MICROFILM DIVIDER

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ROLL NUMBER

DESCRIPTION

1246

2007 HOUSE HUMAN SERVICES

HB 1246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: January 16, 2007

Recorder Job Number: 1199

Committee Clerk Signature Judy Dykstra

Minutes:

Chairman Price: We will open the hearing on HB 1246.

Senator Tim Mathern, District 11 Fargo, ND: See attached. This bill is to put more money into the Medicaid program.

Representative RaeAnn Kelsch, District 34 Mandan, ND: In concern for the fact if there are all kinds of individuals in ND that are not getting the dental care they need, and it could become a big issue. The Medicaid payment is not enough. We now look into putting more money into Medicaid so that the citizens of ND are able to receive the proper dental care.

Dr. Terry Deeter. Practicing dentist in Bismarck, ND and President of ND Dental Association: See attached testimony, also attached the fact sheet. At this time I do not have Medicaid patients. I did at one time. If it was raised to 85% I would again take them. Some dentist except what insurances pay. I participate in BC/BS plan.

Representative Porter: Dentists are not the only underpaid by the Medicaid program. How do we address other practices in the medical field with these issues?

Dr. Deeter: I don't know, my concern is with the dental sides that are under served in ND. I don't have a lot of no shows. My office is excellent in filling the slots quickly. I know that is a big problem. It is higher with the medical reimbursement population.

Maggie Anderson, Director of Medical Services for Department of Human Services: See attached testimony, also appropriation attachment. I have visited with the medical director in Virginia on the no shows. They have implemented from the flexible benefit option of the deficit reduction act. ER doesn't have dental codes for diagnosis.

Nancy Copp, ND Optometric Association: We are neutral in this bill. We have 130 members of the 150 members, and all but 1 does serve the Medicaid population. The optometrists also struggle with the no shows.

Chairman Price: Any other opposition, if not we will close the hearing on HB 1246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: January 24, 2007

Recorder Job Number: 1856

Committee Clerk Signature	Judy Schock

Minutes:

Chairman Price: How many would pass it in its current form? They want a couple million dollars. Seven of you? How many wish to change it? We won't act on it today. I told Mr. Citchy we would not do it today, but if it is going to come out that way. I don't think it is going to get very far down the hall.

Representative Weisz: The dentist wants 80% of the bills. The hospital gets about 50 some percent reimbursement.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: January 29, '07

Recorder Job Number: "Click here to type Digital Recorder Job #"

Committee Clerk Signature Judy Lehock

Minutes:

Chairman Price: Take out HB 1246 for discussion

Representative Porter: Just to be up front and on the table with everyone. What I am about to discuss does not mean I am supportive moving one provider group to even further up the hill. I think the testimony on the side of the optometrists and other providers; it really creates an unfair situation for the other medical providers. I do think, knowing how this bill faired last session that it was defeated by a margin. I think we would be doing it an injustice to the department and to the cliental out there by not making sure that there is some way to assure us access by raising the fees. Right now the way the bill is written it just raised the fees. There are not guarantees that there would be any improvement in any access anywhere. I think optometrists are really getting a slap in the face by passing this type of a bill when you have the optometrist doing almost 100% access of a fee schedule, less than this one is. The Department would like to see amendments to this bill that would include a tiered payment schedule based on access that the department can set up. They also would like a one year sunset on the money so if it is not working they can hold the program and come back and report back to the legislature. Access is a concern for everyone. They can create an incentive program, so the dentist t that is seeing 2 patients doesn't get the money that it really goes to

those dentists that are working in the system in trying to help with the access problem. It won't sway my thoughts on the bill, but it certainly makes better process.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: 2280

Committee Clerk Signature Judy Schock

Minutes:

Chairman Price: Let's take out HB 1246.

Representative Conrad moves a do pass RR/Appropriations, second by **Representative Hofstad.**

Representative Porter: The part of this legislation that bothers me and did last session that we are cherry picking one provider and moving them way ahead of the other groups. We heard from the optometrists where they are excepting Medicaid assignments. There are no access problems, they are being reimbursed. If we wanted to reward someone for not causing us a problem, than we should be doing the same thing for the optometrists. All of the other groups that have voluntary practices, and they can pick and choose their patients. We will be sending a wrong message by passing a piece of legislation like this. This is no guarantee this will solve the problem.

Representative Conrad: The reason I did make the motion is I would support 100%. It goes back to my experience as county commissioner. When we put out specs for a service we ask the qualified people to come and apply, and put forth a bid, and we take the best bid.

Representative Hofstad: I guess my fear is if we don't go down this road, that our access will be less. I think we all need to consider this Those young kids need to get into the dentist

because it effects them for so very long. I just think it is a critical need. I am afraid the dentists are going to walk away from us.

The vote was taken with 9 yeas, 3 nays and 0 absent. **Representative Conrad** will carry the bill to the floor.

Date: 1/30
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES HB 1246 Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass RR/Apr

Motion Made By Rep Conrad Seconded By Rep Hofstad

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price – Chairman	✓		Kari L Conrad	✓	
Vonnie Pietsch – Vice Chairman	✓		Lee Kaldor	✓	
Chuck Damschen		✓	Louise Potter	✓	
Patrick R. Hatlestad	✓		Jasper Schneider	✓	
Curt Hofstad	✓				
Todd Porter		✓			
Gerry Uglem	✓				
Robin Weisz		✓			

Total (Yes) "Click here to type 9 Yes Vote" No "Click here to type 3 No Vote"

Absent 0

Floor Assignment Rep. Conrad

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1246: Human Services Committee (Rep. Price, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (9 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1246 was rereferred to the **Appropriations Committee**.

2007 HOUSE APPROPRIATIONS

HB 1246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 8, 2007

Recorder Job Number: 3241

Committee Clerk Signature Shirley Branning

Minutes:

Chm. Svedjen called the meeting to order to take up HB 1246, a bill relating to dental reimbursement under Medicaid, by introducing **Rep. Clara Sue Price**, District 40.

Rep. Price explained that the reason to bring forth this bill is at this time there is no Medicare rate schedule for dentists. This bill takes them up to 85% of any billed services.

Rep. Hawken: It is 85% of the average charges billed. Dealing with the indigent, the elderly and the mentally disabled. Many of these dentists volunteer their time, if this bill isn't passed, people will go to emergency rooms.

Rep. Carlson: What are the reimbursement levels for other fields of service? Is this high, low?

Rep. Price: It is about 58% for optometrists, ambulance is just under 40%, there is a wide a wide range of percentages.

In other discussion, no-shows and basing this on the number of Medicare patients a dentist takes.

Chm. Svedjen: The percentage of bill charges in health care is very low. It is a little over 40% in our facility. Moving one group of providers to 85% and leaving others at 40% or less does not seem fair. What is being considered is an inflationary increase, but it is a consideration of fairness.

Rep. Bellew: What do dentists receive now for reimbursements?

Rep. Price: It is 58% for children and 48% for adults. It has to be calculated by code.

Rep. Nelson: Are some states finding a solution for no shows? How?

Rep. Price: Reports are that there is only about a 3% increase in keeping appointments.

Rep. Kroeber: A fact sheet shows that the number of ER visits for dental patients increased by 27% in North Dakota and the amount paid increased by 40% compairing '04 to '03. If we want to talk about fairness we put millions into roads, I would think we can put $1.4m into the mouths of children and poor people.

Rep. Wieland: There is a sunset on here. How long have we been doing this? Is there really no way to track ER visits?

Rep. Price: The sunset is on the appropriations section of this bill. The 85% would stand and there would have to be another appropriation next session. Our providers across the state need more money for Medicaid reimbursement.

Maggie Anderson, Department of Human Services: To a degree we can track ER visits but it goes back to coding. We could track increases in access to dental services if the bill were to pass.

Rep. Hawken: We need to look at the whole picture. There is a difference in Dental Reimbursement, in cost sharing, etc.

Rep. Carlson: Question for Ms. Anderson, Understands that there is a bill to raise reimbursement rates for all areas. Do you have anything to show what level they are being reimbursed at to give me an understanding of the needs?

Anderson: We have information on reimbursement versus what they bill us. We lump dentist payments together, at about 57% of their bill charges with a different fee for children and adults.

Ambulance is about 32%, hospitals 47-54%, physicians 44%, chiropractors 39%, hearing aid dealers 92%, and home health and hospice is higher.

Rep. Carlson: Are there any other bills out there besides this one that address just a particular field.

Anderson: No.

Rep. Williams: 85% would be quite high, is that because of the lack of participation on the part of dentists and lack of dentists?

Anderson: The 85% was chosen by the Dental association. It is an area where we have an access issue in the Medicaid program.

Rep. Monson: If we bump to 85% would we see more people going to the dentist because the dentist is the least popular person you want to go to.

Anderson: If utilization were to increase, there is not enough money in that appropriation to account for that. We don't know how to estimate that because we don't know how many individuals would seek services or how many additional dentists would take clients.

Rep. Skarphol: The increase seems to be beyond what we should do and **Move a Do Not Pass. Seconded by Rep. Carlisle.**

The Do Not Pass Motion roll call vote carried by 14 yeas, 10 nays, 0 absent. Rep. Kreidt will carry the bill.

Date: 2/8/07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1246

House Appropriations Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number —

Action Taken Do not pass

Motion Made By Skarphol Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold		✓
Representative Monson	✓		Representative Gulleson	✓	
Representative Hawken		✓			
Representative Klein	✓				
Representative Martinson		✓			
Representative Carlson	✓		Representative Glassheim		✓
Representative Carlisle	✓		Representative Kroeber		✓
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson		✓			
Representative Pollert	✓		Representative Ekstrom		✓
Representative Bellew	✓		Representative Kerzman		✓
Representative Kreidt	✓		Representative Metcalf		✓
Representative Nelson	✓				
Representative Wieland		✓			

Total (Yes) 14 No 10

Absent 0

Floor Assignment Kreidt

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1246: Appropriations Committee (Rep. Svedjan, Chairman) recommends **DO NOT PASS** (14 YEAS, 10 NAYS, 0 ABSENT AND NOT VOTING). HB 1246 was placed on the Eleventh order on the calendar.

2007 SENATE HUMAN SERVICES

HB 1246

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3-05-07

Recorder Job Number: 4341, 4395

Committee Clerk Signature Mary K Monson

Minutes:

Chairman Senator J. Lee opened the hearing on HB 1246 relating to dental medical assistance reimbursements; to provide an appropriation; and to provide an expiration date.

Dr. Terry Deeter (Bismarck) testified in support of HB 1246. (Attachment #1)

Senator Erbele asked for a clarification of the donated dental services. Are they over and above what the reimbursement was?

Dr. Deeter explained that the donated dental service program is completely donated. There are no reimbursements to the dentist at all. It is a national program that ND dentists participate in. They are not Medicaid patients.

Senator Warner asked about the concept of average billed services and how the number would be derived.

Dr. Deeter replied that the 85% of average billed services go to the year of 2005 that was reported to human services. They determine what the fee is for that procedure as it is reported if this bill would be passed. It is an average fee that is reported by the participating dentists.

Senator J. Lee said part of that is recipient liability.

Dr. Deeter said that recipient liability is difficult to collect.

Senator Dever asked if dentists bill no shows.

Dr. Deeter answered that they don't.

(Meter 16:30) Limitation of treatment was discussed. This bill is not attempting to change what is covered.

Senator Dever – This bill came out of House Appropriations with a Do Not Pass recommendation and then passed on the floor of the House. Some of what he had heard was that it doesn't do anything to increase access because it doesn't require dentists to do Medicaid work.

Dr. Deeter responded that in states that have increased their reimbursement rates to a similar level have seen significant increases in access to care.

Senator Heckaman asked if the 60% reimbursement rate is what the federal allows or what the state allows now.

Dr. Deeter said the 60% reimbursement rate is what the dentists are currently being reimbursed at (meter 24:40).

Senator Heckaman – How has the budget been set in the past?

Senator J. Lee replied that was what the legislature set.

Dr. Kristin Kenner (Devils Lake Dentist) testified in support of HB 1246. (Attachment #2)

(Meter 39:00) The use of anesthesia on children and mental disabilities was briefly addressed.

David Boeck (Protection and Advocacy Project) said they advocate for people with disabilities and to protect their lives and their rights. The problem with access to dental care has been a long term issue with the Medicaid program. Session after session they have been looking for a way to fix this problem. This method hasn't been tried yet and it sounds very promising. He felt it needs to be measured as it goes forward and thought it might be an improvement in the bill to require the department to report to the Legislative Council periodically on how this is going in terms of how many additional people are served, how many more dental services are

provided, and how many more dentists are participating. (Meter 43:55) He talked about ways to get more dentists to participate.

(Attachment #3) Senator J. Lee provided the committee with written testimony from Representative Rae Ann Kelsch (District #34).

Nancy Kopp (Executive Director, ND Optometric Association) testified in support of HB 1246. She reported that of the participating optometrists 95% of their members participate in providing optometric services to the Medicaid population. They also experience the same problems as dentistry and other health care providers in no-shows and inadequate reimbursements. She provided an amendment for their consideration (attachment #4) to include optometric services.

Senator Warner asked if optometric services to children are mandatory.

Ms. Kopp – Yes.

Senator Dever asked if she knew what the fiscal impact would be.

Ms. Kopp replied that she did not run the numbers on it.

There was no opposing testimony.

Maggie Anderson (Director of Medical Services, DHS) testified on HB 1246 in a neutral position. (Attachment #5)

Senator J. Lee (meter 52:25) asked how recipient liability plugs in to the way it is now.

Ms. Anderson said that when they run these types of scenarios they exclude claims that have recipient liability because they mess things up. She continued to explain about the areas with the predominance of the recipient liability.

(Meter 54:25) She offered and explained amendments which are attached to her testimony.

(Meter 57:15) The process of anesthesia reimbursement was addressed.

Ms. Anderson talked about the problem of dentists only billing for what they think they will be reimbursed. That would be in violation of the policies that are set forth. Their information doesn't show that is occurring on a regular basis.

Senator Warner talked about billing Medicaid at a higher rate than billing the private pay. He asked if there was an audit process to check dentists' usual and customary charges to make sure they reflect what the private market is being charged.

Ms. Anderson answered that they do not have an audit process that routinely would look at things like that. They do it when they are made aware of a situation. They do a utilization review area and a fraud and abuse area. Providers are required to bill Medicaid no more than or less than their usual and customary.

Senator Erbele asked, if they feel there should be a 10% increase in the access and allow for that in the budgeting but 15% is the actual number, how that affects the appropriation.

Ms. Anderson replied that, if the bill passes, they would track it all very carefully so they know what's related to utilization and how much it is increasing. Overall, in the department, there is some flexibility in the budget.

(Meter 62:40) Ms. Anderson spoke about the fee schedule that the department sets.

Senator Dever asked if the nursing homes are billed to Medicare.

Ms. Anderson said that certain portions of nursing home costs may be eligible for Medicare reimbursement. Dental services are not one of the Medicare covered services.

Senator Heckaman asked about services that are not covered and the patient is a Medicaid patient, what happens?

Ms. Anderson said that for the adult population there are some services that are not covered. The individual can pay for those separately. If they are unable to, she couldn't speculate as to the funding source.

Senator J. Lee asked Ms. Anderson to comment on the amendments proposed by Ms. Kopp and what the fiscal impact might be.

Ms. Anderson said they would have to work with their decision support contractor to get that information.

(Meter 70:40) She provided information about "billed to paid percentage by provider type" and explained it. (Attachment #6)

Senator J. Lee talked about her feeling that there is a need for mid level providers in the dental field.

Senator J. Lee asked if they hear a lot of comments about not having access vision services like they do about dental services.

Ms. Anderson said they do not hear that.

Senator J. Lee asked what other providers might also be finding the same issues of not having costs reimbursed.

Ms. Anderson replied that the QSP's is probably the area they hear the most concerns about turnover and individuals being able to access services in both urban and rural areas.

Senator J. Lee asked if the department had any suggestions on how this issue of access to dental health care might be addressed, other than raising the budget.

Ms. Anderson replied that the fluoride varnish bill is a good step forward in providing some of the preventative services by other practitioners.

The hearing on HB 1246 was closed.

JOB #4395

Discussion on HB 1246 was opened. Attachment #6 was reviewed and there was some talk about other providers also wanting to be reimbursed to 85% of their billable costs.

(Meter 5:45) Proposed amendments were discussed.

Senator J. Lee asked Maggie Anderson for information on what was happening in SB 2012 with dental reimbursement.

Ms. Anderson replied that in 2012 what would be available for dental reimbursement is the current fee schedule plus the 4 and 4. HB 1246 would move the dental providers up to that average 85% plus the 4 and 4.

Senator J. Lee asked Ms. Anderson if there were any glaring disparities in the reimbursements for Medicaid providers that haven't been considered.

Ms. Anderson said it was hard to answer that question because the department doesn't collect cost data, and billed charges are difficult. One of the things that both the Senate and House Appropriations Committees have looked at is the hospital rates. They have not been rebased to cost since 1994. (Meter 12:45)

The way the fee schedule for dental providers is set was addressed.

Senator J. Lee said she was hearing that the committee wasn't really supporting the idea of 85% plus 4 and 4. The two options then would be: (1) do not pass HB 1246 and let 4 and 4 continue in SB 2012; or (2) try to adjust the 85% to a percentage that results in dollars.

Senator Heckaman moved a Do Not Pass on HB 1246.

The motion was seconded by Senator Dever.

Discussion continued on whether it should be amended to make sure the dollars are there to support it if it passes on the floor. According to Maggie Anderson, if HB 1246 doesn't pass there is enough money in SB 2012 to operate the current fee schedule. If HB 1246 passes, the department needs more money for the 4 and 4 because it is a different fee schedule and a much higher rate.

(Meter 18:40) The appropriation for this bill was talked about along with how it relates to SB 2012.

Senator Warner asked if the dentists will be taken off the inflator system if this bill passes.

Ms. Anderson answered that, by passing this bill, a new fee schedule is established that just happens to be at 85% of the average bill charges. (Meter 20:40)

Inflation was discussed as well as rebasing and billing costs with comparisons to nursing homes given.

(Meter 23:45) Ms. Anderson answered questions by explaining how they come up with the percentage paid to billed amount on the chart on attachment #6.

After more discussion on whether to amend and on the recommendation of Carol Olson (DHS) that the place to amend would be Appropriations if it should pass on the floor, Senator J. Lee asked for a roll call vote.

Roll call vote 4-2-0. Motion passed. Carrier is Senator J. Lee.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3-07-07

Recorder Job Number: 4606

Committee Clerk Signature Mary K Monson

Minutes:

Chairman Senator J. Lee opened HB 1246 for reconsideration.

Senator Pomeroy moved to reconsider the committee actions of a Do Not Pass on HB 1246.

The motion was seconded by Senator Dever.

The motion passed on a voice vote 5-1.

Senator J. Lee explained that she had a lot of communications from people having strong feelings about this bill and after talking with the DHS there was an idea brought forth dealing with putting this into effect January 2008. She then asked Maggie Anderson to explain.

Ms. Anderson (DHS) told the committee that when this bill was discussed on the House side she and the dental association were asked to come up with some type of modification to the bill that would tie access and utilization to dollars. (Meter 2:05) She talked about the access issue and the sunset clause. The January 2008 allows for lag time and the reimbursement wouldn't kick in until the access could potentially follow it.

Senator J. Lee reported that there were three proposals. (Attachment #7, #8, #9)

This would give a year's worth of data right before the beginning of the next biennium with enough lag time that appointments could be made and information about this additional opportunity would be available.

(Meter 8:00) In response to a question by Senator Heckaman about monthly Medicaid eligibility, Maggie Anderson said that the Senate in the amendment to SB 2012 put a directive in and made funds available to go to a continuous eligibility for all categorically and optional categorically Medicaid children.

Senator Heckaman asked if the MMIS coming in can track how many people can use this and how many have used it.

Ms. Anderson said the new MMIS won't be in place until July 2009 which is after this bill sunsets but the current MMIS can do that (meter 2:20).

Senator Erbele asked what was magic about the 85% and asked if they could consider 75%.

Ms. Anderson said that was the information requested of the department from the dental association.

Senator Dever asked about the range of dental services that are paid for under this program.

Ms. Anderson replied that the range of services is really the entire range of dental codes. Some are only covered for children, some are covered for children and adults, and some are only covered under special consideration or prior authorization. Most of what they cover are routine checkups, trying to catch something before it becomes a problem.

Senator J. Lee recognized Mitch Vance (Bridging the Dental Gap) for comments.

He responded to the 85% figure. He said that isn't a magic number, they rely on the Human Services Committee of the Legislature to look at the whole budget and use its judgment regarding the figure.

Senator Dever asked if the non profits like Bridging the Dental Gap get reimbursed exactly the same way any other dentist would be.

Mitch Vance replied that their clinic is not. They have a special Medicaid rate (15:20).

Ms. Anderson offered that Bridging the Gap is considered a clinic and is paid as a clinic.

Senator J. Lee inquired about going to 75% and if it would be a problem since they had it set up at 85%.

Ms. Anderson replied that they would have to rerun all the calculations.

(Meter 19:00) Discussion followed on going to 75%, utilization, and dentists taking Medicaid patients and doing work that isn't billed.

Senator Warner asked Ms. Anderson about rebasing.

Ms. Anderson said that whatever they go with, whether it is 75% or 85%, would be rebasing the fee schedule. When they rebuild the budget for '09-'11 the bill would actually sunset. Then they would probably create their budget based on the premise of the language in the bill. If it was determined by the '09 legislative session that access had not increased to a level they suspected they would be directed through appropriations to reduce back down.

Senator Heckaman asked Dr. Vance how they handle the no shows.

(Meter 27:00) He replied that they are given three strikes and then they are out and went on to explain their process.

Senator Dever asked if their services were not only for Medicaid patients but also for low income people not on Medicaid.

Dr. Vance replied that it is for the people who fall in the cracks, who cannot qualify for Medicaid, but can't afford dental care. They have a sliding fee discount scale (meter 32:40).

(Meter 34:40) The committee talked more about a 75% and about what had happened in the House and if the House had discussed the 4% along with the 85%. There was discomfort with putting a percentage into the century code.

Ms. Anderson clarified that if the bill sunsets, and it is the decision of the legislature to not reauthorize the 75%, the dental fee schedule would go back to what it was on July 1, 2007. It would not stay rebased.

(Meter 41:30) There was discussion on using dollar amounts instead of using percentages in the bill. Talk continued about removing section 1, leaving the dollars the same, and using the word "increasing" dental services. What would remain would be the appropriation section of the bill.

Senator Dever talked about the 85% in the bill and asked if the 4 and 4 was included in the 85. Ms. Anderson answered that it is based on 85% of the billed charges submitted in the calendar year 2005. Those claims are already submitted and paid and what they are looking at are only the billed charges. From that they are trying to establish what the gap is between the 85% and the current fee schedule. At the time the information was requested there was no 2006 data so 2005 was used. The inflation factor is not in there.

Senator Dever commented that the negative impact of going backward in 2009 might be greater than the positive impact of going forward now. Another thought, this sunsets in 2009 and based on what is seen as increased utilization it will be considered in the next session whether or not to continue it. It seemed to him that the dentists would have a vested interest in ensuring that the utilization increases and wondered if that would be a true accounting.

Senator J. Lee pointed out that with the increased access there could be people waiting to use it that are coming through the system. That may or may not at some point level off.

Senator J. Lee asked the committee if they were more interested in maintaining a percentage or dollar amount.

Senator Warner replied that the discussion had evolved around percentage and to expedite the bill they should leave it as a percentage.

Senator J. Lee then asked what their response was to the idea of a 75% increase with a 10% additional access.

Senator Warner moved to amend to 75% plus 10% utilization, and report to the appropriate interim committee.

Senator Heckaman seconded the amendment.

Roll call vote 6-0-0. Amendment accepted.

Senator Warner moved a Do Pass on HB 1246 as amended and rerefer to Appropriations.

Senator Heckaman seconded the motion.

Roll call vote 6-0-0. Motion carried. Carrier is Senator J. Lee.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3-12-07

Recorder Job Number: 4866, 4870

Committee Clerk Signature Mary K Monson

Minutes:

Chairman Senator J. Lee called the committee to order to discuss HB 1246 amendments.

She reported that when the department looked at the 75% they found that some kids would actually be knocked off that would otherwise be receiving services. That was not the intent.

The department is proposing an amendment (attachment #10) which would be 85% for kids and 75% for adults.

Senator Warner moved to reconsider their actions by which they passed HB 1246.

Senator Pomeroy seconded the motion.

Roll call vote 6-0-0.

Discussion followed that they had increased the percentage but the appropriation went down.

Joe Cichy (ND Dental Association) offered information that some of the services would be reduced.

Senator Dever questioned why it knocks some people off.

Joe Cichy said there a few of the fees in the present fee schedule that are above 75% and they would be reduced. The department didn't think that was a good idea. He didn't think it knocked any people off just that some of the services that are provided would be reduced.

The fee to be paid to the provider would be reduced.

The committee was recessed.

JOB #4870

The committee was brought back to order and Maggie Anderson (DHS) was present to answer questions and provide information.

Ms. Anderson addressed the question of why some kids would fall off with the 75%. She said that currently there are two separate fee schedules for dental services--one for children and one for adults. When they ran the numbers of reimbursing dentists at 75% of billed charges for the child population, money would be lost on a significant portion of the preventative and restorative procedures based on what they are currently paying. That would be considered a step backwards.

Senator Warner asked about the numbers on lines 13 and 15. They seemed to him to be smaller.

Ms. Anderson replied that those differences were from the original bill, not from the bill last time. This amendment is from the original bill.

Senator Warner moved to amend HB 1246 as proposed by the department.

Senator Heckaman seconded the motion.

Roll call vote 6-0-0.

Senator Warner moved a Do Pass on HB 1246 as amended and rerefer to appropriations.

Senator Erbele seconded the motion.

Roll call vote 5-1-0. Motion carried. Carrier is Senator J. Lee.

Date: 3-5-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Not Pass

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair	.	✓	Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner		✓

Total (Yes) 4 No 2

Absent 0

Floor Assignment Senator J. Lee

If the vote is on an amendment, briefly indicate intent:

Date: 3-7-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Reconsider actions

Motion Made By Sen. Pomeroy Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	1		Senator Joan Heckaman		
Senator Robert Erbele, V. Chair			Senator Jim Pomeroy	1	
Senator Dick Dever	2		Senator John M. Warner		
VOICE			VOTE		

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-7-07

Roll Call Vote #: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Amendment 75% + 10% utilization report

Motion Made By Sen. Warner Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman 2	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner 1	✓	

Total (Yes) 6e No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-7-07

Roll Call Vote #: 3

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Amended / Do Pass / rerefer

Motion Made By Sen. Warner Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman 2	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner 1	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Lee

If the vote is on an amendment, briefly indicate intent:

Date: 3-12-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Reconsider actions

Motion Made By Sen. Warner Seconded By Senator Pomeroy

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy 2	✓	
Senator Dick Dever	✓		Senator John M. Warner 1	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

78264.0101
Title.0200

Adopted by the Human Services Committee
March 12, 2007

3-12-07

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 3, after the semicolon insert "to provide for a report to the legislative council; to provide an effective date;"

Page 1, line 7, after "**reimbursement**" insert "**- Report to legislative council**"

Page 1, line 8, after the first "services" insert "for medical assistance recipients from birth through twenty years of age" and after the second "services" insert "and for medical assistance recipients age twenty-one and older at the rate of seventy-five percent of billed services"

Page 1, line 11, after the underscored period insert "By October 1, 2008, the department of human services shall report to the legislative council regarding the impact of this Act on access to dental services by medical assistance recipients."

Page 1, line 13, replace "$1,150,106" with "$660,678"

Page 1, line 15, replace "$2,042,955" with "$1,173,519"

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

Date: 3-12-07

Roll Call Vote #: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken amend

Motion Made By Sen. Warner Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman 2	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner 1	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-12-07

Roll Call Vote #: 3

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1246

Senate **HUMAN SERVICES** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass / amended / rerefer

Motion Made By Sen. Warner Seconded By Sen. Erbele

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair 2	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever		✓	Senator John M. Warner 1	✓	

Total (Yes) 5 No 1

Absent 0

Floor Assignment Senator J. Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1246: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1246 was placed on the Sixth order on the calendar.

Page 1, line 3, after the semicolon insert "to provide for a report to the legislative council; to provide an effective date;"

Page 1, line 7, after "**reimbursement**" insert "**- Report to legislative council**"

Page 1, line 8, after the first "services" insert "for medical assistance recipients from birth through twenty years of age" and after the second "services" insert "and for medical assistance recipients age twenty-one and older at the rate of seventy-five percent of billed services"

Page 1, line 11, after the underscored period insert "By October 1, 2008, the department of human services shall report to the legislative council regarding the impact of this Act on access to dental services by medical assistance recipients."

Page 1, line 13, replace "$1,150,106" with "$660,678"

Page 1, line 15, replace "$2,042,955" with "$1,173,519"

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

2007 SENATE APPROPRIATIONS

HB 1246

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1246

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 03-19-07

Recorder Job Number: 5256

Committee Clerk Signature Janet D Pinks

Minutes:

Chairman Holmberg opened the hearing on HB 1246 relating to dental Medicaid reimbursement.

Terry Deeter, President ND Dental Assn, distributed testimony in support of HB1246 reading his testimony. He distributed pictures of seriously neglected teeth issues to emphasize dental problems in children not covered with insurance or treated for early prevention. He indicated that dental problems are a number one reason that children miss school. He discussed the amendment adopted by the senate and how the addition of the amendment will limit participation. Attach to the testimony is a dental Medicaid fact sheet, and a ND Dental Assn question and answer form. He highly Recommends a do pass for HB 1246.

Senator Seymour questioned whether it could be put in legislation that it was mandatory for dentists to u participate in the program. The response was that he did not feel qualified to respond to the question.

Senator Kilzer questioned why billed charges would be used as a basis for the testimony, when in all other cases billed charges have gone the way of the dinosaur. The response was that they needed some type of data to have base line and they used information from hum services. As a private practitioner, he did not have access to some of the information as well as someone in a larger practice

Senator Bowman, questioned why wouldn't it be a cost plus figure so you get the cost plus basis rather then percentage. The response was it would be difficult to do a cost plus because each office has different overhead. We have attempted to get figures as close as possible. If we can get this increased to 85%, we can get closer and get more involvement by dental practices.

Senator Bowman indicated the point he is trying to get at is as the costs are different, will the 85% be different from one community to another. The response was human services has not made up a fee schedule, but when it is completed, no matter where the practice is, the fee will be same.

Senator Christmann indicated he is a skeptic of this proposal -- most dentists are taking as many Medicaid patients and other patients as they already can. The response was that statement is right, generally their schedules are full. When you have a dental office, you want a full schedule as they removed themselves from Medicaid care, there are openings and they are filled as time goes by. How are we going to get dentists to open up space for Medicaid patients will take both our part and legislation

to do their part? Dentists know needs are there but doesn't work to continue to see those patients as reimbursement has eroded.

Senator Kilzer indicated when Senator Bowman's question was answer, you last statement sounds like even though billed charges are raw data, you are still going to be receiving uniform reimbursement because you will use a fee schedule put together by DHS. Is that correct? The response was yes that is correct.

Senator Fischer indicated this bill states the providers will also receive the 4/4 in the DHS budget correct? The response was yes.

Joe Sitte, Executive Director, ND Dental Assn, pointed out a few things on the bill that changed on the House side. The implementation date is January 1, 2008 which gives the Department and the Assaciation time to educate dentists on the program and encourage participation. It is the belief that this will increase providers. The other thing in the bill is the Department will report to the Legislative Council in 2008 informing them whether the services have been improved. The Fee schedule is established based on 85% of average of billed services. Last session had a bill before this committee that increased the Medicare budget for dental. We ask for your support of HB 1246.

Joann Brager, Director, West River Head Start, Mandan, provided written testimony and testified in support of HB 1246. She indicated they provide services to children in a four county area. She indicated many of the 4 person families she serves have an annual wage of $20,650 or lower which does dot give them enough money to provide dental care. She then provided statistics of the children she serves.

Maggie Anderson, DHS, provided information for data that was supplied in the House bill and senate bill regarding this.

Chairman Holmberg asked if there was any discussion of putting the fund in the DHS budget rather then a separate bill. The response was no.

Senator Mathern questioned whether the money in the bill would be able to be spent at dental clinics. The response was the clinics are paid at cost currently and are not included under this bill.

Chairman Holmberg closed the hearing on HB 1246.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1246**

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: **March 22, 2007**

Recorder Job Number: **5456 4:06m**

Committee Clerk Signature Janet Pinks (ad)

:

Question: Is this the bill to increase the reimbursement in Medicaid for dental services? It was amended down by the House. We accepted the amendments on the Senate floor to reduce it.

Motion for a Do Pass

Second

S Holmberg: Question for folks on Human Services. How does this then compare with other reimbursement? This is the 85% break.

S Fischer: This is one of the higher ones.

S Kilzer: In 2012 Human Services Budget gave all medical providers 4/4. There were requests from some of the providers for more and this is one of them. This does break the mold of 4/4 if we pass it.

S Mathern: One are the reasons for changing the mold on this one is, there are many people not getting this service and this is a way to incentivize to take more patients and the additional amount. It is encouraging more health care in the rural areas. Our cities are developing free clinics for family services that are helping people within their area. There is one in Fargo and in Grand Forks helping those groups, we still need more providers. I understand the House has taken out the provider increase from SB 2012, and their action in the last day, I think this was more important that we do this.

S Kilzer: I agree with some of what the previous speakers said, but there is a new factor here, that is if we DO pass this bill, what we're doing is saying to the other providers, we're giving the message that the incentive is to withhold access and eventually the legislature will knuckle under and then make YOU one of their favorites.

Roll Call on SB 1246 –Motion carried

Bill goes back to Human Services

Date: 3/22
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1246

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken D P

Motion Made By Nath Seconded By Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm		✓	Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann		✓	Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer		✓	Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 10 No 4

Absent 0

Floor Assignment Judy Lee. hum serv

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1246, as amended, Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (10 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). HB 1246, as amended, was placed on the Fourteenth order on the calendar.

2007 HOUSE HUMAN SERVICES

CONFERENCE COMMITTEE

HB 1246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1246

House Human Services Committee

☑ Check here for Conference Committee

Hearing Date: April 20, 2007

Recorder Job Number: 6198 & 6222

Committee Clerk Signature Judy Schock

Minutes:

Chairman Nelson: We will call the committee on HB 1246 to order. Let the record show all are present. If the senate would gave us their position on this bill.

Senator Lee: We switched to 85% of average bill costs for children and 75% for adults. At that point 2012 still had 5 & 5 on top of that. So there was some concern about the fact it was going to be 85, 75 plus 5 & 5. Now the 5 & 5 isn't there. So we don't want to cut back and change this around so we are loosing any individuals who might be able to have coverage.

Chairman Nelson: I understand as well that the house amendment 5 &5 was taken out of the given 85 and 75 percent bill charges. I don't know exactly where we are going to end up with the inflator in 2012. I am hopeful it is at the 5but that needs to be resolved.

Representative Weisz: I would like to ask Maggie a question. The 1.8 million how much of that is federal?

Maggie Anderson Director of Medical Services for Department of Human Services: Of the 1.8 million 1.174 is so about 1.2 million. We are roughly at 678. I was wondering if that had changed.

Ms Anderson: No It didn't change because that re projected number was given house appropriations solely for (could not understand)

Senator Lee: I visited with Senators Fischer, and Kilzer. Senator Kilzer has some real concerns that Senator Fischer shares about switching to average billable charges because nobody gets reimbursed that way. The chiropractic billable charges I believe were removed yesterday in 2012. So the dentist will be the only ones with average billable charges, and they would really like to not have dentist be in on average billable charges. I am telling you there position on it. They would rather see us put more dollars in and tell the department to figure out how to enhance the reimbursement in the provider reimbursement schedule and do that way so that they would be more like other providers rather than setting them up on an entirely reimbursement.

Ms. Anderson: In the past appropriations had been made to the department back in the 90's with the dental services and we put a largest portion of the dollars toward the children fees. That fee schedule exists to this day. We have a higher fee schedule for children than we do for adults. If you wanted to give us a certain dollar amount, and than direct us to say where you want it to go.

Chairman Nelson: In 2012 there is an amendment that does look at the analysis of all Medicaid reimbursements across the board. When we come back we will be able to design a base line. I think it is important to note the funding is available to do a complete analysis of those providers and stretch the money as far as we can. This one comes up every biennium.

Senator Lee: The last I knew it was still in the bill.

Representative Potter: The fee schedule is a certain amount for children and certain for adults. Is it the dollars that we put is more the children than adults or is it the fee schedule?

Ms. Anderson: It ends up being both. The legislature appropriates more money for children services. The ratio is 56 – 44.

Representative Weisz: I have proposed amendments and I will go through those. See attached. What this amendment basically will do it would take the adults back to the 5 & 5 and than the 327, 473 will be 85% of charges. Based on the conversation we just had. We could just put the 327,473 into the children's portion and the adults get the 5+5 in 2012.

Chairman Nelson: In the appropriations in 2012 adults are not included as of today. Do we have a number? If we add the 327,000 for the 85% for the children would they benefit from the 5 & 5?

Ms Anderson: 138,000 and that is general fund.

Representative Weisz: No they would not benefit. The 5 & 5 applies strictly to the adult population. The Senate version did not have the 5 & 5 either. It was 85%.

Chairman Nelson: Maggie do you have the number if the 5 & 5 was added to the entire dental reimbursement? If we add 327,473 plus the 581,668 than calculated on the 5 & 5?

Ms Anderson: Is your amendment to pay children at 85% of charges or just give us enough money to pay as if we were going to do 85%?

Representative Weisz: The amendments I handed out would pay at 85% of the bill charges, but I think after discussion we would rather put the dollar amount (could not understand)

Ms. Anderson: I need to remind the committee that the bill had an effective date which was January 1 of 2008 so you are missing 6 months of money to pay children at 85% of bill charges. The Senate decided not to implement until January 1st .To put 5 & 5 on the 85% for the kids in 175 722 in general funds. That would be for the entire biennium.

Representative Potter: What we have here with this amendment is the 327,473 which would not include the first 6 months of the biennium and 175,722 which would include the whole biennium.

Senator Lee: When Maggie mentioned this 6 month lag. The dental fund will be 49,931 of general funds in the matching federal funds 78,031. That would be for the 5% increase for the second half. We need to recognize this does not freeze that for 6 months.

Chairman Nelson: In the numbers you gave today on the 138,000 general fund dollars for the 5 & 5 that is for the entire biennium though for the inflator?

Ms Anderson: For adults. The 138 is in the inflator for the entire biennium.

Senator Lee: We looked at a delayed implementation because it would take a while for the publicity to get out for the dentist, making appointments etc. We thought it might work out okay. It is not fair to expect people to wait for treatment. We didn't realize we were going to screw it up.

Representative Weisz: I don't believe the house was working at adding 5 & 5 on, on top of the 85%. I think we need to look at that issue. 85% is higher than any one in the medical community by far.

Chairman Nelson: I see the effective date as January1, 2008. If we would implement the 85% or equivalent language for the entire biennium how would that change the cost from general and special funds? Just for the children.

Ms. Anderson: For 85% for children for 24 months would be 432,119 dollars in general fund. Representative Weisz: What is the percent increase over the biennium if you wanted to use that number?

Chairman Nelson: Could you provide us a draft of how we could word that so we are not using the billable charges, and we could include that in the set of amendments.

Ms Anderson: You would want us to draft language for the using the 432,000 in general fund to apply back to the children fee schedule for dental Medicaid services?

Senator Lee: If we had the 5 & 5 on for both of them and we just provided some additional dollars is there a benefit to doing it that way? There being a little more consistency with the others had and be able to put some extra bucks into the kids.

Chairman Nelson: So what we would do than is calculate 5 & 5 for the children and than probably add percentage increases to reach a number that approaches 400,000. What ever seems most logical.

Ms Anderson: We would take the total we are dealing with is this 432,119, we know that the general funds to get kids to 5&5 is 175, 722.

Representative Weisz: Because this is a one time deal for the kids I think (could not understand) than there would be one lump sum payment to the kids for what ever number we decide on in the end.

Senator Lee: Could we move to something other than average billing? We would need to make sure the dollars in lieu of that average billing.

Representative Weisz: Looking at potentially 5 & 5 for the adults and 85% bills. Maybe we need to have the departments figure out if you want to throw that dollar amount we a kind of looking at.

Senator Heckaman : I am a little leery about working 5 & 5 when we don't know if it is going to be there. You put a dollar amount in there it gives the department the discretion to use it.

Chairman Nelson: I think we need to resolve the money for the 5 & 5 isn't in any budget right now. That is an increase we need to reconcile with 2012. If the 5 & 5 isn't there you could speculate where it would sort out. So there will be an increase. My understanding is we except the provider increase that other Medicaid providers get. We need to adjourn and we will meet again.

Chairman Nelson: We will again call the meeting on HB 1246 to order. The amendment .0103 hopefully it covers the issues we talked about this morning. I will try to explain. See attached. The date has been change. We have clarified increasing funding for children dental services, and it runs for this biennium. They will be increasing the numbers for 2012 in there amendments. I would entertain a motion.

Senator Lee makes a motion for the Senate to recede from the Senate and adopt amendments, seconded by **Senator Erbele**. The roll was 6 yeas, 0 nays, and 0 absent.

Representative Nelson will carry the bill to the floor.

78264.0102
Title.

Prepared by the Legislative Council staff for
Representative Price
April 18, 2007

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

That the Senate recede from its amendments as printed on page 1123 of the House Journal and page 803 of the Senate Journal and that House Bill No. 1246 be amended as follows:

Page 1, line 3, after the semicolon insert "to provide for a report to the legislative council; to provide an effective date;"

Page 1, line 7, after "**reimbursement**" insert "**- Report to legislative council**"

Page 1, line 8, after the first "services" insert "for medical assistance recipients from birth through twenty years of age"

Page 1, line 11, after the underscored period insert "By October 1, 2008, the department of human services shall report to the legislative council regarding the impact of this Act on access to dental services by medical assistance recipients."

Page 1, line 13, replace "$1,150,106" with "$327,473"

Page 1, line 15, replace "$2,042,955" with "$581,668"

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

Prepared by the Legislative Council staff for
Representative Nelson
April 20, 2007

Conference Committee Amendments to HB 1246 (78264.0103) - 04/20/2007

That the Senate recede from its amendments as printed on page 1123 of the House Journal and page 803 of the Senate Journal and that House Bill No. 1246 be amended as follows:

Page 1, line 1, replace "create and enact a new section to chapter 50-24.1 of the North Dakota" with "provide for a report to the legislative council"

Page 1, line 2, remove "Century Code," and after the semicolon insert "and"

Page 1, line 3, remove "; and to provide an expiration date"

Page 1, replace lines 5 through 11 with:

"**SECTION 1. DEPARTMENT OF HUMAN SERVICES REPORT ON MEDICAL ASSISTANCE DENTAL SERVICES - REPORT TO LEGISLATIVE COUNCIL.** Before August 1, 2008, the department of human services shall report to the legislative council on the status of medical assistance recipients' access to dental services."

Page 1, line 13, replace $1,150,106" with "$160,000"

Page 1, line 15, replace "$2,042,955" with "$284,198"

Page 1, line 16, after "of" insert "increasing" and after "funding" insert "of children's"

Page 1, remove lines 18 and 19

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1346 (, as (re)engrossed): Date: 4/20/07 morning

Your Conference Committee House Human Services

For the Senate:	YES / NO	**For the House:**	YES / NO
Sen Erbele	✓	Chairman Nelson	
Sen Lee	✓	Rep Weiss	
Sen Heckaman	✓	Rep Potter	

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1123 -- _____

____, and place _____ on the Seventh order.

____, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____
CARRIER: _____

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT ___ **YES** ___ **NO** ___ **ABSENT**

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1346 (, as (re)engrossed): Date: 4/20/07

Your Conference Committee House Human Services

For the Senate:	YES / NO	For the House:	YES / NO
Sen Erbele	Y / Y	Chairman Nelson	Y / Y
Sen Lee	Y / Y	Rep Weiss	Y / Y
Sen Heckaman	Y / Y	Rep Potter	Y / Y

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1123 -- _____

____, and place _____ on the Seventh order.

as 0103

____, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: 4/20/07
CARRIER: Rep. Nelson

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Sen Lee

SECONDED BY: Sen Erbele

VOTE COUNT 6 **YES** 0 **NO** 0 **ABSENT**

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1246: Your conference committee (Sens. Erbele, J. Lee, Heckaman and Reps. Nelson, Weisz, Potter) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1123, adopt amendments as follows, and place HB 1246 on the Seventh order:

That the Senate recede from its amendments as printed on page 1123 of the House Journal and page 803 of the Senate Journal and that House Bill No. 1246 be amended as follows:

Page 1, line 1, replace "create and enact a new section to chapter 50-24.1 of the North Dakota" with "provide for a report to the legislative council"

Page 1, line 2, remove "Century Code," and after the semicolon insert "and"

Page 1, line 3, remove "; and to provide an expiration date"

Page 1, replace lines 5 through 11 with:

"**SECTION 1. DEPARTMENT OF HUMAN SERVICES REPORT ON MEDICAL ASSISTANCE DENTAL SERVICES - REPORT TO LEGISLATIVE COUNCIL.** Before August 1, 2008, the department of human services shall report to the legislative council on the status of medical assistance recipients' access to dental services."

Page 1, line 13, replace $1,150,106" with "$160,000"

Page 1, line 15, replace "$2,042,955" with "$284,198"

Page 1, line 16, after "of" insert "increasing" and after "funding" insert "of children's"

Page 1, remove lines 18 and 19

Renumber accordingly

HB 1246 was placed on the Seventh order of business on the calendar.

2007 TESTIMONY

HB 1246

HB 1246
Human Services Committee
January 16, 2007

Madam Chairman Price and members of the Human Services Committee. My name is Tim Mathern, Senator from District 11 in Fargo.

Considering the other testimony you will receive, I will be brief.

I am often contacted by persons unable to find a dentist who will accept new Medicaid patients. I am also contacted by dentists who state they are unable to accept new Medicaid patients becouse the reimbursement rate is too low. This bill is before you to address this situation.

I see House Bill 1246 as one part of the equation involved in health care for our citizens. It has been proven that without proper dental care, persons develop other costly medical problems.

Madam Chairman and members of the committee, I ask for your support of HB 1246 and rereferral to the appropriations committee. As a member of the Senate Appropriations Committee I give you my commitment to work on keeping the funding level you send from the House in place in the Senate.

Thank you.

Testimony
House Bill 1246 – Department of Human Services
House Human Services Committee
Representative Clara Sue Price, Chairman
January 16, 2007

Chairman Price, members of the Human Services Committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding the appropriation section of this bill.

Dental services are one of the optional services that are available through the North Dakota Medicaid program. Medicaid payments for dental services are based on a fee for service rate schedule, and are increased when the Legislature provides funds for that purpose.

Senate Bill 1246 would create a new fee schedule using the billed charges (fees) submitted by Dentists on Medicaid dental claims for 2005. The fees are averaged, and then a fee schedule would be set at **85 percent of this average**. This would be done on a fee-by-fee basis.

For example:

Dental Code	Description	Medicaid Fee Schedule	85% of Average Billed Charges	Increase
D0120	Periodic Oral Evaluation	$16.28	$21.79	$5.51

At the request of the North Dakota Dental Association, the Department prepared information regarding the cost to move to the 85 percent of the average of billed charges. The information, which was used for the appropriation section of this bill, does not consider the following:

1. The impact of Recipient Liability. Therefore, we are offering Attachment A as an explanation of the estimated cost, with Recipient Liability, to implement Senate Bill 1246.

2. The appropriation clause does not account for any increased access and utilization, which may result from the implementation of this bill. The Department would be unable to estimate this potential utilization increase; however, the North Dakota Dental Association may know the improved access they expect as a result of increasing the reimbursement. Attachment A does **not** consider any increased utilization.

The Department acknowledges there is an access issue for Medicaid clients, and if this bill becomes law, we hope this access issue will significantly improve.

The Executive Budget for 2007-2009 for dental services is the $12 million, of which $4.3 million are general funds. The additional funds in this appropriation section of this bill are **not** in the Executive Budget.

I would be happy to answer any questions that you may have.

North Dakota Department of Human Services

Estimate of Paying Medicaid Dental Services at 85% of Average Billed Charge

Summary of Recipient Liability & Other Insurance Effects

	Annual Cost	3% + 3%	Cost for Biennium	General Funds	Federal Funds
Recipient Liability & Other Insurance Included					
Children 0 through 20	$ 523,925.32	$ 31,907.05	$ 1,079,757.69	$ 388,928.72	$ 690,828.97
Adults 21 and over	$ 1,025,453.64	$ 62,450.13	$ 2,113,357.41	$ 761,231.34	$ 1,352,126.07
	$ 1,549,378.96	$ 94,357.18	$ 3,193,115.10	$ 1,150,160.06	$ 2,042,955.04
Recipient Liability & Other Insurance Effects Considered					
Children 0 through 20	$ 484,481.62	$ 29,504.93	$ 998,468.17	$ 359,648.23	$ 638,819.94
Adults 21 and over	$ 963,377.45	$ 58,669.68	$ 1,985,424.58	$ 715,149.93	$ 1,270,274.65
	$ 1,447,859.07	$ 88,174.61	$ 2,983,892.75	$ 1,074,798.16	$ 1,909,094.59
Difference	$ 101,519.89	$ 6,182.57	$ 209,222.35	$ 75,361.90	$ 133,860.45

Weighted FMAP	63.98%
State Share	36.02%

HB 1246

Medicaid Reimbursement for CY 2005	Number of Dentists
$0 - $20,000	304*
$20,000 to $40,000	28
$40,000 to $60,000	18
$60,000 to $80,000	6
$80,000 to $100,000	6
Over $100,000	10
* of these 110 showed $0 Medicaid Payments	
* of these 258 provided less than $10,000	
* of these 12 were between $10,000 and $12,000	

January 16, 2007

Testimony before the House Human Services Committee
Representative Clara Sue Price

House Bill 1246 – Relating to Dental Medical Assistance Reimbursement

Chairperson Price and members of the Committee, my name is Dr. Terry Deeter. I am a practicing general dentist from Bismarck, North Dakota and President of the North Dakota Dental Association. I present this testimony in support of House Bill 1246.

The North Dakota Dental Association has been working to address the dental access issues in our state. One success is the Donated Dental Services program, through which volunteer dentists have donated $683,486.00 in dental care to over 311 people in the last five years. This program is designed to help the elderly and people with developmental disabilities who are unable to access care through other programs and unable to afford the care. The NDDA also participates in the national Give Kids A Smile program, which is designed to screen, educate, and treat children who are otherwise unable to access dental care. Dentists in Fargo for the past 4 years have operated an urgent care clinic, which provides voluntary services to people with acute dental needs. This urgent care clinic prevents what would eventually become a considerably more expensive and less productive trip to a hospital emergency room. Since its inception, over $400,000 worth of donated services has been provided, with 50 dentists and specialists volunteering their time. Grand Forks dentists also provide access to urgent care through partnership with the Third Street Clinic. In Bismarck, Bridging the Dental Gap sees low-income patients. Additionally, dentists on their own provide free or discounted dental services daily in their private offices to those who may not have the means to cover the costs of the care. As great as these programs are, more must be done.

The dental medical assistance budget for the biennium is approximately $12 million, including both state and federal dollars. Based on a 60% reimbursement rate during the biennium, dentists contributed approximately $8 million worth of dental care to this program.

That is considerably more than the state's share, which is around $4 million. Charity cannot be the cornerstone of an effective dental care delivery system.

We are asking the committee to increase dental medical assistance reimbursement to 85% of billed charges. This level of reimbursement has proven effective in other states. Studies by the American Academy of Pediatric Dentists and the American Dental Association identify ways to improve access. Their research shows that states using this market approach and establishing reimbursement at similar levels have seen dramatic increases in provider participation.

The higher reimbursement is also necessary to help balance the issue of no-shows. The Medicaid population has a no-show rate of over 30% for scheduled dental visits. Dentists can't fill these vacancies, thus losing production time. A higher reimbursement is necessary to partially offset this loss and encourage dentists to participate.

Based upon a survey at our annual meeting in September, increasing reimbursement would provide additional dental access to the Medicaid population. While the NDDA has taken the lead on this issue, we have had the support of other groups that represent children and the elderly. These groups represent our most vulnerable and compromised population in North Dakota; the elderly, individuals with physical and mental disabilities, and children. This legislation is necessary to ensure adequate dental access for this population.

Legislators are sometimes swayed by calls and letters supporting a certain piece of legislation. It is virtually impossible to mobilize this population to participate in the legislative process. Thus the NDDA and the supporting groups are requesting this legislation for those that are unable to do so themselves.

The principle reason for this increase is to open the doors of more dental offices to the Medicaid population. Regular preventative dental care prevents many dental diseases. By having a regular dentist, when acute problems do occur, they would be able to access care more quickly

due to their established relationship with a dentist. This would minimize the pain and resolve the problem.

The effects on children with oral disease who lack access to dental care are devastating. The children experience considerable pain, which can affect their eating habits and growth. They are also more likely to get sick and miss school, and their ability to concentrate in school is affected.

Medical assistance patients seeking dental treatment often visit hospital emergency rooms, and the already high costs of these visits are increasing. Unfortunately, many trips to the hospital will not provide the necessary treatment needed to eliminate the chief complaint of the patient. Access to regular dental care also prevents costly treatment by specialists in the future, which becomes necessary due to the rapid deterioration of dental health.

I have attached to my testimony a **Dental Medicaid in North Dakota Fact Sheet** for your review. I would like to highlight a few of those facts. (See attachment.)

Increasing reimbursement is an important step by the legislature, in providing care to our underserved population, and to create an environment that provides access to quality dental care to these citizens. The last significant fee increase in the dental program was in 1997. We, as dentists, have a moral obligation to advocate for the underserved population.

Access is declining. This is evidenced by the Department of Human Services budget. The department is projecting under utilization this year of the biennium of approximately $600,000. Its 07-09 budget is just under $1.8 million less than the present biennium budget. The need still exists but access is clearly diminishing. Presently the dentists take Medicaid at a net loss when factoring in low reimbursement and no shows. Dentists are willing to help if the legislature helps reduce the risk by funding dental Medicaid at 85% of billed charges.

This issue is not about dentists. It is about the vulnerable patients who currently cannot access care. The North Dakota Dental Association is trying to improve this situation for these

patients by encouraging dentists to continue their very significant participation in volunteer access programs around the state, and partner with you the Legislature to improve reimbursement in a way that will be meaningful enough to enlist a significant number of dentists to reassess their resistance to participate.

North Dakota's dental community has improved access to care through Donated Dental Services, Give Kids A Smile, urgent care clinics, and gratis work provided daily in private offices. However, we cannot solve this problem alone. We need dental access to be a joint effort with the state of North Dakota. The NDDA asks you to support this requested increase and vote do pass on HB 1246.

DENTAL MEDICAID IN NORTH DAKOTA- FACT SHEET-2007

- Oral health is essential to overall health, especially for children, developmentally-delayed patients, elderly, and medically-compromised individuals.
- The Bismarck Tribune (December 26, 2006) stated in an editorial: "*While it's tempting to say, Why can't more dentists just give a little? It's a mistake to base a government policy on required charity. It would be heartening to hear a loud chorus from the dental community, urging the Legislature to act, verifying that whatever state funding can be made available will make a difference for dentists, and consequently for Medicaid patients. Let's hope the right people speak up and the right people listen to effect real change in the way Medicaid patients gain access to dental care.*"
- In the last two bienniums, dental Medicaid expenditures were higher than budgeted. In the current 2005-2007 biennium, expenditures are below budget due to deteriorating utilization and worsening access.
- Eighteen North Dakota organizations have signed the North Dakota Dental Access Resolution urging the ND Legislature to improve access to care for Medicaid eligibles.
- As access to care deteriorates, Medicaid patients increasingly show up at Emergency Rooms for dental problems where no definitive treatment can be provided. The number of ER visits by Medicaid patients for dental problems in ND increased by 27% and the amount paid for these visits increased by 40% through July 2004 as compared to 2003 (ND Department of Human Services).
- Low Medicaid fee reimbursement is the number one reason that dentists limit their participation in Medicaid. Poor patient compliance, failed appointments, and limitations in allowed treatment are other reasons that dentists limit participation.
- Federal courts have determined that adequate access exists for Medicaid patients when at least 50% of dentists see any and all Medicaid patients presenting for treatment. In ND, only 20% of dentists see any and all Medicaid patients that present for treatment (UND Center for Rural Health). This percentage was 49% in 1992.
- ND Dental Medicaid reimburses dentists below the cost of providing dental services to Medicaid patients (ND Department of Human Services).
- The majority of participating dentists can afford to do relatively little Medicaid. In 2003, only 20% of the participating dentists performed the majority of the Medicaid services provided in the state.
- Other states have increased fees significantly and subsequently saw significant increases in dentist participation.
- The 12 million dollar ND dental Medicaid appropriation for this biennium is only 1% of the entire Medicaid budget (ND Dept of Human Services).
- Increasing fees in ND Medicaid to about 85% of billed average fees would increase the budget for the next biennium by about 3.2 million dollars. The state general fund 36.02% share would be about an additional 1.15 million dollars for the biennium.
- Adequate dentist reimbursement, along with efficient claims submission and payment, will improve access to care for North Dakota's most vulnerable citizens, reduce costly and inappropriate Emergency Room treatment, and prevent more expensive specialty care for this population. Care for the most vulnerable population must be a shared responsibility between dentists and the state of North Dakota.

January 21, 2007

Dear Chairman Price and Members of the House Human Services Committee:

I am a retired state employee who served as the state dental director from 1985-2001. I would like to provide a little background for the committee as you consider HB 1246. During the period that I served as the state dental director, we watched dental access become a growing concern not only in North Dakota, but nationwide. We convened a statewide forum in 2000 to look at strategies to address the issue. Based on research from other states and a review of published literature, the participants (including public and private agencies and organizations) at the forum developed a number of strategies to address the problem. These strategies included: 1) develop a dental loan repayment program to attract new dentists to the state, 2) increase the number of dental public health or non-profit dental clinics in the state, 3) work with referral agencies to assist them in educating clients about their responsibilities as a dental patient, and 4) to increase provider reimbursement.

Since that time a number of these strategies have been put in place and are working. A dental loan repayment program was established and has attracted a number of dentists to the state. A non-profit dental public health clinic was established in Bismarck to complement the existing federally qualified dental clinic in Fargo and plans are underway to establish another federally qualified satellite clinic in or near Grand Forks. A third strategy that was implemented was "Project No Show". This project designed educational materials for use by agencies referring clients for dental care to educate the client on their responsibilities as a dental patient. The materials were designed after holding focus groups with Medicaid clients across the state to gather their input on their understanding of oral health procedures and practices and assess their barriers to keeping appointments. The program dealt with education on being on time, calling if you cannot make the appointment and promoted good home care as well. Early evaluations of the program showed it was working for some of the clients, but it did not totally eliminate or even dramatically reduce the no-shows. Early estimates showed it reduced no shows by around three (3) percent. With staff changes, this project was lost in the transition. Perhaps a Medicaid Advisory Committee or an interagency committee could discuss how to address the missed appointment issue. Little progress has been made on increasing provider reimbursement. This strategy should be looked at as there are a number of states where significant increases in provider reimbursement have increased access.

States across the country have discovered there is no one magic bullet to fix the dental access problem. It takes a variety of strategies working together to address dental access. I encourage your committee to consider the dental reimbursement issues as a strategy that must work in tandem with the others to make significant progress on this issue. Please give favorable consideration to HB 1246.

I would be happy to answer questions the committee may have. I can be reached at the phone number listed below.

Sincerely,

Kathleen A Mangskau

Kathleen A. Mangskau, RDH, MPA
KM Consulting
701-258-7919

Attachment #1

March 5, 2007

Testimony before the Senate Human Services Committee
Chair-Senator Judy Lee

House Bill 1246 – Relating to Dental Medical Assistance Reimbursement

Chairperson Lee and members of the Committee, my name is Dr. Terry Deeter. I am a practicing general dentist from Bismarck, North Dakota and President of the North Dakota Dental Association. I present this testimony in support of House Bill 1246.

The North Dakota Dental Association has been working to address the dental access issues in our state. One success is the Donated Dental Services program, through which volunteer dentists have donated $683,486.00 in dental care to over 311 people in the last five years. This program is designed to help the elderly and people with developmental disabilities who are unable to access care through other programs and unable to afford the care. The NDDA also participates in the national Give Kids A Smile program, which is designed to screen, educate, and treat children who are otherwise unable to access dental care. Dentists in Fargo for the past 4 years have operated an urgent care clinic, which provides voluntary services to people with acute dental needs. This urgent care clinic prevents what would eventually become a considerably more expensive and less productive trip to a hospital emergency room. Since its inception, over $400,000 worth of donated services has been provided, with 50 dentists and specialists volunteering their time. Grand Forks dentists also provide access to urgent care through partnership with the Third Street Clinic. In Bismarck, Bridging the Dental Gap sees low-income patients. Additionally, dentists on their own provide free or discounted dental services daily in their private offices to those who may not have the means to cover the costs of the care. As great as these programs are, we need more help.

The dental medical assistance budget for the biennium is approximately $12 million, including both state and federal dollars. Based on a 60% reimbursement rate during the biennium, dentists contributed approximately $8 million worth of dental care to this program.

That is considerably more than the state's share, which is around $4 million. Charity cannot be the cornerstone of an effective dental care delivery system.

We are asking dental medical assistance reimbursement be increased to an average of 85% of billed charges. This level of reimbursement has proven effective in other states. Studies by the American Academy of Pediatric Dentists and the American Dental Association show that states using this market approach and establishing reimbursement at similar levels have seen dramatic increases in provider participation.

The Medicaid population has a no-show rate of over 30% for scheduled dental visits. Dentists can't fill these vacancies, thus losing production time. A higher reimbursement is necessary to partially offset this loss and encourage dentists to participate.

Based upon a survey at our annual meeting in September, increasing reimbursement would provide additional dental access to the Medicaid population. While the NDDA has taken the lead on this issue, we have had the support of other groups that represent children and the elderly. These groups represent our most vulnerable and compromised population in North Dakota; the elderly, individuals with physical and mental disabilities, and children. This legislation is necessary to ensure adequate dental access for this population.

Legislators are sometimes swayed by calls and letters supporting a certain piece of legislation. It is virtually impossible to mobilize this population to participate in the legislative process. Thus the NDDA and the supporting groups are requesting this legislation for those that are unable to do so themselves.

This increase is necessary to open the doors of more dental offices to the Medicaid population. Regular preventative dental care prevents many dental diseases. By having a regular dentist, when acute problems do occur, they would be able to access care more quickly due to their established relationship with a dentist. This would minimize the pain and resolve the problem.

The effects on children with oral disease who lack access to dental care are devastating. The children experience considerable pain, which can affect their eating habits and growth. They are also more likely to get sick and miss school, and their ability to concentrate in school is affected. Indeed, their path to becoming healthy, successful and productive adults can be significantly altered.

Medical assistance patients seeking dental treatment often visit hospital emergency rooms, and the already high costs of these visits are increasing. Unfortunately, many trips to the hospital will not provide the necessary treatment needed to eliminate the chief complaint of the patient. Access to regular dental care also prevents costly treatment by specialists in the future, which becomes necessary due to the rapid deterioration of dental health.

I have attached to my testimony a **Dental Medicaid in North Dakota Fact Sheet** for your review. I would like to highlight a few of those facts.

Access is declining. This is evidenced by the Department of Human Services budget. The department is projecting under utilization this year of the biennium of approximately $600,000. Its 07-09 budget is just under $1.8 million less than the present biennium budget. The need still exists but access is clearly diminishing. Presently dentists treat Medicaid patients at a net loss when factoring in low reimbursement, recipient liability and no shows. Dentists are willing to participate if the legislature helps reduce the financial risk by funding dental Medicaid as this bill proposes.

This issue is not about dentists. It is about the vulnerable patients who currently cannot access care. The North Dakota Dental Association is trying to improve this situation for these patients by encouraging dentists to continue their very significant participation in volunteer access programs around the state, and partner with you the Legislature to improve reimbursement in a way that will be meaningful enough to enlist a significant number of dentists to reassess their resistance to participate.

The North Dakota dental community's effort have improved access through its donated dental service program, Give Kids A Smile, urgent care clinics, and free ad discounted dental services provided daily in private offices. However, we cannot solve this problem alone. We need dental access to be a joint effort with the state of North Dakota. The NDDA asks your support by recommending a do pass on HB 1246.

Attachment #2

March 5, 2007

Testimony before the Senate Human Services Committee
Senator Judy Lee, Chairperson

HB 1246- Relating to Dental Medicaid Reimbursement

Chairperson Lee and members of the Committee, my name is Dr Kristin Kenner. I am a dentist practicing in Devils Lake, ND and a Past-President of the North Dakota Dental Association. I present this testimony in support of HB 1246.

Tooth decay is the most common chronic disease of childhood. According to a 2001 report by the US Surgeon General, oral health problems are responsible for more missed school days than any other health problem. Children from low-income families are 3-5 times more likely to have dental decay than other children. We also know there is a link between oral health and diabetes, heart disease, stroke, pneumonia, alzheimers and pre-term births. We cannot separate oral health from systemic health. Pictures of children suffering from dental infection are being circulated. You also have a hand-out of a media report of a child who recently died from a brain infection secondary to an abscessed tooth ... a dramatic example of the failure of the Medicaid system in the DC area. Death as a result of tooth problems is not confined to big cities alone. I, as well as many of my colleagues, have had children and adults with severe swelling present in my office for treatment. (Story of Shane and Greg inserted here). We need to improve access to this population so that we can get them the benefits of prevention at an earlier age ... getting Medicaid patients into dental homes saves money.

Access to dental care by Medicaid patients is difficult in our state due to reimbursement

below the cost of providing the services. Limited dentist participation is the result of this policy. (Story of a 55-year-old woman with MS and amount of MA in my office). Fewer than 20% of dentists are unrestricted providers for Medicaid, down from 50% in the last decade. In Devils Lake, I am the only one of five dentists who will accept new Medicaid patients. My new Medicaid patients are nursing home residents and Head Start children. (Front desk story and cerebral palsy story inserted here). Currently, about 25,000 North Dakota children depend upon Medicaid, mandated by the Federal EPSDT program, for their dental care. This is not an "optional" program; states are required to provide dental benefits to low-income children through Medicaid. Only about 1/3 of these children access dental care in North Dakota.

Of the 24,000 adults that are eligible for Medicaid, about 14,000 are disabled or elderly. As access to care shrinks, many of these patients increasingly show up at Emergency Rooms for care. Unfortunately, the problem is not taken care of and the attempt at treatment is much more expensive. This bill is about patients and whether or not our state will partner with dentists to increase access to care. This bill is not about dentists.

We have heard the question asked, "Why should dentists receive a greater increase in reimbursement than other providers?" Any comparison with other providers must first start with a recognition that the delivery systems of dentistry and medicine are different. Dentists have higher overhead than most other providers, and generally work as solo practitioners with no ability to cost-shift. Access to dental care is considered a **crisis** in our state by other professionals ... physicians, Head Start teachers, DD providers, and public health advocates.

Attached to my testimony is Question and Answer Sheet for your review. I will not go through this additional information, but would be pleased to answer any questions.

Thank you very much for your careful consideration of this very important issue.

HB 1246-Dental Medicaid Reimbursement
North Dakota Dental Association
Q&A

What does the bill do?

- **HB 1246 addresses the current economic disincentive preventing dentist's participation in the delivery of Medicaid dental services.** The bill would increase the dental Medicaid appropriation to provide a fixed fee schedule based on a calculation of 85% of the **average** billed charges to Medicaid by North Dakota dentists in 2005. Note the key word is **average.**
- This is anticipated to create a 1.1 million increase in the state's contribution from the current roughly $4 million state general fund portion allocated to dentistry through Medicaid. This proposed change is based on what has been demonstrated to increased dentist participation in Medicaid in other states.

Why do we need this bill?

- Access to care for indigent kids, the elderly, and developmentally delayed patients is hampered due to declining participation by dentists. Surveys nationally and statewide show **that low fee reimbursement below the cost of providing the services** is the primary reason dentists do not participate in Medicaid. **The state spends about $10 per month per Medicaid-eligible for dental care compared to $32 per month that state employees pay through the state's market-based dental insurance plan.**
- **Increasing the ability of Medicaid patients to find dental homes saves money.**
  - Studies have shown that visits to hospital Emergency Rooms in ND have been increasing for Medicaid dental patients in the last few years, as access deteriorates. This increases the overall cost of care for these patients as no definitive dental care can be provided in hospital ER's.
  - Future dental costs for children who receive regular preventive visits early in life are 40% lower than costs for children who receive care after years of neglect (CDHP Brief- February 2005).

How can we be sure that access to dental care will increase and this will not just be something that benefits dentists?

- This bill is about the indigent elderly patients, developmentally-delayed patients, and poor kids that cannot currently get care.....it is not about dentists. Dentists feel a moral obligation to advocate for these patients...**if they don't, who will?**
- Dentists currently donate services in many ways through public health programs and charity care.....access to care has been mission #1 for the North Dakota Dental Association (NDDA) for the last 15 years. Isn't it time the state is a partner in this effort?
- **Although the NDDA cannot guarantee improved access, the budget increase is based on national precedent.** The NDDA will work to educate and inspire North Dakota dentists to increase their participation in the Medicaid program.

Why should dentists receive more of an increase than other providers?

- Access to dental care is considered a **crisis** in our state by other professionals.....physicians, Head Start teachers, DD providers, and public health advocates.
- Dentists have higher overhead than most other providers, generally work as solo practitioners with no ability to cost-shift, and are better engaged in finding solutions to access problems, through our participation in charitable programs and advocacy.

WP: Md. boy dies from toothache

Maryland boy, 12, dies after bacteria from tooth spread to his brain

By Mary Otto
The Washington Post
Updated: 1.20 p.m. MT Feb 28, 2007

WASHINGTON - Twelve-year-old Deamonte Driver died of a toothache Sunday.

A routine, $80 tooth extraction might have saved him.

If his mother had been insured.

If his family had not lost its Medicaid.

If Medicaid dentists weren't so hard to find.

If his mother hadn't been focused on getting a dentist for his brother, who had six rotted teeth.

By the time Deamonte's own aching tooth got any attention, the bacteria from the abscess had spread to his brain, doctors said. After two operations and more than six weeks of hospital care, the Prince George's County boy died.

Deamonte's death and the ultimate cost of his care, which could total more than $250,000, underscore an often-overlooked concern in the debate over universal health coverage: dental care.

Some poor children have no dental coverage at all. Others travel three hours to find a dentist willing to take Medicaid patients and accept the incumbent paperwork. And some, including Deamonte's brother, get in for a tooth cleaning but have trouble securing an oral surgeon to fix deeper problems.

In spite of efforts to change the system, fewer than one in three children in Maryland's Medicaid program received any dental service at all in 2005, the latest year for which figures are available from the federal Centers for Medicare and Medicaid Services.

'They know there is a problem'

The figures were worse elsewhere in the region. In the District, 29.3 percent got treatment, and in Virginia, 24.3 percent were treated, although all three jurisdictions say they have done a better job reaching children in recent years.

"I certainly hope the state agencies responsible for making sure these children have dental care take note so that Deamonte didn't die in vain," said Laurie Norris, a lawyer for the Baltimore-based Public Justice Center who tried to help the Driver family. "They know there is a problem, and they have not devoted acequate resources to solving it."

Maryland officials emphasize that the delivery of basic care has improved greatly since 1997, when the state instituted a managed care program, and in 1998, when legislation that provided more money and set standards for access to dental care for poor children was enacted.

About 900 of the state's 5,500 dentists accept Medicaid patients, said Arthur Fridley, last year's president of the Maryland State Dental Association. Referring patients to specialists can be particularly difficult.

Fewer than 16 percent of Maryland's Medicaid children received restorative services -- such as filling cavities -- in 2005, the most recent year for which figures are available.

For families such as the Drivers, the systemic problems are compounded by personal obstacles: lack of transportation, bouts of homelessness, erratic telephone and mail service.

The Driver children have never received routine dental attention, said their mother, Alyce Driver. The bakery, construction and home health-care jobs she has held have not provided insurance. The children's Medicaid coverage had temporarily lapsed at the time Deamonte was hospitalized. And even with Medicaid's promise of dental care, the problem, she said, was finding it.

When Deamonte got sick, his mother had not realized that his tooth had been bothering him. Instead, she was focusing on his younger brother, 10-year-old DaShawn, who "complains about his teeth all the time," she said.

DaShawn saw a dentist a couple of years ago, but the dentist discontinued the treatments, she said, after the boy squirmed too much in the chair. Then the family went through a crisis and spent some time in an Adelphi homeless shelter. From there, three of Driver's sons went to stay with their grandparents in a two-bedroom mobile home in Clinton.

By September, several of DaShawn's teeth had become abscessed. Driver began making calls about the boy's coverage but grew frustrated. She turned to Norris, who was working with homeless families in Prince George's.

Norris and her staff also ran into barriers: They said they made more than two dozen calls before reaching an official at the Driver family's Medicaid provider and a state supervising nurse who helped them find a dentist.

On Oct. 5, DaShawn saw Arthur Fridley, who cleaned the boy's teeth, took an X-ray and referred him to an oral surgeon. But the surgeon could not see him until Nov. 21, and that would be only for a consultation. Driver said she learned that DaShawn would need six teeth extracted and made an appointment for the earliest date available: Jan. 16.

But she had to cancel after learning Jan. 8 that the children had lost their Medicaid coverage a month earlier. She suspects that the paperwork to confirm their eligibility was mailed to the shelter in Adelphi, where they no longer live.

It was on Jan. 11 that Deamonte came home from school complaining of a headache. At Southern Maryland Hospital Center, his mother said, he got medicine for a headache, sinusitis and a dental abscess. But the next day, he was much sicker.

Eventually, he was rushed to Children's Hospital, where he underwent emergency brain surgery. He began to have seizures and had a second operation. The problem tooth was extracted.

Deamonte appeared to be mending slowly

After more than two weeks of care at Children's Hospital, the Clinton seventh-grader began undergoing six weeks of additional medical treatment as well as physical and occupational therapy at another hospital. He seemed to be mending slowly, doing math problems and enjoying visits with his brothers and teachers from his school, the Foundation School in Largo.

On Saturday, their last day together, Deamonte refused to eat but otherwise appeared happy, his mother said. They played cards and watched a show on television, lying together in his hospital bed. But after she left him that evening, he called her.

Make sure you pray before you go to sleep," he told her.

The next morning at about 6, she got another call, this time from the boy's grandmother. Deamonte was unresponsive. She rushed back to the hospital.

"When I got there, my baby was gone," recounted the mother.

She said doctors are still not sure what happened to her son. His death certificate listed two conditions associated with brain infections: "meningoencephalitis" and "subdural empyema."

In spite of such modern innovations as the fluoridation of drinking water, tooth decay is still the single most common childhood disease nationwide, five times as common as asthma, experts say. Poor children are more than twice as likely to have cavities as their more affluent peers, research shows, but far less likely to get treatment.

Serious and costly medical consequences are "not uncommon," said Norman Tinanoff, chief of pediatric dentistry at the University of Maryland Dental School in Baltimore. For instance, Deamonte's bill for two weeks at Children's alone was expected to be between $200,000 and $250,000.

The federal government requires states to provide oral health services to children through Medicaid programs, but the shortage of dentists who will treat indigent patients remains a major barrier to care, according to the National Conference of State Legislatures.

Access is worst in rural areas, where some families travel hours for dental care, Tinanoff said. In the Maryland General Assembly this year, lawmakers are considering a bill that would set aside $2 million a year for the next three years to expand public clinics where dental care remains a rarity for the poor.

Providing such access, Tinanoff and others said, eventually pays for itself, sparing children the pain and expense of a medical crisis.

Reimbursement rates for dentists remain low nationally, although Maryland, Virginia and the District have increased their rates in recent years.

Dentists also cite administrative frustrations dealing with the Medicaid bureaucracy and the difficulties of serving poor, often transient patients, a study by the state legislatures conference found.

"Whatever we've got is broke," Fridley said. "It has nothing to do with access to care for these children."

URL: http://www.msnbc.msn.com/id/17372104/

Attachment #3

TESTIMONY IN SUPPORT OF HB 1246

Good morning Chairman Lee and members of the Senate Human Services Committee. For the record, I am Rae Ann Kelsch, a State Representative from District 34, Mandan. I will not be able to attend the hearing today due to a scheduling conflict. I do appreciate your allowing me to submit my written testimony in support of HB 1246.

I support HB 1246 for the following reasons:

- Oral health is essential to overall health, especially for children, developmentally-delayed patients, elderly, and medically-compromised individuals.
- In the last two bienniums, dental Medicaid expenditures were higher than budgeted. In the current 2005-2007 biennium, expenditures are below budget due to deteriorating utilization and worsening access.
- Eighteen North Dakota organizations have signed the North Dakota Dental Access Resolution urging the ND Legislature to improve access to care for Medicaid eligibles.
- As access to care deteriorates, Medicaid patients increasingly show up at Emergency Rooms for dental problems where no definitive treatment can be provided. The number of ER visits by Medicaid patients for dental problems in ND increased by 27% and the amount paid for these visits increased by 40% through July 2004 as compared to 2003 (ND Department of Human Services).
- Low Medicaid fee reimbursement is the number one reason that dentists limit their participation in Medicaid. Poor patient compliance, failed appointments, and limitations in allowed treatment are other reasons that dentists limit participation.
- Other states have increased fees significantly and subsequently saw significant increases in dentist participation.
- The 12 million dollar ND dental Medicaid appropriation for this biennium is only 1% of the entire Medicaid budget (ND Dept of Human Services).
- Increasing fees in ND Medicaid to about 85% of billed average fees would increase the budget for the next biennium by about 3.2 million dollars. The state general fund 36.02% share would be about an additional 1.15 million dollars for the biennium.
- Adequate dentist reimbursement, along with efficient claims submission and payment, will improve access to care for North Dakota's most vulnerable citizens, reduce costly and inappropriate Emergency Room treatment, and prevent more expensive specialty care for this population. Care for the most vulnerable population must

be a shared responsibility between dentists and the state of North Dakota.

Please give HB 1246 a do pass recommendation, supporting our most vulnerable citizens

Thank you.

Attachment # 4

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 2, after "dental" insert "and optometry"

Page 1, line 7, after "Dental" insert "and optometry"

Page 1, line 8, after "dental insert "and optometry"

Page 1, line 9, after "dentists" insert "and optometrists"

Page 1, line 10, after "dental" insert "and optometry"

Page 1, line 11, after "dental"insert "and optometry

Renumber accordingly

#5

Testimony
House Bill 1246 – Department of Human Services
Senate Human Services Committee
Senator Judy Lee, Chairman
March 5, 2007

Chairman Lee, members of the Senate Human Services Committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding this bill.

Dental services are one of the optional services that are available through the North Dakota Medicaid program. Medicaid payments for dental services are based on a fee for service rate schedule, and are increased when the Legislature provides funds for that purpose.

Senate Bill 1246 would create a new fee schedule using the billed charges (fees) submitted by Dentists on Medicaid dental claims for 2005. The fees are averaged, and then a fee schedule would be set at **85 percent of this average**. This would be done on a fee-by-fee basis.

For example:

Dental Code	Description	Medicaid Fee Schedule	85% of Average Billed Charges	Increase
D0120	Periodic Oral Evaluation	$16.28	$21.79	$5.51

At the request of the North Dakota Dental Association, the Department prepared information regarding the cost to move to the 85 percent of the average of billed charges. The information, which was used for the appropriation section of this bill, does not consider the following:

1. The impact of the additional one percent inflationary increase added by the Senate to Medicaid grant expenditures.

2. The appropriation clause does not account for any increased utilization, which would be expected to result from the implementation of this bill. The Department is unable to estimate this potential utilization increase; however, the Department is offering two amendments to account for either a ten percent or twenty-five percent increase in utilization. The appropriation in each of these options contains the funding for the four percent inflationary increases.

If House Bill 1246 passes, the Department needs the appropriation to support the increase in fees and the expected increase in utilization. Attachments A, B and C provide the estimated expenditures to fund these potential increases.

The Department acknowledges there is an access issue for Medicaid clients, and if this bill becomes law, we hope this access issue will significantly improve. To that end, if House Bill 1246 passes, the Department will communicate with all Dentists regarding the changes made by the bill. The Department's communication would also request information from each currently enrolled Dentist regarding their willingness to accept Medicaid clients into their practice. In addition, we will send each Dentist currently not enrolled a Medicaid provider enrollment packet. The fee schedule will be in place July 1, 2007 and the new fees would be available for Dentists immediately for all dates of service July 1, 2007 and after. Furthermore, the Department will prepare

utilization reports that will track utilization on a quarterly basis, so we are prepared to answer expected questions about how House Bill 1246 is impacting dental access for Medicaid recipients.

The Executive Budget for 2007-2009 for dental services is $12 million, of which $4.3 million are general funds. The additional funds in this appropriation section of this bill are **not** in the Executive Budget.

I would be happy to answer any questions that you may have.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Comment [m1]: With appropriation for Senate Amendment that added 4 percent increase each year.

Page 1, line 13, replace "1,150,106" with "1,161,712"

Page 1, line 15, replace "2,042,955" with "2,063,475 "

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Comment [m1]: With appropriations for 10% increased utilization.

Comment [m2]:

Page 1, line 13, replace "1,150,106" with "1,277,884"

Page 1, line 15, replace "2,042,955" with "2,269,822 "

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Comment [m1]: With appropriation for 25% increased utilization.

Comment [m2]:

Comment [m3]:

Page 1, line 13, replace "1,150,106" with "1,452,141"

Page 1, line 15, replace "2,042,955" with "2,579,344 "

Renumber accordingly

Billed to Paid Percentage by Provider Type

Paid Dates CY2006

Home Health Agency/Hospice

* Reimbursement was historically established by using each Home Health Agency's Medicare base reimbursement per visit rate. Future increases in rate reimbursement were then be based upon fee increases appropriated by the North Dakota legislature. These providers usually bill the Medicare rate, so the paid to billed % will appear higher than other categories. Hospice rates are calculated based on annual hospice rates established under Medicare adjusted for the hospice wage index. These providers also bill the Medicare rate.

Hearing Aid Dealer

* The bulk of the charges are for Hearing Aid Dispensing Fees. Hearing Aid Dealers typically bill the actual dispensing fee Medicaid reimburses. Other charges include repairs, which Medicaid usually covers 100% of up to a certain dollar amount authorized.

Medical Equipment Supplier

* There are a large number of Durable Medical Services that require prior-authorization through Medicaid before they are covered. The Medical Equipment Suppliers generally bill the amount that is prior authorized, so the paid to billed % will appear higher than other categories.

Limitations of Billed to Charge Analysis

There are several flaws when using Billed to Paid Percentages figures in evaluating different Provider Type reimbursements. Billing practices and methods vary greatly between provider types. The Billed to Paid differential between provider types can vary due to a number of factors. Some payments and billing practices are determined externally rather than by Medicaid. For example, Home Health rates were historically established using a Medicare base reimbursement per visit rate plus an inflationary increase determined by the Legislature. Because these provider types typically bill the Medicare rate, they will have a higher Billed to Paid percentage, as the amount they are being reimbursed is similar to the Medicare rate they are billing.

Administrative practices vary between provider types with respect to whether the full usual and customary price is charged, or a negotiated payment rate is charged on bills. Provider groups such as Medical Equipment Suppliers provide a good portion of services that require prior-authorization through Medicaid before they are covered. They will then generally bill the amount that is prior authorized, so the paid to billed % will appear higher than other provider type categories. Since providers typically conform to requirements of different payors, billing practices may also vary across patients within a certain Provider Type. Depending on different payor requirements and various provider type billing practices, the billed amount appearing on bills may represent, for example, the usual and customary, or the discount from usual and customary.

Particular provider types use different billing methodologies than other provider types. An example would be where one provider type sets their charges above anticipated costs for certain services to offset payments on other services that may fall below the actual costs. With another provider type, there may not be an explicit benefit to be gained from charging Medicaid more than the prospectively set Medicaid reimbursement rate. Charges billed may also be higher on average for provider types that have the capability to allocate greater overhead costs. Provider types that are generally located in metropolitan areas may have higher charges on average than provider types generally located in rural areas.

It is also possible that you would see similar Billed to Paid percentages in the private payor sector within certain provider types for certain services as compared to Medicaid Billed to Paid percentages. Private payors are likely to negotiate contractual allowances (discounts from customary charges, some rather large) with providers, and therefore the amount billed to the amount paid percentage would be lower utilizing this methodology.

Because there is no industry standard across provider types regarding billing practices for charged amounts, comparing the amount paid to billed charges is not a preferred method for evaluating Provider Type reimbursements. A more suitable method for evaluating Provider Type reimbursements would be by evaluating each provider type group's reimbursement to their actual costs.

Billed to Paid Percentage by Provider Type

Paid Dates CY2006

Provider Type	Amount Billed	Amount Paid	% of Paid to Billed Amount
General Hospital - Outpatient	$40,244,206.17	$19,744,934.79	49.06%
General Hospital - Inpatient	$92,301,893.56	$40,611,314.33	44.00%
Mental Hospital - Outpatient	$2,309,000.72	$840,313.13	36.39%
Mental Hospital - Inpatient	$8,764,960.21	$3,996,625.02	45.60%
Rehab Hospital - Outpatient	$506,563.35	$255,469.68	50.43%
Rehab Hospital - Inpatient	$499,450.75	$267,144.50	53.49%
Physician	$1,157,328.74	$520,834.88	45.00%
Chiropractor	$429,135.47	$172,518.14	40.20%
LICSW	$76,142.00	$40,554.72	53.26%
Psychologist	$283,023.30	$180,939.46	63.93%
Podiatrist	$18,509.00	$10,349.02	55.91%
Optometrist	$830,062.50	$594,848.90	71.66%
Audiologist	$92,722.37	$66,772.07	72.01%
Dentist	$8,664,772.70	$5,434,647.16	62.72%
Independent Clinic	$63,364,470.25	$24,885,471.11	39.27%
Home Health Agency/Hospice *	$2,910,213.58	$2,318,481.98	79.67%
Hearing Aid Dealer *	$106,318.46	$100,686.94	94.70%
Medical Equipment Supplier *	$2,660,541.06	$1,828,673.36	68.73%
Nurse Practitioner	$15,278.13	$6,820.09	44.64%
Independent Laboratory	$1,042,060.71	$376,827.26	36.16%
Independent x-ray Service	$929,012.69	$317,090.73	34.13%
Ambulance	$3,281,093.00	$1,037,891.67	31.63%

Used paid dates from CY2006
Excluded claims with Other Insurance and/or Recipient Liability
Excluded Medicare crossover claims

See Page 1 for limitations and explanations of Billed to Charge methodology

** Specific provider type explanation provided on Page 1*

#7

4% Inflation

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 3, after the semicolon insert "to provide an effective date;"

Page 1, line 13, replace "1,150,106" with "871,507"

Page 1, line 15, replace "2,042,955" with "1,548,002 "

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

#8

10% Utilization Increase and 4% Inflation

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 3, after the semicolon insert "to provide an effective date;"

Page 1, line 13, replace "1,150,106" with "958,658"

Page 1, line 15, replace "2,042,955" with "1,702,802 "

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

#9

25% Utilization Increase and 4% Inflation

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 3, after the semicolon insert "to provide an effective date;"

Page 1, line 13, replace "1,150,106" with "1,089,384"

Page 1, line 15, replace "2,042,955" with "1,935,003 "

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

Attachment # 10

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1246

Page 1, line 3, after the semicolon insert "to provide an effective date;"

Page 1, line 8, after the first "services" insert "for medicaid recipients from birth through twenty years of age" and after the second "services" insert "and for medicaid recipients twenty-one and older at the rate of seventy-five percent of billed services,"

Page 1, line 11, after the period insert "By October 1, 2008, the department of human services shall report to the legislative council regarding the impact of this Act on medicaid recipients' access to dental services,"

Page 1, line 13, replace "1,150,106" with "660,678"

Page 1, line 15, replace "2,042,955" with "1,173,519"

Page 1, after line 17, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act becomes effective on January 1, 2008."

Renumber accordingly

March 19, 2007

Testimony before the Senate Appropriations Committee
Senator Ray Holmberg, Chairman

HB 1246- Relating to Dental Medicaid Reimbursement

Chairman Holmberg and members of the Committee, my name is Dr Terry Deeter. I am a dentist practicing in Bismarck and President of the North Dakota Dental Association. I present this testimony in support of HB 1246.

Tooth decay is the most common chronic disease of childhood. According to a 2001 report by the US Surgeon General, oral health problems are responsible for more missed school days than any other health problem. Children from low-income families are 3-5 times more likely to have dental decay than other children. We also know there is a link between oral health and diabetes, heart disease, stroke, pneumonia, alzheimers and pre-term births. We cannot separate oral health from systemic health. Pictures of children suffering from dental infection are being circulated. You also have a hand-out of a media report of a child who recently died from a brain infection secondary to an abscessed tooth ... a dramatic example of the failure of the Medicaid system in the DC area. Death as a result of tooth problems is not confined to big cities alone. I, as well as many of my colleagues, have had children and adults with severe swelling present in my office for treatment. We need to improve access to this population so that we can get them the benefits of prevention at an earlier age ... getting Medicaid patients into dental homes saves money.

Access to dental care by Medicaid patients is difficult in our state due to reimbursement

below the cost of providing the services. Limited dentist participation is the result of this policy. Fewer than 20% of dentists are unrestricted providers for Medicaid, down from 50% in the last decade. Currently, about 25,000 North Dakota children depend upon Medicaid, mandated by the Federal EPSDT program, for their dental care. This is not an "optional" program; states are required to provide dental benefits to low-income children through Medicaid. Only about 1/3 of these children access dental care in North Dakota.

Of the 24,000 adults that are eligible for Medicaid, about 14,000 are disabled or elderly. As access to care shrinks, many of these patients increasingly show up at Emergency Rooms for care. Unfortunately, the problem is not taken care of and the attempt at treatment is much more expensive. This bill is about patients and whether or not our state will partner with dentists to increase access to care. This bill is not about dentists.

The original bill requested dental medical assistance reimbursement be increased to an average of 85% of 2005 averaged billed charges. This level of reimbursement has proven effective in other states. Studies by the American Academy of Pediatric Dentists and the American Dental Association show that states using this market approach and establishing reimbursement at similar levels have seen dramatic increase in provider participation. The amendment adopted by the Senate reduces the adult reimbursement to 75% and keeps the children at 85%.

Legislators are sometimes swayed by calls and letters supporting a certain piece of legislation. It is virtually impossible to mobilize this population to participate in the

legislative process. Thus the NDDA is requesting this legislation for those that are unable to do so themselves.

This increase is necessary to open the doors of more dental offices to the Medicaid population. Regular preventative dental care prevents many dental diseases. By having a regular dentist, when acute problems do occur, they would be able to access care more quickly due to their established relationship with a dentist. This would minimize the pain and resolve the problem.

The effects on children with oral disease who lack access to dental care are devastating. The children experience considerable pain, which can affect their eating habits and growth. They are also more likely to get sick and miss school, and their ability to concentrate in school is affected. Indeed, their path to becoming healthy, successful and productive adults can be significantly altered.

We have heard the question asked, "Why should dentists receive a greater increase in reimbursement than other providers?" Any comparison with other providers must first start with a recognition that the delivery systems of dentistry and medicine are different. Dentists have higher overhead than most other providers, and generally work as solo practitioners with no ability to cost-shift. Access to dental care is considered a **crisis** in our state by other professionals ... physicians, Head Start teachers, DD providers, and public health advocates.

Access is declining. This is evidenced by the Department of Human Services budget. The department is projecting under utilization this year of the biennium of approximately $600,000.00. Its 07-09 budget is just under $1.8 million less than the present biennium's budget. The need still exists but access is clearly diminishing. Presently dentists treat Medicaid patients at a net loss when factoring in low reimbursement, recipient liability and no shows. Dentists are willing to participate if the legislature helps reduce the financial risk by funding dental Medicaid as this bill proposes.

Attached to my testimony is a Question and Answer Sheet and a North Dakota Dental Medicaid Fact Sheet for your review. This issue is not about dentists. It is about the vulnerable patients who currently cannot access care. The North Dakota Dental Association is trying to improve this situation for these patients by encouraging dentists to continue their very significant participation in volunteer access programs around the state, and partner with you the Legislature to improve reimbursement in a way that will be meaningful enough to enlist a significant number of dentists to reassess their resistance to participate. We cannot solve this problem alone. We need dental access to be a joint effort with the state of North Dakota. The NDDA asks for your support by recommending a do pass on HB 1246. I would be pleased to answer any questions.

HB 1246-Dental Medicaid Reimbursement

North Dakota Dental Association

Why do we need this bill?

Access to care for indigent kids, the elderly, and developmentally-delayed patients is limited due to declining participation by dentists. Surveys nationally and statewide show **that low fee reimbursement below the cost of providing the services** is the primary reason dentists do not participate in Medicaid. **Increasing the ability of Medicaid patients to find dental homes saves money.** Studies have shown that as access deteriorates visits to hospital Emergency Rooms in ND have been increasing for Medicaid dental patients. This increases the overall cost of care for these patients as no definitive care can be provided in hospital ER's. Future dental costs for children who receive regular preventive visits early in life are 40% lower than costs for children who receive care after years of neglect (CDHP Brief- February 2005).

What does the bill do?

HB 1246 increases dental reimbursement through the Medicaid program to a budget based on a calculation of 85% of the **average** billed charges to Medicaid by North Dakota dentists in 2005. Note the key word is **average.** Dentists will not get 85% of what is billed and the fee schedule will be fixed. This amounts to about a $1.1 million increase in state money from the approximately $4 million state general fund portion allocated to dentistry through Medicaid. This increase is based on what has increased dentist participation in Medicaid in other states.

How can we be sure that access to dental care will increase and patients will benefit?

This bill is about the indigent elderly patients, developmentally-delayed patients, and poor kids that cannot currently get care.....it is not about dentists. Dentists feel a moral obligation to advocate for these patients...**if they don't, who will?** Dentists currently generously donate services in many ways through public health programs and charity care.....access to care has been mission #1 for the North Dakota Dental Association (NDDA) for the last 15 years. **Although the NDDA cannot guarantee improved access, the budget increase is based upon national precedent showing improved opportunities for care when legislation of this sort is enacted.** The NDDA will work diligently to educate and inspire North Dakota dentists to increase their participation in the Medicaid program.

Why should dentists receive a larger increase than other providers?

Access to dental care is considered a crisis in our state by many professionals other than dentists, including physicians, Head Start teachers, DD providers and public health advocates. Dentists have higher overhead than most other providers, generally work as solo practitioners with no ability to cost-shift, and are better engaged in finding solutions to access problems, through our participation in charitable programs and advocacy.

Please vote "YES" on HB 1246!

Testimony In Support Of HB 1246

Good morning, Senator Holmberg and members of the Senate Appropriations Committee. My name is JoAnn Brager and I am the director of West River Head Start which provides services to 168 children and families in Mercer, Oliver, Morton & Grant Counties. My program is a member of the North Dakota Head Start Association which represents approximately 2,932 children and their families throughout the state.

The children enrolled in Head Start are prenatal to four years old and their family meets the 100% Federal Poverty Guidelines. (A family of four may have a gross annual income of no more than $20,650.) If "Mom" and "Dad" have a 3-year-old and a 4-year-old and both parents work for $5.15/hour for 40 hours per week for 52 weeks per year, their gross income is $21,424. They are over-income for Head Start. All 14 North Dakota Head Start programs are full and have waiting lists. We work closely with families to break the cycle of poverty; child and adult education, health (dental, physical and mental), social services, etc.

Helping 100% of the families find a dental home is just one of the many regulations we have. According to the latest Program Information Report for North Dakota,

- ✓ 97.64% of all Head Start children received dental exams within the first 90 days of enrollment;
- ✓ 24.11% needed dental treatment;

This bill would potentially improve access for oral health of many of the children enrolled in North Dakota's Head Start programs.

Thank you, I would be happy to answer any questions that you may have.