

April 19, 2004

The Honorable Representatives & Senators  
Michigan House of Representatives and State Senate  
Michigan State Capitol  
Lansing, Michigan 48933

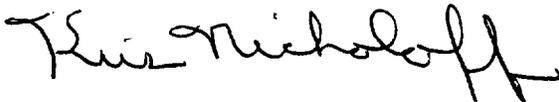
To the members of the House and Senate appropriations sub-committees:

With regards to the Section 1713 Legislative report submitted by the Michigan Department of Community Health (MDCH) on the status of dental participation in the Medicaid program, the Michigan Dental Association (MDA) worked with representatives from the MDCH on preparing the report. The MDA is in agreement with the findings and recommendations of the report.

Reasons for participation (or non-participation) are varied. The issues are more complex than just poor reimbursement rates. They include economic, administrative, educational and societal issues. The Health Professional Shortage Designation areas help provide additional information too. Workforce issues surrounding practice locations and the declining number of dentists due to retirement also contributes to access and participation.

Dental Care is part of primary health care. This issue needs to be elevated to awareness with dentists, the public and legislators. We support the inclusion of dental services to Medicaid beneficiaries and hope that as these issues are addressed, access to dental services will improve for Medicaid beneficiaries.

Sincerely,



Kris Nicholoff  
Assistant Executive Director/Governmental Affairs,  
Public Policy and External Relations

# MICHIGAN DEPARTMENT OF COMMUNITY HEALTH FY2004 BOILERPLATE REPORTING REQUIREMENT

## Report on dentist participation in the Michigan Medicaid Program

**Sec. 1713** states:

1) The department, in conjunction with the Michigan Dental Association, shall undertake a study to determine the level of participation by Michigan licensed dentists in the state's Medicaid program. The study shall identify the distribution of dentists throughout the state, the volume of Medicaid recipients served by each participating dentist, and areas in the state underserved for dental services.

2) The study described in subsection (1) shall also include an assessment of what factors may be related to the apparent low participation by dentists in the Medicaid program and the study shall make recommendations as to how these barriers to participation may be reduced or eliminated.

(3) This study shall be provided to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies no later than April 1, 2004.

This report was compiled by the Michigan Department of Community Health (MDCH), Medical Services Administration, in conjunction with the Michigan Dental Association (MDA). Table 1 represents the distribution of dentists throughout the state, the volume of Medicaid beneficiaries served by dental providers and health professional shortage areas as described in Section 1713(1). Material was collected from:

- MDCH Data Warehouse for Provider Enrollment, Beneficiary Eligibility and Claim Payment History
- Bureau of Health Professions for Licensing Information
- Healthcare Workforce Section for Dental Care Health Professional Shortage Area (HPSA) designations

The volume of Medicaid beneficiaries that have seen a dentist in FY 2003 represent beneficiaries of all ages in the Fee For Service (FFS) program. This report does not take into account those Medicaid beneficiaries under age 21 enrolled in the Healthy Kids Dental program administered by Delta Dental Plan of Michigan. The Healthy Kids Dental program is in 37 of the 83 counties.

Implemented in May 2000, this program has generated access and utilization for the Medicaid beneficiaries under age 21 enrolled in the program. The program began with 50,000 beneficiaries in 22 counties and expanded on October 1, 2000, to an additional 15 counties with a total of 100,000 beneficiaries. There were 399 Delta-participating dentists at the inception of Healthy Kids Dental and that number has grown to more than 850 dentists participating in the Healthy Kids Dental program. The Healthy Kids Dental program ratio of dentists to beneficiary is 1:12 while the Medicaid program ratio is approximately 1:500. The number of beneficiaries in Healthy Kids Dental has grown from 100,000 to a current enrollment of over 142,000 beneficiaries and continues to grow. While access and utilization has improved, the program's costs continue to rise. Initial costs were targeted at \$17 million dollars while last year's contract was over \$23 million dollars. The FY 2004 contract is budgeted for \$25 million dollars. There have been inquiries to expand the Healthy Kids Dental program statewide and cost estimates have been reviewed. To expand the program statewide, estimates of additional general fund expenditures range from \$76.5 million dollars to \$40 million dollars. These estimates include beneficiaries of all ages to only Medicaid beneficiaries under the age of 21.

The attached spreadsheet represents individual county data. It denotes the number of dentists licensed per county, the number of Medicaid enrolled dentists and those who participated in FY 2003. It also

includes the number of Medicaid beneficiaries who received at least one dental visit and the number of eligibles per county . The final column of the attachment denotes the HPSA designation of each county.

TABLE 1

Required Reporting Items	Findings
<p><b>1a) Distribution of Dentists throughout the state</b></p>	<p>The number of licensed dentists in Michigan was 6367.</p> <p>Regarding licensing information:</p> <p>This number reflects all licensed dentists. It does not provide numbers of retired dentists versus practicing dentists.</p> <p>The licensing information also does not provide employment information such as research, administrative, or academic areas.</p> <p>This number reflects all dental specialties (over 1000 licensees).</p> <p>This number reflects where they get their license information mailed; it could be either home or practice location.</p> <p>(See Column 1a of attachment).</p>
<p><b>1b) Distribution of Medicaid-enrolled Dentists throughout the state</b></p>	<p>There are 2097 dentists currently enrolled in the Medicaid Program.</p> <p>(See Column 1b of attachment).</p>
<p><b>1c) Distribution of Medicaid Dentists throughout the state by claim payments</b></p>	<p>Of this number, 1570 enrolled dentists (75%) submitted at least one claim to the Medicaid program.</p> <p>One national indicator to determine meaningful participation is the number of dentists who receive more than \$10,000 per year.</p> <p>Of those 1570 dentists that submitted claims, 647 dentists or 41% were paid more than \$10,000.</p> <p>(See Column 1c of attachment).</p>
<p><b>2) Volume of Medicaid beneficiaries receiving dental services</b></p>	<p>379,776 Medicaid beneficiaries had at least one dental visit in FY 2003. This includes children and adults, including the developmentally disabled, mentally impaired, elderly and those residing in nursing facilities.</p> <p>Of the 1.2 million Medicaid beneficiaries, 32% of the entire group received at least one dental visit.</p> <p>On average, the 32% also correlates to county utilization by beneficiaries.</p> <p>(See Column 2 of attachment).</p>

<b>3) Dental Care Health Professional Shortage Area (HPSA)</b>	<p><b>57</b> Counties are designated <b>Full County Population Designation</b>. Population Designation is defined as the percent of time that the dental provider serves low-income population (under 200% of poverty). Population of county has to have 30% or more residents at or below 200% of poverty.</p> <p><b>8</b> Counties are designated <b>Partial County Geographic/Population Designation</b>. Partial County Designation means that communities or townships within the county have met the criteria as shortage designation areas. Geographic Designation is defined as the one to one ratio of provider to population.</p> <p><b>2</b> Counties have a <b>Facility Designation</b>. Facility Designation is defined as a facility that has met the criteria for encounters that the Health Resources and Services Administration (HRSA) has established.</p> <p><b>18</b> Counties have No Designation.</p> <p>(See Column 3 of attachment).</p>
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Section 1713(2) directs the department to assess the factors that may be related to the apparent low participation of dentists in the Medicaid program and to develop recommendations to help eliminate or reduce barriers to participation. Table 2 lists factors that may help reduce barriers and recommendations to achieve those goals. The recommendations were developed jointly by the MDCH and the MDA.

TABLE 2

FACTORS	RECOMMENDATIONS
<b>Responsiveness &amp; Accessibility</b>	<p>Meet with the Dental Association at their request.</p> <p>Hold Provider Liaison Meetings with dental providers.</p> <p>Develop a List Serve to communicate with billing staff.</p>
<b>Develop Support System</b>	<p>Create an on-line training program for newly enrolled dentists.</p> <p>Provide seminars on Medicaid policy and procedures and offer CEU credits for those dentists attending.</p>
<b>Stability</b>	<p>During FY 2003, a comprehensive dental program for adults was in place but due to the budget shortfall, the adult dental benefit was reduced to emergency services as of October 1, 2003. Providers are hesitant to participate if there is always an option of services being eliminated. Additionally, the safety-net structure of local health department dental clinics, Federally-Qualified Health Centers (FQHCs) are in jeopardy due to program reductions. When funding for the adult benefit is restored, every effort should be made to maintain the program and treat it as primary care that is necessary for all ages, not just children.</p>
<b>Reimbursement</b>	<p>Review how reimbursement of procedures is developed so that overhead costs are covered. Overhead costs are estimated at 65-70% of charges.</p>
<b>Develop Medicaid-specific Curriculum</b>	<p>Request the dental schools (UM and UDM) to develop curriculum regarding the government-financed programs that also includes sensitivity training regarding the Medicaid and/or disadvantaged populations.</p>
<b>Promote Loan Forgiveness</b>	<p>Develop a stronger promotion of the National Health Service Corp and the State of Michigan loan forgiveness program for dental students.</p>

Sec. 1713 Report to the Legislature  
 FY 2003 Study of Michigan Licensed Dentists Participation in the Medicaid Program

County Code	County Name	1a. 2004 Licensed Dentists	1b. Medicaid- enrolled DDS	1c. # of DDS w/Paid Claims	2a. # of Benef. w/ Dental Visit	2b. # of Eligible Benef.	3. Dental Care Health Professional Shortage Areas (HPSA)
01	ALCONA	2	2	2	519	1,801	Full County Population Designation **
02	ALGER*	6	1	1	37	1,294	Full County Population Designation
03	ALLEGAN*	29	17	15	2,241	13,595	No Designation
04	ALPENA	20	16	12	2,389	5,581	Full County Population Designation
05	ANTRIM	15	6	3	1,483	3,243	Full County Population Designation
06	ARENAC*	5	0			3,307	Full County Population Designation
07	BARAGA	3	3	3	336	1,414	Full County Population Designation
08	BARRY*	18	2	2	7	6,394	No Designation
09	BAY	62	23	22	9,347	16,275	No Designation
10	BENZIE	8	0			2,198	Full County Population Designation
11	BERRIEN	82	20	16	5,968	29,398	Full County Population Designation
12	BRANCH*	18	3	4	101	6,895	Full County Population Designation
13	CALHOUN	80	30	28	4,405	24,907	Full County Population Designation
14	CASS	9	4	3	788	8,051	Full County Population Designation
15	CHARLEVOIX*	20	11	9	1,202	3,054	Partial County Geographic/Population Designation ***
16	CHEBOYGAN*	12	7	5	1,218	4,885	Full County Population Designation
17	CHIPPEWA*	20	13	12	1,052	5,995	Full County Population Designation
18	CLARE*	8	4	4	244	6,958	No Designation
19	CLINTON*	15	6	5	589	5,046	No Designation
20	CRAWFORD	5	1			2,587	Full County Population Designation
21	DELTA	27	11	10	497	6,288	Full County Population Designation
22	DICKINSON*	24	5	4	59	3,846	Full County Population Designation
23	EATON*	72	2	3	21	10,045	No Designation
24	EMMET*	31	21	15	1,334	4,374	Full County Population Designation
25	GENESEE	244	92	74	26,718	86,954	Partial County Geographic/Population Designation
26	GLADWIN*	7	2	2	51	4,789	Full County Population Designation
27	GOGEBIC*	5	5	5	470	2,938	Full County Population Designation
28	GRAND TRAVERS	84	26	21	3,673	9,387	No Designation
29	GRATIOT*	17	5	4	205	6,279	Full County Population Designation
30	HILLSDALE*	16	8	7	430	6,639	Full County Population Designation
31	HOUGHTON*	20	12	10	772	5,933	Full County Population Designation
32	HURON*	14	2	2	10	5,654	Full County Population Designation
33	INGHAM	189	74	51	13,671	40,206	No Designation
34	IONIA*	23	5	5	170	8,126	Full County Population Designation
35	IOSCO*	11	1	1	33	5,073	Full County Population Designation
36	IRON	4	5	4	873	2,321	Full County Population Designation
37	ISABELLA*	26	11	7	501	7,499	Full County Population Designation
38	JACKSON	75	12	8	5,769	23,669	Full County Population Designation
39	KALAMAZOO	148	34	28	5,226	32,342	Partial County Geographic/Population 1 Facility Designation ****
40	KALKASKA	7	2			3,115	Full County Population Designation
41	KENT	382	161	122	19,093	84,855	Partial County Geographic/Population Designation
43	LAKE	2	7	8	2,438	2,840	Full County Population Designation
44	LAPEER*	35	7	4	434	9,034	No Designation
45	LEELANAU	13	8	7	360	1,628	No Designation
46	LENAWEE	45	13	9	968	12,302	Partial County Geographic/Population Designation

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47	LIVINGSTON*	98	5	4	55	7,659	No Designation
48	LUCE*	3	1	1	10	1,356	Full County Population Designation
49	MACKINAC	4	8	6	257	1,579	Full County Population Designation
50	MACOMB	592	150	130	22,522	73,569	No Designation
51	MANISTEE	13	12	9	1,908	4,057	Full County Population Designation
52	MARQUETTE	46	23	19	4,018	8,289	Full County Population Designation
53	MASON	11	8	7	513	5,151	Full County Population Designation
54	MECOSTA	19	19	18	1,983	6,937	Full County Population Designation
55	MENOMINEE	12	10	6	1,736	3,685	Full County Population Designation
56	MIDLAND*	49	16	15	465	9,642	No Designation
57	MISSAUKEE	3	3	3	296	713	Full County Population Designation
58	MONROE*	59	10	9	1,477	14,797	Partial County Geographic/Population Designation
59	MONTCALM	24	14	12	1,384	9,719	Full County Population Designation
60	MONTMORENCY	3	8	7	537	1,918	Full County Population Designation
61	MUSKEGON	88	59	55	11,791	35,129	Full County Population Designation
62	NEWAYGO	17	8	7	2,205	8,728	Full County Population Designation
63	OAKLAND	1333	372	254	82,264	90,206	No Designation
64	OCEANA	8	3	2	551	6,685	Full County Population Designation
65	OGEMAW	9	7	5	987	4,553	Full County Population Designation
66	ONTONAGON*	2	6	6	292	1,231	Full County Population Designation
67	OSCEOLA	4	2	2	248	4,483	Full County Population Designation
68	OSCODA	2	1	1	1	1,872	Full County Population Designation
69	OTSEGO	19	12	7	2,300	3,961	Full County Population Designation
70	OTTAWA	123	55	45	4,399	19,315	No Designation
71	PRESQUE ISLE	3	2	1	6	1,964	Full County Population Designation
72	ROSCOMMON*	16	6	4	229	5,013	Full County Population Designation
73	SAGINAW	135	60	49	13,383	40,681	Partial County Geographic/Population Designation
74	ST CLAIR*	89	15	12	229	22,075	No Designation
75	ST JOSEPH*	18	3	3	1,459	10,806	No Designation
76	SANILAC*	15	4	4	54	7,179	Full County Population Designation
77	SCHOOLCRAFT	3	2	2	697	1,706	Full County Population Designation
78	SHIAWASSEE*	25	5	5	254	9,788	No Designation
79	TUSCOLA*	19	11	9	538	8,570	Full County Population Designation
80	VAN BUREN*	22	18	12	3,473	15,773	Full County Population Designation
81	WASHTENAW	455	53	42	10,808	24,283	1 Facility Designation
82	WAYNE	1050	385	307	112,268	443,690	Partial County Geographic/Population Designation
83	WEXFORD	18	21	18	2,726	8,136	Full County Population Designation

\* 1 of 37 counties with the **Healthy Kids Dental** contract administered by Delta Dental Plan of Michigan.

The number of beneficiaries that received dental services through **Healthy Kids Dental** is not available at this time.

\*\* **Population Designation** is defined as the percent of time that the dental provider serves low-income population (under 200% of poverty). Population of county has 30% or more residents at or below 200% of poverty.

\*\*\* **Geographic Designation** is defined as the one to one ratio of provider to population.

\*\*\* **Partial County Designation** means that communities or townships within the county have met the criteria for a shortage designation area.

\*\*\*\* **Facility Designation** means that a facility has met the criteria for encounters that the Health Resources and Services Administration (HRSA) have established.