

March 1, 2021

Co-Chair Lieber  
Co-Chair Nosse  
Joint Committee on Ways and Means Subcommittee on Human Services  
State Capitol  
900 Court Street NE  
Salem, OR 97301

**RE: House Bill 5024 – Support**

Dear Co-Chair Lieber, Co-Chair Nosse, and Committee Members;

On behalf of Advantage Dental, I respectfully write to inform you of our support to House Bill 5024. Advantage Dental is a Medicaid Dental Plan serving Oregonians since 1994. I have been actively involved with OHP dental since 2000. Never before have I seen a dental funding crisis so acutely threaten the many years of progress of the OHP dental community.

The OHP dental community has been impacted by an 11% rate cut for 2021. Providers, Medicaid Dental Plans and CCOs are struggling to both understand the inequity of this targeted reduction and how they will ensure access, availability, and quality care for Oregon's most vulnerable residents. It is my belief that this reduction will compromise the OHP dental network by decreasing reimbursement to dentists and Dental Plan financial solvency in a time when membership and contractual requirements are increasing.

To level-set on where we are in the dental ecosystem:

- 1) Dental caseload and demand for services is at an all-time high due to the pandemic, in addition to increased patient acuity.
- 2) Expectations for dental metric performance are the same as pre-pandemic.
- 3) CCO 2.0, regulatory and administrative work are at an all-time high and expected to continually increase.
- 4) Dental participation in OHP is decreasing, and the ADA has predicted that the pandemic will cause a 20% reduction to the overall oral health delivery system.

The concept of a global budget was created to provide forward looking, sustainable funding to support OHP's progressive programs, which embody a traditional set of benefits and an expanded approach to whole person care. We know this as CCO 2.0.

An 11% reduction to revenue will impact any organizations ability to maintain service levels, in addition to their ability to continue investing in forward looking innovation to fulfill the broad mission of CCO 2.0.

The rate reduction creates a 4-sided problem that needs to be considered:

- **The first side is for our members and patients. It cannot be overstated the detrimental cascading effect of destabilizing a dental system that has been evolving to meet the needs of Oregonians since OHP began.**
- On the second side, the Dentists have already been impacted by COVID, from higher costs to decreased capacity because of safety guidelines issued by the CDC and other organizations. They are now worried about reduced reimbursement. The confluence of these events is resulting in some leaving OHP. More will leave OHP once the pandemic is over as they either retire early or change their business model to commercial dentistry where fees are more robust. Furthermore, dentists do not believe reimbursement was truly adequate to begin with to meet their dental metrics and comply with the administrative requirements of OHP participation.
- On the third side, the Dental Plans are worried about how the reduction will impact our ability to meet our metrics. This challenge manifests itself when we can't attract dentists, or dentists do not prioritize metrics performance considering reduced reimbursement. We are also greatly concerned about how this challenge will impact our ability to ensure our members are getting the care they deserve and most desperately need. Finally, we are at risk not only with the 11% cut, but a further financial implication that would occur if metrics are not met and quality reimbursement is not obtained.
- On the fourth side, the CCOs should also be worried about what not only has already been mentioned, but the potential inability of Dental plans to meet ever increasing and costly regulatory requirements, diminishing our position as valuable contributors to CCO 2.0.

Oregon's OHP program contains multiple levels of cost, direct costs of delivering the benefit, costs related to CCO 2.0 innovation, and costs related to administration and meeting regulations. An 11% cut compromises all the components of this complex cost structure that is designed to yield high quality results.

Dental Plans agree with the global budget concept, which says: Do more each year under a constrained budget increase. We are all in on this concept along with our partners. This said, it is hard to imagine that we could continue to do more, let alone sustain historical gains, with an 11% reversal of reimbursement, setting dental rates back to 2014 levels.

The Dental Plans are working with the OHA on improving the rate setting process for 2022 and beyond to accurately reflect the realities of our work but this will not address 2021 dental funding. We respectfully ask that the legislature consider an increase to dental funding under the 21-23 budget to support the OHP dental community in 2021 and preserve space in the budget for an anticipated increase in dental funding after 2021.

Sincerely,



Kevin W. Boie  
Advantage Dental – Chief Operating Officer