

**Bulletin Number:** MSA 06-30

**Distribution:** Local Health Departments

**Issued:** May 1, 2006

**Subject:** Public Dental Clinic Enhanced Reimbursement Rate

**Effective:** As indicated

**Programs Affected:** Medicaid

The Michigan Department of Community Health (MDCH) submitted and received approval for a State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services. The change allows for public dental clinics to be paid at the average commercial rate for Medicaid services. Qualifying providers under this policy include any Public Dental Clinic as identified in one of the following sections of the Michigan Public Health Code (PA 368 of 1978, as amended): Sections 333.2413, 333.2415, or Section 333.2421. This SPA is retroactive to **April 1, 2005**.

The average commercial rate is determined by MDCH staff through information supplied by the commercial dental insurers and paid to providers eligible for this supplemental payment. If this information is not available from the commercial carriers, MDCH may determine the rate from other sources.

Public dental clinics will submit claims and receive payment on a fee-for-service basis throughout the year. MDCH will determine services and payments from the Medicaid paid claims records at the end of the public dental clinics fiscal year. An annual settlement calculation will be performed to determine the difference between the Medicaid fee screen payments and the average commercial rate. This calculation and a notice will be sent to the public dental clinic indicating the amount of local share that must be received from the public dental clinic. The local share must be received prior to the submission of the federal claim. The local share is sent from the public dental clinic to the MDCH via the Intergovernmental Transfer process. After receipt of the local share, the MDCH will process a payment to the public dental clinic for the entire amount of difference between the fee for service payments and the average commercial rate. The settlements are performed for each public dental clinic and for each fiscal year which ends after March 31, 2005.

MDCH may pay interim payments for the estimated difference between Medicaid fee screen payments and the average commercial rate. Interim payments will be reconciled at the time of annual settlement.

Settlements do not apply to services for which primary reimbursement is the responsibility of Delta Dental Plan through the **Healthy Kids Dental** contract or any other third party payor.

Dental services at a public dental clinic will no longer be paid under the current cost settlement process. The current cost settlement process will be for medical services only.

### **Public Comment**

Public comment regarding this policy will be accepted and considered for future policy revisions. Any interested party wishing to comment on the changes may do so by submitting them in writing to:

Chris Farrell  
Michigan Department of Community Health  
Medicaid Policy Division  
P.O. Box 30479  
Lansing, MI 48909-7979  
or  
e-mail: FarrellC@michigan.gov

If responding by e-mail, please include "Enhanced Dental Reimbursement" in the subject line.

### **Manual Maintenance**

The provider should retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

### **Approved**



Susan Moran, Acting Deputy Director  
Medical Services Administration