



benevis

Dental Practice
Management Services

Kentucky Medicaid Dental Rates

Presented to:

Kentucky General Assembly Medicaid Oversight & Advisory Committee

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Presentation Topics

- ❁ About Benevis in Kentucky
- ❁ Dental Challenges Due to Current Medicaid Dynamics
- ❁ Dental Rate Comparisons to Commercial Rates
- ❁ Dental Rate Comparisons to Peer States
- ❁ Dental Rate Activities in Benevis States 2021-22
- ❁ Recommendations

About Benevis in Kentucky

- ❁ Benevis Dental Practice Management Services supports four affiliated dental offices called Ruby Dental in Kentucky.



- ❁ Locations include Louisville(2), Lexington & Elizabethtown
- ❁ Ruby Dental offices primarily serve Medicaid patients and provides general dentistry as well as specialty care including orthodontics
- ❁ In 2019 Ruby Dental offices represented 6.2% of the Medicaid patients seen while only accounting for 4.6% of the state's spend
- ❁ Similarly, in 2020 Ruby Dental offices represented 6.0% of the Medicaid patients seen while only accounting for 4.1% of the state's spend

Dental Challenges Due to Current Medicaid Dynamics

- ❁ Kentucky dental offices that serve Medicaid patients face mounting challenges with staffing shortages and rising labor and supply costs. For example:
 - ADHA/ADA study found that 19.7% of Dental Hygienists left the profession or went part-time in the wake of the COVID-19 pandemic
 - Supply costs per patient for Benevis affiliated dental offices are up 40% from 2017 to 2022 due to multiple factors, including inflation and global supply chain problems
- ❁ Ruby Dental offices in Kentucky have felt the impact of these post pandemic challenges:

| | Pre-Pandemic | May 2021 – April 2022 |
|-------------------|--------------|-----------------------|
| Offices | 4 | 4 |
| Dentists | 16 | 4 (1 is PT), 1 Ortho |
| Employees | 84 | 45 |
| Medicaid Patients | 49,600 | 29,141 |

Kentucky Medicaid Rates vs Commercial Payors

- ❁ Comparison made between Medicaid rates paid in Kentucky versus the in-network rates of four large commercial dental plans (Aetna, Guardian, Humana & Principal)
- ❁ Just one of the six Medicaid Managed Care plans pays all codes at the Kentucky Medicaid Fee Schedule so comparisons are made to both the KY fee schedule and what providers are actually being paid
- ❁ Analysis is of 32 priority CDT codes which comprise 89% of Kentucky's non-orthodontic dental spend.

| Commercial Percentage Over KY Fee Schedule | Commercial Percentage Over KY Managed Care Average |
|--|--|
| 52.8% | 66.6% |

The 32 priority CDT codes are: Exams (D0120, D0140, D0150), X-Rays (D0220, D0230, D0272, D0274, D0330), Cleanings (D1110, D1120), Fluoride (D1206, D1208), Sealants (D1350), Fillings (D2330, D2331, D2332, D2335, D2391, D2392, D2393, D2394), Crowns & Pulpotomies (D2930, D2934, D3220), Extractions (D7140, D7210, D7220, D7230, D7240), Sedation (D9222, D9223), Nitrous Oxide (D9230)

Kentucky Medicaid Rates vs Other States

- ❁ Comparison made between Medicaid rates paid in Kentucky versus Medicaid dental rates paid in Virginia and Massachusetts
- ❁ Analysis is of 32 priority CDT codes which comprise 89% of Kentucky's non-orthodontic dental spend.

| Virginia Percentage Over KY Medicaid Managed Care | MassHealth Percentage Over KY Medicaid Managed Care |
|---|---|
| 56.7% | 74.3% |

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Dental Rate Activities in Benevis States 2021-22

Georgia

2021

3% Increase for 15 codes

2022

7% increase for 17 codes & 10%
for 2 codes

Virginia

2022

30% increase for all codes

Illinois

2022

\$10 million Increase

Mississippi

2022

5% increase for all codes

Massachusetts

2021

7.3% increase for all codes

West Virginia

2021

15% increase for all codes

Maryland

2022

\$20M increase – 9.5%

Connecticut

2022

25% increase for adult codes
100% increase for adult
endodontia codes

Louisiana

2022-2022

Approximately 18% increase from
Full Medicaid Pricing Project

Recommendations

- ❁ Appropriation for a Directed Payments solution to increase Medicaid Dental rates to state Fee For Service (FFS) level (*i.e. 2022 SB 87–Sen. Alvarado*)
- ❁ Legislation requiring MCOs to reimburse, at minimum, state FFS level (*future contracts*)
- ❁ Legislative action requiring legislative/administrative FFS rate increases to pass through MCOs to providers
- ❁ Legislative appropriation to increase state FFS rates to modern level
- ❁ Legislative action requiring biennial administrative review and report on state FFS dental reimbursement compared to commercial insurance rates



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