

Memo

To: Members of the Special Committee on Medicaid Reform
From: Dave Marsh, Director of Government Relations
Date: 11/29/2010
Re: Dental Medicaid Solution

Attached for your information is the Illinois State Dental Society's answer to the dental access crisis for the Medicaid and underserved population. The Illinois State Dental Society has successfully laid the groundwork for solving the problem by supporting legislation to create incentives for dentists to increase their participation in the Medicaid program as well as a new dental clinic grant program designed to open new dental clinics throughout the State which was funded by the recently passed Capital Bill. The one remaining obstacle is a logistical and fair payment rate for providers who treat this population so that the dentist is not penalized for participating in the Medicaid program. To discuss this issue further please contact me at 217-525-1406.

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Dentist? Be Careful!

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BTHS Targets Chicago, Cook County

The Illinois State Dental Society's Bridge to Healthy Smiles (BTHS) initiative has received the financial endorsement of the American Dental Association for the remainder of 2010. The additional funds will help ISDS and the Bridge to Healthy Smiles coalition target efforts in the Chicago and Cook County areas where 20% of the population have a household income under 200% percent of the federal poverty line. "We're talking about 800,000 to a million people who do not have access to dental care. There is a huge poverty problem in Cook County," noted Chicago Dental Society President Dr. Michael Stablein.

Given Illinois' tragically low Medicaid reimbursement rates, few dentists are available to provide care to the indigent population. Compounding the problem, in the last few years, a majority of the Cook County dental clinics have been closed due to budget shortfalls, leaving only four still open in the Chicago suburban areas. It is our understanding that those are staffed with only one dentist and one assistant each. "What we want to do is target our Bridge to Healthy Smiles efforts in this area with the goal being to reopen some of these clinics," explained Dave Marsh, ISDS Director of Government Relations.

According to Dr. Stablein, the dental community was not aware that the dental clinics would be closed until after the decision had been made. "We didn't see it coming. We need a seat at the table so that we communicate effectively with local officials."

In 2009, Governor Pat Quinn signed legislation advocated by ISDS and the BTHS coalition allocating \$2 million in funding to open dental clinics around the state. However, given the state's financial crisis, the program has yet to be funded. "We believe that the situation in Chicago and Cook County affords us an opportunity to work closely with city and county officials, as well as state lawmakers, to address what is a very serious access to



care problem in the most densely populated area of the state," noted ISDS Executive Director Greg Johnson.

The Chicago effort goes hand-in-glove with the statewide initiative as it is central to identifying and working with key decision makers and educating them about the immediate and long-term goals of this critical access to care initiative. "Moreover, it is essential to enlist the help of the coalition along with our political action committee to identify current and future state, local, and county candidates that understand and support these efforts so that political action monies and grassroots support can be targeted to assist those individuals that are looking for solutions to this critical issue," noted Mr. Marsh.

The Bridge to Healthy Smiles campaign is a multipronged, multiyear legislative effort. The ADA has recognized the program as a national model for other states that seek to call attention to major statewide issues. The primary objective is to increase Medicaid reimbursement rates to merely cover the cost of providing dental care for those in need. Currently dentists are only paid 46 cents on the dollar with their overhead costs averaging 64 cents on the dollar. Dentists literally must pay every time they see Medicaid patients. Raising funding levels to simply cover the cost of providing treatment has been proven to significantly increase patient access at least by 1/3 or even 1/2.

More than 2.6 million Illinoisans are enrolled in state sponsored health insurance, and two-thirds of them are children. While Illinois has experienced a steady increase in public aid enrollment, reimbursement levels for the most critical oral health procedures have not increased in more than 30 years.

Learn more about the Bridge to Healthy Smiles campaign at www.bridgetohealthysmiles.com.

specialty dental care



SPECIALTY DENTAL CARE

General dentists have advanced degrees, undergo extensive training and participate in continuing education courses. Dentists who perform specialty care procedures practice in a unique field requiring additional specialized skills and training. There are about 65 specialty care procedures ranging from the treatment for root canals and gum disease to the extraction of wisdom teeth and reconstructive surgeries.

In many cases, patients are unable to receive care until their problems become more severe, and they can no longer take the pain. Public aid patients often experience up to a six-month wait to see a dentist or specialist and often have to travel long distances (up to four hours) to finally see a dentist to treat their special needs. On average, funding levels for specialty dental care cover less than one-third of the cost of treatment.

Raising specialty care rates to a level that will simply cover expenses will increase dentist participation and enable more patients to access critical dental treatment. Special treatment is not a luxury; it is a medical necessity.

INCREASED ORAL HEALTHCARE FUNDING IS PROVEN TO IMPROVE ACCESS TO CARE

A study conducted by the National Academy for State Health Policy looked at six states where funding levels were raised to simply cover a dentist's expenses and found access to dental services for patients increased significantly. The number of dentists enrolled in public aid programs to treat low income patients increased by at least one-third and in some cases doubled. In its own 40 state study, the U.S. Government Accountability Office (GAO), an independent Congressional agency, found that "dentists cite the primary reason for not treating more Medicaid patients is that payment rates are too low." The study further shows, "most states that reported improved utilization paid rates that were at least two-thirds of the average regional fee, while most states without improvement had lower payment rates."

QUICK FACT

- Illinois has among the lowest funding rates in the nation for critical dental procedures

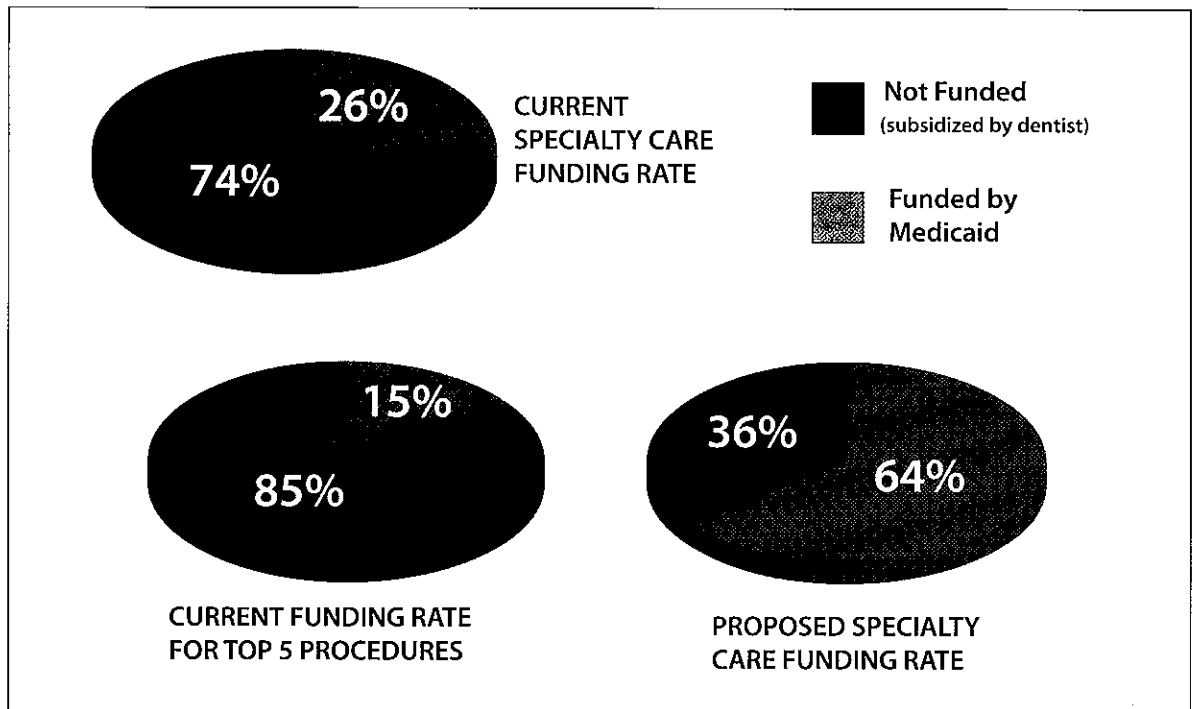


In 2005, federal law required states to provide children with the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit. It was mandated that Medicaid cover comprehensive preventive dental care for children. As a result, funding levels were increased to enable providers to treat more patients, which has translated into

improved access and better care for children. A study of low-income children showed that parents who received preventive dental care were five times more likely to take their children for a dental visit, compared with parents who received no dental care or visited a dentist only in an emergency situation.

CHART 3: FUNDING RATES FAIL TO COVER COSTS

CHART 3:
This chart illustrates that Illinois' average funding rate for the five most common specialty care procedures (90% of all specialty care procedures) covers just 16% of the procedure cost. Studies show a direct relationship between reasonable funding rates and improved utilization.



The Bridge to Healthy Smiles campaign is led by a diverse coalition of oral healthcare advocates and community groups committed to bridging the access to care gap for dental coverage in Illinois.

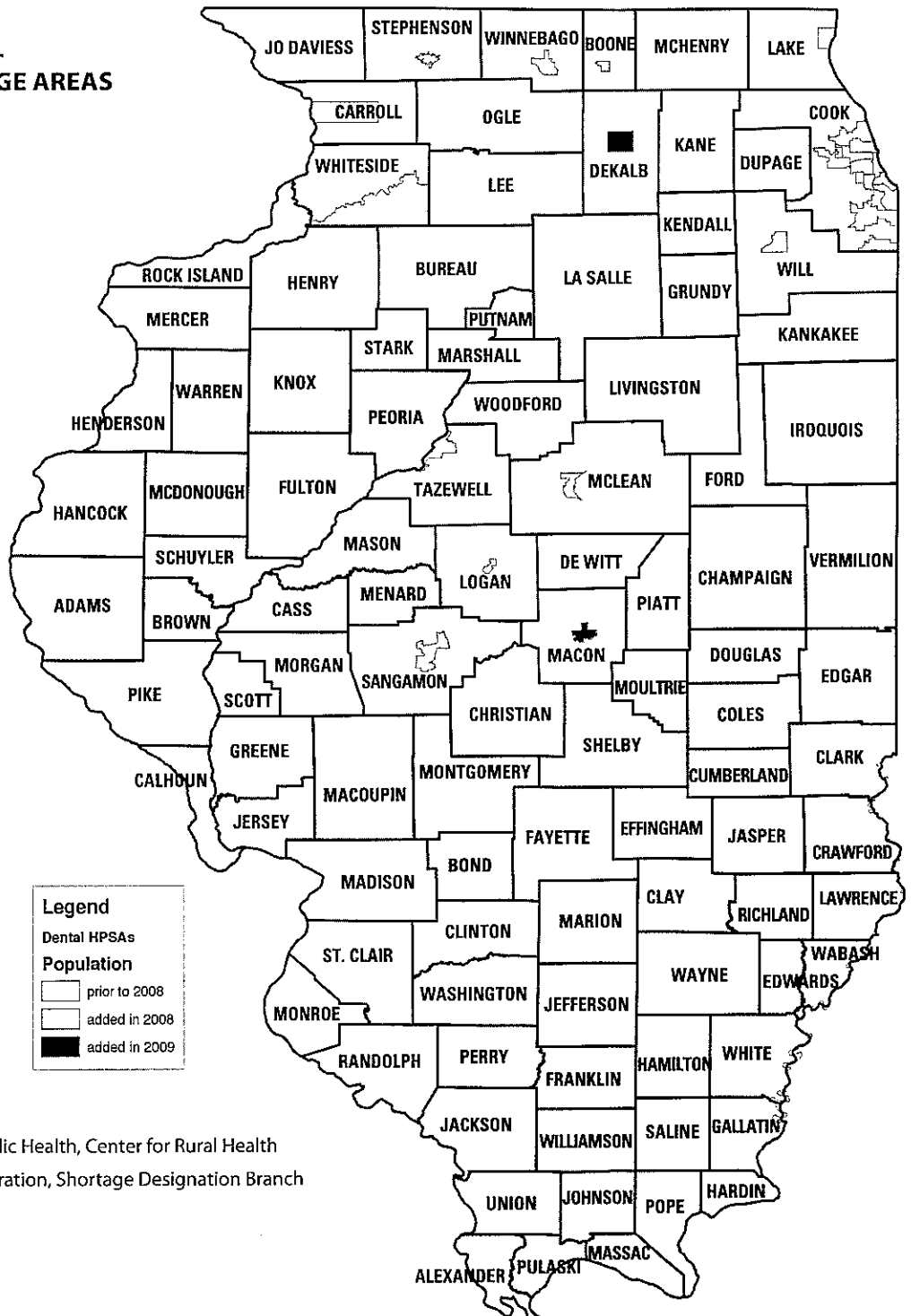
For more information or to become involved visit: www.bridgetohealthysmiles.com

underserved communities



**CHART 2:
FEDERALLY DESIGNATED DENTAL
HEALTH PROFESSIONAL SHORTAGE AREAS**

CHART 2:
68 of 102 Illinois counties
are designated by the
federal government as
Dental Health Professional
Shortage Areas (HPSAs).
These areas are considered
underserved which means
residents have minimal or no
access to local dental care.



Map prepared by the Illinois Department of Public Health, Center for Rural Health
Source: Health Resources and Services Administration, Shortage Designation Branch
<http://hpsafind.hrsa.gov> (December 29, 2009).

"The number of people who rely on government health insurance is at a record high; for the third consecutive year in a row the number of Illinois counties designated as underserved by the federal government has increased and at the same time funding per person in Illinois has reached an historic low. This is a dangerous combination that has forced Illinois into an oral healthcare crisis."

*Dr. Larry W. Osborne
President
Illinois State Dental Society*

DENTISTS PROVIDING CHARITABLE CARE

In 2009, Illinois dentists donated \$80 million in charitable treatment by providing free care to thousands of patients. In every instance, the demand is overwhelming, forcing some patients to leave without treatment.

UNDERSERVED COMMUNITIES ON THE RISE

Illinois has 8,500 licensed practicing dentists and specialists to meet the oral health care needs of all residents. However, low funding levels make it economically impossible for a dentist to rely on a patient base of public aid patients to maintain a practice in the numerous underserved areas of the state. The need for increased funding is reinforced by 2010 data from the federal government which shows that the number of counties designated as Dental Health Professional Shortage Areas has been growing since the late 1970s. These underserved areas are determined based on the number of dentists compared to the overall population, or the number of dentists enrolled in the Medicaid program compared to the Medicaid population.

LONG TERM HEALTH RISKS

There is an undeniable link between overall health and oral health. Studies show that poor oral health may be linked to heart disease, stroke, pre-term childbirth and oral cancer.

Oral cancer is the fourth most common cancer in the United States among African-American males and the seventh most common cancer among Caucasian males. More than 40 percent of persons diagnosed with oral cancer die within five years of diagnosis.



overview



OBJECTIVE

Improve access to critical dental procedures for millions of hard working Illinois families who are suffering due to severely underfunded state dental programs.

IDENTIFYING THE PROBLEM

Each year millions of hard working Illinoisans struggle because of underfunded state oral health programs and the problem is deteriorating at an alarming rate. Critical dental treatment for Illinois' hard working low-middle income families has been severely underfunded for more than 30 years, creating a serious access to dental care gap for millions of children and adults who desperately need treatment. More than 60 percent of Illinois counties are identified as Dental Health Professional Shortage Areas (HPSAs) by the federal government (see Chart 2) which means families who desperately need dental care often go without treatment. That's in large part because Illinois has among the lowest funding rates for oral health care in the nation. Less than four-tenths of a percent of the state's total operating budget, and only two and a half percent of the state budget for healthcare programs, administered by the Illinois Department of Healthcare and Family Services (IDHFS), is spent on oral health. While there are plenty of dentists to treat public aid patients, deplorable funding rates make it difficult for these patients to receive care.

"I have watched my son withdraw from playing with friends and fall behind in school because he is in pain and self conscious about his appearance. The state offers dental services but we are turned away because the programs are not funded. I feel let down and completely helpless."

*Christina Sims
Working Mom of Three*

PROVIDING CARE FOR ILLINOIS CHILDREN

Inadequate funding can have especially serious consequences for the 1.6 million children who depend on government healthcare programs. Poor oral health as a child can lead to long-term health implications and is proven to impact a child's self-esteem and ability to excel in school. There is just one dental clinic for every 8,400 children on public aid. In Illinois, 55 percent of third graders experienced cavities and 29 percent have untreated decay. A Surgeon General's report on oral health documented linkages between oral diseases and ear and sinus infections, weakened immune systems, diabetes, heart and lung disease as well as many other serious health conditions. Low-income children are at risk and oral health remains a critical health policy challenge.

QUICK FACTS

- Having among the lowest funding rates in the nation for critical oral health care procedures leaves millions of hard working Illinois families caught in a painful, degrading and sometimes life threatening oral health care gap
- The number of children and adults forced to rely on government oral health care programs continues to increase while critical oral health care programs remain severely underfunded
- Raising funding levels to simply cover the cost of treatment has been proven to significantly increase patient access to care



FUNDING NOT KEEPING PACE WITH DEMAND

More than 2.6 million people are enrolled in state sponsored health insurance. Two-thirds of those enrolled in government sponsored health care are children. While Illinois has experienced a steady increase in public aid enrollment, funding rates for the most critical procedures have not increased in

more than 30 years. In fact, funding has been cut and dental facilities eliminated in areas that have no other options for dental services. Current funding rates for the five most common specialty care procedures cover just 26 percent of the procedure cost, far below the national average.

**CHART 1:
ILLINOIS SPECIALTY CARE FUNDING RATES VS AVERAGE OF TEN MOST POPULOUS STATES**

CHART 1:
This illustrates how Illinois compares to the 10 most populous states in funding rates for four out of the five most common specialty care procedures. These four procedures account for more than 70% of all specialty care procedures performed in 2009. On average, Illinois funding rates are 86% below the average of similarly populated states.

