



RECENT STATE AUDIT ON MEDI-CAL'S DENTAL PROGRAM CONCLUDES THAT ENROLLED CHILDREN ARE AT HIGHER RISK OF DENTAL DISEASE

Background and Summary
February 2015

Background

Too many California children are not receiving the dental care they need. Tooth decay is the most common chronic disease children face despite being preventable. More than half of California's children are enrolled in Medi-Cal and are thus eligible for dental benefits. Unfortunately, however, more than half (nearly 56 percent) of children enrolled in Medi-Cal have not had a dental visit in the past year. Furthermore, a recent Pew report revealed that California is among the bottom 10 states in providing dental care to children enrolled in Medicaid. To make matters worse, the State recently implemented a 10 percent cut in Medi-Cal reimbursement rates for dental providers. Low reimbursement rates are among the main reasons dentists do not serve children enrolled in Medicaid, and California already has some of the lowest reimbursement rates in the nation.

In recent years, children's advocates have been highlighting the barriers that families face in getting needed dental care and offering practical solutions to addressing the gaps in care children face. For example, an informal ["secret shopper" survey of the state's Medi-Cal dental program](#), found that, too often, families—particularly those with young children—had difficulty finding a dentist to treat their child. Children's advocates clearly saw a need to identify a way to hold the state accountable for improving children's access to dental care.

History of the Audit

In the summer of 2013, The Children's Partnership, Children Now, and HR Dowden & Associates requested that State Senators Emmerson and DeSaulnier sponsor a request to the Joint Legislative Audit Committee to approve a state audit of Medi-Cal's dental program, with the goal of identifying where the State was not meeting its obligation to ensure children enrolled in Medi-Cal get the dental care they need. Advocates also provided recommendations for questions the audit should answer. The Joint Legislative Audit Committee approved the audit in late 2013. The California State Auditor conducted the audit throughout most of 2014 and released its final report in December 2014.

Summary of Findings¹

The audit report, entitled [California Department of Health Care Services: Weaknesses in its Medi-Cal Dental Program Limit Children's Access to Dental Care](#), revealed the following findings about Medi-Cal's dental program.

- While overall California appears to have an adequate number of active providers to meet the dental needs of child beneficiaries, there is an uneven distribution of providers, leaving some geographic areas with a significant lack of providers to meet the demand for care.
- Recent policy changes, such as the move of nearly 800,000 children from the Healthy Families Program to Medi-Cal, the restoration of dental benefits for adults enrolled in Medi-Cal, and the increased number of Medi-Cal enrollees (2.4 million additional individuals) due to the implementation of the Affordable Care Act may put a further strain on Medi-Cal's ability to meet the dental care needs of its enrollees.
- California's reimbursement rates for the 10 dental procedures most frequently authorized for payment within the program in 2012 averaged only 35 percent of the national average for these same procedures in 2011.
- The Department of Health Care Services (Department) has not established criteria for assessing utilization rates under the fee-for-service model.

- The Department has not complied with state law requiring it to review reimbursement rates annually to ensure there is reasonable access to dental services by Medi-Cal beneficiaries, leaving the Department unaware of the impact of rates on access to care.
- The Department has not complied with its plan for monitoring access to dental services.
- The Department's actions related to improving beneficiary utilization and provider participation have been ineffective.
- The Department's current data collection efforts lack the specificity required to fully meet federal and state reporting requirements.

Recommendations²

The audit report provided several important recommendations for the Department to carry out, including the following.

- Establish criteria for assessing beneficiary utilization of dental services.
- Establish criteria for assessing provider participation in the program.
- Develop procedures to identify periodically any counties or other geographic areas where beneficiary utilization and provider participation fail to meet applicable criteria.
- Immediately take actions to resolve any declining trends identified during its monitoring efforts.
- Continuously monitor beneficiary utilization, the number of beneficiaries having difficulty accessing appointments with providers, and the number of providers enrolling in and leaving the program.
- Immediately resume performing annual reimbursement rate reviews, as state law requires.
- Adhere to DHCS' monitoring plan related to children accessing dental care.
- Direct Delta Dental to annually submit a plan that describes how it will remedy the dental access problems in underserved areas within California.
- Direct Delta Dental to contract with one or more entities to provide additional dental services in either fixed facilities or mobile entities in underserved areas, as its contract requires.
- Establish the provider-to-beneficiary ratio in each county as one of the performance measures designed to evaluate access and availability of dental services and require that the provider field in its data system is populated in all circumstances.
- Continue working on a solution to capture the details necessary to identify specific dental services rendered.
- Take steps to ensure providers are reimbursed for services rendered to eligible beneficiaries only.

Children's advocates are pleased with the audit report's recommendations. We strongly urge the Legislature to hold the Department of Health Care Services accountable for complying with the audit report's recommendations. For more information, please contact Jenny Kattlove, The Children's Partnership, at (310) 260-1220 or jkattlove@childrenspartnership.org.

Endnotes

¹ Some language in this section is taken verbatim from the audit report; some language is a summary of points made in the audit report.

² Ibid.