



# TERRY MOULTON



WISCONSIN STATE SENATOR

23<sup>RD</sup> SENATE DISTRICT

**From:** Senator Terry Moulton  
**To:** Senate Committee on Agriculture, Small Business and Tourism  
**Re:** Testimony on Senate Bill 572  
**Relating to:** Dental reimbursement pilot project in the Medical Assistance program  
**Date:** January 9, 2018

Thank you Mr. Chairman and members for allowing me to testify on Senate Bill 572 today.

Due, in part, to low reimbursement rates for Medicaid dental services, Wisconsin has a shortage of providers willing to accept Medicaid patients. Of those providers that do accept Medicaid patients, low reimbursement rates drive down wages, making it difficult for these providers to recruit new dentists. According to a 2014 report by the Federal Centers for Medicare and Medicaid Services, Wisconsin ranks 50<sup>th</sup> in the nation in dental utilization among children in the Medicaid program.

To help alleviate this problem and increase access to dental services for Medicaid patients, the 2015-2017 Biennial budget approved creation of a dental pilot reimbursement project within the Medical Assistance Program. The budget provided \$13.8 million in new funding to increase the reimbursement rate for dental procedures in four targeted counties: Brown, Marathon, Polk and Racine counties.

The Department of Health Services reports that in the first year of the program, 62 new dentists and eight hygienists enrolled as Medicaid providers, serving thousands of Medicaid patients within the four pilot counties. Senate Bill 572 builds on these initial successes by giving the Department of Health Services the flexibility to disburse any excess funds for the purpose of increasing reimbursement rates in other counties. Under the bill, if unused funds allocated for reimbursement increases exceed \$100,000, the Department would be allowed to use those funds to increase rates in a county or counties it determines has a need.

Senate Bill 572 seeks to maximize the benefit of these new dental funds by authorizing the Department to use excess funds for increasing access to care and meeting a very pressing need. Please join me in voting to recommend passage of Senate Bill 572 and help us meet this important need.

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*Serving the 23rd Senate District*



STATE REPRESENTATIVE

# KATHY BERNIER

January 9, 2018

## **Senate Committee on Agriculture, Small Business and Tourism**

*Testimony on Senate Bill 572 – relating to dental reimbursement pilot for MA program*

Good morning Chairman Moulton and committee members. Thank you for scheduling Senate Bill 572 for this public hearing.

With SB 572 we seek to build on progress made in recent years towards increasing access to dental services for Medicaid patients. In the 2015-17 Biennial Budget, the Legislature approved the creation of a dental reimbursement pilot project within the Medical Assistance program. The budget provided \$13.8 million in new funding for the program (\$5.4 million GPR, \$8.4 million FED). This funding is to be used to increase reimbursement rates, at an amount determined by DHS, for dental procedures in four targeted counties: Brown, Marathon, Polk and Racine Counties.

Senate Bill 572 gives DHS greater flexibility in the use of those funds, specifically excess funds if available. Since the legislature instituted this program it's appropriate that we authorize DHS, if there are remaining funds available, to expand the MA dental reimbursement program to other counties with need. If the funds allocated for the reimbursement increase exceed \$100,000, after providing the reimbursement increase for the initial four counties, DHS would be allowed to use those funds to increase rates in a county or counties it determines has a need.

The historically low reimbursement rate for Medicaid dental services has caused two significant challenges that the pilot program is designed to address: 1) Not enough providers willing to accept Medicaid patients; and 2) Those that do accept Medicaid patients are challenged to recruit dentists due to the direct impact on wages of the low reimbursement rates. DHS has indicated anecdotally that the pilot program has made progress in both of these areas and we expect several of the providers testifying to share more information on that front.

Mr. Chairman, SB 572 is a simple and forward looking bill that lays a framework by authorizing DHS to expand the pilot program, should there be excess funds, to other counties in need. Thank you.

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November 29, 2017

To: Members of the Assembly Committee on Health  
From: Michael Heifetz, Medicaid Director  
Re: Assembly Bill 627/Senate Bill 572

Access to dental care is a critical challenge for Wisconsin Medicaid members – children and adults. Wisconsin ranks 50<sup>th</sup> in the nation in dental utilization among Medicaid children according to a 2014 report by the Federal Centers for Medicare and Medicaid Services (CMS). In Federal Fiscal Year 2016, Wisconsin had a dental utilization rate of 31 percent for Medicaid children versus the national average of 48 percent.

The Wisconsin Medicaid program has faced substantial challenges in enrolling private dentists to serve Medicaid members. In 2014, only 37% of licensed Wisconsin dentists enrolled to participate in the Wisconsin Medicaid program. This compares to 85% of licensed Wisconsin primary care physicians. Moreover, among enrolled dentists, few had high levels of actual participation. Only 47 percent of Medicaid-enrolled dentists served 26 or more members in 2014 and 20 percent of Medicaid-enrolled dentists did not serve any Medicaid members in 2014. The limited participation of private dentists has significantly shifted dental service delivery in the Medicaid program to safety net providers and volunteer clinics.

As you are aware, Medicaid payment rates have often been cited as the main cause of low provider participation; however, it is important to note that while Wisconsin's dental utilization rates were lower than neighboring states, Wisconsin Medicaid's payment rates for dental care prior to the targeted rate increase program ranged from 89 percent to 155 percent of those of neighboring states. Thus, reimbursement rates alone are not necessarily the only barrier to access to care.

In October 2016, the Department implemented the targeted rate increase authorized by 2015 Wisconsin Act 55 (the 2015-17 Biennial Budget), with the goal of using select counties to test the hypothesis that enhanced Medicaid payment rates will substantively improve provider participation and, therefore, access to care for our members. This program demonstrates the Legislature's leadership and recognition that dental access is an important challenge, and that funding may be an important piece of this puzzle.

Under the targeted rate increase, the Department increased Medicaid payment rates for pediatric dental services and adult emergency dental services provided in Brown, Marathon,

Polk, and Racine counties. In the first year of the program, a total of 62 new dentists and 8 new dental hygienists enrolled as Medicaid providers within the aforementioned counties. Approximately 30,000 children and 10,000 adults received dental services eligible for the increased dental rates. These services were provided by a combination of new providers and existing providers enrolled in these 4 counties.

It is premature to reach broad conclusions regarding the long-term impact of the dental targeted rate increase program. The Division of Medicaid Services is working with the Division of Public Health and the UW Population Health Institute to generate a formal evaluation to assess and evaluate the successes and limitations of such an approach. This report is expected to be completed in Fall of 2018.

Within this context, Assembly Bill 627 (AB 627) would require the Department to add additional counties to the targeted rate increase program if the 2015-2017 authorized budget amount exceeds \$100,000 of actual program expenditures. While this legislation is well-intended, the payment rates for the targeted rate increase were established to equal the authorized budget amount; thus, expenditures for the targeted rate increase have equaled or exceeded the authorized budget amounts to date. Therefore, the funding necessary to expand the targeted rate increase to additional counties, as articulated in AB 627, would need to be allocated by the legislature. Perhaps more importantly, any decisions to expand this program should be based on the data and analytic results that will be provided by the formal evaluation referenced above.

Although the preliminary results of the dental rate increase program are encouraging, improving access to dental care will require policy solutions that go beyond simply increasing payment rates to dentists. Clearly, private dental practices are critical to improving access to dental care in the Medicaid program, and we look forward to continuing our partnership with the dental community to provide care to Medicaid members as part of their normal business. However, if participation by private dental practices in the program remains largely unchanged and access to dental care remains problematic for Medicaid members, other care models that leverage emerging types of dental practitioners, such as dental therapists and expanded functions for dental hygienists, will likely be needed to fill the gap for Medicaid members. Similarly, alternative dental managed care models utilized in other states will also need to be explored.

The Department continues its commitment to improving dental access for Medicaid members, while recognizing that Medicaid funding is only one part of this challenge. The Department looks forward to continuing to work with the Legislature to meet the needs of our members and ensure taxpayer resources are being utilized appropriately.



# Survival Coalition

of Wisconsin Disability Organizations

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P.O. Box 7222, Madison, Wisconsin 53707

DATE: January 9, 2018

TO: Senator Moulton, Chair, Senate Committee on Agriculture, Small Business and Tourism  
FROM: The Survival Coalition of Wisconsin Disability Organizations

RE: Support for Senate Bill 572, dental reimbursement rates

The Survival Coalition of Wisconsin Disability Organizations is comprised of over 30 statewide groups representing people with all disabilities and all ages, their family members, advocates and providers of disability services. We would like to voice our support for Senate Bill 572, which seeks to address the serious dental care access issues within Medicaid.

Survival Coalition appreciates the Legislature's efforts to address oral health care disparities in Wisconsin, and we thank Representative Bernier and Senator Moulton for bringing this legislation forward. SB 572 will expand the dental reimbursement rate pilot program within Medicaid and require a report on the program's effectiveness. Survival supports the new reporting requirement created by this legislation that will draw attention to areas of the state where Medicaid recipients have the greatest need for dental care and services and those who may benefit from the pilot project, as we believe it will highlight the serious access issues faced by people with disabilities.

People with disabilities in Wisconsin experience difficulties in obtaining regular dental care, resulting in many preventable extractions, a high incidence of periodontal disease, and other reduced health outcomes. Data provided by the Wisconsin State Health Plan, *Healthiest Wisconsin 2020*, indicates that 29% of adults with disabilities reported having at least one permanent tooth removed over the past year, and 26% said they had not visited a dentist within the past year. Adults with a disability are also less likely to visit the dentist for a cleaning, check-up, or exam than people without disabilities (47% and 76%, respectively). They are more likely, however, to visit the dentist when something was wrong or causing pain (29% and 12%, respectively), as compared to adults without a disability.

One major cause of the oral health care gaps for people with disabilities is the low reimbursement rates for dental procedures in Medicaid, and the resulting small number of dentists willing to accept these rates. The Department of Health Services issued a Medicaid Plan for Monitoring Access to Fee-for-Service Health Care in 2016, which highlighted this issue. DHS found that only 37% of licensed dentists in Wisconsin were enrolled in the Medicaid program. Of those dentists that were enrolled as Medicaid providers, the majority (53%) were either inactive or had only limited participation. As a result of this report, DHS said they would make improving access to dental services a priority within Medicaid. The report created by SB 572 will help highlight the

ongoing need to prioritize dental care and provide additional data to help guide state decision-making.

Survival Coalition is also concerned by the lack of specialty clinics and providers, specifically in the area of sedation dentistry, which is a critical issue facing people with disabilities. This problem was most recently brought to light by the closure of the Max W. Pohle Dental Clinic in Madison, Wisconsin in 2015. Due to the lack of specialty providers in Wisconsin, the only option for many former Max Pohle patients was to travel to the University Of Minnesota School Of Dentistry in Minneapolis, which had a months-long waiting list. Meriter Hospital hired one community dentist position and resumed offering limited sedation dentistry services to special needs patients in the summer of 2016. While this is an important development, there is still a significant need to build capacity throughout Wisconsin.

Building provider capacity and improving access to oral health care are complicated issues, and we applaud the Legislature for continuing this important dialogue. Several potential strategies for improving access to oral health care for people with disabilities recommended by Survival Coalition include:

- Correcting the current inequity in the SSI Managed Care Program (dental care is included in SSIMC in some southeast Wisconsin counties but not in the other SSI MC counties);
- Expanding the availability of dental care at community health clinics;
- Increasing the number of dentists and facilitates that accommodate sedation dentistry; and
- Improving the Medicaid reimbursement rates for dental care.

Thank you for the opportunity to provide input on this legislation. We look forward to working with you in the future on ways to improve access to quality dental care for people with disabilities.

Please support Senate Bill 572.

Sincerely,

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*Survival Coalition Issue Teams: education, employment, housing, long term care for adults, long term care for children, mental health, transportation, workforce, voting, Medicaid and health care.*

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Investing in People with Disabilities