2011 MSDA National Medicaid and CHIP Oral Health Symposium
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Opening Plenary: The Historical Compass Points the Way
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Session Objectives

• To provide a brief history of key federal legislation and policies regarding the Medicaid and CHIP program and the impact on the dental benefit.

• To increase your knowledge of the provider models and the delivery of dental care to beneficiaries.
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• “Medicaid...

...has always been under-appreciated, particularly for the role that it plays in the lives of so many Americans.”

– John Iglehart, Founding Editor, Health Affairs
Medicaid

• Federal *Entitlement* Program
• Established in 1965
• Social Security Act (SSA)
• Title XIX
• Purpose to provide federal health insurance to elderly and poor families
• 1967 SSA amendments established EPSDT (Early and Periodic Screening, Diagnostic, and Treatment) services for eligible children up to age 21
Medicaid

• 1972 All States except Arizona began participating in Medicaid

• OBRA ‘81 established new types of Medicaid waivers
  – Section 1915(b) freedom of choice waivers
  – Allowed States to pursue mandatory managed care enrollment

• 1982 Arizona opts in via a Section 1115 waiver
Medicaid

- 1980’s A number of amendments to increase coverage of children and pregnant women were passed
OBRA ‘89

• Omnibus Budget Reconciliation Act of 1989
• Expanded the EPSDT benefit to include need diagnostic and treatment services

https://www.cms.gov/MedicaidEarlyPeriodicScrn/

• Also required States to cover services provided by Federally-qualified Health Centers (FQHCs).
OBRA ‘89

- MCHB Block grant program to promote dental sealants
- Mandated dental services provided at intervals, relief of pain and infection, restoration of teeth and maintenance of dental health
• 1990’s # of different reports discussing access and outcomes
• **1991** Medicaid Voluntary Contribution and Provider-Specific Tax Amendments

• Restrict the use of provider donations and provider taxes as non-federal share.

• Prohibit HCFA from restricting IGT s of state or local tax revenues.
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• Personal Responsibility and Work Opportunity Act of 1996
  – Delinked cash assistance and Medicaid eligibility
  – Temporary Assistance for Needy Families (TANF)
• Balanced Budget Act (BBA) of 1997
  – Provided substantial structural changes
  – Expanded state discretion in administration
  – Proposed managed care regulations
  – Allowed States to require most MA beneficiaries to enroll in managed care organizations
  – Optional 12-month continuous eligibility for children
  – Optional “presumptive” eligibility for children
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• Balanced Budget Act (BBA) of 1997
  – Established the State Children’s Health Insurance Program (SCHIP)
  – Provided enhanced Federal matching funds to states over 10 year period
  – Cover uninsured children (age 0-18) below 200% of the Federal Poverty Level
  – Eligibility, administration and coverage different than Medicaid
  – Dental was optional benefit
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• Oral Health Impacts
    • Children’s Dental Services Under Medicaid: Access and Utilization
    • Integrating activities within and between federal agencies
    • Partnering with Stakeholders
    • Sharing Scientific Data
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• Reports on dental services and access begin to increase
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• 1998 Lake Tahoe Meeting
• Federal Staff
• State Medicaid Directors and
• Dental Stakeholders
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• Partnering with National Stakeholders
• ADA Meeting held in 1999
• Chicago, IL
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• Benefits Improvement and Protection Act (BIPA) of 2000
  – Required payment methodology for Federally-qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)
  – Meet certain requirements to qualify for different reimbursement
  – Initially, cost-based reimbursement methodology paralleled Medicare regulations
  – Established a prospective payment methodology
  – Established service costs in base year and trended forwarded based on the Medicare Economic Index (MEI).
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- Another Federal Report
- September, 2000
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SURGEON GENERAL REPORT

• Oral Health in America: A Report of the Surgeon General (HHS)
• Released May 25, 2000
• Landmark report
NATIONAL CALL TO ACTION

• National Call to Action to Promote Oral Health
• Released in 2003
• Defined goals to reflect Healthy People 2010
  – Promote oral health
  – Improve quality of life
  – Eliminate health disparities
CHIPRA

- 2009 Reauthorization
- CHIPRA changed the program name
- New Name: Children’s Health Insurance Program (CHIP)
CHIPRA Dental

• Dental benefits were optional under SCHIP until CHIPRA (CHIP Reauthorization Act of 2009)
• New Dental Provisions include:
  – Dental coverage guarantee
  – Dental wrap-around option
  – New parent education
  – Information for beneficiaries on IKN website
  – GAO Study on dental access and providers
  – Reporting of dental services (Annual report: CMS-416)
  – Additional dental sealant question
  – FQHC contract provisions for private dental providers
IMPACT ON DENTAL BENEFIT & PAYMENT RATES

• Reimbursement remains primarily Fee-For-Service
• States beginning to change more to managed care plans
  – Variety of models
• States contracting with 1 or more managed care organizations
  – AZ- 12 managed care contracts
  – Dental carve outs
  – Increase in use of risk-based models
IMPACT ON DENTAL BENEFIT & PAYMENT RATES

• Safety-net Providers Enhanced Reimbursement
  – FQHC Prospective Payment System methodology
    • Common term: Encounter Rate
  – Title V Agencies
    • Cost-based reimbursement via IGT system
  – Dental Schools & Health Depts.
    • Development of Average commercial rate
    • Additional federal dollars via IGT system
Patient Protection and Affordable Care Act

PPACA

March 23, 2010
Major PPACA Provisions

• Requires most US Citizens to have coverage
• Expand Medicaid to those adults (not previously eligible) with incomes up to 133% FPL based on MAGI
• Health Information Technology provisions
  – Builds upon ARRA opportunities
  – Electronic Health Record (HER) and Health Information Exchanges (HID)
  – “Meaningful use” and incentive payments to eligible professionals and hospitals
Patient Protection and Affordable Care Act (PPACA)

• State Exchanges
• Required pediatric dental benefit in essential benefits package
• *Bright Futures Initiative*
  – AAP; *to provide periodicity guidance related to healthcare*
  – Guidance includes all definitions (including dental)
  – *Bright Futures in Oral Health*
• Pediatric dental benefit is yet undefined
  – AAPD Periodicity Schedules
PPACA

- Medicaid and Other Public Managed Care Programs Will Continue to Grow
- Increasingly, health care programs are publicly-financed
  - Major factor: Medicaid and CHIP expansions, both before and as a result of health reform

- The trend is toward organized, coordinated, managed systems of care
  - Integration of behavioral/physical health
  - Care Management/Disease Management
  - Accountable Care Organizations encouraged in reform
“This is not the end.
It is not even the beginning of the end.
But it is, perhaps, the end of the beginning.”

-- Winston Churchill, November 10, 1942 after a decisive Allied victory at the Battle of El Alamein in Northern Africa.
Parting Thoughts

- Coming together is a beginning;
- Keeping together is progress;
- Working together is success.

Henry Ford
Acknowledgement

References for this Presentation

Institute of Medicine: Advancing Oral Health in America

The Kaiser Commission on Medicaid and the Uninsured

Medicaid and CHIP Payment and Access Commission (MACPAC)

Report to the Congress on Medicaid and CHIP, March 2011
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Christine Farrell, RDH, MPA is the Oral Health Director of the Oral Health Program at the Michigan Department of Community Health. Ms. Farrell holds both a Baccalaureate Degree in Dental Hygiene and a Masters Degree in Public Administration from the University of Michigan.

As the Oral Health Director, Ms. Farrell is responsible for the oversight of Michigan’s Statewide dental sealant program, community water fluoridation program, HRSA and CDC cooperative agreements.

Prior to this appointment, Ms. Farrell served as the Medicaid Policy Specialist for 22 years overseeing Medicaid policy for the Michigan Medicaid Program. In this capacity, she oversaw policy, budget and operations for a number of Medicaid programs. She has expertise in Medicaid and CHIP policy, financing and administration that includes oral health, FQHCs, health clinics and school-based health centers along with other ancillary programs.

Ms. Farrell also serves as a key advisor to the MSDA; and has offered her expertise to CDC, HRSA and CMS.
THANK YOU

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