



## DMA Dental Program

M. Alec Parker, DMD  
Executive Director, NC Dental Society

Over the past four years, the DMA Dental Program has demonstrated economic trends that are markedly different than other parts of the Medicaid program. Instead of annual cost overruns, the program has received national recognition for efficiencies in cost containment, utilization of services and provider participation.

### Cost Containment

- The NC Medicaid Program budget has been predictable and stable since SFY 2008. \*

SFY 2009	SFY 2010	SFY 2011	SFY 2012
\$330 million	\$354 million	\$362 million	\$355 million

- This cost stability is due to implementation of program changes as well as efforts by providers to utilize proven preventive oral health services to control program costs and deliver better value. These efforts also help save money by keeping patients out of the Emergency Room where care is significantly more costly.
- Dental expenditures have fallen from over 3.2% of total Medicaid services expenditures to just over 2.5%. (National figures indicate that, for the U.S. population as a whole, 5% of healthcare expenditures are spent on dental care.)

### Cost Stability Despite Increases in Utilization

- Despite cost containment efforts, the percentage of Medicaid eligible children ages 1 - 20 who have received at least one dental visit in a given year has increased steadily from 47% in FFY 2008 to 53% in FFY 2012. (CMS reports that the average utilization rate for children in private dental benefit plans is 58%.)
- In SFY 2013, 44% of eligible adult beneficiaries received at least one dental service. This exceeds the national average of 38% for private dental benefit plans.

### Provider Participation

- Estimates suggest that 45-50% of the active licensed dentists in NC are rendering providers on at least one Medicaid paid claim each year.  
The number of significant billing providers, defined as those receiving paid claims of greater than \$10,000 in a reporting period, has also increased from 1006 in SFY 2008 to 1240 SFY 2012.

### Position on Medicaid Reform

- We support enhanced resources for the NC Division of Medical Assistance to better understand and predict spending to eliminate budgeting uncertainties.
- Commercial managed care companies would add little assurance to budget predictability. Instead, they have the potential to increase program costs and reduce payments to providers by siphoning money from payments for services to profit and overhead. We have seen this happen in other states, such as Georgia.
- Medicaid should be improved by enhancing what is already working in North Carolina. This means building on North Carolina's provider-led care initiatives in which better care produces better outcomes and lower costs.
- Finally, reforms should utilize provider-led systems of care that focus on increased quality, efficiency and patient outcomes.

\* Source: North Carolina Division of Medical Assistance