

EXHIBIT H

TASK FORCE ON MEDICAID REFORM

Thursday, May 28, 2015

Presented by Billy Tarpley, Executive Director, Arkansas State Dental Association

Recommendations for Medicaid Dental Program

Premise. Despite the best efforts of the DHS Division of Medical Services (DMS) and the Arkansas dental community, the Medicaid Dental Program is dysfunctional, and the Arkansas State Dental Association (ASDA) wants to be of assistance in creating real solutions for this challenge. The burden of attempting to manage a dental program within a medical MMIS presents an administrative burden and creates unnecessary hardship. ASDA can help the state manage the dental program, find cost savings, manage utilization and provide the administrative efficiencies that dental offices desire as providers.

Background. The majority of dental procedures are *preventative*.

In other words, early treatment in the disease process prevents more serious health problems and expenses later on. Recent data from the American Dental Association¹ shows that the number of patients who presented to emergency rooms for dental related conditions doubled in ten years. In fact, almost 2

percent of all ER visits in 2012 were due to dental related pain. An efficient dental program can and should address the health concerns of Medicaid recipients, and maximize the use of public resources.

DENTAL EMERGENCY ROOM VISITS, 2000-2010



From National Hospital Ambulatory Medical Care Survey

Objective. An effective and efficient Medicaid dental program can help our state to achieve the following benefits:

- Better utilization of state resources (dollars and personnel)
- Create efficiencies within the program to attract providers and deliver preventive treatment to more patients
- Address policy-related conflicts within the program
- Utilize a robust Fraud, Waste and Abuse (FWA) detection and monitoring system

Independent Analysis. An analysis² performed by Mr. Oscar Bryant of nMerXion LLC in 2013 made recommendations for both near-term and long-term improvements. The “quick perspective” chart in this document presents actionable report recommendations, along with expected investments, impacts and potential reductions in operational, program (claims experience), and staff costs.

Recommendations. Although the dental unit within DMS is staffed with hardworking and highly competent professionals the challenge of trying to manage a dental program with a medical model are frustrating. Arkansas should create a Dental MMIS (Medicaid Management Information System) to manage the dental program, if even on a pilot basis. The consultant makes this recommendation as well. However, there are still benefits to be realized for the existing program. Implementation of the near-term suggestions from the analysis could:

1. *Reduce approximately one DMS Dental FTE position for each 25% reduction in Prior Authorization (PA) submitted by mail through conversion to electronic transactions.*
2. *Reduce costs associated with postage by up to 70% for each PA that requires clinical documentation by converting to electronic transactions and paying the much lower clearinghouse cost.*
3. *Increase performance and accuracy related to PA processing from several weeks to 1-3 weeks.*
4. *Improve relationships with dentists with enhanced overall performance and better service.*
5. *Consider outsourcing a dental-specific third party administrator or contractor (such as ASDA) given the differences that exist between medical and dental administration and operations.*
 - a. *The utilization of a dental-specific solution would facilitate lower staffing, operations and program (claims) cost while increasing operational efficiency and effectiveness.*
 - b. *A dental-specific administrator also would be able to quickly address existing discrepancies within the program, e.g. inadequate procedure coding (amalgam vs. composite, variations with procedure definitions, etc.)*

- c. *Out-sourcing should include a dental-specific Fraud, Waste and Abuse detection and monitoring system and associated services. This could be accomplished now without core system replacement.*

The analysis further stated that the current DMS Dental environment is challenged by old technology limited in its ability to adequately support operations. Although the old system will be replaced at some point, there is little reason to expect that the improvements will address the challenges within the dental program.

Synopsis. ASDA recommends that the state create a Dental MMIS and outsource the administration to a dental-specific entity. Delivery of dental services and medical services are completely different. Administration of the services must be different as well. A dental-specific entity could be more nimble in providing quick responses to problems that are inherent to all social service programs. ASDA remains committed to the goals of Medicaid reform through the conviction that improved care and the associated costs will come through innovation, collaboration, and professional investment with the dental community.

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1. *American Dental Association, Health Policy Institute, "Emergency Department Use for Dental Conditions Continues to Increase", T. Wall and M. Vujcic, April 2015*
 2. *Analysis was performed by nMerXion LLC, November 1, 2013, nMerXion.com*



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ATTACHMENT: The "Quick Perspective" Chart below is copied from the Summary Report mentioned earlier. The items mentioned here are related to the existing system used by DMS. However, the functionality desired represents some of the features needed in a new system by a dental-specific administrator.

Recommendation	Investment	Impact	Potential Reductions		
			Operating Costs	Program Costs	Staff
Review Frequency Limitations	Staff/Dental Consultant Time MMIS System Mods	Better Benefit Management, Lower Program Costs	✓	✓	
Clinical Review - Guideline Development	Staff/Dental Consultant Time	Consistent Clinical Review, Improved Dentist Relationship	✓	✓	✓
Review Orthodontic Reimbursement Standard	Staff/Dental Consultant Time	Better Benefit Management, Lower Program Costs	✓	✓	
National Electronic Attachment (NEA)	\$.27 per Prior Authorization	Up to 70% reduction in postage, Potential Staff Reduction	✓		✓
Prior Authorization (PA) MMIS Data Entry Schedule	Staff/Dental Consultant Time	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
Team Links Modifications	\$.27 per Prior Authorization	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
Prior Authorization Management System (PAM) -278 Electronic PA	Staff/Dental Consultant Time	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
Provider Electronic Submittal (PES) Prior Authorization Submittal	Staff/Dental Consultant Time	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
Provider Electronic Submittal (PES) Eligibility and History	Staff/Dental Consultant Time MMIS System Mods	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
"Adjudication Review", PA Number Not Found – PA Not Requested or Processed	Staff/Dental Consultant Time MMIS System Mods	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
Fraud, Waste & Abuse – Outsourced Dental Monitoring and Detection	Annual \$400k - \$700K	Better Benefit Management, Lower Program Costs, Recoup Fraud Payments	✓	✓	✓
MMIS & Team Links Training	Staff/Dental Consultant Time	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓
National Association of Dental Plans (NADP) Membership	Staff Time Annual Fee (\$25k - \$45k)	Better Benefit Management, Lower Program Costs, Recoup Fraud Payments	✓	✓	✓
Electronic Submittal Legislation	Legislative Initiative	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓	✓	✓
Outreach and Promotion of Electronic Capabilities	Staff/Dental Consultant Time	Improved Service Level, Workload/Issue Reduction, Improved Dentist Relationship	✓		✓