

Dear Chairperson Lyons and Committee Members,

On behalf of all the dentists members of the Vermont State Dental Society (VSDS) I would like to commend you on your efforts to improve coverage for Medicaid eligible Adults in Vermont. Senate Bill S.94 is a big step in a positive direction and it even proposes what might be the first in the nation dental benefit for Medicare adults! These are extremely important issues, as most current research strongly shows the link between overall health and oral health. Improving Vermonter's oral health will not only make them healthier but it will also save the State from over spending our limited health care dollars.

We know that with the current budget challenges, a conversation about increasing Medicaid reimbursement rates is a difficult one. But before embarking on an expansion of Medicaid coverage and eligibility (S.94), the VSDS strongly believes that a critical question needs to be asked – “Is the current Medicaid Program effective and are there enough Dental Providers seeing enough Medicaid patients?” The short answer to that question is NO! Currently over 70% of licensed Dentists in Vermont are signed up to be Medicaid providers. Most of those dentists see children (as there is not cap or limit to coverage), but not all of them are seeing Adults and only a few are accepting new adult patients at this time. This reality is largely due to the level of Medicaid reimbursement rates, which have not been significantly raised in well over 10 years. Currently the Vermont Medicaid Reimbursement rate is about 50%, or half of the procedure fees that are usually charged by a dental office. This puts Vermont second from the bottom in New England, just above Rhode Island. Connecticut has the highest reimbursement rates which are about 61% of the usual fees charged by a dental office in CT. Here is a link to an American Dental Association (ADA) Research Brief, which shows the Medicaid reimbursement rates across the nation (see page 5 which is attached) -

http://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIBrief_0417_1.pdf.

It is worth noting that the Connecticut Health Foundation did a study back in 2013 that looked at how Medicaid access and services we impacted when the State of Connecticut dramatically raised their dental Medicaid reimbursement rates. The study clearly shows that increasing Medicaid reimbursement rates directly caused more private dentists to participate in Medicaid and existing Medicaid providers saw more Medicaid patients. Here is a link to the study (a copy of the summary page is attached) - <https://www.cthealth.org/publication/impact-increased-dental-reimbursement-rates-husky-a-insured-children-2006-2011/>.

With regard to S.94, the VSDS would like to make the following respectfully suggestions:

- 1- First that the Vermont Department of Health Access (DVHA) raise the Vermont Medicaid dental reimbursement rates to the same level as Connecticut in an effort to strengthen the current Medicaid program and improve access to existing Medicaid adults and children. Raising the Medicaid reimbursement rates to match the rates in Connecticut

will expand provider participation and thus prepare the Medicaid program to allow for an expansion of coverage and opening up the dental benefit to Medicare aged patients.

- 2- On page 3 line 4, change the annual adult cap language to what Commissioner Gustafson suggested - \$1000 per year instead of a rolling average of \$1,800 over three years. This will be easier from an operational perspective and yet still provide expanding Medicaid coverage for adults.
- 3- On page 3 lines 10 and 11 please delete “and discourage services such as extraction except as a last resort” as this determination should be a clinical decision between the dentist and the patient as to what IF ANY teeth are extracted. Towards this end we also request that lines 14 and 15 on page three also be deleted. We respectfully request that for the same reasons the final sentence on page 4 in section (3) lines 12 and 13 be removed. It is worth noting that the DVHA has dentists on staff that can review tooth extraction cases as necessary to verify the recommendations of a dental provider.
- 4- As we raised in our February 4th testimony to your Committee, we would like to respectfully request that you add a new section (in the appropriate location) to S.94 to address the shortage of dental specialists in certain rural areas of Vermont. Our proposal is fashioned after a suggestion made to us by Senator Ashe dealing with a Large Animal Vet incentive program developed a few years back. Here is a proposed outline:

Oral Health Specialist Incentive Program

- a). Create a new program used for the purpose of ensuring a stable and adequate supply of pediatric dentists and oral surgeons in two regions of the State: 1) Caledonia, Essex and Orleans counties, and 2) Rutland and Windsor counties, and perhaps other regions of the State as identified by the secretary as critical need.
- b). The incentive program is structured as a state income tax credit, for example \$15,000 for a period of four years, with the ability to carryforward any excess credit for a period of 10 years. This would mean an additional year of service to Vermont for each year of tax credit incentive.
- c). There can be a Medicaid work requirement, such as a minimum of \$120,000 of annual Medicaid billing by the professional.
- d). There would be repayment penalties for dentists that leave Vermont either during the incentive period or within 4 years of the end of the incentive period, or if they do not meet their respective minimum Medicaid billing.
- e). The program would only be open to one Pediatric Dentist and one Oral Surgeon in each of the two target areas for a maximum of four incentive packages awarded. Therefore, the total cost to the State of Vermont (loss of income tax revenue) would be \$60,000 per specialist for a maximum cost of \$240,000.

In closing, the VSDS appreciates the opportunity to comment on S.94 and we look forward to working with this Committee and the DVHA to strengthen and expand the Vermont Medicaid program.

Sincerely,

Vaughn

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