

**State of North Carolina**

**Medicaid Dental Review**

**October 2010**

## EXECUTIVE SUMMARY

The Centers for Medicare & Medicaid Services (CMS) is committed to improving pediatric dental care in the Medicaid program reflecting broad national interest and ensuring the appropriate provision of medically necessary dental services to children covered by Medicaid. The Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit for children under the age of 21 enrolled in Medicaid is intended to assure the availability and accessibility of health care services for children and to help beneficiaries effectively use them. The EPSDT benefit includes coverage of dental care.

As part of an ongoing effort to identify best practices and opportunities for improvement in children's Medicaid dental programs, CMS conducted a review the week of February 22-26, 2010, of the State of North Carolina's Medicaid Dental program. The review focused on program innovations that have increased dental utilization. The review team consisted of staff representing the CMS Atlanta and New York Regional Offices and the Baltimore Central Office. The review team interviewed State officials and staff representing the North Carolina Division of Medical Assistance (DMA), the agency responsible for the administration of the North Carolina Medicaid program. In addition, the team interviewed a non-representative sample of five individuals from an interdisciplinary pool of dental providers and State dental stakeholders.

The intent of this review was to examine the utilization of the State's policies and procedures in fulfilling the requirements of the State's EPSDT benefit, with the focus on which practices have led to higher utilization of dental services in North Carolina than the national average.

This report describes the following innovative practices identified during the CMS review:

- I) Department of Health & Human Services (DHHS) Task Force on Dental Care for Children
- II) "Into the Mouths of Babes" Program
- III) North Carolina Dental Home Initiative
- IV) "Zero Out all Early Childhood Tooth Decay" Project
- V) Safety Net Dental Clinics
- VI) Loan Repayment Program

CMS looks forward to working with the State regarding children's dental issues.

## INTRODUCTION

### Background

In 2008, at Congressional request, CMS conducted on-site reviews of children's dental services in 16 States with dental utilization rates for children of less than 30 percent based on data from the EPSDT CMS 416 annual report. These reviews were performed to determine what efforts States have made to improve children's dental utilization in their State, and to make recommendations on additional actions States can take to increase utilization rates and ensure compliance with Federal Medicaid regulations. Results of these 16 reviews were presented to Congress in 2009.

As a follow-up to that effort, CMS conducted reviews of States that reported higher dental utilization rates. The States were selected based on a CMS review of State data and external partners' identification of Medicaid dental programs with promising initiatives in oral health. All of the States selected had an average utilization rate for children of at least 37 percent, with the national average being 38 percent. Eight States were reviewed, and information from those reviews is available to States for the purpose of improving the overall delivery of dental services.

### Medicaid's Coverage of Dental Services

Through Medicaid's Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit, Medicaid eligible individuals under the age of 21 are provided coverage for preventive and comprehensive health services. The benefit entitles eligible individuals to regular check-ups and all medically necessary health services in order to ensure that their health and developmental needs are met. The EPSDT benefit includes screenings, dental services, vision services, hearing services, and other services necessary to correct or improve health conditions discovered through screenings. The benefit consists of two mutually supportive, operational components which States and the Federal government are responsible for ensuring: the availability and accessibility of medically necessary health care and assisting Medicaid enrollees and their parents or guardians to effectively use the services. CMS is committed to improving pediatric dental care in the Medicaid program and ensuring the appropriate provision of medically necessary dental services to children.

### Overview – North Carolina EPSDT Dental Program

The North Carolina DMA is the State agency that administers the Medicaid program. EPSDT services are provided to children from birth through 20 years of age who are eligible for Medicaid.

The dental service delivery system in North Carolina is fee-for-service. According to the 2008 CMS 416 report, approximately 1,008,039 children age 20 years and younger were eligible for Medicaid in North Carolina. Dental preventive and treatment services were provided for 442,372 children for at least one month, with a utilization rate of 44 percent. Like many States, North Carolina faces challenges of serving rural and urban areas each with its own set of geographic challenges. The northeastern and far western areas of the State do not have enough dental providers. Beneficiaries generally receive care in other places such as Greenville, North Carolina, or in neighboring States such as Tennessee, Virginia and South Carolina. An example is Ashe County which is in the western part of the State. According to the North Carolina Rural

Health Research & Policy Analysis Center, between 2005 and 2007, 18 percent of all Ashe County residents, and 28 percent of the county's children were living in poverty. During this time period, U.S. poverty rates were 13 percent overall and 18 percent among children. There were less than two dentists in Ashe County for every 10,000 residents. Counties have worked to establish alternate practice models to overcome barriers to access. One example is Dare County, which has established a mobile dental clinic that serves the school children of Dare and Hyde Counties.

The State is fortunate to work with the University of North Carolina (UNC) School of Dentistry to provide services to Medicaid eligible children. The East Carolina University School of Dentistry will open three dental clinics in 2011 and plans to open a total of ten clinics. Dental students will spend their fourth year working at one of the clinics. The relationship with the UNC School of Dentistry has provided opportunities for provider outreach, education and awareness, and increased the overall visibility of the North Carolina dental program. A list of dental providers participating in the Medicaid program is published on the North Carolina DMA website.

#### Arielle McCree Lawsuit

In 2000, several North Carolina Medicaid beneficiaries filed a class-action lawsuit in the U.S. District Court against North Carolina Department of Health and Human Services (DHHS). The plaintiffs, who were minors, alleged they were denied dental care. They noted that only 16 percent of North Carolina dentists participated in the Medicaid program, and beneficiaries were unable to locate local dentists who were willing to treat them at the Medicaid reimbursement rate. The plaintiffs described having to drive hours to find a dentist willing to accept Medicaid payment. Due to their inability to receive adequate dental care the plaintiffs alleged that DHHS had: 1) denied Medicaid beneficiaries equal access and quality care; 2) denied beneficiaries timely dental care; 3) denied beneficiaries a free choice of dental care providers; 4) denied beneficiaries dental care that was comparable to the care available to non-Medicaid patients; 5) denied beneficiaries proper access to early screening and treatment services and 6) failed to ensure statewide availability of dental services.

On March 6, 2003, the U.S. District Court approved a contingent settlement. The settlement agreement targeted certain dental services for reimbursement rate changes. Effective April 1, 2003, the reimbursement rate to providers for certain dental services increased. The settlement also identified several requirements for DMA such as 1) all Medicaid beneficiaries be notified of the availability and importance of dental care services and this information will be available in English & Spanish; 2) an updated list of Medicaid providers will be maintained by the county Department of Social Services office; 3) a list of Medicaid dentists will be available on the DMA website; and 4) the recruitment of future dental providers at the UNC School of Dentistry by the DMA.

## INNOVATIVE PRACTICES

### **I. DHHS Task Force on Dental Care for Children**

The North Carolina General Assembly instructed North Carolina DHHS to evaluate and recommend strategies to increase the level of participation of dentists in the Medicaid program and to improve the Medicaid program's provision of preventive services to Medicaid patients. Specifically, North Carolina DHHS was directed to develop strategies for 1) assisting dentists in increasing the number of Medicaid patients seen; 2) increasing Medicaid patients' access to quality dental services; 3) informing dental professionals on how to better integrate Medicaid patients into their practices; and 4) expanding the capacity of local health departments and community health centers to provide properly diagnosed and supervised preventive dental services such as sealant, fluoride, and basic hygiene treatments. DHHS was directed to report its progress and recommendations to the Senate and House Appropriations Committee on Human Resources by April 30, 1999. The task force consisted of North Carolina dentists, dental professionals, public health practitioners, physicians and other interested citizens.

The task force determined that there was inadequate access to dental care among poverty level children. The dental participation rate among Medicaid recipients ranged from a low of 10 percent in one county to a high of 26 percent in another. There were a number of factors that influenced the low use of dental services among Medicaid beneficiaries. One of the primary problems was the low dentist participation rate in the Medicaid program. Beneficiaries often had difficulties finding dentists who were willing to serve them. Only 16 percent of North Carolina dentists actively participated in Medicaid. There were only six States with lower rates of actively participating dentists. Dentists were reluctant to participate in the Medicaid program because of the low reimbursement rates. On average, North Carolina paid dentists approximately 62 percent of their usual, customary and reasonable charges for 44 of the most common procedures for children and 42 percent for other procedures.

The task force recommended 23 changes, several of which were adopted such as 1) expanding preventive dental services by public health hygienists in settings beyond the school system (such as health departments); 2) establish new programs for dental screenings and prevention services, such as fluoride varnish by physicians and physician extenders for children ages 9 months to 36 months of age; and 3) expansion of dental benefits in the North Carolina Children's Health Insurance Program.

### **II. *Into the Mouths of Babes* – Physician Fluoride Varnish Program**

*Into the Mouths of Babes (IMB)* is a Medicaid program that reimburses physicians for providing preventive dental services to children 0-3 ½ years of age. The pilot project started in the Western North Carolina Appalachian counties in 1998; it is now a statewide program. Beneficiaries between the age of 6 months and 3 ½ years are eligible for the services. Primary Care Providers and extenders who have completed the training can provide the *IMB* services. A Dental Hygienist from the Oral Health Section of the Department of Public Health conducts provider training across the State upon request. Treatment can be done every 60 days with a maximum of six *IMB* visits before age 3 ½. A visit consists of 1) early caries screening and detection; 2) preventive oral health and dietary counseling with the primary caregiver including development of an age appropriate prevention oral health regimen; 3) prescription of a fluoride supplement if indicated; 4) referral to a dentist if needed; and 5) topical fluoride varnish.

According to a North Carolina DHHS report, the number of 1-2 year old children receiving *IMB* services in 2001 was less than 10,000. In 2007, almost 60,000 children received *IMB* services. Approximately 450 practices and over 3,000 physicians, physician assistants, nurse practitioners, nurses, and office staff have been trained since the inception of the program in 2001. Children from every county have received services. In about one-third of the State's counties, no Medicaid child in this age group received any preventive care in dental offices before *IMB*.

### **III. North Carolina Dental Home Initiative**

The *North Carolina Dental Home Initiative* is a pilot program that operates in three counties in eastern North Carolina. The program is funded by the Health Resources and Services Administration (HRSA), and operates out of the Oral Health Section of the Division of Public Health. The *North Carolina Dental Home Initiative* builds on the success of *IMB* and gives Primary Care Providers additional tools to identify children susceptible to early childhood caries (ECC) to facilitate risk-based dental referrals. The *North Carolina Dental Home Initiative* utilizes a risk assessment tool and care coordinators for referrals. Its purpose is to promote the availability and adequacy of the dental workforce by 1) training general dentists to become more comfortable accepting referrals of high caries-risk preschool children from Primary Care Providers; 2) have pediatric dentists available for consultation and to provide treatment to children with excessive restorative needs; 3) enhancement of Medicaid dental benefits and reimbursement. Primary care givers are educated about the importance of early and regular oral health visits. Health check coordinators provide support by following up with families who have missed dental appointments and/or have transportation problems. In October 2009, this pilot program was renewed for another year.

### **IV. ZOE – Zero Out all Early Childhood Tooth Decay**

*ZOE* is a project designed to Zero Out all Early childhood tooth decay in children enrolled in Early Head Start programs in North Carolina. *ZOE* offers staff training in oral health to provide preventive services in the classroom and education to parents. Children are linked with medical providers who offer preventive dental services. Staff is trained in basic oral health, communication skills and provided ongoing technical assistance. Some of the performance standards are as follows:

- Infants – once during the program day, staff must wipe the infants' gums with gauze or a soft cloth.
- 1 year olds – once daily after a meal, staff must brush children's teeth with fluoride toothpaste.
- 2 year olds and older – Once daily after a meal, staff assist children brushing with fluoride toothpaste.

### **V. Safety Net Dental Clinics**

Safety Net Dental Clinics are non-profit dental facilities where low-income families can go for dental care. Most clinics accept insurance and Medicaid, and some have payment on a sliding fee scale. There are Safety net Dental Clinics in most of North Carolina's 100 counties.

## **VI. Loan Repayment Program**

The North Carolina State Loan Repayment Program offers general practice dentists up to \$70,000 in loan repayment in exchange for a four year commitment to practice in designated counties.

## **VII. “Give Kids a Smile” Program.**

This program is an annual event and centerpiece of the National Children’s Dental Health Month. On the first Friday in February, the Nation’s dentists provide free oral care services to low-income children across the country. North Carolina has been a part of “Give Kids a Smile” since it began in 2003. “Give Kids a Smile” is sponsored by the American Dental Association and the North Carolina Dental Association.

## **VIII. North Carolina Missions of Mercy (NCMOM)**

NCMOM is a portable, free dental program that provides services to patients over a period of two days. It is an outreach program of the North Carolina Dental Society that is sponsored jointly by the North Carolina Dental Health Fund and the Alamance Open Door Dental Clinic. The goal of the program is to provide free dental care to the underserved. The NCMOM is dependent on volunteer staff and receives funding from grants and donations. Clinics are generally set-up with 20-45 chairs and services are provided to 300 to 600 patients per 2-day event. The volunteers include dentists, dental hygienists, and dental assistants. In recent years, the North Carolina Dental Society has held two larger MOM events annually. These larger events provide more operating areas, more volunteers and are able to provide services to 900-1100 patients over the course of a weekend.

## **PERSPECTIVES OF STAKEHOLDERS**

Many in the dental community interviewed identified missed appointments and the lack of non-emergency transportation as a problem. Some providers double booked patients as a way to minimize the impact of missed appointments. Some providers interviewed indicated that the wait time for patients to access non-emergency transportation back to their home was excessive. Dr. Rebecca King, Chief, Oral Health Section of the North Carolina Department of Public Health mentioned that her department works collaboratively with the DMA on dental care issues. The Oral Health Section provides the training and support for medical providers for the *IMB* program. It also provides State-wide dental health prevention and education services specifically to children.

## **CONCLUSION**

North Carolina has taken successful steps to increase dental utilization. Most providers interviewed agreed that the single most important action the State has taken to improve dental utilization and increase the number of dental providers was the reimbursement rate increase in 2003. The State mentioned that there was a 22 percent increase in provider participation from State Fiscal Year 2001 to 2009. However, dental rates were reduced in October 2009. Providers are concerned that reimbursement rates will continue to decline due to the state of the economy. There is concern that this will affect access to care and negatively impact the progress that has already been made.

Most providers indicated that the *IMB* program has had a positive impact on dental care. CMS looks forward to working with the State regarding children's dental issues.