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April 28, 2017

Senator Michelle Benson Senator Jim Abeler Senator Karin Housley Senator Paul Utke Senator Tony Lourey

Representative Matt Dean Representative Joe Schomacker Representative Tony Albright Representative Deb Kiel Representative Jennifer Schulz

Dear Conference Committee Members:

I have new information to share regarding a critical and urgent issue that the health and human services conference committee has the power to address this session. As you know, Minnesota has a two-tiered dental system; those who have private insurance see dentists and those who are on public health care programs go without. This is made painfully evident by the fact that nearly two-thirds of children living below the poverty line in Minnesota did not see a dentist last year.

The Minnesota Department of Human Services (DHS) was notified by the Centers for Medicare & Medicaid Services (CMS) that the number of children on Minnesota's Medicaid program, Medical Assistance (MA), who lack access to dental care has reached unacceptable levels (see attached).

CMS has given DHS 90 days to submit a plan specifying steps the state will take over the next year to make substantive progress to increase the number of children on Medical Assistance who receive dental services. Failure to take meaningful action will lead to corrective actions including, but not limited to, the withholding of needed federal funding. DHS does not have the authority to address this on our own. The Legislature must act if we are going to make meaningful strides toward improving access to dental care.

Major changes to our payment and administrative structure are needed to move the state into compliance. Studies conducted by DHS at the direction of the Legislature in 2014 and 2015, show that due to administrative complexity, preferential rates targeted to certain providers, and low base reimbursement rates, many dentists are discouraged from serving public program enrollees. The Minnesota Office of Legislative Auditor in 2013, also identified DHS' current administrative and payment structures as barriers to dentists participating in the program.

Governor Dayton has proposed a comprehensive approach that simplifies and streamlines the administrative and payment structure, including uniform and fair rates for dental services. The Governor's proposal addresses the lack of dental access for all public program enrollees, both kids and adults, particularly those in Greater Minnesota and those in the fee-for-service program. The CMS letter notes that Governor Dayton's proposal, if enacted, would be considered a meaningful effort by the state to address the lack of access to dental care.

Conference Committee Members April 28, 2017 Page 2

By contrast, the House makes no serious investments to improve access to dental care and includes a provision to exempt rural dentists from Rule 101, which could make the problem worse. The Senate does propose to simplify the administration of the dental program and includes a rate increase that is smaller than that proposed by the Governor, while leaving some special rates intact. Unfortunately, smaller measures have been tried and proven ineffective. The state has enacted dental rate increases for targeted groups of dentists since 2012, mostly through changes to the critical access dental program, and access has continued to decline.

This decline in access affects families in every community. Public health care program enrollees are experiencing hardships we must address. There is Jonathan, whose mom recently took an afternoon off to drive him to the closest dentist accepting Medical Assistance, two hours away from home. They learned Jonathan had dangerous levels of tooth decay and that he would need to return to the clinic three times in the coming few months. She arranged for time off, without pay, to drive back and forth three times only to learn, at their final appointment, that their dentist was managing an emergency and they'd need to come back yet again. She couldn't make this final visit happen and Jonathan's procedures remain unfinished a year later.

I urge the conference committee to adopt the Governor's proposal to increase access to dental care. Take this action to help ensure that children like Jonathan, and all 1.2 million Medical Assistance and MinnesotaCare enrollees, can access the care they need in their communities.

This recent action by CMS also highlights the importance of enacting the Governor's other proposed federal compliance initiatives, specifically efforts to comply with federal pharmacy, access monitoring, and managed care regulations. The federal government takes the state's efforts to comply with federal mandates seriously and the consequences for ignoring these directives can have major implications for our programs, the state's budget, and most importantly the people we serve.

Emily Piper

Commissioner