



Request Support for Increasing Reimbursement Rates **Creating a Dental Medicaid Trust Fund**

The gradual erosion over the years of once reasonable reimbursement for dental services under the Wisconsin Medicaid (MA) program to far less than the actual cost of providing care has resulted in a similar reduction in the number of dentists willing or able to participate in the program. The result is a lack of dental care for this vulnerable population.

The State of Wisconsin spends less than one percent of its entire MA budget on dental services. According to data available from the Wisconsin Department of Health and Family Services (DFHS), Wisconsin's MA program costs \$4.4 billion, of which approximately \$38 million is spent on dental care (\$28 million on fee-for-service dentistry and \$10 million for HMO dentistry).

MA-program costs are shared with the federal government, so the state's cost for the entire dental MA program (HMO and fee-for-service) in FY 2003 was only approximately \$14 million. The program could be dramatically improved if the state spent a larger percentage of its MA budget on oral health care services. **The American Academy of Pediatrics (physicians, not dentists) has documented that 20 percent of all health care funds spent on children should be spent on improving and maintaining children's oral health¹.**

With an additional state investment of \$20 - \$30 million (depending on utilization), the problems with the dental MA program could be addressed and the state would still spend less than two percent of its MA budget on dental care.

The Wisconsin Dental Association (WDA) recommends the state fund reimbursement for dental procedures at the 75th percentile of the most recent American Dental Association (ADA) fee survey for our region of the nation. This means, on average, 75 percent of the dentists would receive their full fee in dental reimbursement when seeing MA patients. This has been a **proven solution in states where it has been adopted²**; access to dental care for MA recipients has been substantially improved.

In the fall of 2006, the WDA conducted a survey of its members; one out of every two members responded and nearly 80 percent of respondents indicated they

¹ American Academy of Pediatrics. *An Analysis of Costs to Provide Health Care Coverage to the Child and Adolescent Population Age 0-21*. Elk Grove Village, IL: American Academy of Pediatrics; 1998.

² Childrens Dental Health Project January 2007 reports correlating increase in dental access with increase in Medicaid rates; South Carolina, Indiana, Tennessee, Michigan, Delaware, Virginia.

MISSION STATEMENT

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would start seeing MA patients or they would see new MA patients if rates were raised to the 75th percentile.

For legislators who asked where the state could get the money to fund this rate increase, the WDA has put forth a solution: Two Cents for Tooth Sense™ (Tooth Cents™). The concept is to implement a “soda production/distribution” fee equivalent to two cents per 12-ounce can of soda. The WDA advocates the revenues from this fee (estimated by the Wisconsin Legislative Fiscal Bureau to be approximately \$70 million per year) be set aside in a dental MA trust fund to be used to increase reimbursement rates to the 75th percentile. The WDA proposal requests the Legislature use the remaining revenues from Tooth Cents™ to fund other worthy oral health care initiatives to help the non-Medicaid indigent population.

To co-sponsor the Two Cents for Tooth Sense™ proposal, please contact the office of either Rep. Garey Bies (R-Sister Bay) at #266-5350, Sen. Mark Miller (D-Monona) at #266-9170 or Rep. Josh Zepnick (D-Milwaukee) at #266-1707. The WDA and the practicing dental community believe so strongly about the adverse impact of soda consumption that we spend our own financial resources each year to educate Wisconsin’s citizens on “Sip All Day, Get Decay”.

The number of individuals enrolled in the state’s dental Medicaid program has risen from by over 300,000 people since FY 1999; this rise in the Medicaid population, coupled with continued use of outdated fee schedules, difficult paperwork and the problem with patient no-shows has confounded the problem. The last specific increase in dental rates occurred in FY 2000 and although the increase was minimal, **thousands more patients have been seen every year since FY 1999³**. Unfortunately, this is a complex issue and the improvement was not enough to counteract all factors and actually solve the access problem. As a result, legislators have often said that previous rate increases didn’t work and they use that as a reason to oppose another one. The previous increase helped but was not substantial enough to solve the problem: if you go from losing \$60 on a procedure to losing \$57 on the procedure (due to a small rate increase) it is still a net loss and it won’t be enough to enlist new providers to solve the problem for the underserved. This is the reason the WDA is advocating for the 75th percentile as the threshold reimbursement rate that needs to be met.

The oral health of Wisconsin’s poorest citizens could be dramatically improved if the legislature were to increase dental Medicaid rates to the 75th percentile. This minimal investment (when compared to the state’s entire Medicaid budget) could dramatically improve the oral health of hundreds of thousands of Wisconsin’s most vulnerable citizens. For more information, please contact Mara Brooks office in Madison at #250-3442. Thank you.

³ DHFS FY 1992-2003 summary, DHFS FY 2003-2005 summary indicates patients receiving dentals services were 92,600 in FY 1999; 109,600 in FY 2000; 115,600 in FY 2001; 122,700 in FY 2002; 130,100 in FY 2003; 139,000 in FY 2004; and 142,800 in FY 2005 (last year available).

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