and email blasts were implemented.

- ***Broken Appointment Rates:*** In Virginia and nationally, the extremely high missed or "broken" appointments rates for Medicaid members continues to affect provider enrollment and satisfaction in Medicaid dental programs. ***Smiles For Children*** partnered with the dental provider, Kool Smiles (Virginia operations only) in May 2009, to assess the effects of best practices for decreasing broken appointments rates in dental clinics. The pilot project was completed in May 2010. Multiple causes of the high broken appointment rate and strategies such as preferential appointment times and specialized mailings were explored in the pilot study. The list of broken appointment causes were garnered from parent/guardian interviews and from office manager discussions. The listed causes ranged from lack of transportation to parent/guardian disregard for scheduled appointments. The results of the study were compiled by Kool Smiles and presented at the Dental Advisory Committee meeting in June. The results of the study showed that the most important indicator for patient compliance with a scheduled appointment was how far in advance the appointment was booked. The lowest broken appointment rate occurred when appointments were made within one week of calling for care.

- ***Provider Trainings:*** DentaQuest offered two provider training opportunities across the state 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***. One meeting was an on-site training and the other was a webinar. Training topics included adult dental coverage, treating children with special needs, key components of the provider office reference manual and information regarding the Doral name change.

- ***Direct Deposit (Electronic Funds Transfer) Smiles For Children:*** DentaQuest now offers direct deposit free of charge to participating dental providers. This service provides a number of benefits to both DMAS and the provider community such as 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. When implemented in May 2009, approximately 5.9% of payees were using Direct Deposit. As of September 2010, the percentage of payees using Direct Deposit has increased to 13.4%

- ***Dental Advisory Committee:*** The Dental Advisory Committee (DAC) is a representative cross section of dentists from around the state who treat SFC enrollees. DAC, in partnership with DMAS, meets twice a year to discuss ways to improve access to dental care for Medicaid/FAMIS Plus and FAMIS children. DAC has 23 members. The large majority are dental providers from across the state, including representatives from the Virginia Dental Association, Virginia Primary Care Association, Virginia Commonwealth University School of Dentistry, the Virginia Department of Health, and

the Department. DAC's membership was recently expanded to enhance the representation of minority and specialist providers and to provide better geographic balance.

- *Other Activities:*

Other ongoing provider outreach efforts include:

- Collaborative partnerships with the Virginia Dental Association and multiple dental community service agencies;
- DMAS and DentaQuest leadership continue to participate in the Mission of Mercy events offered through the Virginia Dental Association;
- DMAS and DentaQuest 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;
    - Special efforts were made to recruit providers willing to treat adults
- A second *Smiles For Children* Provider Relations Representative was hired to focus on recruitment in Northern Virginia;
- 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.

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 DentaQuest 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 DentaQuest's website to enter their zip code and search for available providers;
- Members are now receiving a personalized directory based on the member's address. This geocoded directory includes the 30 closest general dentist and pediatric dentist.
- *Smiles For Children* mails communications to enrollees stressing the importance of appropriate dental care;
- *Smiles For Children* was represented at multiple outreach events throughout the Commonwealth over the last year. Promotional items, such as toothbrushes and educational materials, were provided to over 9,500 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 Oral Health Coalition
◊ Virginia Healthcare Foundation - Toothtalk
◊ Virginia Rural Health Association and the Annual Conference
◊ Head Start Association and the Health Advisory Committee
◊ Old Dominion Dental Society
◊ Give Kids a Smile Day –Richmond local annual event
◊ Federally Qualified Health Centers

- *Smiles For Children* continues to collaborate with DMAS' contract managed care organizations (MCOs) in an effort to identify and improve ways to facilitate efficiencies in outreach delivery and promote children's health;
- A new member educational poster was created to inform members when to see the dentist and what to expect;
- *Smiles For Children* participated in the CMS Oral Health Technical Advisory Group.

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 2010.

Table 4: Fluoride Varnish Medical Data

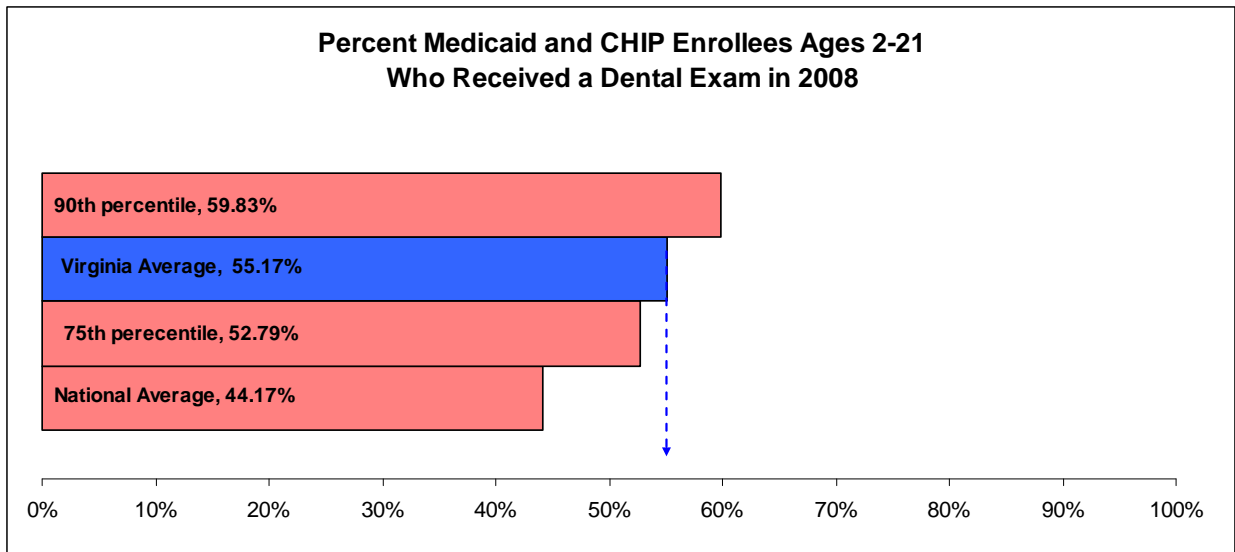| State Fiscal Year	Providers	Claims	Claims Dollars
2006	24	516	$10,727.64
2007	47	873	$18,149.67
2008	47	1,146	$22,468.64
2009	55	1,714	$31,174.30
2010	58	2567	$51,148.00
Total	**231**	**6816**	**$133,668.25**

Source: DMAS Claims Data

QUALITY MANAGEMENT

Smiles For Children continues in its efforts to evaluate the quality of care provided to members. These efforts center on continuously monitoring the provider community's adherence to evidenced-based guidelines. There are multiple quality assessment activities including the DMAS Dental Advisory Committee involvement in the *Smiles For Children* program.

- *Smiles For Children* is in its fifth year. The program focus has been on increasing utilization by the members, increasing provider participation in the program and ensuring that quality care is being provided to members. These activities continue to be an integral part of the program. The *Smiles For Children* program has matured over this time period into a nationally recognized and highly regarded program with increasing member utilization and provider participation. *Smiles For Children,* in conjunction with a DAC subcommittee has designed a qualitative assessment initiative to evaluate long term impact of consistent dental care. Concurrently, qualitative improvement assessments spearheaded by the American Dental Association are occurring nationwide. The quality improvement initiative proposed by *Smiles For Children* will initially measure the effects of preventive sealants placed on children's first permanent molars. This initiative will follow members from initial sealant placement through the cavity prone years. The first assessment is expected in 2011.

Smiles For Children requires an annual dental visit report using HEDIS 2009 technical specifications. This report measures the percentage of members 2-21 years of age who had at least one dental visit during the measurement year. The SFC report is based on services rendered in 2008. The SFC data showed that 55.17% of the members had at least one dental visit which was well above the HEDIS National Medicaid average of 44.17%. The SFC data showed the percentage of members with at least one dental visit was between the 75th and 90th percentile of the HEDIS national data.

Table 5: Annual Dental Exam Comparing SFC to HEDIS 2009

**Percent Medicaid and CHIP Enrollees Ages 2-21
Who Received a Dental Exam in 2008**

- 90th percentile, 59.83%
- Virginia Average, 55.17%
- 75th perecentile, 52.79%
- National Average, 44.17%

*Data Sources and Limitations: Virginia Medicaid and CHIP Average was provided by DMAS using 2009 HEDIS Technical Specifications. National Averages were collected from Quality Compass 2009. While DMAS used the HEDIS technical specifications to calculate the scores, the final score was not audited by HEDIS. It is based on HEDIS calculation.

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 DentaQuest 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.

307 member record reviews occurred in 2010. 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, the provider is subject to but not limited to the following actions: provider education/behavior modification, referral to the DentaQuest Peer Review Committee and referral to the Virginia Peer Review Committee based on the recommendations of the DentaQuest Peer Review Committee. Funds are recouped from providers when overpayment has occurred. During SFY 2010, $88,337.92 was identified as overpayments and the recovery process was initiated. 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 DentaQuest 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.

PROGRAM ACHIEVEMENTS

Prepayment Review

A concerted effort between the *Smiles For Children* Program, members of the Dental Advisory Committee and the Virginia Dental Associated resulted in a prepayment review plan to reduce costs to the program without impacting quality or quantity of dental care for the members. Five initiatives were reviewed and adjusted to reflect standards of care of the American Association of Pediatric Dentistry as well as the prevailing standards of care of the provider community.

Prepayment review is required for the following procedures:

- **PANORAMIC FILM:**
  The age of panoramic radiographs D0330 changed from 0-20 **to ages 6 -20**.

- **D4210 – GINGIVECTOMY/GINGIVOPLASTY (four or more contiguous teeth or bounded teeth spaces per quadrant):**
  Periodontal charting and pre-operative radiographs with claim for prepayment review is now required.

- **D4211 – GINGIVECTOMY/GINGIVOPLASTY (one to three contiguous teeth or bounded teeth spaces per quadrant):**
  Periodontal charting and pre-operative radiographs with claim for prepayment review is now required.

- **D4341 – PERIODONTAL SCALING AND ROOT PLANING (four or more teeth per quadrant):**
  Periodontal charting and pre-operative radiographs with claim for prepayment review is now required.

- **4342 – PERIODONTAL SCALING AND ROOT PLANING (one to three teeth per quadrant):**
  Periodontal charting and pre-operative radiographs with claim for prepayment review is now required.

These changes, resulting in savings to the program, were effective October 1, 2009.

Network Development

Despite the challenging economic environment, Virginia's dental program continues to improve dental utilization and increase provider participation. The program has made significant progress in increasing specialty provider participation, with an increase of 180% average increase in specialists in the program.

National Recognition

DMAS continues to participate in dental leadership opportunities on both local and national levels. The *Smiles For Children* program was identified in 2010 by CMS as one of eight states operating a model program. The details of *Smiles For Children* best practices will be made available for review by other States who are striving to reorganize and streamline their respective State programs.

Insure Kids Now

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 its successful collaboration with the provider community, has and continues to provide dental coverage to Virginia's eligible children and complies with CHIPRA requirements. The *Smiles For Children* met the July 15, 2009 deadline to post the dental services template and the dental provider listing on the Insure Kids Now national health care website and is prepared to meet the 2011 dental reporting requirements.

Collaboration

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*.

HEALTH CARE REFORM

Under the federal health reform effort (the Patient Protection and Affordability Care Act (PPACA), starting January 1, 2014, Medicaid will expand greatly and many if not most individuals with family incomes at or below 133% of the federal poverty level will be eligible for Medicaid. While Virginia Medicaid currently covers children up to this income level, it is possible that more children will enroll because of the publicity surrounding this expansion or because more eligible parents will enroll their children because of the federal mandate that all individuals obtain coverage. DMAS' initial estimate is that monthly enrollment may increase by

an additional 270,000 – 425,000 including 50,000 new children. *Smiles For Children* is working to identify the impact of federal health reform on the program. *Smiles For Children* is working with DentaQuest to identify opportunities to improve and expand the provider network that is available for adults and children.

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 McDonnell, the Virginia General Assembly, the Virginia Dental Association, the Old Dominion Dental Society, and the Virginians Oral Health Coalition, DentaQuest, the Virginia Commonwealth University School of Dentistry, the Virginia Healthcare 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

2010 Acts of Assembly, Chapter 874

Item 297(G)

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.

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
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