

Submitter: Mike Shirtcliff
On Behalf Of: Equity Dental
Committee: House Committee On Behavioral Health and Health Care
Measure, Appointment or Topic: HB2597

Chair Nosse, members of the committee,

I am Dr Mike Shirtcliff submitting testimony in favor of HB2597 on behalf of a group of independent Medicaid dentists organized in the Dental Co-op called Equity Dental. We offer this support for HB2597 which accurately assigns value to the work being done by the four Dental Care Organizations (DCO's) Advantage Dental, Capital Dental, Willamette Dental and Oregon Dental Service (ODS). As the CEO of Equity Dental and one of the founders of the DCO system, we (Equity) work as a network with ODS, the only Oregon headquartered company currently accepting Medicaid recipients. They do this because ODS pays better and the money stays in Oregon.

The Oregon Health Authority (OHA) has lowered the dental rates by a compounded almost 30% since 2021 with the most recent cut being 12% 1 January. We believe these rate cuts are putting the only functioning State dental program at risk as well as potentially the CCO system. The rate cuts are really not about not enough work being done, but rather not enough value being put on the work. HB2597 corrects this by raising the value being put on the work resulting in reduced or no rate cuts. Companies have investments and expenses and have to do what they need to survive. Continued rate cuts change business practices which can result in less access to care, which again causes more rate cuts and becomes a death spiral to the system. The real question is just how much money is needed to maintain a functioning dental system? Its really about having a functioning system, not about how many fillings are done.

The per patient per month (pmpm) composite rate in 2000 was \$20 pmpm. Today with the almost 30% cuts it is just over \$20 pmpm. It takes about \$25-26 pmpm to maintain the system. The composite rate for commercial dental is around \$65 pmpm.

The OHA is taking a portion of the 12% rate cut (\$19 million) and putting towards what is called directed payments. This is an abject failure of not paying enough to maintain an adequate dental rate. In a way it's a bribe to get providers to increase access to what is deemed necessary services.

One might say why do the CCO's not increase the rates for dental? The question we ask is which part or the CCO system it is going to be taken away from, hospitals, primary care, behavioral health, other? Since Dental is only around 4.7% of the total Medicaid spend each year, in 2000 it was 13.4% of the total spend, we doubt this will be done.

We leave you with this quote which is changing Medicaid dental all over the country, "One cannot drill their way out of an out of control dental infection!" The good news is there are now systems and medicines that can prevent the results of the infections that cause cavities and gum disease. The only compliance needed is for the patient to say yes to the application of these new medicines.