



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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December 15, 2016

MEMORANDUM

TO: The Honorable Thomas K. Norment, Jr.
Co-Chairman, Senate Finance Committee

The Honorable Emmett W. Hanger, Jr.
Co-Chairman, Senate Finance Committee

The Honorable S. Chris Jones
Chairman, House Appropriations Committee

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

FROM:

Cynthia B. Jones

A handwritten signature in black ink that reads "Cynthia Jones".

SUBJECT: 2016 Report on Dental Program

The 2016 Appropriation Act, Item 306 (K) states 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. This report examines the progress that DMAS and its multiple partners have made towards this goal over the last eleven 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

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

ADMINISTERING MEDICAID AND THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM IN VIRGINIA



Annual Dental Report to the General Assembly

DMAS' mission is to provide a system of high quality and cost effective health care services to qualifying Virginians and their families.

The Medicaid program, signed into law by President Lyndon B. Johnson on July 30, 1965, celebrated its 50th year in 2015.

Medicaid is a joint federal and state program authorized under Title XIX of the Social Security Act that provides health and long-term care coverage for specific groups of Virginians with low incomes. In Virginia, Medicaid is administered by the Department of Medical Assistance Services (DMAS) and is jointly funded by Virginia and the federal government. Virginia's federal matching rate, known as the Federal Medical Assistance Percentage (FMAP) is generally 50%, so Virginia receives \$1 of federal matching funds for every \$1 Virginia spends on Medicaid.

Medicaid is primarily available to children in families with low-income, pregnant women, elderly, individuals with disabilities, and parents below strict income limits.

DMAS also administers Virginia's Children's Health Insurance Program (CHIP) known as FAMIS. FAMIS covers children and pregnant women in families earning too much to qualify for Medicaid but too little to afford private insurance.

All states must follow federal Medicaid/CHIP guidelines regarding who is covered, but set their own income and asset eligibility criteria. Virginia's eligibility criteria are among the strictest in the nation.



BACKGROUND The 2016 Appropriation Act, Item 306 (K) states 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.

SMILES FOR CHILDREN: 11 YEARS OF EXCELLENCE

Implemented on July 1, 2005, *Smiles For Children* (SFC) is the Virginia Medicaid dental program that was designed to improve access to high quality dental services for children enrolled in Medicaid and CHIP 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 Medicaid funding for the reimbursement of dental services. The program celebrated its eleventh year anniversary in 2016, and substantial evidence continues to demonstrate that *Smiles For Children* is achieving its goals and continues to serve 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. The Department of Medical Assistance Services (DMAS) retains policymaking authority and closely monitors contractor activities. The Dental Advisory Committee (see Attachment A for a list of current Committee members), continues to assist DMAS in professional dental discussions. More than 922,000 Medicaid and CHIP members (approximately 621,000 children) are now eligible for the program. Medicaid and FAMIS cover comprehensive dental benefits for children under age 21 including: diagnostic, preventive, periodontal, restorative/surgical procedures, and orthodontics. Comprehensive dental benefits are not covered for adults under SFC. Medically necessary oral surgery and associated diagnostics are the only covered services for adults, with the exception of pregnant women, under the Virginia Medicaid dental program. Dental emergencies that may qualify for reimbursement are issues compromising a patient's general health and such conditions must be documented by the dentist or medical provider. Effective March 1, 2015, as a component of Governor Terry McAuliffe's *A Healthy Virginia*, the *Smiles For Children* program began providing comprehensive dental care, excluding orthodontia, to pregnant women enrolled in Medicaid and FAMIS MOMS.

SMILES FOR CHILDREN PERFORMANCE HIGHLIGHTS

SFC Program Growth in SFY 2016

- Providing comprehensive dental care, with the exception of orthodontia, to 9,000 pregnant women enrolled in Medicaid and FAMIS MOMS.
- Increasing by 65% the number of non-dental providers applying fluoride varnish to enrollees under age 3 years of age (234 non-dental providers in SFY2014 compared to 386 non-dental providers in SFY2016). There was a 72% increase in enrollees under age 3 years of age (8,000 children under age 3 in SFY2014 compared to 13,738 children under age 3 in SFY16) who received fluoride varnish treatment from non-dental providers (**Table 1** on page 3).
- Surpassing the national average for children participating in an annual dental visit (**Table 3** on page 5).
- Reporting 87.6 percent (n=2,873) of foster children, at least 3 years of age, and who are continuously enrolled in Medicaid, received at least one dental visit from July 1, 2014 – June 30, 2015 (Health Services Advisory Group).

STRATEGIC GOALS

Three of DMAS' overall strategic goals focus on the *Smiles For Children* program, specifically: (1) increasing provider participation, (2) increasing pediatric dental utilization, and (3) pursuing innovative strategies to improve utilization. In 2016, DMAS again met or exceeded these goals:

Goal #1: Increase Provider Participation

- Approximately 2,000 dental providers now participate in the *Smiles For Children* network, representing approximately 28% of the 7,147 licensed dentists in Virginia.

Goal #2: Increase Member Utilization

- Fifty-five percent (55.4%) of the eligible Medicaid members are participating in the *Smiles For Children* program.

Goal #3: Increase Medical/Dental Collaborations

- Oral health champions were identified from across the State to train other medical providers about oral health screenings, the importance of the age one dental visit, and services available through the *Smiles For Children* program.
- Increased collaboration with the Managed Care Organizations to work jointly on member outreach and the importance of oral health as a component of overall health.

PROGRAM DEVELOPMENT

Federal Initiatives

Showcasing Virginia's *Smiles For Children* Program

The *Smiles For Children* program worked with partner groups on a medical/dental collaboration. This initiative is a result of participation in the Center for Health Care Strategies and the Centers for Medicare and Medicaid Services (CMS) Oral Health Learning Collaborative (OHLC). State partnerships with Virginia dental providers, medical providers, professional medical organizations and the contracted Medicaid Managed Care Organizations were strengthened and efforts were combined to increase the number of non-dental providers applying fluoride varnish to children under 3 years of age. In addition, oral health champions were identified

from across the State to train other medical providers about oral health screenings, the importance of the age one dental visit, and services available through the *Smiles For Children* program. Virginia’s work in increasing fluoride varnish applications was featured in a national webinar, and highlighted the partnerships between DMAS, the Virginia Department of Health, the Virginia Oral Health Coalition, and DentaQuest. As a result of these efforts, from SFY14 to SFY16, there was a 65% increase in the number of non-dental providers applying fluoride and a 72% increase in the number of children receiving fluoride varnish treatments.

Statewide Innovations

1. Dental Coverage for Pregnant Women Enrolled in Medicaid and FAMIS MOMS

Beginning March 1, 2015, as a part of Governor McAuliffe’s *A Healthy Virginia* program, Virginia’s nationally recognized *Smiles For Children* dental program began providing “dental services to 45,000 pregnant women age 21 and over enrolled in Medicaid and FAMIS MOMS”. As of September 2016, over 9,000 pregnant women have received a dental service. There have been over 6,000 inquiries from members and approximately 8,000 inquiries from dental providers seeking information about the pregnant women dental benefits. The following account from a Medicaid member emphasizes the importance and impact of the coverage: *“When I found out I was pregnant, I did not have any type of insurance. I went to the local Department of Social Services, and was enrolled in Medicaid. I started having some issues with my teeth and knew I needed to see a dentist. My case worker let me know that since I was pregnant and had Medicaid, my dental care would be covered. She contacted the Smiles For Children program who found a dentist who would see me. Getting the pain taken care of has helped me to concentrate on my pregnancy and not have to be worried about how it would affect my baby or how I would be able to pay for it.”*

2. Fluoride Varnish Applications

The Department of Medical Assistance Services continues work with the Virginia Department of Health’s “Bright Smiles for Babies” program. As shown in Table 1, the number of trained providers, the volume of claims, and claim dollar amounts increased substantially from SFY 2014 to SFY 2016.

**Table 1 – DMAS Medical Claims
Fluoride Varnish Applications**

SFY	Number of Medical Providers Submitting Claims	# of Claims	Claims \$
2006	24	516	\$10,727.64
2014	234	9,869	\$188,551.07
2015	347	15,749	\$306,187.24
2016	386	16,650	\$329,693.06
Total		42,784	\$835,159.01

**2014-2016 Changes made to data previously reported reflect adjustments to methodology*

3. Partnerships with State Agencies and Organizations

Much of the success of the *Smiles For Children* program initiatives is due to the valued partnerships established with various State and local agencies. In SFY2016, DentaQuest staff members participated in 109 statewide outreach events to increase knowledge of good oral health practices, encourage members to visit the dentist, and help them locate dentists that accept Medicaid.

The work with the Virginia Oral Health Coalition (VaOHC) has allowed the *Smiles For Children* program to increase the number of medical and dental stakeholders who receive information on the *Smiles For Children* program. In addition, the *Smiles For Children* program and the VaOHC co-sponsored an Early

Dental Home Taskforce which was comprised of early childhood stakeholders from across the State. This group worked to disseminate information about the relationship between overall health and oral health. They developed educational training materials for early childhood partners to help ensure that children and families have information and resources to access dental care across the State.

Other examples of strong program partnerships include:

- Collaboration with the Virginia Benefit Programs Organization, Virginia League of Social Services Executive, Virginia Alliance of Social Work Practitioners, and the Partnership of Office Services Support Employees in Social Services, and the Department of Social Service to increase awareness of the *Smiles For Children* program and oral health issues;
- Training opportunities with the Department of Education and school nurses in the application of fluoride varnish and sealants on school age children. *Smiles For Children* staff also partnered with the Department of Education to give a presentation to School Medicaid Coordinators regarding program services and eligibility criteria.
- Work with the Virginia Department of Health's nurse managers and Women, Infants and Children staff on identifying *Smiles For Children* dental providers in the respective regions of the Commonwealth and providing oral health resources for use with their professional staff and Women, Infants and Children recipients.
- Work with community partners and Managed Care Organizations to distribute three thousand (3,000) oral health kits, brochures and member handouts to pregnant women enrolled in Medicaid and FAMIS MOMs.
- Collaborate with Managed Care Organizations on activities such as oral health newsletter articles for members and providers, distribution of oral health supplies to members, and participate in community outreach events such as baby showers for pregnant women and member forums.
- Partner with the Women, Infants and Children program, the Managed Care Organizations, the Virginia Home Visiting Consortium, Early Head Start and the Infant Toddler conference to distribute information on the pregnancy benefit and good oral health practices during pregnancy.

4. Dental Advisory Committee (DAC)

The DAC is a professional advisory committee (Attachment A) which meets twice a year to provide input and guidance to the *Smiles For Children* program. The DAC meetings cover topics ranging from program updates from the dental benefits administrator, DentaQuest, to oral health initiatives and emerging developments in oral health and disease prevention. New members have joined the DAC in the past year, including an endodontist from the Williamsburg area. Also, the DAC members participate in conference calls held in-between regularly scheduled meetings to discuss the program and topics of interests for the *Smiles For Children* program. Topics for calls have included updates on Virginia's Oral Health Learning Collaborative and the impact of using silver diamine fluoride varnish for arresting dental caries. The input and guidance from DAC members continues to contribute to Virginia's model dental Medicaid program.

5. Compliance with the Dental Periodicity Schedule

In an effort to measure the effectiveness of the outreach program and compliance with the State and Federal periodicity schedule, the Periodicity Compliance report was developed. The report gauges SFC member compliance with EPSDT (Early, Periodic Screening, Diagnosis and Treatment) guidelines related to utilization of dental care.

The report continues to indicate an upward trend in *Smiles For Children* member compliance with EPSDT guidelines. For SFY 2016, the periodicity report reflects an increase in compliance with the EPSDT guidelines. Overall, the increase in compliance with EPSDT guidelines can be attributed to the program's comprehensive outreach program. Key factors of the outreach program that have most likely contributed to this increase include: 1) successful provider recruitment initiatives that have resulted in increased access to

care; 2) collaboration with diverse community advocacy organizations; and 3) targeted outreach through the managed care organizations and medical providers.

Increasing pediatric dental utilization is one of the main goals of the outreach program. According to data for SFY 2016, utilization has increased significantly (**Table 2**).

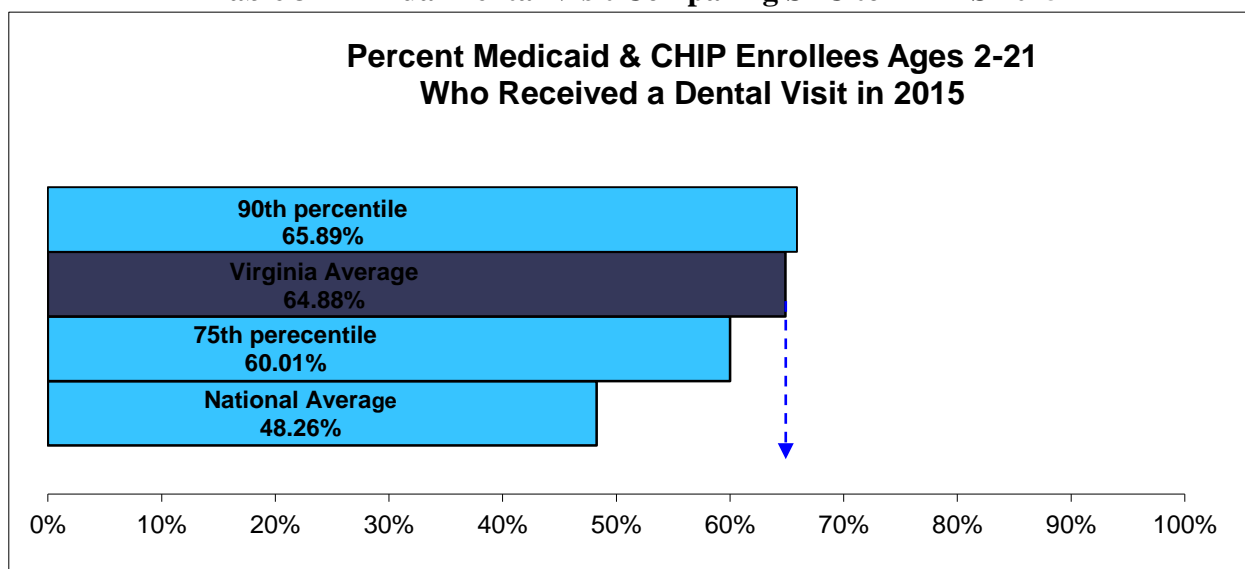
Table 2 – Percent of Members in Compliance with Periodicity Guidelines

Age Group	SFY 2005	SFY 2016	Percent Increase
0-20	24%	55%	129%
3-20	29%	62%	114%

The Department of Medical Assistance Services requires DentaQuest to provide an annual report on preventive dental visits. The 2016 report replicated the Healthcare Effectiveness Data and Information (HEDIS) 2016 technical specifications and is based on services rendered in 2015. 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 data showed that 64.88% of the members had at least one dental visit, which was well above the HEDIS National Medicaid average of 48.26%. The *Smiles For Children* data showed the percentage of members with at least one dental visit was above the 75th percentile of the national HEDIS data.

As shown in Table 3, Virginia continues to surpass the national average for children who receive a dental visit.

Table 3 – Annual Dental Visit Comparing SFC to HEDIS 2015



PROGRAM INTEGRITY

Utilization Review

Cost avoidance measures that DentaQuest utilizes in its oversight of fraud, waste and abuse include:

- A comprehensive credentialing and re-credentialing process that verifies providers and protects members.
- A multi-layer pre-payment analytic edit program that blocks reimbursement for inappropriate services and ensures the highest level of program integrity. These program edits provide a barrier to inappropriate treatment patterns and track National Correct Coding Initiatives. Base edits and procedural rules check eligibility, contract specifications, and claim requirements. These upfront, pre-adjudication edits result in significant cost savings, and stop inappropriate payments from being made.

- A prepayment and/or prior authorization process that confirms services are clinically necessary before payment is made.
- A robust anti-fraud, waste and abuse plan that includes a retrospective audit program administered by the Fraud Prevention & Recovery Unit. Clinical investigators use rigorous data analytic methods to identify providers with outlier utilization patterns. The investigative team is supported by a management team with over 70 years of collective experience in fraud, waste and abuse enforcement. The director is a licensed dental hygienist with 31 years of clinical experience, 13 years of fraud investigation experience, and more than 35 years of utilization management experience. The Vice-President of Fraud Prevention and Recovery is a former ten year director of a Medicaid Fraud Control Unit.

Audit Results for SFY 16

- Number of Audits – 1,147 members and 74 providers
- Sanctions/Terminations - \$155,996.86 was recouped from 37 dental providers and no terminations.

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: the Dental Advisory Committee, the Virginia Dental Association, the Old Dominion Dental Society, the Virginia Oral Health Coalition, DentaQuest, the Virginia Commonwealth University School of Dentistry, the Virginia Healthcare Foundation, Virginia Department of Health, the Managed Care Organizations, and Virginia community programs and advocacy organizations. Program staff would like to acknowledge Governor McAuliffe and the Virginia General Assembly for their support of the *Smiles For Children* program and the Dental Advisory Committee for its ongoing work to improve dental access.

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

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