

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>11-14-07</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000254</i>		<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR		<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____	
<i>cc: Ms. Fortner</i> <i>Cleared 11/19/07 letter</i> <i>attached.</i>		<input type="checkbox"/> FOIA DATE DUE _____	
		<input checked="" type="checkbox"/> Necessary Action	

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

# SOUTH CAROLINA DENTAL ASSOCIATION

*Organized 1869 • A Constituent of the American Dental Association*

*Log: Myers  
C: EF*

RECEIVED

NOV 13 2007

Department of Health & Human Services  
OFFICE OF THE DIRECTOR



November 8, 2007

Ms. Emma Forkner, Director  
Department of Health and Human Services  
P. O. Box 8206  
Columbia, SC 29202-8206

Dear Ms. Forkner:

The South Carolina Dental Association (SCDA) has been a strong advocate for Medicaid recipients for many years. In 2000, we worked with a state wide coalition to improve the Medicaid program and saw the number of dentists enrolled to see Medicaid patients increase from 400 to over 1,000 providers today.

Earlier this week, the SCDA was informed that the population of children who fall in the 150% to 200% of the Federal poverty possibly being added to the Medicaid rolls would be placed into a managed care program(s). The SCDA strongly suggests that DHHS review this decision closely.

We believe that, rather than putting this population into a medical managed care model, the Medicaid recipients of South Carolina would be much better served if dental benefits were carved out as fee for service utilizing the current model for delivery of benefits. The SCDA suggests this for many reasons:

- Since the program was improved in 2000, the number of children treated has doubled. These children are receiving not only preventive services, but comprehensive care, with the restorative and surgical services addressing those situations that cause them the most pain.
- DHHS currently has a single fee schedule with over 1,000 dentists enrolled. Moving this population to a managed care model will create multiple fee schedules, and my fear is that some dentists in this state will consider not renewing for basic Medicaid or not signing up for the managed care portion at all. Why not use the 1000 plus dentist "network" already in place? What we all want is an increase in access and I am concerned that a shift of a portion of the recipients to managed care will hurt access to care.
- Management of a dental office and a physician's office are very different and cannot be equated. The office overhead is much higher for dentists and most of the hands on care is done by the dentist and not the staff. Just because physicians do well in a managed care setting, the same cannot be said for dentists. This is the primary reason dental managed care has had very little penetration in South Carolina.
- I am concerned that dentists will not go through the time consuming and sometimes frustrating process of signing up for multiple managed care plans in a particular county. Dentists have to operate in an efficient manner to remain viable in business. I believe that they would see this increased administrative overhead as a negative for their ability to provide the time and oversight needed to give the best care to the patients. I feel this population of recipients will have restricted access rather than increased access to care.

- The cost of Medicaid dental benefits is not spiraling out of control – just the opposite. The costs are leveling off and we are starting to see the health benefits of comprehensive dental care and preventive services for the children of South Carolina. This is not the time to take a step backwards. You only have to look to the neighboring states of Florida and Georgia to see the problems this type of change can create.
- Instead of the cost savings envisioned by the state through a managed care approach, the actual result would be an increased cost to the state and the patients. We want to keep treatments current and not let them progress to more extensive and costly situations. We need the program to increase access to dental care for this vulnerable population. I don't want to see the gains made since 2000 erased.

The SCDA fully supports the addition of benefits to the approximately 70,000 children that may be added to the Medicaid rolls. We want every child in South Carolina to have access to optimal dental health. We feel the way for these additional children to obtain this increased access to care will be to carve out this dental benefit, utilizing the existing Medicaid provider base and keeping it fee-for-service.

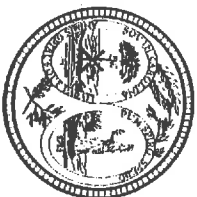
Although we have a meeting set up with you on Tuesday, November 20, 2007 at 9:00 a.m., if there is anyway to meet earlier to discuss this very important issue, please let us know.

Sincerely,



Dr. W. Carter Brown  
SCDA President

Cc: The Honorable Hugh Leatherman  
The Honorable Thomas Alexander  
The Honorable Dan Cooper  
The Honorable Tracy Edge  
Mr. Richard Davis, SCDA Lobbyist  
The SCDA Board of Governors  
The SCDA Medicaid Task Force  
Mr. Phil Latham, SCDA Executive Director



*State of South Carolina*  
*Department of Health and Human Services*

Mark Sanford  
Governor

Emma Forkner  
Director

November 19, 2007

Dr. W. Carter Brown  
South Carolina Dental Association  
120 Stonemark Lane  
Columbia, SC 29210

Dear Dr. Brown:

Thank you for your letter of November 8, 2007, concerning dental benefits for the children who will be served through our stand-alone State Children's Health Insurance Program (SCHIP). We appreciate your careful consideration of this matter and your detailed articulation of the potential obstacles to successful implementation of this program.

Please be assured that it is neither our desire nor intent to damage our existing network of Medicaid enrolled dentists. We value our relationship with the dental community and we are open to looking at all possible solutions to the issues raised in your letter. We are meeting with representatives from the South Carolina Dental Association this week and we hope to begin a productive dialogue that will allow us to reach a mutually satisfying resolution of this issue.

We look forward to continuing our current relationship with both SCDA and all dentists who currently serve our Medicaid population. Additionally, we look forward to working with the dental community in a cooperative manner to ensure access to dental benefits for the children who will be served through our stand-alone SCHIP program.

Sincerely,

A handwritten signature in cursive script, reading "Emma Forkner".

Emma Forkner  
Director

EF/mk

#254  
✓



*State of South Carolina*  
*Department of Health and Human Services*

Mark Sanford  
Governor

November 26, 2007

Emma Forkner  
Director

Dr. W. Carter Brown  
President  
South Carolina Dental Association  
120 Stonemark Lane  
Columbia, SC 29210

Dear Dr. Brown:

Thank you for your letter of November 8, 2007 regarding the dental benefit under the new stand-alone State Children's Health Insurance Program (SCHIP) for children up to 200 percent of the Federal poverty level, pursuant to Proviso 8.36 in the Fiscal Year 2008 State Appropriations Act. As you know, we had the pleasure of meeting with Mr. Phil Latham, Dr. Jim Mercer, Mr. Hal Zorn, and Mr. Richard Davis, all representing the South Carolina Dental Association, on November 20, 2007, and I am happy to report that in that meeting we agreed upon an implementation plan which all parties agreed to support.

In the meeting we discussed the Dental Association's concerns about the Department's plans regarding the dental benefit under the new SCHIP stand-alone program, and we discussed the proviso language which provides in part that, "The *private* benefit plan must include dental and visual benefits substantially equal to those currently offered to beneficiaries under the Medicaid program". We agreed that the type of dental plan to be provided could be open to interpretation, but that this language is pretty clear that the new population to be covered must have dental benefits equivalent to Medicaid, but provided through some type of private plan.

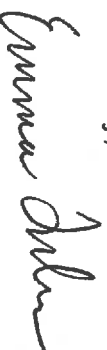
We discussed the Dental Association's concerns about managed care models and the challenges of developing an adequate network of dental providers, and we discussed other alternatives, such as contracting with an administrative services organization (ASO) that has experience and a good track record in administering dental benefit plans. As a result of that discussion we reached consensus that the latter alternative would offer advantages over both the medical managed care model and the current Medicaid fee for service model for dental care.

Dr. W. Carter Brown  
November 26, 2007  
Page 2

Therefore we agreed that the Department would pursue a Request for Proposals (RFP) for an ASO to administer the dental benefits for both Medicaid and the SCHIP stand-alone program. We further agreed that the Dental Association would have input in developing the RFP, and the Department will also invite a representative of the Dental Association be on the evaluation panel that reviews the proposals. In the meantime, if the Department receives Federal approval to proceed with the SCHIP stand-alone program prior to the RFP process for the dental plan being completed, the dental benefit will be provided in the same manner as Medicaid fee for service until a contract for the dental plan can be awarded.

We appreciate the services that dentists provide to our Medicaid and SCHIP beneficiaries across South Carolina, and we look forward to working with you as we continue to look for ways to enhance the quality and value of the dental care that our beneficiaries receive.

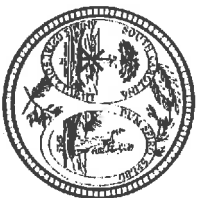
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Emma Forkner  
Director

EF/jp

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The Honorable Thomas C. Alexander  
The Honorable Daniel T. "Dan" Cooper  
The Honorable Tracy R. Edge



*State of South Carolina*  
Department of Health and Human Services

Mark Sanford  
Governor

November 26, 2007

Emma Forkner  
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Dr. W. Carter Brown  
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South Carolina Dental Association  
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Log # 254

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