

State of Wisconsin
Department of Health Services

Tony Evers, Governor
Andrea Palm, Secretary-designee

January 1, 2020

The Honorable Alberta Darling,
Senate Co-Chair
Joint Committee on Finance
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707

The Honorable Chris Kapenga, Chair
Senate Committee on Public Benefits,
Licensing and State-Federal Relations
Room 15 South
State Capitol
PO Box 7882
Madison, WI 53707

The Honorable John Nygren,
Assembly Co-Chair
Joint Committee on Finance
Room 309 East
State Capitol
P.O. Box 8953
Madison, WI 53708

The Honorable Joe Sanfelippo, Chair
Assembly Committee on Health
Room 314 North
State Capitol
PO Box 8953
Madison, WI 53708

The Honorable Patrick Testin, Chair
Senate Committee on
Health and Human Services
Room 131 South
State Capitol
PO Box 7882
Madison, WI 53707

The Honorable Rob Summerfield, Chair
Assembly Committee on
Medicaid Reform and Oversight
Room 308 North
State Capitol
PO Box 8953
Madison, WI 53708

Dear Senators and Representatives:

I appreciate the opportunity to provide the Legislature with an update on the Department's Dental Reimbursement Pilot Project, which operates within the State's Medicaid program.

2015 Wisconsin Act 55 authorized and funded the Dental Pilot Project, directing the Department to increase reimbursement rates for pediatric dental care services and adult emergency dental services provided in Brown, Marathon, Polk, and Racine counties. The Department implemented the rate increase for eligible services in those counties beginning October 1, 2016.

2017 Wisconsin Act 344, creating Wis. Stats. § 49.45(24k)(c), directs the Department to submit a report, by January 1, 2020 and biennially thereafter, about the Dental Pilot Project to the

Legislature's committees with jurisdiction over health or public benefits and to the Joint Committee on Finance.

Under the prior administration, the Department commissioned an assessment of the Dental Pilot Project to determine the effect of the increased dental reimbursement rates on a number of outcomes of interest, including the following:

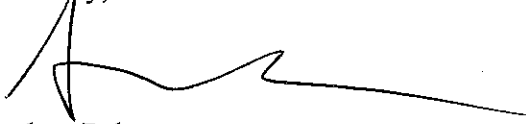
- Dental service utilization, for both children and adults, in the first year of implementation, relative to utilization prior to implementation;
- For adults, non-traumatic use of emergency department services and follow-up dental visits, in the first year of implementation, relative to participation prior to implementation;
- The cost of dental services, for both children and adults, in the first year of implementation, relative to costs prior to implementation;
- Dental providers' participation as a Medicaid provider in the first year of implementation, relative to prior to implementation; and
- Dental providers' perceptions of the Medicaid program.

Ultimately, this assessment was unable to determine if the increased reimbursement rates had the desired effect of improving Medicaid members' access to dental services, reducing non-traumatic emergency department visits, or incenting dental providers to become Medicaid providers. The assessment could not attribute any of the observed changes in services to the pilot initiative.

Recognizing the limitations of this assessment, the Department has engaged with another evaluation group familiar with Medicaid claims data to further examine the effect of the reimbursement rate increase on access to dental care, dental service utilization, Medicaid costs, and dental provider participation in Medicaid. The second evaluation will benefit from an additional year of post-implementation dental claim data and will employ analytical methods appropriate for understanding the causal relationship, if any, between the reimbursement rate increase and members' access to and utilization of dental services. The Department anticipates this second evaluation will be published in the spring of 2020. We will submit the evaluation to the Legislature upon its completion.

The Department recognizes the difficulties members experience accessing dental services. We are interested in working with the Legislature to remedy these challenges and believe the forthcoming evaluation will be instructive in identifying opportunities to improve access to dental services.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Palm', written over a horizontal line.

Andrea Palm
Secretary-designee