



Iowa Health and Wellness Plan Accountable Dental Care Plan

Summary

The Iowa Health and Wellness Plan includes coverage for comprehensive dental benefits, equivalent to the Medicaid dental benefit for adults ages 19 through 64. The current Medicaid dental program has several deficiencies that, without changes, would not provide this new population of 140,000 Iowans with sufficient access to dental care. DHS recommends implementing a new approach to dental care for the Iowa Health and Wellness program. Key features of a new approach to dental care:

1. Adequate reimbursement rates for dental services, including performance incentives.
2. Contracting with a commercial dental plan to cover dental services.
3. A 'population health' approach to dental care that will include care coordination, member education and outreach, and accountability for dental outcomes.
4. Member incentives by providing coverage for a basic array of services, with members earning the use of higher cost restorative services through demonstrated use of preventive services, compliance to treatment plans, and maintaining good oral health.

“The most significant benefit of the Accountable Dental Care Plan is that it would ensure member’s dental needs could be met immediately and with a focus on long term dental health that would have lifetime impacts.”

Background – Why do we need to do something different?

Numerous studies have found that a person’s oral health impacts their overall health. A 2000 report by the US Surgeon General noted the importance of oral examinations for early detection of nutritional deficiencies and systemic disease. Other factors that are highly correlated with good oral health are: employability, inflammatory disease management, improved pregnancy outcomes and cancer detection.

High need for dental care

However, studies have also shown that access to dental care for low-income and the Medicaid population is a problem. “Low-income children and adults experience higher levels of dental disease and use dental care less frequently than higher-income people do.”¹. A June 2013 evaluation of the IowaCare program found:

¹ September 2000, General Accounting Office, “Factors Contributing to Low Use of Dental Services by Low-Income Populations

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- The self-reported oral health of IowaCare enrollees was much lower than their overall physical health and also much lower than the self-reported oral health status of adult Medicaid enrollees. 34% of IowaCare enrollees reported their oral health as 'poor' as compared to only 13% of Medicaid enrolled adults.
- Dental problems were the number one most common chronic condition experience by IowaCare enrollees.
- Almost half of IowaCare enrollees had an unmet need for dental care in the past six months.

Therefore, based on research about low income populations generally, and specific information about the IowaCare population who will provide a majority of the new Plan enrollees, we believe that there will be a high unmet need for dental care in the new program. Consequently, access to dental care will be important.

Low Access to Dental Care

Many studies have documented low access to dental care among beneficiaries across the nation, including Iowa. Low access is typically linked to low levels participation of dentists in Medicaid. According to the September 2000 GAO study, "Dentists generally cite low payment rates, administrative requirements, and patient issues such as frequently missed appointments as the reasons why they do not treat more Medicaid patients". These factors were reiterated and expanded upon in a study by the University of Iowa's Public Policy Center in which a group of local and national dental experts were convened to evaluate oral health in Iowa. The experts cited low reimbursement rates, broken appointments, denial of payment, and patient non-compliance with recommended treatment as reasons why dentists limit their participation in Medicaid.

Based on a decade of research, summarized above, simply utilizing the current dental program for the new Iowa Health and Wellness Plan will not achieve the objective of the legislation, which recognized the need for care in this population and expects members to have access to high quality care.

Reasons for a new approach:

1. In order to maintain overall health, oral health must also be maintained.
2. Low-income populations, such as the Iowa Health and Wellness Plan population, have a higher rate of dental disease and pent up demand for dental services.
3. There are problems with access to dental care in the current Medicaid program due to a variety of reimbursement, administrative, and behavioral reasons.
4. Simply adding the new population into the current Medicaid dental program will not produce a quality outcome for these new members, who have a high need for dental care.

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Considerations for a New Approach

A study released in July 2013 found that while raising reimbursement rates has a positive impact on dental access, the magnitude of the effect is relatively small.² The study points to the other barriers to Medicaid provider participation noted above.

Another means of increasing access is providing outreach and care coordination to members. Iowa's I-Smile program, operated by the Iowa Department of Public Health through the state's Title V Child Health System, has shown success in increasing children's access to dental care through educating families, providing coordination of services and partnering with local providers and other organizations. According to the I-Smile annual report, 61% of Iowa Medicaid children ages 3-12 saw a dentist in 2012, an increase of one and one half times since 2005. According to a 2011 study by the Centers for Medicare and Medicaid Services (CMS)³, Iowa is tied as the third highest state for children receiving any dental service, and tied for sixth highest state for children receiving a dental service (2009 data). Iowa is fortunate in having more dentists participating in Medicaid than most states, and dental access has improved since the program began, with virtually no increase in rates.

Based on this research and experience, DHS recommends a combination of approaches to designing a new program, including increased reimbursement rates, a population health approach, care coordination, community outreach, and member education and incentives.

Program Design – Accountable Dental Care Plan

Program Goals

1. **Access** - Ensure adequate access to high quality dental services across the state for the new Iowa Health and Wellness Plan adults, addressing current barriers.
2. **Manage population health** – focus on restoring basic functionality for all enrollees and improving the oral health of members over time through education, care coordination and community support.
3. **Accountability** – Utilize an approach that ensures accountability for a range of population outcome measures.
4. **Member incentives** – Ensure there are incentives for members to engage in preventative services and compliance with treatment plans.

² July 2013, Buchmueller, Orzol, Shore-Sheppard, "The Effect of Medicaid Payment Rates on Access to Dental Care Among Children", National Bureau of Economic Research

³ September 2011, Centers for Medicare and Medicaid Services, "Use of Dental Services in Medicaid and CHIP"

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5. **Sustainability** – Demonstrate an innovative, high quality, and sustainable adult dental program that will provide a model that could be adopted for the rest of Medicaid program and other states.

Plan Design

It is important to recognize that change cannot be achieved overnight and we must identify a set of strategies focused on both short term and long term goals. Further, this program must be cost-effective and sustainable in the long term. The strategies outlined below seek to address the identified barriers that exist in the current Medicaid dental program, while meeting the specified goals.

1. Contract with a commercial dental plan

The Accountable Dental Care Plan would contract with a commercial dental plan(s) to deliver care to all Iowa Health and Wellness Plan members. The plan would provide all dental coverage for both the Iowa Wellness Plan and the Marketplace Choice Plan members. This is the same approach that has been used successfully in the *hawk-i* program to provide dental care for children. Dental providers have been positive about the commercial plan in *hawk-i* and some have advocated to employ a similar strategy in Medicaid.

The benefits of a commercial plan include:

- More competitive reimbursement rates,
- Fewer administrative barriers in claims processing and other administrative transactions between providers and the plan,

These factors will ensure greater access to dental services for the members by overcoming several of the barriers identified by providers as reasons for not participating in Medicaid.

This requires a managed care waiver to require all members to be enrolled in the commercial dental plan. Both 1115 waivers currently pending before CMS include managed care/freedom of choice waivers necessary to implement this program. Medicaid would not limit the contract to one plan. The contract will include all of the program parameters outlined in this document, which any contracted plan would be required to meet in order to participate. The contracting approach would be similar to *hawk-i*. Medicaid currently contracts with one plan, Delta Dental, in the *hawk-i* program.

2. Covered Benefits and the Earned Benefits Model

The dental benefits covered will be equivalent to the Medicaid dental benefit, with an innovative difference designed to incent member engagement. This innovation is designed to focus incentives on patient compliance and engagement in oral health. The plan would cover basic dental care and treatment to all Iowa Health and Wellness Plan members. Members would be

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able to earn coverage for more expensive restorative services by completing preventative screenings and recommended treatment plans.

- All members would have coverage for emergency dental services and treatment necessary to restore patient function, and to preventive services such as screenings and cleanings. **All members would receive access to medically necessary care and treatment.**
- Members who show commitment to self-maintenance (use of preventative services and compliance with treatment plans) based on their risk status will be eligible for enhanced coverage for higher cost restorative services, such as crowns and bridges.
- This concept could be implemented through a fixed dollar cap applied for covered services, with the additional benefits covered over the cap if criteria are met. It could also be implemented by specifying certain services as covered and others as not covered unless the criteria are met.
- More work is needed to define exactly how this would work.

States currently have many limitations on Medicaid adult dental benefits, including dollar caps and limiting to emergency services only. Iowa would be offering a comprehensive dental benefit, with certain services earned based on healthy behaviors.

This is similar to the healthy behaviors incentives that tie a financial payment to performing wellness behaviors. The difference is that the financial incentive is in the form of more generous covered benefit. Targeting enhanced dental coverage will help control costs by more efficiently providing care. Patient responsibility would be engaged through this approach.

Simply increasing reimbursement rates by a substantial margin in order to improve access would be very costly. When we compare Medicaid utilization to commercial utilization, Medicaid patients use significantly more treatment services and less preventative services than the commercial population. Medicaid patients have greater problems with dental disease and less adherence to treatment plans. To help ensure a positive experience and that providers effectively treat the Medicaid member, training will be offered to help them better understand the population and their needs. We need an approach that is markedly different from the approach in place today. This would be a very innovative program design.

This approach helps to manage costs by ensure access to necessary care, but ensures the more expensive procedures, that are not covered in many states at all, are provided on an incentive basis and to those patients that have a demonstrated commitment to caring for the items covered.

3. Population Health Management

The commercial dental plan will utilize a population health management approach with the goal of improving the oral health of the new population. This includes assessing dental health status

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of the population and stratifying risk to provide the right care to the right patients at the right time. The plan will manage the population by:

- Assessing health status and risk using health risk assessments and data analytics. By assessing risk, the plan can target outreach to identify those who need immediate services. Health Risk Assessments are critical tools to help build treatment plans and will be the benchmark for monitoring the patient's progress.
- Identifying individuals needing care through analysis of Medicaid claims data and connections with the managed care and qualified health plans, and health care providers, such as medical homes, accountable care organizations and safety net providers, in order for those providers to help identify persons with dental needs and ensure connection to appropriate dental care or care coordinators.
- Ensuring community collaborations and member education about using dental services and the importance of keeping appointments and following through on treatment plans
- Ensuring care coordination through the plan and through community entities.

4. Care Coordination and Member Engagement

The plan will ensure provision of care coordination by using partners in the community as well as the plan level to work with providers and patients to promote successful compliance with treatment plans and use of preventive care. This will include educating members about good hygiene, prevention and maintenance. The plan will work with the current I-Smile program coordinators and recruit others provide for delivery of the risk assessment and support patient education and compliance, including linking beneficiaries with local dentists. This additional community support will work to reduce missed appointments that are a current barrier for dentists.

The Plan will also be expected to coordinate with physical health care systems such as medical homes and Accountable Care Organizations. Medical homes and ACOs will be expected to identify dental problems and will then refer to the Plan or local coordinators who will then ensure the patient can be assessed by dental providers and receive care. The physical and dental health care systems will be expected to have coordinated their treatment plans to ensure patient-centeredness.

5. Increase Provider Reimbursement and Pay for Performance

As an incentive for provider network participation, the commercial plan will pay reimbursement rates that are greater than the Medicaid level and more competitive with commercial rates. Payment to providers will also include pay-for-performance component allowing providers to earn additional payments by meeting specific quality measures that are aligned with Plan performance requirements and program goals.

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6. Accountable Care Approach to contracting

Much like the state is developing in the State Innovation Model project, this contract will include accountability for achieving a range of performance results. The contract with the commercial plan will include specific performance measures and will be paid a capitated per member per month rate. The contract will hold the commercial plan accountable for developing a program that has all of the elements outlined for the plan and achieving the performance standards established in the contract.

Accountable Care contract will address:

- Provider network adequacy and access measures
- Increasing the use of preventive services
- Quality outcomes
- Care coordination and community outreach
- Member outreach and education
- Patient Education and Experience
- An expectation of performance incentives for providers

Conclusion

If we do not do something different from the current model we very likely will not be able to meet individuals' needs for care and that care will be intermittent and more costly in the long term. The Plan would also increase personal responsibility for maintaining oral health in exchange for higher level benefits. Other benefits to the plan include less resistance by dental providers because of the higher rates, use of a commercial plan, and care coordinators to help them ensure adherence to treatment plans. Risk and accountability managed through a contract with a health plan.

We believe the combination of these program elements would result in a program that provides much greater access to dental care for members, coordination, education and outreach, higher reimbursement rates; but with the management strategies and incentives would be cost effective over the five year term of our 1115 Iowa Health and Wellness Plan waivers. The plan would likely cost more at the beginning than if we provided the regular dental benefit due to the enhanced rates and services, but would cost less in the long run and greatly improve the health outcomes for the members over five years.

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