

State of Alaska FY2008 Governor's Operating Budget

Department of Health and Social Services Adult Preventative Dental Medicaid Svcs RDU/Component Budget Summary

RDU/Component: Adult Preventative Dental Medicaid Svcs

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

The Adult Preventative Medicaid Dental RDU contributes to the department's mission to provide health care to Alaskans in need by managing the dental needs of adults enrolled in Medicaid.

Core Services

Adult Preventative Medicaid Dental program provides restorative and preventive dental services under an annual \$1,150 limit per person. Funds support services for improvement of oral health and reduction in emergency dental services. Covered services include most routine restorative dental services including exams, cleanings, tooth restoration or extraction, and upper or lower full dentures.

The Medicaid program is a jointly funded, cooperative entitlement program between federal and state governments to assist in the provision of adequate and competent medical care to eligible needy persons.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$10,292,000	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

- The department is currently working on regulations to implement the program in the fourth quarter of 2007 with a proposed target date of April 1, 2007.
- The department has applied for a Medicaid State Plan amendment that, once approved, will authorize the state to receive federal reimbursement for these expenditures.
- The department is working with Alaska's Medicaid fiscal agent to establish procedures to monitor each individual's annual cap and total program expenditures related to the enhanced dental services.
- A key to the successful implementation of the adult preventative Medicaid dental program is adequate provider capacity (the extent of dental access through tribal and community health center dental programs, and the extent of private dental participation in the Medicaid program). Because of the limited number of dentists and available appointments for new clients, it is expected that some adults will only be able to visit the dentist once or twice in a year. DHSS is meeting with the Alaska Dental Society to encourage more participation of private dentists in the Medicaid program.

Significant Changes in Results to be Delivered in FY2008

- This RDU was established by passage of HB 105 in FY2006. The bill has provisions in place to keep total program costs within the fiscal limits set by the legislature. There is an annual cap of \$1,150 for dental services for each individual, and a three-year sunset on the program which provides a trial period and an opportunity to evaluate the program. The \$1,150 coverage level allows adult Alaskans to receive a complete set of dentures over a two-year period. The limits not only act as a means to constrain costs of the service expansion, but also

to encourage the dentist and client to discuss priorities and treatment options.

- Prior to the creation of this RDU only emergency dental care was offered to relieve pain or to fight acute infection. This service expansion makes available preventive and restorative dental services, in addition to the existing dental emergency services, for the 41,000 adults enrolled in the Medicaid program.
- The budget is based on about 15,800 Medicaid eligible adults receiving preventive and restorative dental services. Of these adults it is estimated about 3,950 Alaska Mental Health Trust Authority beneficiaries would receive these dental services and 5,100 Alaska Natives adults would receive services through the tribal dental programs.
- The budget estimate includes projected costs for increased transportation as a result of the service expansion as well as annual changes in utilization. This utilization increase is partially off-set as some adults with longer program eligibility begin to have their treatment needs decrease as preventative and restorative work is completed.
- The department anticipates reducing emergency dental treatment needs as a result of the preventive and restorative dental service implementation. Medicaid program staff will monitor emergency dental service expenditures to assess the impact of the new benefits.

Major Component Accomplishments in 2006

This RDU was established in FY2006 by passage of HB 105. FY2008 will be the first full year of services as implementation is not expected until the 4th quarter of FY2007.

Statutory and Regulatory Authority

AS 47.07 Medical Assistance for Needy Persons
 AS 47.25 Public Assistance

Administrative Code;
 7 AAC 43 Medicaid

Social Security Act:
 Title XIX Medicaid
 Title XVII Medicare

Code of Federal Regulations:
 42 CFR Part 400 to End

Contact Information
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**Adult Preventative Dental Medicaid Svcs
Component Financial Summary**

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	2,633.0	10,292.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	2,633.0	10,292.0
Funding Sources:			
1002 Federal Receipts	0.0	1,988.3	7,557.8
1003 General Fund Match	0.0	219.7	1,309.2
1092 Mental Health Trust Authority Authorized Receipts	0.0	425.0	1,425.0
Funding Totals	0.0	2,633.0	10,292.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Managem nt Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	0.0	1,988.3	7,557.8
Restricted Total		0.0	1,988.3	7,557.8
Total Estimated Revenues		0.0	1,988.3	7,557.8

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	219.7	1,988.3	425.0	2,633.0
Proposed budget increases:				
-Year 2 Fiscal Note (HB105) Adult Dental Prev Medicaid Svcs	1,089.5	5,569.5	1,000.0	7,659.0
FY2008 Governor	1,309.2	7,557.8	1,425.0	10,292.0