

Oral Healthcare Reform

By Kris Hathaway, Director of Government Relations, NADP

Submitted August 5, 2008 for the American Association of Dental Consultants bi-annual newsletter – The Beacon

According to a CNN poll, Americans consider healthcare the third most important factor in how they are going to vote in the upcoming election, after the economy and the war in Iraq. Healthcare continues to be a top tier issue, regularly covered by the media, highlighted in political discussions, and the focus of documentaries by “Frontline” and Michael Moore. “Cost containment” is the new catch phrase used in many National Association of Insurance Commissioner hearings and studied by independent groups such as the Kaiser Family Foundation, the Commonwealth Fund and the National Academy for State Health Policy.

This article focuses specifically on key healthcare reform activities, emphasizing the oral health component and its impact on the dental benefits industry. It also discusses issues the National Association of Dental Plans (NADP) is currently reviewing to prepare for a health reform dialogue.

Being Prepared...

As the representative and recognized resource for the dental benefits industry, NADP works towards developing industry consensus in response to tough policy questions and political issues inherent in key debates like healthcare reform.

In May, NADP released its policy on Healthcare Reform, which includes these core principles:

- Oral Health is Vital to Overall Health.
- Cost is a Key Barrier to Dental Care.
- Dental Benefits are Key to Expanding Access to Affordable, Quality Dental Care.
- Employers Play a Critical Role in Providing Access to Dental Benefits.
- Dental Plans Help Government Programs Work for Beneficiaries.

Why is dental so important in the health care reform debate? The connection between oral health and overall health is the key. There are many studies connecting dental health with heart disease and diabetes, or noting a correlation between poor periodontal health and premature birth, and detecting the presence of oral cancer. Access to dental care can not only identify overall health conditions but trigger their treatment, thus reducing physical and financial impacts for adults and children. Paying for dental care can reduce costs for medical care, and yet, as NADP statistics show, there are currently 170 million Americans with dental benefits, leaving two out of five Americans without dental coverage. The dentally uninsured outnumber the medically uninsured by two and half times.

Other stakeholders in the dental community also are preparing for the potential health reform debate by crafting their own principles for reform. For instance, the American Dental Association is working toward finalizing its healthcare reform statement; other dental related associations, such as the American Dental Education Association (ADEA) have released statements as well. NADP has been involved in reaching out to these partner organizations to share its principles and the rationale that informed their development. NADP intends to continue to work closely with partners as the debate unfolds to jointly educate and engage policy makers on the key role of oral health in overall healthcare reform.

Federal Focus...

As NADP prepares for a larger conversation about federal healthcare reform in the months ahead, congressional attention regarding oral health issues continues to grow. In 2007 Congress passed legislation to require dental coverage in the State Children's Health Insurance Program (SCHIP) – the federal-state program that provides healthcare coverage to targeted low-income children who do not qualify for Medicaid. The legislation ultimately was vetoed but through its passage, Congress made a strong statement about the need to move SCHIP dental coverage from optional to mandatory.

Much of the recent congressional focus on dental issues has been in response to the 2007 death of Deamonte Driver. Deamonte, a 12-year old Maryland boy whose mother had lost Medicaid coverage, died when complications from untreated dental problems lead to a fatal brain infection. Congress has held hearings on the dental access issues facing families like the Drivers and others on Medicaid. Legislation has been introduced to better coordinate federal efforts to improve oral health (S.3064, S. 3067, H.5549, etc), expanding dental services to underserved populations and strengthening the dental workforce. At the same time, federal agencies have responded to the call for greater accountability in federally supported dental benefit programs by accelerating the development of dental measures to better track delivery of care. In recent meetings with the federal Health Resources and Services Administration (HRSA) NADP learned that draft measures for use in certain public programs that provide dental services will be released this fall. NADP will be part of the interested parties' response to these proposed measures.

With new attention on oral health there are a number of issues the dental community will need to closely monitor in the year ahead. NADP actively tracks these issues for the dental benefits industry and works with our colleagues in partner organizations to help convey the interests of the oral health community to policymakers. Among the potential issues of interest to our community in the emerging health reform debate are the following: public program expansions, reform of the tax preferences for employer-sponsored healthcare coverage, proposals to expand the dental workforce, and efforts to increase the use of dental measures.

Stakeholder Activities...

In July, 2008, the Kaiser Family Foundation and the Alliance for Health Reform held a briefing on Capitol Hill for Congressional leaders and the press to present the key issues for increasing oral health coverage for the uninsured. A range of expert panelists addressed the questions related to the best way to include dental health in the larger health reform debate. (Information regarding the Briefing can be found on the organizer's websites.) Several of the approaches presented merit consideration by our industry:

- **Education** regarding oral health needs to address children below the age of two; programs such as Head Start and WIC need to have instructive materials on eliminating the number one preventable disease in children – caries. Education about the connection between oral health and overall health is key to improving health and save healthcare dollars.
- **Access** to a limited number of dental providers through Medicaid and SCHIP benefits is a main concern. Low reimbursement rates and maldistribution of the dental professional workforce continue as core issues. While the Bureau of Health Professions estimated that 10,000 dental providers are necessary to serve the geographic regions where there are shortages of dentists, the challenge remains how to incent dental professionals to serve in these communities. Offering loan repayments for dental students to work in rural areas was one of several ideas. Another is to increase the number and responsibilities of dental allied professionals. Models, such as the Advance Dental Hygiene Practitioner (ADHP) have garnered attention in

several states, particularly Minnesota. However, the shortage of faculty in dental education schools and extended time required to implement new models, such as the ADHP may impede quick results.

- **Funding** of oral health programs in the states and with federal assistance is critical; increased reimbursement rates, support of educational programs, and financing public health and dental clinics must all be considered. Preventive dental care not only reduces future dental costs but may also reduce overall healthcare costs.

Also in July, Kaiser Foundation and the National Academy for State Health Policy released, 'Filling an Urgent Need: Improving Children's Access to Dental Care in Medicaid and SCHIP', an encompassing report on state's public programs on oral health.

Industry Questions...

As states enact and implement new oral health policies, the impacts on private dental plans must be examined. How will dental care measures change business contracts? And can the dental workforce, as currently structured, support expanded access? Issues and questions being discussed within NADP include:

- **Crowd out** is defined as an enrollee dropping private insurance to participate in a free or subsidized health program administered by the state. This issue can arise when public programs are expanded to help low-income working families afford coverage. There are extensive studies and issue briefs regarding the potential impact of public program expansions on employer-sponsored medical insurance, and policymakers have proposed various mechanisms to limit crowd out. However, there have been no reports on how crowd out may affect the dental marketplace. Dental insurance for a year costs less than medical insurance for a month. Will employees who purchase their company's sponsored dental benefit to obtain coverage for their children, drop it in favor of free coverage for their children under SCHIP? Will policy changes to prevent crowd out work for dental coverage? Will this raise costs in both the public and private arenas? The potential impact of SCHIP and other public program expansions varies by plan and product type.
- **Limited network size** is not only a problem within public programs but many private insurers are also facing difficulties developing adequate provider networks in certain geographic regions. Alabama recently increased their reimbursement rates equal to Blue Cross Blue Shield dental fees, and other states are proposing reimbursing up to 80% of private insurance reimbursement rates. Although it is unlikely providers will drop private insurance to become solely involved in public programs, as providers become more involved in public programs, will that diminish their capacity to accept new patients? While increased access is a positive change, dental plans must be aware of the potential shift in network size or composition resulting from public program expansion.
- **Cost containment** loosely means restraining the rapid growth of financial expenditures on healthcare such as medical insurance, hospitals, pharmaceuticals, etc. State legislators and insurance commissioners are investigating cost containment policies, such as restrictions on premium increase, or imposition of minimum loss ratios. While some state regulations already have these policies in place, tightening these mandates and enacting them in additional states could have a disproportionate impact within the dental benefits community.

Increasing the number of children utilizing oral healthcare, whether through private insurance or public program services, is imperative and is an important objective for anyone in the dental industry. NADP is working with members, analyzing the potential business impacts surrounding oral healthcare reform so that dental plans can adjust to a changing economic and political climate. As oral health receives the attention it so rightly deserves, our industry, which helps consumers overcome the cost barrier to care, is actively engaged to help ensure that these questions are examined in transparent debates. We need to find common ground to "improve consumer access to

affordable, quality dental care”—the core mission of NADP as it promotes and advances the dental benefits industry.

Oral healthcare and the issues addressed in this article will be the subject of a session occurring at NADP’s Annual Conference on September 3, 2008 in Orlando, FL.

Contact Information

Kris Hathaway

Ph 972.458.6998x111 khathaway@nadp.org

Dallas, TX