



House of Representatives

General Assembly

File No. 478

January Session, 2007

Substitute House Bill No. 7069

House of Representatives, April 12, 2007

The Committee on Public Health reported through REP. SAYERS, P. of the 60th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING ACCESS TO ORAL HEALTH CARE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-282b of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective from passage*):

3 [(a) Not later than July 1, 2004, and prior to the implementation of a
4 state-wide dental plan that provides for the administration of the
5 dental services portion of the department's medical assistance, the
6 Commissioner of Social Services shall amend the federal waiver
7 approved pursuant to Section 1915(b) of the Social Security Act. Such
8 waiver amendment shall be submitted to the joint standing committees
9 of the General Assembly having cognizance of matters relating to
10 human services and appropriations and the budgets of state agencies
11 in accordance with the provisions of section 17b-8.

12 (b) Prior to the implementation of a state-wide dental plan that
13 provides for the administration of the dental services portion of the
14 department's medical assistance program, the Commissioner of Social

15 Services shall review eliminating prior authorization requirements for
16 basic and routine dental services. In the event the commissioner adopts
17 regulations to eliminate such prior authorization requirements, the
18 commissioner may implement policies and procedures for the
19 purposes of this subsection while in the process of adopting such
20 regulations, provided the commissioner prints notice of intention to
21 adopt the regulations in the Connecticut Law Journal not later than
22 twenty days after implementing the policies and procedures.]

23 (a) The Commissioner of Social Services shall establish a fee
24 schedule, to be effective from October 1, 2007, to July 1, 2010, for dental
25 services provided to children under the age of nineteen who are
26 eligible for medical assistance under section 17b-261. The schedule
27 shall provide for a fee for each dental service, except orthodontic
28 services, that is equal to the seventieth percentile of normal and
29 customary private provider fees, as defined by the National Dental
30 Advisory Service Comprehensive Fee Report. The schedule shall
31 provide for a fee for each orthodontic service, which may be less than
32 the seventieth percentile of normal and customary private provider
33 fees, as defined by the National Dental Advisory Service
34 Comprehensive Fee Report.

35 (b) The Commissioner of Social Services shall evaluate whether the
36 fee schedule established pursuant to subsection (a) of this section
37 results in improved access to oral health care for medical assistance
38 recipients under the age of nineteen, as measured by (1) the number of
39 providers currently registered to provide dental services under the
40 medical assistance program described in section 17b-261, (2) the
41 number of medical assistance recipients under the age of nineteen
42 currently receiving such services, (3) the increase in the number of
43 providers registered to provide such services, (4) the increase in the
44 number of medical assistance recipients under the age of nineteen
45 receiving such services, (5) the number of new providers registered to
46 provide such services, and (6) the number of medical assistance
47 recipients under the age of nineteen receiving such services from
48 newly registered providers. The commissioner shall submit a report of

49 the evaluation, along with any recommendations, not later than
50 December 31, 2009, to the joint standing committees of the General
51 Assembly having cognizance of matters relating to human services and
52 public health, in accordance with the provisions of section 11-4a.

53 Sec. 2. Section 17b-296 of the general statutes is repealed and the
54 following is substituted in lieu thereof (*Effective from passage*):

55 (a) Each managed care plan shall include sufficient numbers of
56 appropriately trained and certified clinicians of pediatric care,
57 including primary, medical subspecialty and surgical specialty
58 physicians, as well as providers of necessary related services such as
59 dental services, mental health services, social work services,
60 developmental evaluation services, occupational therapy services,
61 physical therapy services, speech therapy and language services,
62 school-linked clinic services and other public health services to assure
63 enrollees the option of obtaining benefits through such providers.

64 (b) Each managed care organization that on or after October 1, 2001,
65 enters into a contract with the department to provide comprehensive
66 services under the HUSKY Plan, Part A or the HUSKY Plan, Part B, or
67 both, shall have primary responsibility for ensuring that its behavioral
68 health and dental subcontractors adhere to the contract between the
69 department and the managed care organization, including the
70 provision of timely payments to providers and interest payments in
71 accordance with subdivision (15) of section 38a-816. The managed care
72 organization shall submit to the department a claims aging inventory
73 report including all data on all services paid by subcontractors in
74 accordance with the terms of the contract with the department.

75 (c) Upon the initial contract or the renewal of a contract between a
76 managed care organization and a behavioral health or dental
77 subcontractor, the department shall require that the managed care
78 organizations impose a performance bond, letter of credit, statement of
79 financial reserves or payment withhold for behavioral health and
80 dental subcontractors that provide services under the HUSKY Plan,
81 Part A or the HUSKY Plan, Part B, or both. Any such performance

82 bond, letter of credit, statement of financial reserves or payment
83 withhold that may be required by the department pursuant to a
84 contract with a managed care organization shall be in an amount
85 sufficient to assure the settlement of provider claims in the event that
86 the contract between the managed care organization and the
87 behavioral health or dental subcontractor is terminated. Upon the
88 initial contract or the renewal of a contract between a managed care
89 organization and a behavioral health or dental subcontractor, the
90 managed care organization shall negotiate and enter into a contract
91 termination agreement with its behavioral health and dental
92 subcontractors that shall include, but not be limited to, provisions
93 concerning financial responsibility for the final settlement of provider
94 claims and data reporting to the department. The managed care
95 organization shall submit reports to the department, at such times as
96 the department shall determine, concerning any payments made from
97 such performance bond or any payment withholds, the timeliness of
98 claim payments to providers and the payment of any interest to
99 providers.

100 (d) Prior to the approval by the department of a contract between a
101 managed care organization and a behavioral health and dental
102 subcontractor for services provided under the HUSKY Plan, Part A or
103 the HUSKY Plan, Part B, or both, the managed care organization shall
104 submit a plan to the department for the resolution of any outstanding
105 claims submitted by providers to a previous behavioral health or
106 dental subcontractor of the managed care organization for services
107 provided to members enrolled in the HUSKY Plan, Part A or the
108 HUSKY Plan, Part B, or both. Such plan for the resolution of
109 outstanding claims shall include a claims aging inventory report and
110 shall comply with the terms of the contract between the department
111 and the managed care organization.

112 (e) The Commissioner of Social Services shall establish a fee
113 schedule, to be effective from October 1, 2007, to July 1, 2010, for dental
114 services provided under the HUSKY Plan Part A or the HUSKY Plan,
115 Part B, or both, to children under the age of nineteen. The schedule

116 shall provide for a fee for each dental service, except orthodontic
117 services, that is equal to the seventieth percentile of normal and
118 customary private provider fees, as defined by the National Dental
119 Advisory Service Comprehensive Fee Report. The schedule shall
120 provide for a fee for each orthodontic service, which may be less than
121 the seventieth percentile of normal and customary private provider
122 fees, as defined by the National Dental Advisory Service
123 Comprehensive Fee Report.

124 (f) Beginning on October 1, 2007, each managed care organization or
125 dental subcontractor providing dental services under the HUSKY Plan,
126 Part A or the HUSKY Plan, Part B, or both, shall reimburse its dental
127 providers for services provided to children under the age of nineteen
128 in accordance with the fee schedule established pursuant to subsection
129 (e) of this section.

130 (g) The Commissioner of Social Services shall evaluate whether the
131 fee schedule established pursuant to subsection (e) of this section
132 results in improved access to oral health care for enrollees under the
133 age of nineteen, as measured by (1) the number of providers currently
134 registered to provide dental services under the HUSKY Plan, Part A or
135 the HUSKY Plan, Part B, (2) the number of enrollees under the age of
136 nineteen currently receiving such services, (3) the increase in the
137 number of providers registered to provide such services, (4) the
138 increase in the number of enrollees under the age of nineteen receiving
139 such services, (5) the number of new providers registered to provide
140 such services, and (6) the number of enrollees under the age of
141 nineteen receiving such services from newly registered providers. The
142 commissioner shall submit a report of the evaluation, along with any
143 recommendations, not later than December 31, 2009, to the joint
144 standing committees of the General Assembly having cognizance of
145 matters relating to human services and public health, in accordance
146 with the provisions of section 11-4a.

147 Sec. 3. (NEW) (*Effective from passage*) Not later than January 1, 2008,
148 the Commissioner of Public Health shall appoint a regional oral health

149 coordinator for up to six regions of the state with limited or no oral
 150 health programs in order to expand dental services to populations
 151 with restricted access to dental care. All regional oral health
 152 coordinators shall be dental hygienists licensed to practice under
 153 chapter 379a of the general statutes. Regional oral health coordinators
 154 shall be responsible for helping parents or legal guardians secure
 155 dental care for children residing in such regions who have been
 156 identified as needing dental care by medical, dental or school
 157 personnel.

158 Sec. 4. (NEW) (*Effective July 1, 2007*) There is established, within the
 159 Department of Public Health, an Office of Oral Public Health. The
 160 director of the Office of Oral Public Health shall be an experienced
 161 public health dentist licensed to practice under chapter 379 of the
 162 general statutes and shall:

163 (1) Coordinate and direct state activities with respect to state and
 164 national dental public health programs;

165 (2) Serve as the department's chief advisor on matters involving oral
 166 health; and

167 (3) Plan, implement and evaluate all oral health programs within
 168 the department.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-282b
Sec. 2	<i>from passage</i>	17b-296
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>July 1, 2007</i>	New section

PH Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: See Below

Municipal Impact: None

Explanation

Sections 1 and 2 of the bill require that the reimbursement to dental providers for children under the HUSKY and Medicaid programs be equal to the 70th percentile of the normal and customary fee, as defined by the National Dental Advisory Service Comprehensive Fee Report. Based on the latest such fee report, OFA estimates that this increase would cost \$27,000,000 annually over the current HUSKY dental expenditures. These costs would be reimbursed 50% by the federal government under the Medicaid program (65% for the HUSKY B program).

In addition, there are approximately 2,000 children in the Medicaid fee-for-service program. It is not known what portion of the Medicaid fee-for-service dental costs (approximately \$8.8 million annually) is attributable to children under the age of 19. Therefore, the cost of increasing the fee-for-service dental rates is not known. The bill also requires the Department of Social Services (DSS) to assess access to dental services and report to the General Assembly by December 31, 2009.

The rate increases included in sections 1 and 2 of the bill may lead to increased access to services as providers may be more willing to serve HUSKY and Medicaid clients. Should this be the case, it is likely that the MCO's would seek a future increase in their capitated rates to compensate for this change. It is not known what this increased utilization may be. However, any increased utilization in either the HUSKY or Medicaid fee-for-service programs will result in significant

increased state costs.

The Department of Public Health will incur an FY 08 cost of up to \$194,700 (or \$32,450 each) to support regional oral health coordinators required by **Section 3** of the bill. This reflects the half-year salaries of up to six Health Program Associates (licensed dental hygienists), as well as associated other expenses/equipment. In FY 09 and subsequent years a cost of up to \$374,450 (or \$62,410 each) will be incurred to reflect full-year implementation and the one-time nature of equipment needs. Fringe benefits cost of up to \$46,750 in FY 08 and up to \$218,200 in FY 09 will also be incurred¹.

The Department of Public Health presently operates an Office of Oral Health, overseen by a licensed dentist with public health experience. Therefore no fiscal impact will result in response to enactment of **Section 4** of the bill.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The estimated first year fringe benefit rate for a new employee as a percentage of average salary is 25.8%, effective July 1, 2006. The first year fringe benefit costs for new positions do not include pension costs. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System (SERS). The SERS 2006-07 fringe benefit rate is 34.4%, which when combined with the non pension fringe benefit rate totals 60.2%.

OLR Bill Analysis**sHB 7069*****AN ACT CONCERNING ACCESS TO ORAL HEALTH CARE.*****SUMMARY:**

This bill requires the Department of Social Services (DSS) to set a fee schedule for dental services provided to children eligible for Medicaid (HUSKY A and fee-for-service) and HUSKY B. The schedule must pay providers a rate equal to the 70th percentile of national private provider fees for services other than orthodontia. The schedule must also set orthodontia fees, which may be less than the 70th percentile. The bill requires the managed care organizations (MCOs) with which DSS contracts to provide HUSKY services to follow the fee schedule DSS adopts. The schedule is effective between October 1, 2007 and July 1, 2010. DSS must evaluate it by the end of 2009 using provider and service measures.

The bill establishes an Oral Public Health Office in the Public Health Department (DPH). It requires the DPH commissioner to appoint oral health coordinators in areas that have no or limited oral health programs to help parents get dental care for their children.

EFFECTIVE DATE: Upon passage, except the oral health office provision is effective July 1, 2007.

DENTAL FEES***Setting Fees***

This bill requires DSS to set a pediatric dental fee schedule that pays providers a rate equal to the 70th percentile of the normal and customary private provider fee for services, other than orthodontia, as defined by the National Dental Advisory Service Comprehensive Fee Report. The fee schedule applies to HUSKY A and B and Medicaid

fee-for-service. It is effective between October 1, 2007 and July 1, 2010. The orthodontia fee schedule can pay at rates less than the 70th percentile.

DSS currently maintains a pediatric dental fee schedule, but it is not generally used because children enrolled in HUSKY receive most medical services through the MCOs that contract with DSS. The MCOs subcontract with dental providers, including managed dental care plans, for these services, and these plans set the reimbursement rates for dental providers. The bill requires the HUSKY MCOs, and their dental subcontractors, to follow the fee schedule DSS adopts. Presumably, DSS will amend its contracts with the MCOs to ensure that the new rates are paid.

The bill removes language requiring DSS, by July 1, 2004, to amend its Medicaid managed care waiver to allow for a separate dental program for the HUSKY A program. DSS never implemented the separate program.

Evaluation

DSS must evaluate the effect raising fees has on improving children's access to oral health care. It must look at increases in the number of (1) providers registered to treat children in the HUSKY and Medicaid fee-for-service programs and (2) recipients receiving services, particularly from newly registered providers. The DSS commissioner must report the evaluation results and any recommendations by December 31, 2009 to the Human Services and Public Health committees.

ORAL HEALTH OFFICE

The bill establishes the Office of Oral Public Health in DPH. It requires the office director to be an experienced public health dentist. The director's role is to (1) coordinate and direct state activities in state and national dental public health programs; (2) serve as DPH's chief advisor on oral health matters; and (3) plan, implement, and evaluate DPH oral health programs.

REGIONAL COORDINATORS

The bill requires the DPH commissioner, by January 1, 2008, to appoint a regional oral health coordinator for up to six regions that have limited or no programs to expand dental services to underserved populations. The coordinators' role is to help parents and guardians get dental care for children identified as needing such care by dental, school, or medical personnel. The coordinators must be dental hygienists.

BACKGROUND***Current Dental Fees***

MCO pediatric dental fees apparently fall well below the 70th percentile. For example, a recent DSS analysis shows that the HUSKY MCOs paid, on average, \$24 for an initial exam, compared with the NDAS 70th percentile rate of \$65. For cleanings, the fees were \$22 and \$52, respectively.

Related Bills

sSB 1 and sSB 3, reported favorably by the Public Health and Human Services committees, respectively, also raise pediatric dental fees to the 70th percentile and require DSS to evaluate the effect of raising provider fees.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 27 Nay 0 (03/26/2007)