



COMMONWEALTH of VIRGINIA  
*Department of Medical Assistance Services*

CYNTHIA B. JONES  
DIRECTOR

December 1, 2011

SUITE 1300  
600 EAST BROAD STREET  
RICHMOND, VA 23219  
804/786-7933  
800/343-0634 (TDD)  
[www.dmas.virginia.gov](http://www.dmas.virginia.gov)

**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:** Cynthia B. Jones *cbj*

**SUBJECT:** Report on Dental Program

Item 297(G) of the 2011 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.

CBJ/

Enclosure

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

## Annual Report on



**Virginia Department of Medical Assistance Services**

**December 2011**

## I. INTRODUCTION

This document responds to Item 297(G) of the 2011 Appropriations Act that requires the Department of Medical Assistance Services (DMAS) to report annually to the Chairman 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.

## II. BACKGROUND

Implemented on July 1, 2005, *Smiles For Children* is the Virginia Medicaid 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 sixth year anniversary in 2011 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 850,000 Medicaid and CHIP members (approximately 600,000 children) are now eligible for the program.

Medicaid and FAMIS cover comprehensive dental benefits for children including: 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.<sup>1</sup>

## 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 2011, DMAS again exceeded these goals.

### A. Goal #1: Increase Provider Participation

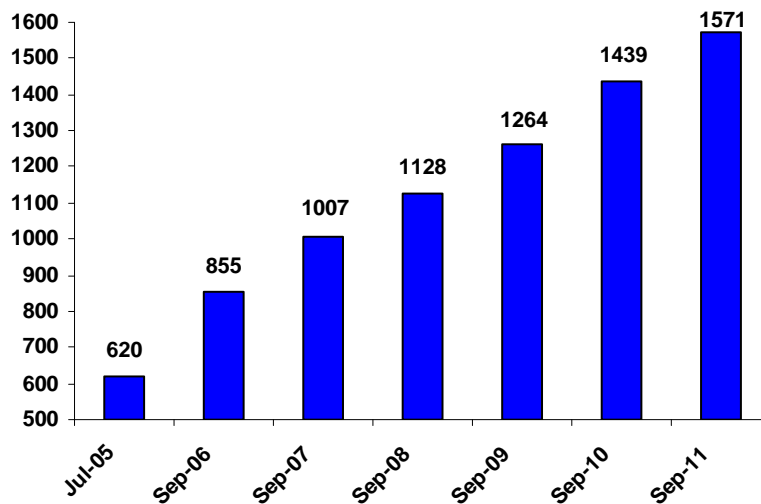
---

<sup>1</sup> 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.

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 dental providers, representing only 11 percent of Virginia licensed dentists. As shown in Table 1, by the end of August 2011, there were 1,571 providers. This represents approximately 24 percent of the 6,413 Virginia licensed dentists.

DMAS' 2011 goal was to reach a network total of 1,400 providers in the *Smiles For Children* network. Currently at 1,571 providers (August 2011), the network has experienced a 153% 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

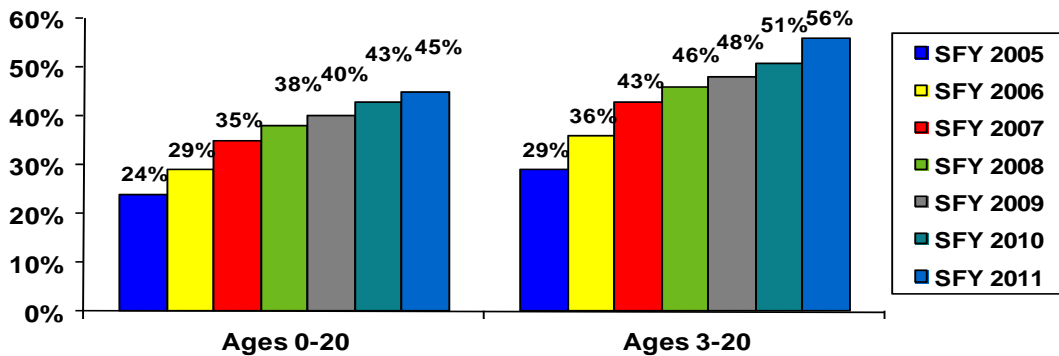
In addition to an expanded dental network, more providers are actually treating patients, as evidenced by the number of providers who submit claims. When *Smiles For Children* began, fewer than half of participating dental providers submitted claims for services rendered to Medicaid/FAMIS children. As of SFY 2011, 82 percent (1452 providers) 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* members.

Provider satisfaction remains high among *Smiles For Children* providers. According to the most recent provider satisfaction survey conducted in 2011, 96% of providers plan to renew with DentaQuest next year and 94% believe DentaQuest is as good as or better than commercial dental insurance carriers.

## B. Goal #2: Increased Dental Utilization

There are approximately 600,000 Medicaid and CHIP children participating in the Virginia Medicaid program. As shown in Table 2, the number of children ages 0-20 who received dental services increased from 314,914 in FY 2010 to 347,145 in FY 2011. This translates into 45 percent of children in this age group utilizing dental services (compared to 43 percent last year, and 24 percent when the program started). Furthermore, utilization of dental services among children ages 3-20 increased from 298,734 in FY 2010 to 327,706 in FY 2011, resulting in a utilization rate of 56% (compared to 51 percent last year, and 29 percent when the program started).

**Table 2: Increase in Medicaid/FAMIS Children Receiving Dental Services**



**Source:** Centers for Medicare and Medicaid Services EPSDT 41 Report produced on SFY reporting timeframe. Figures are based on claims received through September, 23, 2011(3 months lag time).

## 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 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.

- **Number of Providers Treating Members over 21 Increased:** A fax blast from DentaQuest encouraging providers to accept adults into their practice resulted in 22 providers updating their practice profile to include adults.
- **Surveyed Network Providers to Determine Capacity for Special Needs Patients:** Most respondents were general dentists who have been in the network for five or more years.

- ***Provider Network Recruitment Strategies Resulting in Increased Adult Care in the Roanoke Area:***
  - ▶ Targeted recruitment mailings with follow up calls.
  - ▶ Virginia Dental Association (VDA) President correspondence to Roanoke Area VDA Members encouraging participation.
  - ▶ Attendance at rural dental study clubs and dental society meetings.
  - ▶ Recruitment of future graduating dental students.
  
- ***Electronic Communication Improved:*** DentaQuest announces a new provider web portal that will facilitate access and streamline processes such as:
  - ▶ Improved security features that allow tiered access and increased provider control.
  - ▶ Verifying member eligibility.
  - ▶ Submitting claims and pre-authorizations, including the ability to upload attachments and X-rays (free).
  - ▶ The ability to communicate with DentaQuest via secure messaging.
  - ▶ The ability to enter broken/missed appointment information via the web.
  
- ***Adult Dental Claims Submission:*** DentaQuest posted examples of approved and disapproved adult claim scenarios on the provider web portal to assist providers in accurate claims submissions. Claim examples include:
  - ▶ Surgical removal erupted tooth – D7210
  - ▶ Extraction- erupted or exposed root – D7140
  - ▶ Removal of impacted tooth – soft tissue - D7220

Each adult claim example includes the rationale for the decision, the American Dental Association (ADA) claim form as submitted by the provider, and any supporting documentation (i.e. x-rays) submitted. Also included on the provider web portal were approved and disapproved claim examples for Periodontal scaling and root planing - D4341 (for under age 21 only).

- ***Provider Trainings:*** DentaQuest offered four webinar provider trainings in 2010. The training topic was the business transformation from the former Doral system to the new DentaQuest system. Providers were introduced to the new web portal and the new systems that facilitate providers' interaction with DentaQuest.

- **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 2011, the percentage of payees using Direct Deposit has increased to 18%.
- **Dental Advisory Committee:** The Dental Advisory Committee (DAC) is composed of dentists and other professionals who are keenly interested and involved in oral health needs of *Smiles For Children* members. The DAC, in partnership with DMAS, meets twice a year. DAC discussions center on ways to increase provider participation and updates from the benefits administrator, DentaQuest. Challenges of changing dental disease in the care for Medicaid/FAMIS Plus and FAMIS children are a primary concern of all DAC participants. The DAC has 21 members. The 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, and the Virginia Department of Health. The DAC's membership also reflects a cross section of minority and specialty providers.
- **Other Activities:**

Other ongoing provider outreach efforts include:

- DentaQuest has partnerships with 27 organizations within the community. These organizations encompass *Smiles For Children* members, community leaders, and child advocacy groups;
- VCU third year dental student presentation stressing the importance of becoming a Medicaid provider after dental school;
- 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;
- 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 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 customer service 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 dentists and pediatric dentists;
- *Smiles For Children* mails communications to members stressing the importance of appropriate dental care;
- DentaQuest staff participated in 25 outreach events. These events included presentations to groups, booth displays at health events, sponsorships, committee memberships, provision of oral health supplies and a multitude of other outreach events were provided to over 9,500 attendees;
- Reaching *Smiles For Children* members 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
  - ▶ Virginia Association of School Nurses
  - ▶ Virginia Academy of General Dentistry
  - ▶ The Virginia Department of Education
  - ▶ American Academy of Pediatrics – Virginia Chapter
  - ▶ National Association of Social Workers-Virginia Chapter
  - ▶ 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;
- *Smiles For Children* participated in a listening capacity at the CMS Oral Health Technical Advisory Group.



### C. Dental Disease Prevention

Fluoride varnish remains an important, safe and effective preventative of dental decay in infants and young children. National attention has focused on how states can increase ways to make fluoride application more available to children. DMAS continues to increase access to fluoride services outside of the dental provider network. DMAS encourages and covers six applications of fluoride varnish beginning at six months to three years of age by non-dental providers.

DMAS works 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 2011.

**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	117	2,567	\$51,148.00
<b>*2011</b>	<b>118</b>	<b>6,262</b>	<b>\$127,805.44</b>
<b>Total</b>	<b>408</b>	<b>13078</b>	<b>\$261,473.69</b>

Source: DMAS Claims Data \*As of 2010, MCO’s now included in totals

### V. QUALITY MANAGEMENT

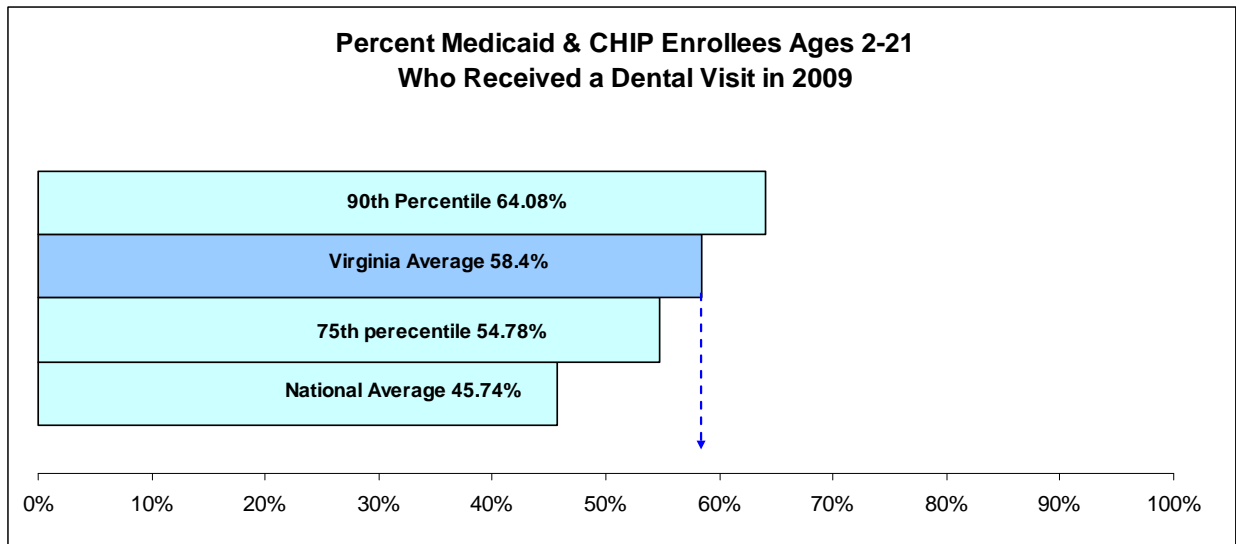
*Smiles For Children* continues in its efforts to evaluate the quality of care provided to members. These efforts center on continuously monitoring the provider community’s adherence to evidenced-based guidelines. There are multiple quality assessment activities including the DMAS Dental Advisory Committee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

The *Smiles For Children* program is in its sixth 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. The quest of all disease control is to first evaluate the

disease etiology and effects and secondly to procure treatment, cures and preventative measures. *Smiles For Children*, in conjunction with a DAC subcommittee 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* initially measured the use of preventive sealants placed on children's first permanent molars. The intent was to evaluate diminished caries in the first molars that had been sealed. However, this initial assessment revealed that the sealants are underutilized nationally as well as at the State level. DMAS is collaborating with DentaQuest campaigning to increase the utilization of this important preventative measure.

*Smiles For Children* requires DentaQuest to provide an annual dental report on preventative dental visits. The 2010 report replicated the Healthcare Effectiveness Data and Information (HEDIS) 2010 technical specifications and is based on services rendered in 2009. This report measures the percentage of members 2-21 years of age who had at least one (1) dental visit during the measurement year. The SFC data showed that 58.4% of the members had at least one dental visit which was well above the HEDIS National Medicaid average of 45.74%. The SFC data showed the percentage of members with at least one dental visit was above the 75<sup>th</sup> percentile of the HEDIS national data.

**Table 5: Annual Dental Visit Comparing SFC to HEDIS 2010**



**Data Sources and Limitations:** Virginia Medicaid and CHIP Average was provided by DentaQuest using 2010 HEDIS Technical Specifications. National Averages were collected from Quality Compass 2010.

## 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.

The Department's Dental Benefit Administrator, DentaQuest, employs a multi-faceted approach to the identification and prevention of fraud, waste and abuse. DentaQuest provides comprehensive oversight of SFC utilization through continuous and ongoing data mining and in depth data analysis. During retrospective review of paid claims, DentaQuest utilizes a library of proprietary reports including but not limited to standard deviation and benchmark reporting to identify aberrant patterns of billing. This analysis is conducted on a network level, provider level, and service location level. Providers who are flagged as outliers are subjected to different levels of action. These can include but are not limited to:

- Clinical Audit of member records
- Provider education and guidance in coding and expectations for code usage
- Placement of a provider and/or location on an increased pre-payment review schedule.

In the SFC program, certain benefits are subject to a Utilization Management pre-payment review process to assure that all services are medically necessary, meet the accepted standard of care and provide the most appropriate and cost effective treatment. Additionally, DentaQuest also subjects all claims submitted for SFC members to an extensive library of system edits and processing policies prior to adjudication. In addition to DentaQuest's oversight of all utilization, DentaQuest investigates all leads generated from member and/or provider complaints, the Utilization Management process, Customer Service leads and professional relations.

397 member record reviews occurred in 2011. 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 2011, \$218,606.72 was recovered as overpayments and the recovery process was completed. 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**

### ***Network Development***

Despite the challenging economic environment, the Virginia Medicaid dental program continues to improve dental utilization and increase provider participation. The program has made significant progress in increasing specialty provider participation more than doubling the number of specialists in the program since 2005.

### ***Collaboration***

*Smiles For Children* continues to explore innovative ways to use non-traditional dental service delivery in the dental provider network. The American Dental Association reported in the 2010 Oral Health Workforce Report that enough dentists are entering the workforce to offset retiring dentists. However, many of these dentists congregate in metropolitan and urban areas, leaving remote rural areas underserved. *Smiles For Children* partnered with DentaQuest and Big Smiles, a mobile dental service, to evaluate the effective use of mobile dental services in the identification, treatment and referrals of children who are not in dental homes. The initial pilot will be assessed monthly through the school year.

## **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**

#### **2011 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.

## Attachment B

### Dental Advisory Committee Members and Specialty

<b>DEPARTMENT OF MEDICAL ASSISTANCE SERVICES DENTAL ADVISORY COMMITTEE PARTICIPANTS</b>		
<b>Carl O. Atkins, Jr., DDS</b>	Pediatric Dentist	Richmond, VA
<b>Chuck Duvall</b>	Virginia Dental Association	Richmond, VA
<b>Cynthia Southern, DDS</b>	General Dentist	Pulaski, VA
<b>Frank Farrington, DDS</b>	Pediatric Dentist	Midlothian, VA
<b>David Hamer, DDS</b>	Orthodontist	Charlottesville, VA
<b>Girish Banaji, DDS</b>	Pediatric Dentist	Fairfax, VA
<b>Ivan Schiff, DDS</b>	General Dentist	Virginia Beach, VA
<b>Joe A. Paget, Jr., DDS</b>	Pediatric Dentist	Blacksburg, VA
<b>John H. Unkel, DDS</b>	Pediatric Dentist	Richmond, VA
<b>Linda S. Bohanon</b>	MCV/VCU Education Centers	Richmond, VA
<b>Lynn Browder, DDS</b>	Virginia Department of Health	Richmond, VA
<b>Neal Graham</b>	Virginia Primary Care Association	Richmond, VA
<b>Neil Morrison, DDS</b>	Oral Surgeon	Virginia Beach, VA
<b>Randy Adams, DDS</b>	Pediatric Dentist	Richmond, VA
<b>Tegwyn H. Brickhouse, DDS</b>	Pediatric Dentist	Richmond, VA
<b>Terry D. Dickinson, DDS</b>	Virginia Dental Association	Richmond, VA
<b>Zachary Hairston, DDS</b>	General Dentist	Danville, VA
<b>John Ashby, DDS, MS</b>	Orthodontist	Virginia Beach, VA
<b>Bhavna Shroff, DDS, MS</b>	Orthodontist	Richmond, VA
<b>Paul Walker, DDS, MS</b>	Pediatric Dentist	Minneapolis, MN
<b>Barry Griffin, D.D.S.</b>	Periodontist	Richmond, VA