

# **State of Alaska FY2017 Governor's Operating Budget**

## **Department of Health and Social Services Adult Preventative Dental Medicaid Svcs Component Budget Summary**

**Component: Adult Preventative Dental Medicaid Svcs**

**Contribution to Department's Mission**

Provide health care to Alaskans in need by enhancing the emergent dental services available to adult Medicaid recipients.

This component of Alaska Medicaid is under the programmatic oversight of the Department of Health and Social Services, Division of Health Care Services.

**Core Services**

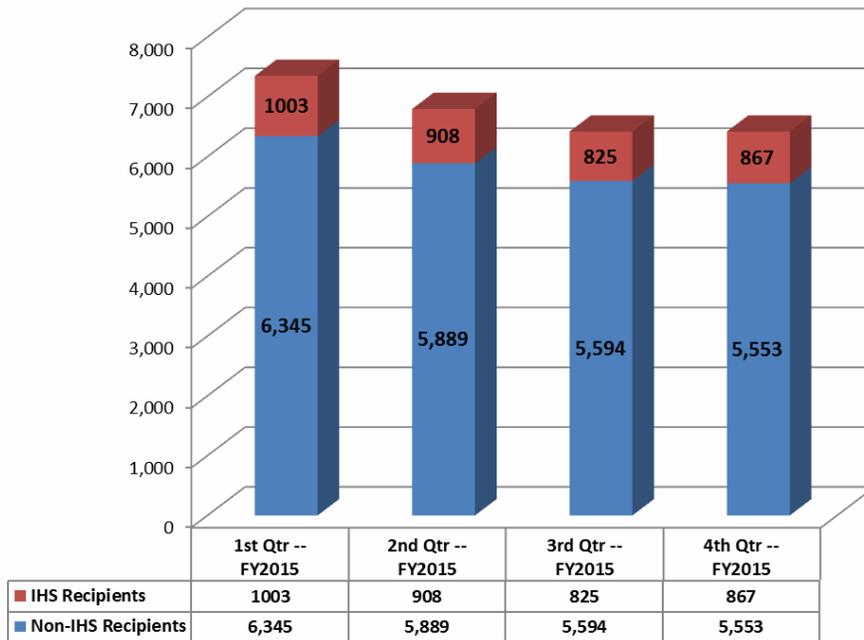
- Preventive dental care
- Diagnostic examinations and radiographs
- Restorative dental services

**Major Component Accomplishments in 2015**

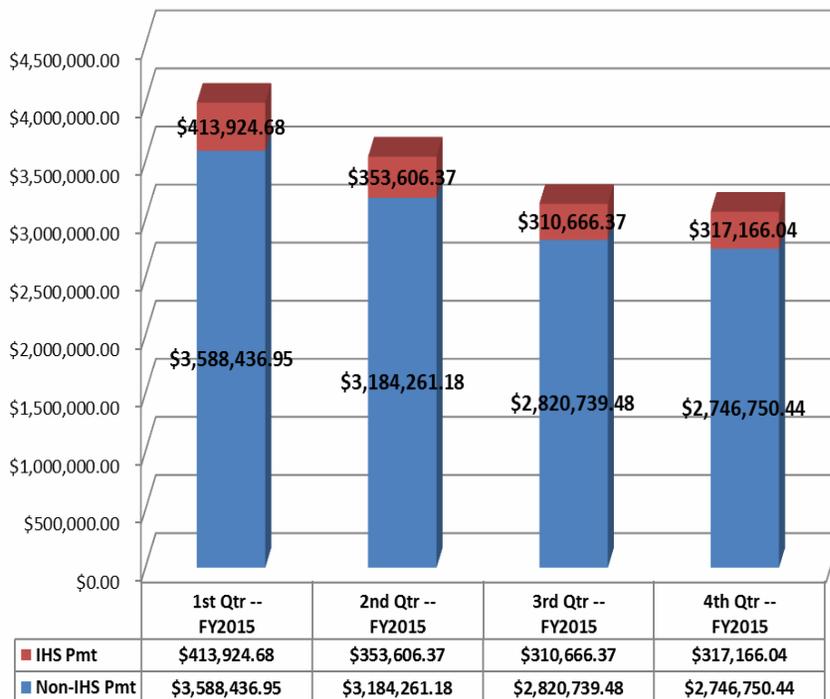
- The Adult Preventive Dental Program served 26,984 members age 21 and older during FY2015, a negligible increase of 53 members, or 0.2 percent over the previous year. Department Core Service 1.1; Division Core Measures 2 and 4
- Adult Preventive Dental Program expenditures increased to \$13,735.5 in FY2015, a 41.7 percent increase over the previous year. This increase is attributed to suspended claims and claim adjustments from the previous year, following implementation of Alaska Medicaid Health Enterprise. Department Core Service 1.1; Division Core Measures 2 and 4
- While the number of enrolled dentists remained effectively unchanged, the number of enrolled dental health aide therapists increased by 55 percent, from 42 in FY2014, to 65 in FY2015. Certified by the Alaska Tribal Health System, dental health aide therapists work under the supervision of state licensed and Medicaid enrolled dentists and perform limited preventive and emergency dental services including fluoride treatment, temporary fillings, simple extractions, and local anesthesia. Tangential to increased utilization of dental health aide therapists is a reduction in travel required for individuals to receive basic dental services. During FY2015, 65 certified dental health aide therapists provided Medicaid services to 6,161 recipients throughout rural Alaska. Department Core Services 1.1, 2.1, and 2.2; Division Core Services 2 and 4

The following charts reflect adult preventative dental and Indian Health Service (IHS) dental utilization and expenditures for FY2015:

### Adult Preventive Dental Recipients - FY2015



### Adult Preventive Dental Expenditures - FY2015



## Key Component Challenges

Department Priorities, Core Services, and Division Core Services to Meet Department's

## **Mission**

### **1. Health and Wellness Across the Lifespan**

Core Service:

1.1 Protect and Promote the Health of Alaskans

### **2. Health care Access Delivery and Value**

Core Service:

2.1 Manage Health Care Coverage for Alaskans in Need

2.2 Facilitate Access to Affordable Health Care for Alaskans

## **Division Core Services**

2. Ensure Health Care Capacity to Meet Client Needs
4. Ensure Access of Clients to Health Care

- The Adult Preventive Dental program continues to be challenged by the number of dentists providing services to Alaska Medicaid members. The number of enrolled dentists increased by 5, or less than 1 percent in FY2015, from 737 to 742. Even more noteworthy is that the percentage of enrolled dentists who provided services to Alaska Medicaid members decreased from 51 percent (373 of 737) in FY2014 to 42 percent (319 of 742). Additionally, because dentists are located only in cities and larger communities, costly Medicaid travel, including airfare and, in some instances, overnight accommodation, is required for those who reside in small and rural communities and whose needs cannot be served by dental health aide therapists. Department Core Services 1.1, 2.1, and 2.2; Division Core Services 2 and 4
- Historically, Medicaid reimbursement rates have been cited as a deterrent for dentists who consider enrolling as an Alaska Medicaid provider. In an effort to address this challenge, the Department has, in previous years, reviewed dental rates annually to determine the need for rate adjustments based on changes in the U.S. Department of Labor Consumer Price Index. Rates remain unchanged for FY2016. Department Core Services 1.1, 2.1, and 2.2; Division Core Services 2 and 4
- The complexity of processing and monitoring adult dental program claims also continues to be a challenge. Recipients are allowed up to \$1,150 per year in non-emergency dental benefits; however, the recipient may utilize the upcoming year's allowance if a full set of dentures is required. Detailed monitoring is required, which increases the likelihood that a manual pend resolution will be required. Department Core Services 1.1, 2.1, and 2.2; Division Core Services 2 and 4

## **Significant Changes in Results to be Delivered in FY2017**

No significant changes to be delivered in FY2017.

## **Statutory and Regulatory Authority**

Alaska Statutes:

AS 47.07 Medical Assistance for Needy Persons

AS 47.25 Public Assistance

Administrative Code:

7 AAC 100 Medicaid Assistance Eligibility

7 AAC 105 - 7 AAC 160 Medicaid Coverage and Payment

Social Security Act:

Title XIX Medicaid

Title XVIII Medicare

Code of Federal Regulations:  
42 CFR Chapter IV

Contact Information
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**Component Detail All Funds**  
**Department of Health and Social Services**

**Component:** Adult Preventative Dental Medicaid Svcs (2839)  
**RDU:** Medicaid Services (595)

Formula Component

	<b>FY2015 Actuals</b>	<b>FY2016 Conference Committee</b>	<b>FY2016 Authorized</b>	<b>FY2016 Management Plan</b>	<b>FY2017 Governor</b>	<b>FY2016 Management Plan vs FY2017 Governor</b>	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	12,351.3	15,700.5	15,700.5	15,700.5	21,694.6	5,994.1	38.2%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>12,351.3</b>	<b>15,700.5</b>	<b>15,700.5</b>	<b>15,700.5</b>	<b>21,694.6</b>	<b>5,994.1</b>	<b>38.2%</b>
<b>Fund Sources:</b>							
1002Fed Rcpts (Fed)	6,341.7	9,338.1	9,338.1	9,338.1	15,650.3	6,312.2	67.6%
1003G/F Match (UGF)	5,765.3	5,765.3	5,765.3	5,765.3	5,765.3	0.0	0.0%
1004Gen Fund (UGF)	244.3	597.1	597.1	597.1	279.0	-318.1	-53.3%
<b>Unrestricted General (UGF)</b>	<b>6,009.6</b>	<b>6,362.4</b>	<b>6,362.4</b>	<b>6,362.4</b>	<b>6,044.3</b>	<b>-318.1</b>	<b>-5.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>6,341.7</b>	<b>9,338.1</b>	<b>9,338.1</b>	<b>9,338.1</b>	<b>15,650.3</b>	<b>6,312.2</b>	<b>67.6%</b>
<b>Positions:</b>							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Health and Social Services**

**Component:** Adult Preventative Dental Medicaid Svcs (2839)

**RDU:** Medicaid Services (595)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
<b>FY2016 Conference Committee</b>												
	ConfCom	15,700.5	0.0	0.0	0.0	0.0	0.0	15,700.5	0.0	0	0	0
1002 Fed Rcpts		9,338.1										
1003 G/F Match		5,765.3										
1004 Gen Fund		597.1										
<b>Subtotal</b>		<b>15,700.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>15,700.5</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
<b>Potential Savings from Reforms and Efficiencies</b>												
	Dec	-318.1	0.0	0.0	0.0	0.0	0.0	-318.1	0.0	0	0	0
1004 Gen Fund		-318.1										
<b>Allow for Additional Federal Receipt Authority for Medicaid Expansion</b>												
	Inc	6,312.2	0.0	0.0	0.0	0.0	0.0	6,312.2	0.0	0	0	0
1002 Fed Rcpts		6,312.2										
<b>Totals</b>		<b>21,694.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>21,694.6</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Department of Health and Social Services is currently working on reforms to improve Alaska's Medicaid program. These reforms include refining existing reform initiatives, such as those designed to improve fraud and abuse controls, pharmacy services, and care management for "super utilizers," as well as additional reforms that are currently in various planning stages. Many of these changes to the Medicaid program require approval by the United States Centers for Medicare and Medicaid Services and revisions to our Medicaid State Plan. The Department is unable to predict the exact date that these changes will be approved or enacted. Consequently, the Department is unable to precisely predict the savings associated with each reform. Nevertheless, the Department is confident savings will be realized in FY2017.

Examples of reform initiatives that will help the Department meet this reduction are a change in regulations that will place certain adult dental procedures on a fee schedule and placing restrictions on certain services.

Additional federal receipt authority allows the Department to claim federal reimbursement of state expenditures for expanding medical coverage to Alaskans.

**Line Item Detail**  
**Department of Health and Social Services**  
**Grants, Benefits**

**Component:** Adult Preventative Dental Medicaid Svcs (2839)  
**RDU:** Medicaid Services (595)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
77000	Grants, Benefits		12,351.3	15,700.5	21,694.6
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
<b>77000 Grants, Benefits Detail Totals</b>			<b>12,351.3</b>	<b>15,700.5</b>	<b>21,694.6</b>
77670	Benefits	Medicaid Services for preventative and restorative dental services.	12,351.3	15,700.5	21,694.6
		This also includes payments for services for Medicaid clients who will be newly eligible through Medicaid expansion.			

**Restricted Revenue Detail**  
**Department of Health and Social Services**

**Component:** Adult Preventative Dental Medicaid Svcs (2839)  
**RDU:** Medicaid Services (595)

<b>Master Account</b>	<b>Revenue Description</b>				<b>FY2015 Actuals</b>	<b>FY2016 Management Plan</b>	<b>FY2017 Governor</b>
51010	Federal Receipts				6,341.7	9,338.1	15,650.3
<b>Detail Information</b>							
<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2015 Actuals</b>	<b>FY2016 Management Plan</b>	<b>FY2017 Governor</b>
57301	Title XIX Map Title XIX Medicaid		6214631	11100	6,341.7	9,338.1	15,650.3