



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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December 7, 2012

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MEMORANDUM

TO: The Honorable Walter A. Stosch
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 *Cynthia B. Jones*

SUBJECT: Report on Dental Program

Item 297(G) of the 2012 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 seven 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



Smiles For ChildrenSM
Improving Dental Care Across Virginia



Virginia Department of Medical Assistance Services

December 2012

I. INTRODUCTION

This document responds to Item 297(G) of the 2012 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 seven 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 seventh year anniversary in 2012 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. DMAS retains policymaking authority and, in conjunction with the Dental Advisory Committee, (see Attachment B for a list of current Committee members), closely monitors contractor activities. More than 875,000 Medicaid and CHIP members (approximately 604,000 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.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 2012, DMAS again exceeded these goals.

A. Goal #1: Increase Provider Participation

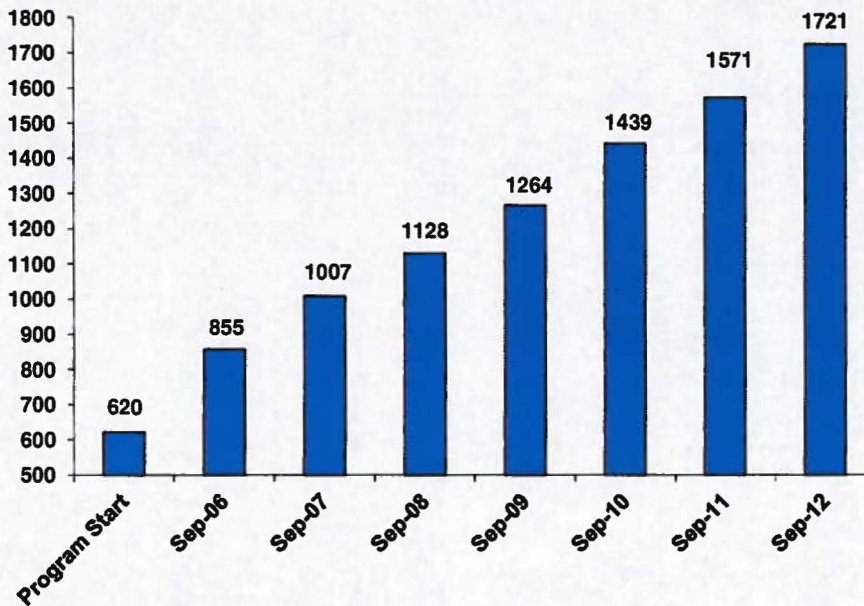
The number of providers enrolled in the dental program continues to increase. Provider participation has almost tripled since the program began in 2005. In 2005, there were 620 dental

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.

providers, representing only 11 percent of Virginia licensed dentists. As shown in Table 1, by the end of August 2012, there were 1,721 providers. This represents approximately 26 percent of the 6,529 Virginia licensed dentists.

DMAS' 2012 goal was to reach a network total of 1,500 providers in the *Smiles For Children* network. Currently at 1,721 providers (August 2012), the network has experienced a 177% 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

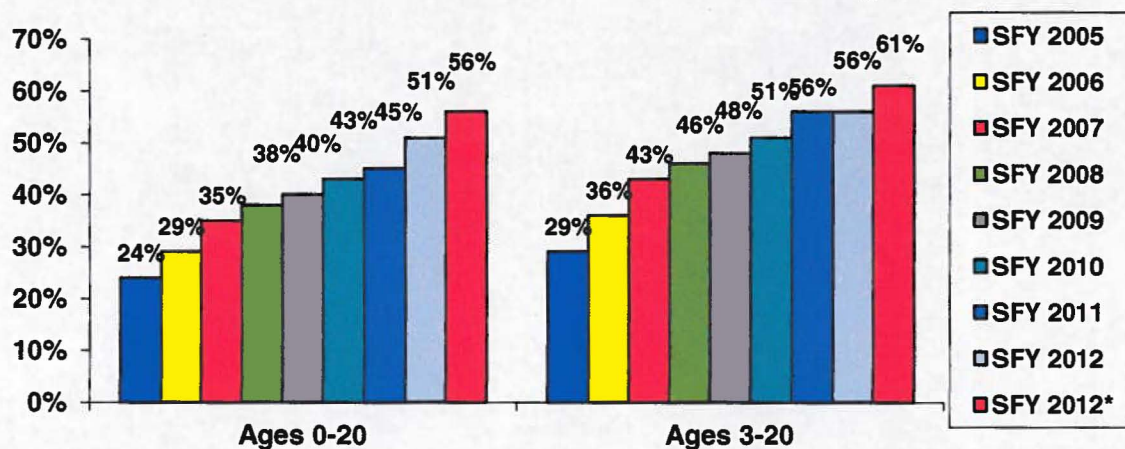
In addition to an expanded dental network, more providers are actually treating patients, as evidenced by the number of providers who submit claims. When *Smiles For Children* began, less than half of participating dental providers submitted claims for services rendered to Medicaid/FAMIS children. As of SFY 2012, approximately 80 percent (or about 1377 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.

Satisfaction remains high among *Smiles For Children* providers. According to the most recent provider satisfaction survey conducted in 2012, 99% of providers plan to renew with DentaQuest next year, and 99% believe DentaQuest is on par or better than commercial dental insurance carriers.

B. Goal #2: Increased Dental Utilization

There are approximately 604,000 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 347,145 in SFY 2011 to 391,133 in SFY 2012. This translates into 51 percent of children in this age group utilizing dental services (compared to 45 percent last year, and 24 percent when the program started). Utilization of dental services among children ages 3-20 remained the same in SFY 2012 at 56% (and 29 percent when the program started). Starting in 2011, Centers for Medicare and Medicaid Services (CMS) required the number of Medicaid members to be calculated based on 90 days continuous enrollment versus previous years which were based on a one day enrollment time period.

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



SFY 2012* - represents new CMS guidelines – unduplicated individuals who have been continuously enrolled for 90 days versus previous enrollment of 1 day

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.

- **Preventistry Sealant Program:** A letter along with brochure and sample preventistry patient report and listing of eligible patients were sent from DentaQuest. DentaQuest is happy to partner with the provider to prevent dental disease and reduce or eliminate the incidence of caries for young members in the *Smiles For Children* program.

The ADA recommends the use of sealants to reduce the development of cavities.

- Sealants are most effective when applied after the permanent tooth to be sealed erupts
- Caries reduction in children with maintained sealants ranges from 86% reduction the first year to 79% reduction the second year
- Private dental insurance and Medicaid databases show the use and maintenance of sealants on 1st and 2nd permanent molars is associated with reductions in the subsequent need for restorative services
- **Provider Network Gap Analysis Report For Eastern Shore, Northern Neck, Southwest and Southside:**
 - Network analysis report shows that *Smiles for Children* has an adequate provider network per area
 - Most of the providers are accepting new patients
 - While the network is currently adequate, DentaQuest is still actively recruiting providers via office visit, phone calls and mailings
- **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.
- **Provider Training Sessions:** DentaQuest offered four webinar provider training sessions in 2012. The training topics were credentialing and recredentialing, authorization submissions, common claim denial codes and how to avoid these denials, Interactive Voice Response self service function (IVR), and claims/authorization using the web-portal. Providers were updated on the usage of the web portal.
- **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 or 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 2012, the percentage of payees using Direct Deposit has increased to 23%.
- **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.
- Targeted providers were visited to solicit program participation.
- *Smiles For Children* partnered with a mobile dental clinic providing services in Virginia. A perception of mobile dentistry is that patients needing urgent care are not referred to a dentist. A pilot was initiated to evaluate the perception and to identify members needing urgent care. The goal of the pilot was to identify elementary school aged Medicaid members visiting the mobile dental clinic that had urgent dental needs, but did not have a dental home. The mobile dental clinic contacted the member's legal guardian and the member was referred to a dental home (dentist). The pilot results showed that 54% of the identified members needing urgent care subsequently received timely dental care.
- In July 2011, DentaQuest introduced a new Provider Web portal which includes the new Broken Appointment tracking feature. Providers are now able to enter members with broken appointments into the Provider Web Portal and track members broken appointment history in their office. Once a broken appointment is reported, DentaQuest contacts the member via phone to explain the importance of keeping appointments. If the phone call is unsuccessful, a postcard is mailed expressing the importance of keeping dental appointments and complying with treatment.

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. DMAS and DentaQuest have demonstrated commitment to expediting access to care for members and ensuring members have dental care resources. Examples are listed below.

- DentaQuest has begun work on the Dental Home initiative in Virginia. Preliminary steps have included re-branding all member education documents, member handbook, etc. to include the new dental home message.
- DentaQuest conducted a postcard mailing campaign to 33,781 members in counties with utilization below the state average with no record of service between 6/1/11 and 3/1/12. Data from this initiative will be available in December 2012.
- 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 held and attended by over 10,200 people.
- 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
 - Richmond Mayor’s Youth Academy
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- *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 “Bright Smiles for Babies” program to expand access to this service. DMAS pays for two fluoride varnish applications per year by a non-dentist for children under the age of three. Fluoride varnish application is covered by fee-for-service Medicaid and by managed care organizations. Medical providers offering this service must be a Medicaid provider and approved to bill for the dental code. Access to the fluoride varnish 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 2012.

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
*2011	118	6,262	\$127,805.44
*2012	149	8,065	\$163,028.54
Total	557	21,143	\$424,502.23

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

V. QUALITY MANAGEMENT

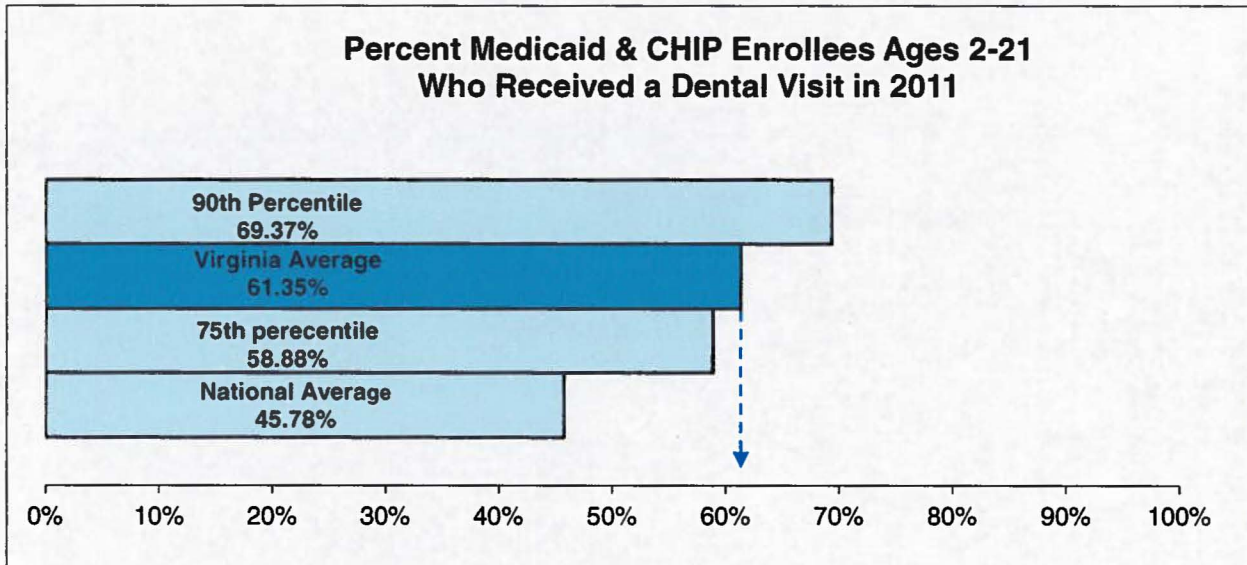
Smiles For Children continues in its efforts to evaluate the quality of care provided to members. These efforts center on continuously monitoring the provider community's adherence to evidenced-based guidelines and standards of care. There are multiple quality assessment activities including the DMAS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

The *Smiles For Children* program is in its seventh 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 evaluate the disease etiology and effects and to procure treatment, cures and preventative measures. *Smiles For Children*, in conjunction with a DAC subcommittee, designed a qualitative assessment initiative to evaluate the 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 permanent molars that had been sealed. However, this initial assessment revealed that 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. Subsequently, the Preventistry program was kicked off during this period to specifically measure sealant application and success among SFC members. SFC providers are notified which patients are eligible and due for sealants. Families will be sent notices encouraging them to visit the dentist. Providers will receive information about their performance.

Smiles For Children requires DentaQuest to provide an annual dental report on preventative dental visits. The 2012 report replicated the Healthcare Effectiveness Data and Information

(HEDIS) 2012 technical specifications and is based on services rendered in 2011. 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 61.35% of the members had at least one dental visit which was well above the HEDIS National Medicaid average of 45.78%. The SFC data showed the percentage of members with at least one dental visit was above the 75th percentile of the HEDIS national data.

Table 5: Annual Dental Visit Comparing SFC to HEDIS 2012



Data Sources and Limitations: Virginia Medicaid and CHIP Average was provided by DentaQuest using 2012 HEDIS Technical Specifications. National Averages were collected from Quality Compass 2012.

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 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 subjects all claims submitted for SFC members to an extensive library of system edits and processing policies prior to adjudication. Adjunctive to DentaQuest's oversight of all utilization through system edits, data mining and data analysis DentaQuest investigates all leads generated from member and/or provider complaints, the Utilization Management process, Customer Service leads and professional relations.

In 2012, 481 member records were reviewed and 28 providers were audited. Findings indicated that providing adequate documentation is a common problem for many dental providers. Proper clinical documentation is critical for providers to substantiate diagnosis and treatment. 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 2012, \$93,668.36 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 delivered dental services 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 offered to assure providers are in compliance with procedural standards. *Smiles For Children* initiates recovery of overpayments in accordance with program integrity requirements.

SFC is working with the Department's Program Integrity Division on provider audits in addition to those already mentioned in the report. Several providers have been through the Department's audit process consistent with how other provider audits are performed in other areas of Medicaid. Completed audit results are shared with providers who may accept or appeal audit results.

VII. PROGRAM ACHIEVEMENTS

A. Network Development

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

B. 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 was being assessed monthly through the 2011/2012 school year.

VIII. CMS

At Congressional request, CMS conducted on-site reviews of children's dental services in 16 States with dental utilization rates for children of less than 30 percent based on data from the EPSDT CMS 416 annual report. These reviews were performed to determine what efforts States have made to improve children's dental utilization in their State, and to make recommendations on additional actions States can take to increase utilization rates and ensure compliance with Federal Medicaid regulations. Results of these 16 reviews were presented to Congress in 2009. As a follow-up to that effort, CMS conducted reviews of States that reported higher dental utilization rates. The States were selected based on a CMS review of State data and external partners' identification of Medicaid dental programs with promising initiatives in oral health. All of the States selected had an average utilization rate for children of at least 37 percent, with the national average being 38 percent. Eight States were reviewed, and information from those reviews is available to States for the purpose of improving the overall delivery of dental services.

In January 2011, the Centers for Medicare and Medicaid published a report identifying and highlighting "best practices" States for Medicaid dental programs with Virginia cited as one of those eight "best practices" States. CMS noted, "The *Smiles For Children* initiative has dramatically improved dental access and care for Virginia's low income children. Since July 2005, Virginia has doubled the number of dentists enrolled in the Medicaid and CHIP programs. More importantly, the number of low income children receiving dental services has increased significantly. The utilization rate of dental services among children ages 3 to 20 years has increased from 29 percent in 2005 to 48 percent in 2009. The increases in utilization since the program began represent a significant increase in the number of low-income children ages 0-20 who are receiving needed oral health care."

IX. ACKNOWLEDGEMENTS

The staff of the *Smiles For Children* program wishes to thank the many partners who have contributed to the success of the program. These partners include: Governor McDonnell, William A. Hazel, Jr., M.D., Secretary of Health and Human Resources, 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 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

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