

Case Study: Georgia Dental Association Works to Protect Dental Programs for Low-Income Children with Dental Carve-out

Situation Overview

In 2007, Georgia's Medicaid and PeachCare dental programs for low-income children were on the verge of breaking down. Reimbursements to dentists through Medicaid had been historically below market rates and often below costs. While PeachCare, Georgia's SCHIP program, provided additional funding for dental care for low-income children beginning in 1997, dental reimbursements under PeachCare were identical to Medicaid. Dentists willingly provided care to needy children at these rates because they believed it was the right thing to do, but low reimbursements coupled with increased administrative burdens were driving providers from the programs, limiting access to dental care for the state's neediest children. This situation led the Georgia Dental Association (GDA) to mobilize an effort to shore-up programs with a dental funding carve-out plus additional streamlining options.

In order to bring stability to the Medicaid and PeachCare dental programs, increase provider participation, and thereby increase availability of dental care, the Georgia Dental Association sought to have Georgia lawmakers legislate a dental funding carve-out. A solution that had been implemented successfully in 16 other states, a dental funding carve-out would separate funds for dental care from the larger Medicaid and PeachCare funding pools, making dental costs more predictable for the state and reimbursements more predictable for providers. In addition, the GDA sought to reduce administrative overhead by having a single administrator for the Medicaid and PeachCare dental programs.

Background

Much of the breakdown of Georgia's dental programs came as a result of the state's decision in 2005 to move management of the programs to private contractors. The Georgia Department of Community Health hired three care management organizations (CMOs) to administer Medicaid and PeachCare dental programs and made them responsible for establishing provider networks, developing contract rules and setting reimbursement rates for providers in their networks. Subsequently, the CMOs subcontracted portions of this work to two additional subcontractors, making a total of five for-profit entities involved in managing dental care for Georgia's low-income children.

The resulting administrative red tape was a bane for dentists in the program. Providers became confused and frustrated by frequent and seemingly arbitrary changes to their contracts. In the first six months of 2007 alone, CMOs implemented more than 14 changes. Adding to providers' confusion and workload, different CMOs required different paperwork and paid different reimbursements for identical procedures.

In addition, the for-profit CMOs were challenged to maintain profit levels when costs exceeded their contracts. Barred from looking to the state for additional money, the companies undertook extreme measures, summarily terminating more than 120 dentists, closing their networks to new providers and further slashing reimbursements. Within two years the number of Georgia dentists participating in Medicaid and PeachCare plummeted, from 1,800 to just 600, and thousands of low-income children were left without access to dental care.

Challenge

With the state's dental system teetering on the brink of collapse, the Georgia Dental Association moved swiftly in the summer and fall of 2007 to develop a campaign to secure support for a dental carve-out.

The GDA faced several challenges. Because a dental funding carve-out required legislation, there was a need not only to educate legislators about the benefits of a carve-out but also build sufficient support to ensure passage. A bigger challenge was that even if a funding carve-out bill passed the legislature, the Governor was on record as being strongly opposed to such a measure, fearing that it would create a precedent for other categories of Medicaid and PeachCare providers (i.e. pharmacists, optometrists, etc.) who might seek a carve-out for their services.

Strategy

Elements of the campaign's strategy to target key audiences included:

- Legislators: Build support for dental programs and a carve-out financing solution with legislators through educational materials, personal contact, peer and professional advocates (and public opinion, as deemed feasible).
- Key influencers/politicians: Build support with the Governor, Lt. Governor, Commissioner of the Department of Community Health, the agency that administers Medicaid and PeachCare in Georgia. Enlist aid of key legislators who are also dentists.
- Dentists: Educate dentists in general and providers in particular about program and carve-out issues to garner their support.
- Media: Target key media across the state to provide knowledge and build awareness of the issues and support for solutions prior to the Georgia General Assembly session in January, 2008.
- Other support groups: Explore potential support from other respected advocate groups for low-income families and children.

Tactics & Implementation

- Research: Using a variety of sources including federal and state health data, American Dental Association reports, surveys of providers in Georgia and focus groups, the GDA compiled a credible information base that clearly showed the benefits of a dental funding carve-out. This information was used to develop key messages for fact sheets and briefing documents for lawmakers, talking points for media interviews and editorials for local papers. (See Tab 5, *Background Materials*)
- Development of key messages: The challenge was to make the messages/arguments in favor of a dental funding carve-out both practical and compelling. Messages focused on cost savings and the need for low-income children to have access to dental care.
- Collateral: Talking points, fact sheets, backgrounders, Q&A and op-eds were prepared focusing on the key messages - need for dental care among low-income children and the benefits of a carve-out. With consistent messaging in all collateral, documents were customized to address the needs and concerns of different audiences.
- Legislative outreach - Legislative receptions: Each fall, prior to the start of the legislative session, the GDA hosts legislative receptions in communities across the state that are attended by dozens of lawmakers. In 2007, the GDA hosted 10 receptions and used the events as an opportunity to educate legislators about a carve-out and build support. Legislators were provided with a one-page fact sheet outlining the need for dental care for low-income children and how a carve-out would help achieve that goal. Local dentists attended each reception and were available to answer questions and reinforce the need for greater efficiency in the state's dental programs. (See Tab 2, *Legislative Materials*)
- Fundraisers and other networking opportunities: In addition to legislative receptions, GDA staff members attended fundraisers for key lawmakers and events hosted by health advocacy organizations including the Georgia Partnership for Caring and the Georgia Dental Society (comprised of African-American dentists). Members discussed GDA's commitment to Medicaid and PeachCare and the related carve-out issue with lawmakers, and provided information on GDA's legislative receptions and programs.
- Legislative Awareness ("LAW") Days at the state Capitol: Each Wednesday during the Georgia legislative session (late January through early April), GDA staff host legislative programs at the Capitol, inviting dentists to interact with legislators and discuss dental issues. Approximately 10 to 45 dentists attend each LAW Day. On opening day of the legislative session each year, the GDA also distributes dental kits with electronic toothbrushes to every lawmaker to raise awareness of dental programs and funding required.

- Media relations
 - Editorial board meetings with key local papers were scheduled to coincide with legislative receptions in communities across the state. GDA staff met with five editorial boards, all of which were receptive to learning about the problems with the Medicaid and PeachCare dental programs and how a carve-out provided a cost-effective solution.
 - A talking points document kept the discussion focused during the meetings and was used as a 'leave behind.'
 - Op-ed pieces were developed to make the case for dental care for low-income children and the carve-out solution to keep the programs from collapsing.

- Support from key allies: Two respected lawmakers who are also dentists functioned as key advocates of the carve-out to enlist support among fellow legislators, sign op-eds as needed and reach out to the governor, his staff and other key policymakers.

- Special Events: *Give Kids A Smile Day*
 - Atlanta: To spotlight the issue of dental care for underprivileged children, the GDA sponsored a special event on February 1, 2008 for *Give Kids A Smile Day* to kick off National Children's Dental Health Month. The event was held at Cleveland Avenue Elementary School in Atlanta which has a large low-income student population, the very children that would benefit from a dental funding carve-out.
 - GDA, in partnership with the Colgate-Palmolive Company, Fulton County Department of Health and Wellness, and Georgia Perimeter College, provided approximately 25 volunteer dentists and hygienists to provide free dental screenings to nearly 200 children. An entertainment program for the student body included skits on good dental care and a customized version of the popular TV game show, "Are You Smarter Than A Fifth Grader?"
 - Key politicians and community leaders were invited to attend the program.
 - The event was videotaped and photos of students being examined by GDA dentists and a news brief on the event were distributed to local media.

 - Vidalia, Ga.: A second spotlight event was held in Toombs County at the county's health center with free dental treatment – including sealants, fillings and extractions – provided to approximately 100 children. Thirty-six dentists, hygienists and assistants, as well as volunteers and students from the Medical College of Georgia School of Dentistry, provided screenings and treatment.

Results

The Georgia Dental Association undertook a comprehensive effort to influence legislation to implement a funding carve-out with a single administrator for the Medicaid and PeachCare dental programs in Georgia. With strong research as a foundation, GDA's advocacy, relationship-building with legislators and media outreach raised

awareness of the issue and moved the state closer to having more effective, streamlined dental programs.

- Dentists: Support for a carve-out was fostered among hundreds of dentists across Georgia who served as advocates for the plan in their communities and with legislators.
- Legislators: Lawmakers were educated about a dental carve-out and how it would benefit both the state and children served by the Medicaid and PeachCare dental programs.
- Progress with the governor of Georgia:
 - The governor, who had been on record as strongly opposed to a carve-out, moderated his position as a result of ongoing efforts by the GDA, support from the Department of Community Health, and the advocacy of two lawmakers who were also dentists. GDA also cultivated relationships with key gubernatorial staff that provided insights to working with the governor on this issue – now and in the future.
 - In a meeting with the GDA and key legislators in February 2008, the governor proposed having a single administrator - down from five entities - for the Medicaid and PeachCare dental programs. While not the same as a carve-out, moving to a single dental program administrator will be a significant step in reducing program overhead and increasing administrative efficiency. Significantly, the change can be made administratively within the Department of Community Health and does not require legislative action.
 - Next steps:
 - The governor indicated he would contact the commissioner of the Department of Community Health to pursue moving to a single administrator model for the Medicaid and PeachCare dental programs.
 - The GDA, which has pledged its support for the governor's plan, is working with state legislators and representatives from the Department of Community Health and the office of the Governor in implementing the change, and is hopeful that the new model can be instituted by the beginning of the state's next fiscal year on October 1, 2008.
- State Legislation
 - Reimbursement Increase: In March 2008 at the close of the legislative session, the GDA was able to successfully lobby the legislature for dentists to be included in the list of providers who would receive a **2.5% increase in the reimbursement rates for dental services provided under the Medicaid and PeachCare for Kids programs**. The GDA made sure that the legislation included a provision that the additional funds would be directed to increasing reimbursement rates and not increasing funds paid to the CMOs. In addition, the budget also includes \$100,000 for the state fluoride monitoring and surveillance programs.
 - Pending: CMO reform
 - Toward the end of the 2008 session, both houses of the Georgia legislature, the offices of the Governor and Lt. Governor, the Department of Community Health, the GDA, the Medical Association of Georgia, and the hospital association all

worked on **House Bill 1234, the Medicaid Care Management Organization Act**. This important legislation provides significant reforms to the Medicaid and PeachCare programs, including provisions that address verification of patient eligibility; prohibit recoupment when providers follow established eligibility verification guidelines; require the CMOs to maintain a Web site for claims payment which also contains information regarding the dental provider network; and allow dentists to challenge closed provider panels in shortage areas. This bill was passed by the House and Senate and is pending the Governor's approval.

- Media Results:
 - Nine editorial boards in key cities—comprised of editors and reporters from newspapers across the state—were contacted and were open to face-to-face meetings with members of the GDA executive staff. Editorial board members asked a number of questions and expressed interest in the Medicaid issue. All of the boards expressed interest in receiving op-eds from the GDA on the Medicaid and carve-out issue.
 - Op-eds: GDA developed several op-eds for key papers that agreed to run them, including the *Atlanta Journal Constitution*, the state's largest daily. Because of positive results with the governor supporting a single administrator, it was strategically decided that general support was no longer needed and there was no reason to potentially antagonize the governor with strong advocacy of a dental carve-out in the media.

- Media coverage of *Give Kids A Smile Day* includes:
 - **WABE 90.1 FM** (NPR affiliate) – Feb. 1, GDA President Dr. Donna Thomas Moses discussed the importance of *Give Kids A Smile Day* and access to proper dental care for children. Her radio interview was broadcast on this local public radio (NPR) affiliate, which covers metro Atlanta and beyond.
 - **Atlanta Voice** – Feb. 14, Photo and news brief appeared about GDA President Dr. Donna Thomas Moses examining a student at Cleveland Avenue Elementary on *Give Kids A Smile Day*. This is a weekly African-American newspaper.
 - **South Fulton Neighbor** – Feb. 27, Photo and news brief ran of GDA President Dr. Donna Thomas Moses examining a student at Cleveland Avenue Elementary on *Give Kids A Smile Day*. This local, weekly paper covers south Atlanta.
(See Tab 4, Special Event: *Give Kids A Smile Day*)

Takeaways

- It is important to cultivate key allies and build “coalitions” and support for legislative initiatives well in advance of a legislative session. It is equally important to identify opposition. It should be noted that an enormous amount of time and energy was required by the GDA staff for this overall effort involving numerous statewide meetings and functions.

- The need for and benefits of low-income children having access to dental care were considered the key messages for gaining support for a carve-out among legislators, dentists and the public.
- Because the dental issue was presented as very relevant to local communities, editorial boards were interested in and supportive of a carve-out both as a means of increasing access to dental care for low-income children and saving the state money.
- Having op-eds signed by a dentist in the community helps localize the issue for the paper and its readers.
- It may be necessary to compromise or accept a partial solution as an intermediate step toward the larger goal. In this case, implementing a single administrator will be a huge step toward streamlining dental programs and attracting providers. The need for a dental carve-out will be further evaluated down the road following implementation of a single administrator.

April, 2008



MEDICAID AND PEACHCARE DENTAL SERVICES CARVE-OUT

Position: The Georgia Dental Association supports a carve-out for dental services for children enrolled in Medicaid and PeachCare for Kids in Georgia. A carve-out would separate money for dental care from the general funding for Medicaid and PeachCare and place it in a single funding line item.

Situation: Dental benefits for children in Medicaid and PeachCare are currently administered as part of the overall medical benefits of these programs, through multiple Care Management Organizations (CMOs). Recently, these CMOs have made numerous and arbitrary contract changes that have created chaos for dentists across Georgia. As many dentists have had their contracts terminated or others have been forced out of the program due to program instability, thousands of the state's neediest children are in danger of being displaced from their dental homes and losing access to critical dental care.

Need: There is a critical need for preventive dental care for at-risk children. Dental disease is serious, progressive and painful. Children without access to dental care are forced to seek treatment for dental disease in the ER or other settings – which only treats the symptoms, not the underlying disease. This costs more money and does not solve the problem. It has been estimated that a trip to the ER to treat dental pain and infection costs about \$400 and does not solve the underlying problem. Conversely, the average cost of having a dentist treat that same condition before it needs emergency care is estimated at \$52.

Georgia dentists understand that state funds are finite and fiscal responsibility is imperative. However, Georgia's dental program is in dire straits and needs to be restructured for the long term, before it breaks down further, to ensure that Georgia's most vulnerable children continue to be treated.

The best solution is to administer dentistry separately – “carve it out” – from the larger Medicaid and PeachCare programs, which will improve access to care and save money.

- A carve-out would establish a single program administrator (either the state or a contracted third party) for both the Medicaid and PeachCare dental programs.
- The dental program administrator would be responsible for selecting dentists, setting incentives and remedies, and controlling program parameters.
- A single dental program administrator would allow for more efficient program oversight and accountability while also realizing cost savings.
- Dental care costs are predictable and can be budgeted accurately if based on sound actuarial data.

- A dental carve-out provides a long-term, fiscally-responsible solution to pay for, and assure access to, dental services for at-risk children in Georgia.

Carve-outs respond to the unique economics of dentistry. Unlike physician practices that can often share overhead costs for equipment, infection control, staffing and many other expenses with hospitals, dentists must incorporate all of their overhead within their dental practice. In addition, low reimbursement rates provided by Medicaid and SCHIP programs result in dentists losing money on each patient seen – an unsustainable model. Carve-outs bring stability and predictability to dental practices thereby encouraging dentists' participation. The GDA believes that the PeachCare dental program should continue to mirror the Medicaid dental program so that children are treated the same and have access to the same dental care.

Dental carve-outs in other states have been highly effective in increasing provider participation and access to care while also assuring fiscal responsibility. Sixteen states – including Tennessee, North Carolina, South Carolina, Virginia and Kentucky – have implemented dental carve-outs. However, many states implemented carve-outs only after their publicly-funded dental programs had totally broken down – providers left the systems and thousands of children lost access to dental care. Georgia does not want to repeat the unfortunate mistakes of other states, but seems to be headed down the same road.

We have the opportunity to strengthen Georgia's Medicaid and PeachCare dental programs before they break down. Carve-outs work for states, providers and patients.

- In Tennessee, enactment of a statutory carve-out for dental services in 2002 increased beneficiary utilization rates from 24 percent to 47 percent in just two years. By June 2004, about 700 dentists were participating in the program, with 86 percent accepting new patients.
- In Virginia, the state began a dental carve out program in July, 2005. The primary focus was on increasing provider participation, access to care and pediatric dental utilization. By September, 2006, 235 new dentists had joined the dental network, a 38 percent increase. Within the first year of the program, 40,000 additional children were receiving dental services, with a 24 percent increase in service utilization.
- In North Carolina, dental services are provided outside of the managed care options through a fee for service basis. The most recent data available (2006) reveal that the average monthly number of Medicaid recipients receiving at least one dental visit increased from 68,475 in FY2004 to 80,387 in FY2006.

Carving out dental care will make sure that a vital but often overlooked aspect of comprehensive health care - oral health - is given appropriate priority and funding, and will not be sacrificed. Investing in dental care for at-risk children can not only significantly lower healthcare costs, it can prevent tragic and unnecessary suffering. Countless studies have shown that low-income children suffer disproportionately from untreated dental disease. Simply put, these children are the ones that need these services the most.

Teachers tell of children who can't learn and miss school due to toothaches. The U.S. Surgeon General in 2000 called this a "silent epidemic" of untreated dental disease that amounts to children who can't eat or sleep properly, can't pay attention in school, and can't smile because they are suffering from untreated dental disease, an easily preventable condition. Anecdotal evidence finds that children in pain from a toothache cry more, which can trigger abusive behavior from adults.

Georgia's dentists are willing to do their part to assist children in receiving necessary dental care. However, unless the dental Medicaid and PeachCare programs are administered efficiently and adequately funded, dentists may have to reconsider whether they can continue to participate in these programs.

Experience and data from around the country show that dental carve-outs work by assuring access to quality dental care, increased efficiency and substantial cost savings.

October 8, 2007



GEORGIA DENTAL ASSOCIATION

Suite 200 • Building 17 • 7000 Peachtree Dunwoody Road N.E. • Atlanta, Georgia 30328-1655
(404) 636-7553 • (800) 432-4357 • Fax (404) 633-3943

THE FACTS

Georgia's Medicaid/PeachCare Dental Program in Danger of Breaking Down

- **Georgia's dental program is in dire straits and needs to be restructured before it breaks down further.** Thousands of the state's neediest children are not receiving the dental care they need – because of administrative decisions.
- **Georgia's dentists are willing to provide dental care for at-risk children while being reimbursed at levels well below market rate.** But unless the Medicaid and PeachCare dental programs are administered efficiently and adequately funded, dentists may not be able to continue participating. Many dentists have already been forced to stop participating.
- **A dental funding carve-out will strengthen Georgia's dental program and save money.** Georgia dentists know that state funds are finite and fiscal responsibility is imperative – this is not an attempt by dentists to increase earnings. Carve-outs bring stability and predictability to reimbursements by encouraging dentists to participate, increasing access to care and saving money for the state.
- **Tooth decay is the most common chronic childhood disease – four times more common than asthma – and is preventable.**
- **Assuring access to quality dental care for low-income children is critical.** Children below the poverty level have twice the rate of untreated tooth decay as those not living in poverty. Medicaid and PeachCare provide critical dental care for children of low-income families.
- **Routine preventive dental care is cost-effective and results in significant savings.** A trip to the ER to treat dental pain and infection costs about \$400 and does not solve the underlying problem. The average cost of having a dentist treat that same condition before it needs emergency care is estimated at \$52.
- **Poor dental health affects overall health.** Children with tooth decay are often unable to eat nutritious foods. Dental disease is also linked to heart disease, diabetes and other illnesses.
- **Poor dental health negatively affects education.** According to school nurses, dental pain is the number one health reason low-income children miss school.
- **Poor dental health has a direct economic impact on individuals – and states.** People with unsightly or missing teeth have issues with self-esteem and difficulty getting jobs – even low hourly wage jobs – and as a result may be more likely to need public assistance.
- **Assuring a strong Medicaid/PeachCare dental program is the right thing to do; a dental carve-out is the right way to do it.**