Managed Care Dental

Potential Dental Emergency Department Savings

Engrossed Substitute Senate Bill 6032; Section 213(1)(c);
Chapter 299; Laws of 2018
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Washington State Health Care Authority

Christy Vaughn
Financial Services
P.O. Box 45502
Olympia, WA 98504
Phone: (360) 725-0468
Fax: (360) 586-9551
http://hca.wa.gov

Legislative Reference

The Health Care Authority (HCA) is submitting this report in response to Engrossed Substitute Senate Bill (ESSB) 6032 (2018):

> "By October 30, 2018, the authority shall report to the governor and the appropriate committees of the legislature anticipated savings related to reduction in dental emergency department visits and utilization once managed care dental coverage begins."

Project Timeline

In the fall of 2017, HCA began a competitive procurement process to contract with licensed dental health plans or managed health care plans on a prepaid or fixed-sum risk basis (as directed in ESSB 6032). The contracted plans would provide carved-out managed care dental (MC Dental) services on a statewide basis. HCA was prepared to select apparently successful bidders in anticipation of the January 1, 2019 implementation date. In August of 2018, the Office of Financial Management directed HCA to suspend the procurement process and delay implementation until July 2019.

Savings Expected

HCA projects that savings resulting from decreased dental emergency department utilization will begin approximately 12 months after the MC Dental program is implemented. Before we see savings, the contracted plans will be required to increase network capacity throughout the first year of the program to ensure members are able to received timely preventive dental services. The network capacity milestones (adjusted for the delayed implementation date) are shown in Table 1.

Table 1: Projected network capacity milestones

Due Date—Milestone	Adult Network Capacity (% of Clients Per RSA)	Child Network Capacity (% of Clients Per RSA)
June 29, 2018 (proposal due date)	7	15
February 2019	15	35
April 2019 (readiness review)	25	60
December 2019 (6 months post-implementation)	35	65
June 2020 (12 months post-implementation)	45	65
Each Quarter of Year 2	**+1%**	**+1%**

Using calendar year 2017 data, HCA identified $3.4 million in dental-related emergency department utilization. Based on the service type and reason for the emergency department visits, we estimate many of these types of claims are likely avoidable with increased preventive care through the MC Dental delivery system. Examples of potentially-avoidable emergency department dental conditions include: periapical abscess with or without involvement of the sinus, dental pain, unspecified

disorders of the teeth or supporting structures with no other indicative diagnosis, dental caries, chronic gingivitis, abrasion of the teeth, absence of teeth, impacted teeth, partial loss of teeth, cracked tooth, and fracture of filling material.[1]

Table 2: Achievable emergency department savings

Fiscal Year	GF-S	GF-F	Total
2020	$ -	$ -	**$ -**
2021	$ (944,000.00)	$ (2,456,000.00)	**$ (3,400,000.00)**

In addition to the dental-related emergency department utilization decrease, HCA believes there may be decreases in other physical health service categories resulting from increased access to dental services through the MC Dental delivery system. These categories include physician, pharmacy, outpatient hospital**,** and inpatient hospital services**.** The cost avoidance in these areas is outside the scope of the analysis and this report.

[1] "Non-Preventable" emergency department visits are for conditions, illnesses, or injuries when the symptoms of a co-existing medical condition or an accident triggered the emergency room visit. Examples include: fractures related to injury such as sports-related injuries, assault, or an accident resulting in significant injury to another part of the body (e.g. car accident where the oral health condition was related to or identified secondarily to the primary condition); or symptoms of a physical illness that prompted the emergency room visit such as pneumonia, cardiac symptoms, bronchitis, or pharyngitis.