

February 3, 2022

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Dear Members of the House Committee on Healthcare:

On behalf of the Vermont State Dental Society (VSDS) and its nearly 300 practicing members, I am writing to express our support for the proposed FY23 budget from the Department of Vermont Health Access (DVHA) with respect to its dental reimbursements. However, the VSDS is also asking for additional financial assistance and welcome an opportunity for the VSDS and a couple of its members to visit with the Committee to speak to this very important issue.

This issue surfaced, of course, in the FY22 budget adjustment bill (BAA) and VSDS support for mid-year adjustments for certain Medicaid dental procedures. As a reminder, this modest increase in the BAA and now embodied in the FY23 budget request stems from a 2019 stakeholder process and report intended to address the dental Medicaid program and increase patients' access to dental care. Identifying and establishing a reimbursement methodology was a key component and recommendation from this effort, along with annual adjustments to the fees to help make the program more sustainable. What has been missing is an appropriation behind this part of the effort.

The stakeholders identified and recommended that a methodology going forward would compare Medicaid reimbursement rates to Northeast Delta Dental's Premier reimbursement rate, and bringing Medicaid's reimbursement to sixty (60%) of that Delta schedule: a baseline amount studies, and literature reviewed by the stakeholders has found is important in attracting dentist participation. In addition, the stakeholders identified approximately thirty-five dental procedures that are highly utilized and in need of an adjustment. Bringing those procedures to the 60% level required an approximate \$1 million appropriation in 2019.

The proposed increase in the FY22 BAA and now FY23 budget necessitated a review of this effort and procedures. This was caused in part because since that time, Delta had adjusted its schedule leaving Medicaid rates further behind. In fact, the 35 or so procedures identified in 2019 and requiring a \$1 million appropriation now required a \$1.5 million appropriation in 2022. With only \$1 million available

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in the budget, the VSDS and certain of its members went through a difficult process of trimming the scope of services to be adjusted to meet the \$1 million target, resulting in a cut of approximately 33% of the original recommendation. To be clear, there are many other dental procedures not proposed to be adjusted at this time, including those in the pediatric sector, which leave them far below a viable rate. This greatly impacts the ability to provide such services, and more importantly, access to care for Vermonters.

I thank you for your attention to this very important issue. Again, I welcome an opportunity to visit with the Healthcare Committee to describe this and related issues in more detail. Your continued help in making the Medicaid dental program more sustainable is most appreciated.

Respectfully,

Patrick J Gallivan Executive Director