HB 4 (formerly HB 692) Working Group on the Plan Preparation of an Adult Dental Benefit Into a Value-Based Care Platform In New Hampshire Medicaid

April 23, 2021

Working Group Activities since the November 13, 2020 report submission:
The Working Group is still operating under HB 4**,** Chapter 346:226 Laws of 2019, as this is current law. The Working Group has not had a meeting since the last report to this committee. The remaining tasks of the Working Group will relate directly to the appropriation that is included in the SFY 2022 – 2023 budget.

The Working Group will continue to meet, as needed, to complete tasks outlined in a previous report to this committee.

2021 Legislation to establish a dental benefit under the state Medicaid program

- HB 103
  Introduced on 1/6/2021
  Similar to HB 4, Chapter 346:226 Laws of 2019
  Implementation date of 4/1/2022
  Retained in the House Health, Human Services, and Elderly Affairs Committee on 3/9/2021

- SB 150 – see Appendix A for the final version of this bill
  Introduced 2/4/2021
  Similar to HB 4, Chapter 346:226 Laws of 2019
  Final version amended the implementation date to 1/1/2023
  Passed by the Senate Health and Human Services Committee and tabled on 4/1/2021
  Bill will be included in the Senate phase of the budget
  The fiscal impact in the SFY 23 budget, with a 1/1/23 implementation date and 3 month lag in premium payment, would be as follows:

General funds: Standard Medicaid:	$1.46M
GAHCP (Medicaid Expansion) Trust funds:	$0.41M
Total funds (Cash Flow):	$1.87M

Reporting Requirement:
Per HB 4**,** Chapter 346:226 Laws of 2019, Acting Commissioner Kerrin Rounds submitted a report of all proposed changes to state law that the Commissioner believed necessary to implement the plan, to the Governor, the President of the Senate, and the Speaker of the House by January 1, 2020.

Future Topics and Presentations:

- SFY 22 – 23 budget proceeding update
- Presentations by dental providers who have experience contracting with a value based adult dental benefit
- Refinement of Cost Estimates and Benefit Plan Design

Working Group Meeting Schedule:
The next meeting of the Working Group has yet to be determined.

As meetings are scheduled, the *HB 4 (formerly HB 692) Medicaid Adult Dental Benefit Planning Working Group* webpage is updated accordingly and a group email update is sent to the Working Group and other interested stakeholders who have submitted their email addresses.

Appendix A: SB 150

SB 150-FN - AS AMENDED BY THE SENATE

03/11/2021 0612s

2021 SESSION

21-0257
11/08

SENATE BILL ***150-FN***

AN ACT establishing a dental benefit under the state Medicaid program.

SPONSORS: Sen. Rosenwald, Dist 13; Sen. Whitley, Dist 15; Sen. Watters, Dist 4; Sen. Cavanaugh, Dist 16; Sen. D'Allesandro, Dist 20; Sen. Kahn, Dist 10; Sen. Sherman, Dist 24; Sen. Prentiss, Dist 5; Sen. Soucy, Dist 18; Sen. Perkins Kwoka, Dist 21; Sen. Bradley, Dist 3; Sen. Giuda, Dist 2; Rep. Nordgren, Graf. 12; Rep. Wallner, Merr. 10; Rep. Marsh, Carr. 8; Rep. Langley, Hills. 8

COMMITTEE: Health and Human Services

ANALYSIS

This bill requires the commissioner of the department of health and human services to solicit information and to contract with dental managed care organizations to provide dental care to persons under the Medicaid managed care program.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
03/11/2021 0612s 21-0257
11/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT establishing a dental benefit under the state Medicaid program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Statement of Purpose. To improve overall health, promote savings in the state's Medicaid managed care program, and prevent future health conditions caused by oral health problems, and based on the recommendation of the working group convened pursuant to 2019, 346:225, the general court hereby determines that it is in the best interest of the state of New Hampshire to extend dental benefits under the Medicaid managed care program to individuals 21 years of age and over.

2 New Paragraph; Medicaid Managed Care Program; Dental Benefits. Amend RSA 126-A:5 by inserting after paragraph XIX the following new paragraph:

XIX-a.(a)(1) The commissioner shall pursue contracting options to administer the state's Medicaid dental program with the goals of improving access to dental care for Medicaid populations, improving health outcomes for Medicaid enrollees, expanding the provider network, increasing provider capacity, and retaining innovative programs that improve access and care through a value-based care model.

(2) The commissioner shall issue a request for information to assist in selecting the administrative model for the state's Medicaid dental program. Such model shall be either a model administered by a dental managed care organization or a model administered by the state's current medical managed care organizations. The commissioner shall obtain the requested information from both the current medical managed care organizations and any interested dental managed care organization. The administrative model selected shall demonstrate the greatest ability to satisfy the state's need for value, quality, efficiency, innovation, and savings. The request for information shall be released no later than August 1, 2021. The request for information shall address improving health outcomes, expanding the provider network, increasing capacity of providers, integrating a value-based care model, and exploring innovative programs for children and adults.

(3) If the model administered by a dental managed care organization is selected, the commissioner shall issue a 2-year request for proposals, with 2 optional one-year extensions, to enter into contracts with the vendor that demonstrates the greatest ability to satisfy the state's need for value, quality, efficiency, innovation, and savings. The state plan amendment shall be submitted to the Centers for Medicare and Medicaid Services (CMS) within the quarter of the program effective date. Implementation of a procured contract shall begin January 1, 2023 for the adult benefit. The department, in consultation with oral health stakeholders, will determine the value of implementation of the pediatric dental benefit in a value-based benefit plan. Implementation of the pediatric benefit will occur on a date that follows the successful implementation of the adult dental benefit. The commissioner shall establish a capitated rate for the appropriate model for the contract that is full risk to the vendor. In contracting for a dental managed care model and the various rate cells, the department shall ensure no reduction in the quality of care of services provided to enrollees in the managed care model and shall exercise all due diligence to maintain or increase the quality of care provided. The department shall seek, with the review of the fiscal committee of the general court, all necessary and appropriate state plan amendments and waivers to implement the provisions of this paragraph. The program shall not commence operation until such state plan amendments or waivers have been approved by CMS. All necessary state plan amendments and waivers shall be submitted within the quarter of the program effective date.

(4) The commissioner shall adopt rules, pursuant to RSA 541-A, if necessary, to implement the provisions of this paragraph.

(b) Any vendor awarded a contract pursuant to this paragraph shall provide the required dental services to children with an implementation date to be determined by the department after the successful implementation of the adult benefit and the following dental services to individuals 21 years of age and over, reimbursed under the United States Social Security Act, Title XIX, or successors to it:

(1) Preventive dental services including examinations, necessary x-rays or other imaging, prophylaxis, topical fluoride, oral hygiene instruction, behavior management and smoking cessation counseling, and other services as determined by the commissioner.

(2) Restorative treatment to restore tooth form and function.

(3) Periodontal treatment and oral and maxillofacial surgery to relieve pain, eliminate infection, or prevent imminent tooth loss.

(4) Removable prosthodontics to replace missing teeth subject to medical necessity.

(c) In this paragraph, "dental managed care organization" means any dental care organization, dental service organization, health insurer, or other entity licensed under Title XXXVII, that provides, directly or by contract, dental care services covered under this paragraph rendered by licensed providers and that meets the requirements of Title XIX or Title XI of the federal Social Security Act.
3 Effective Date. This act shall take effect upon its passage.

LBA
21-0257
Revised 3/3/21

SB 150-FN- FISCAL NOTE
AS INTRODUCED

AN ACT establishing a dental benefit under the state Medicaid program.

FISCAL IMPACT: [X] State [ ] County [ ] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
Appropriation	$0	$0	$0	$0
Revenue	$0	$0	$0	$0
Expenditures	$0	$0	Indeterminable	Indeterminable
Funding Source:	[X] General [ ] Education [ ] Highway [X] Other - Federal Matching Medicaid Funds			

METHODOLOGY:

This bill requires the Department of Health and Human Services to solicit information and contract with dental managed care organizations to extend dental benefits under the Medicaid managed care program to individuals 21 years of age and over. Specifically, the bill amends RSA 126-A:5 by inserting a new paragraph XIX-a, which requires the Department to:

- Release a request for information no later than August 1, 2021;
- Submit a state plan amendment to the Centers for Medicare and Medicaid Services (CMS) within the quarter of the program effective date; and
- Implement a contract beginning on September 1, 2022;

As shown in the table below, the Department has provided the following estimates of the cost of adding a dental benefit to the Medicaid program: "medium," "high," and "August 2020 plan," the last of which the Department expects will provide the basis for the plan that is ultimately implemented as a result of this bill. It should be noted, however, that the FY 2020/21 budget trailer bill (codified in law as Chapter 346:225, III, Laws of 2019), required the Department to implement an adult dental benefit by April 1, 2021, so the cost of a generic dental benefit is attributable to that existing law rather than to the current bill. While this bill does not repeal or amend that chapter law, it does differ from it, in that it establishes a new implementation date of September 1, 2022. For that reason, for the purposes of this fiscal note, it is assumed that there will be no cost until FY 2023.

DHHS-Projected Dental Benefit Costs, Per Full Year of Implementation

	Medium	High	August 2020 Plan
Gross Per-Member, Per Month (PMPM) Cost	$ 20.50	$ 36.79	$ 24.38

Additional Transportation Services	$ 2.60	$ 2.60	$ 2.60
Medical Cost Offsets (e.g., reduced emergency costs)	$ (0.76)	$ (0.76)	$ (0.76)
Net Projected PMPM Cost:	*$ 22.34*	*$ 38.63*	*$ 26.22*
Federal Share of Costs			
Traditional Medicaid Population (50% of cost)	$ 5,130,000	$ 8,860,000	$ 5,840,000
Expanded Medicaid Population (90% of cost)	$ 11,450,000	$ 19,810,000	$ 14,490,000
Projected Federal Share of Costs:	*$ 16,580,000*	*$ 28,670,000*	*$ 20,330,000*
State Share of Costs			
Traditional Medicaid Population (50% of cost)	$ 5,130,000	$ 8,860,000	$ 5,840,000
Expanded Medicaid Population (10% of cost)	$ 1,270,000	$ 2,200,000	$ 1,610,000
Projected State Share of Costs:	***$ 6,400,000***	***$ 11,060,000***	***$ 7,450,000***

As the benefit is expected to be implemented on September 1, 2022, FY 2023 costs will be 75% of the annual costs reflected above. The Department notes that the "medium," "high," and "August 2020" plans reflect the following assumptions:

- Medium
  - Includes: diagnostic, preventive, restorative, oral surgery
  - Excludes: fixed and removable prosthodontics, endodontics, orthodontics
- High
  - Includes: diagnostic, preventive, restorative, oral surgery, removable prosthodontics, endodontics
  - Excludes: orthodontics, fixed prosthodontics
- August 2020:
  - Includes: diagnostic, preventive, restorative, oral surgery, removable prosthodontics
  - Excludes: endodontics, periodontics except for preventive/maintenance, fixed prosthodontics and crowns, and orthodontics.

AGENCIES CONTACTED:

Department of Health and Human Services