
Medicaid Expenditure Trends and Projections; *Smiles for Children Dental Program*

Presentation to the:
Senate Finance Committee

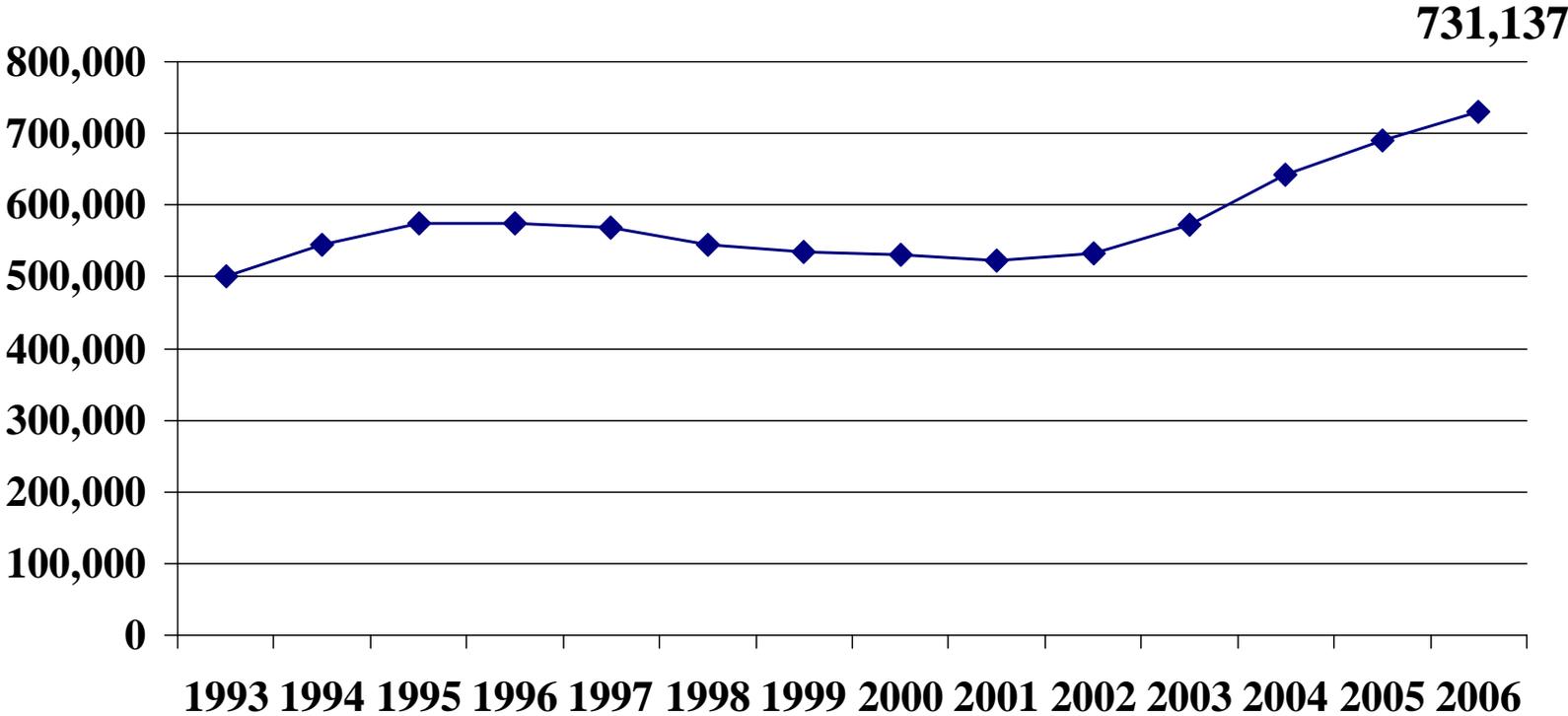
Patrick W. Finnerty, Director
Department of Medical Assistance Services

May 23, 2007
Richmond, Virginia

Presentation Outline

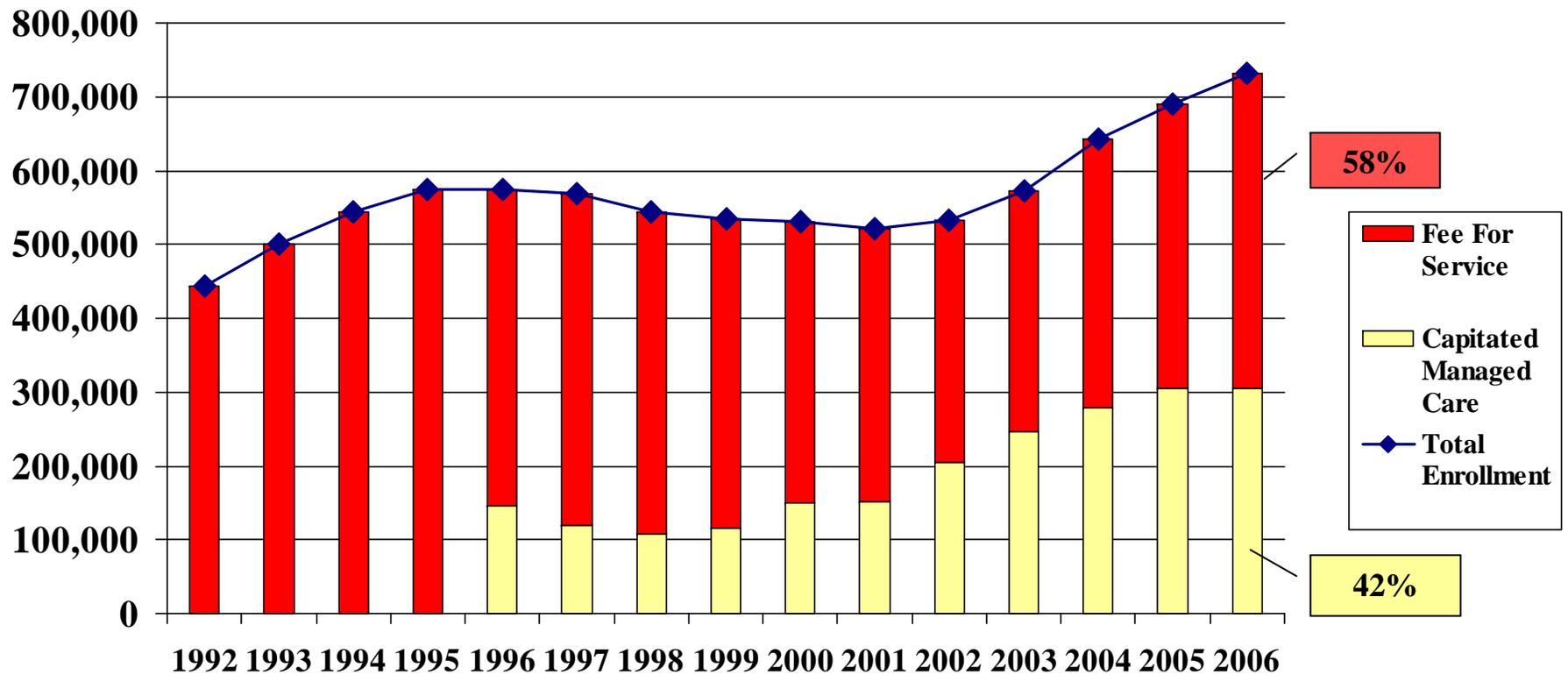
- Medicaid Program Overview*
- FY 2007 Projections**
- FY 2007 Year-to-Date Trends**
- Smiles for Children Dental Program*

Medicaid Enrollment Trends



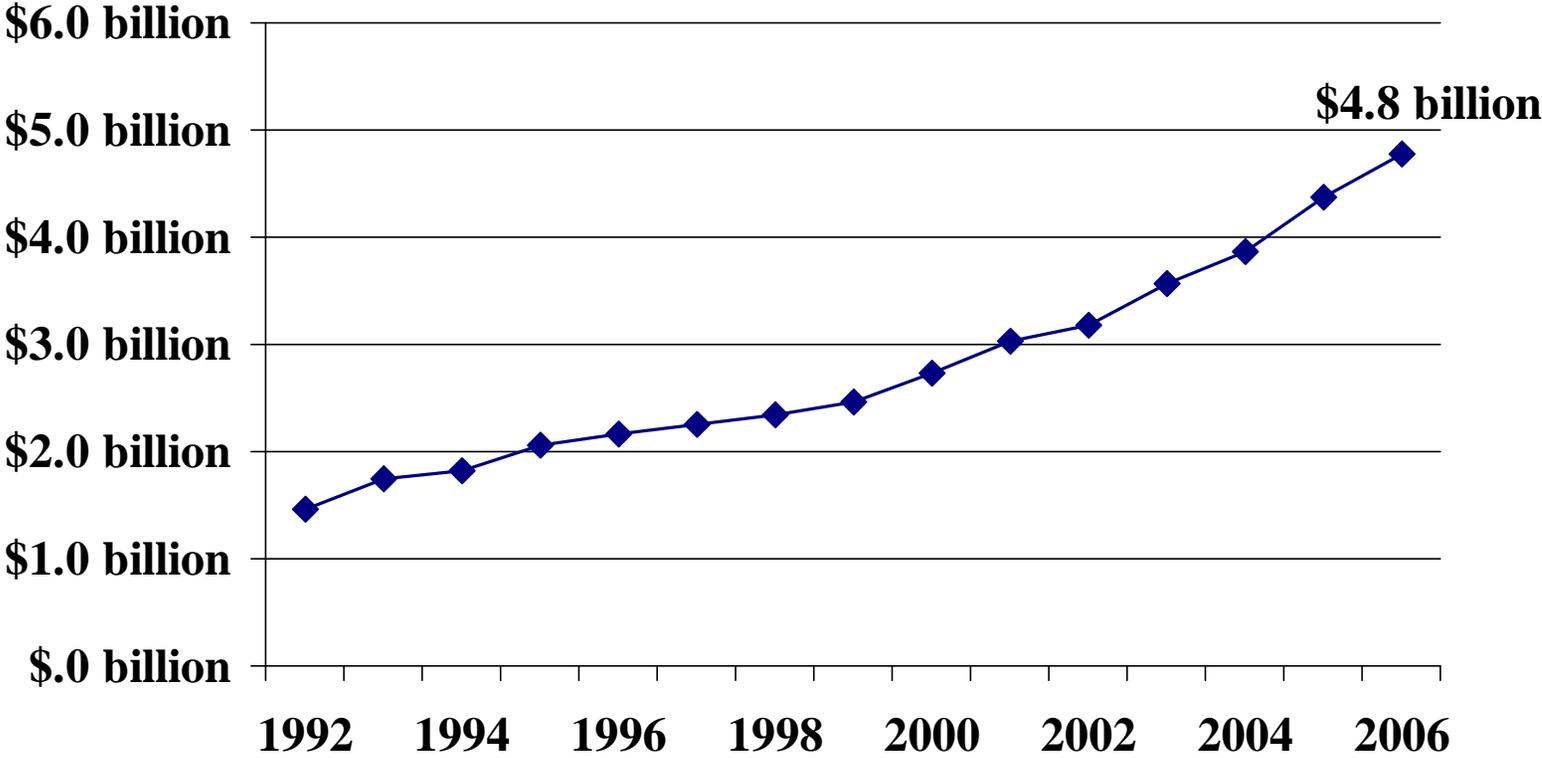
Notes: Average monthly enrollment in the Virginia Medicaid Program

Medicaid Enrollment Trends by Service Delivery Type



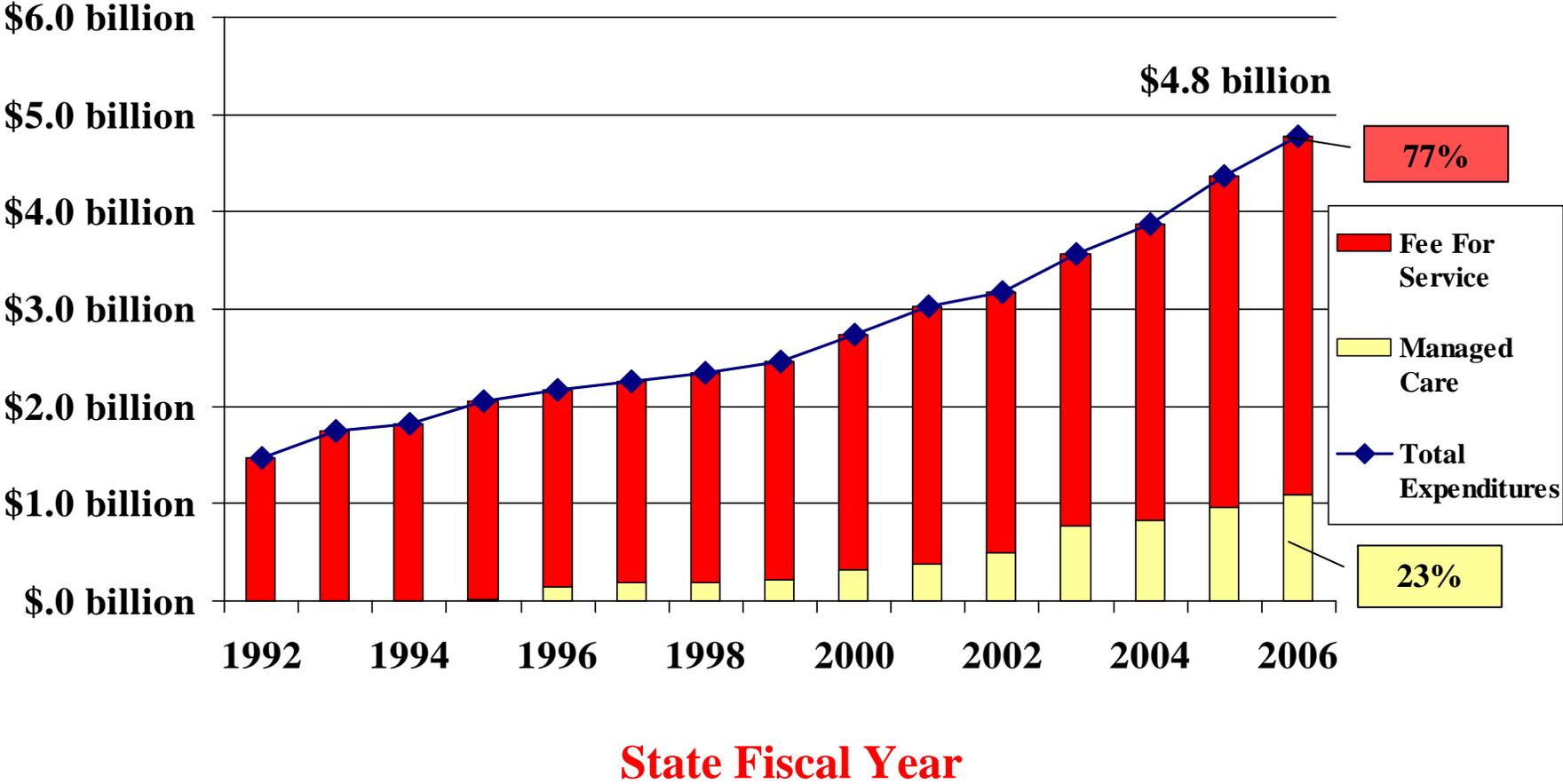
Notes: Average monthly enrollment in the Virginia Medicaid Program
 Capitated Care consists of the Options and Medallion II programs

Medical Expenditure Trends

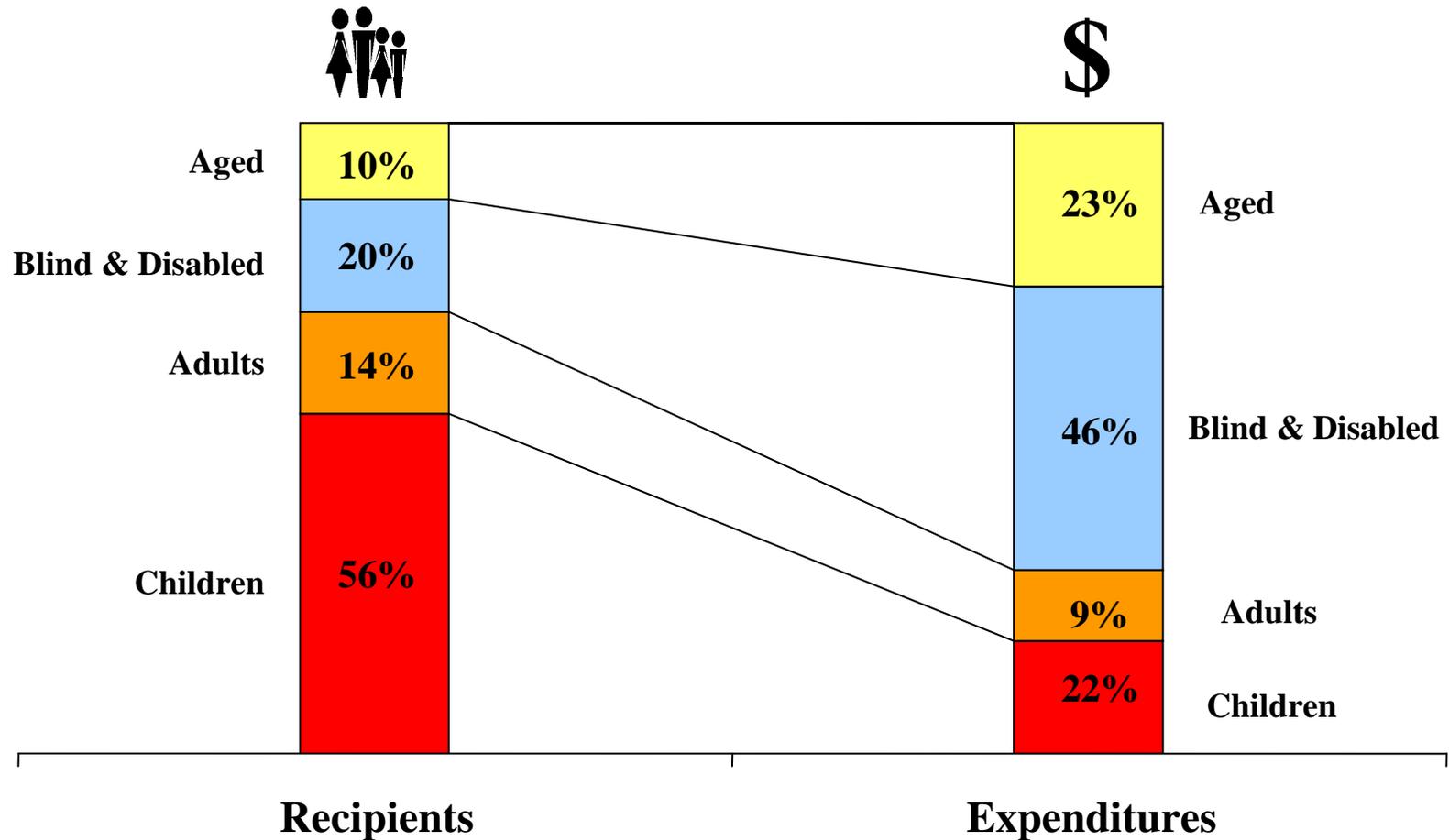


State Fiscal Year

Medical Expenditure Trends by Service Delivery Type



Medicaid Enrollment & Expenditures FY 2006

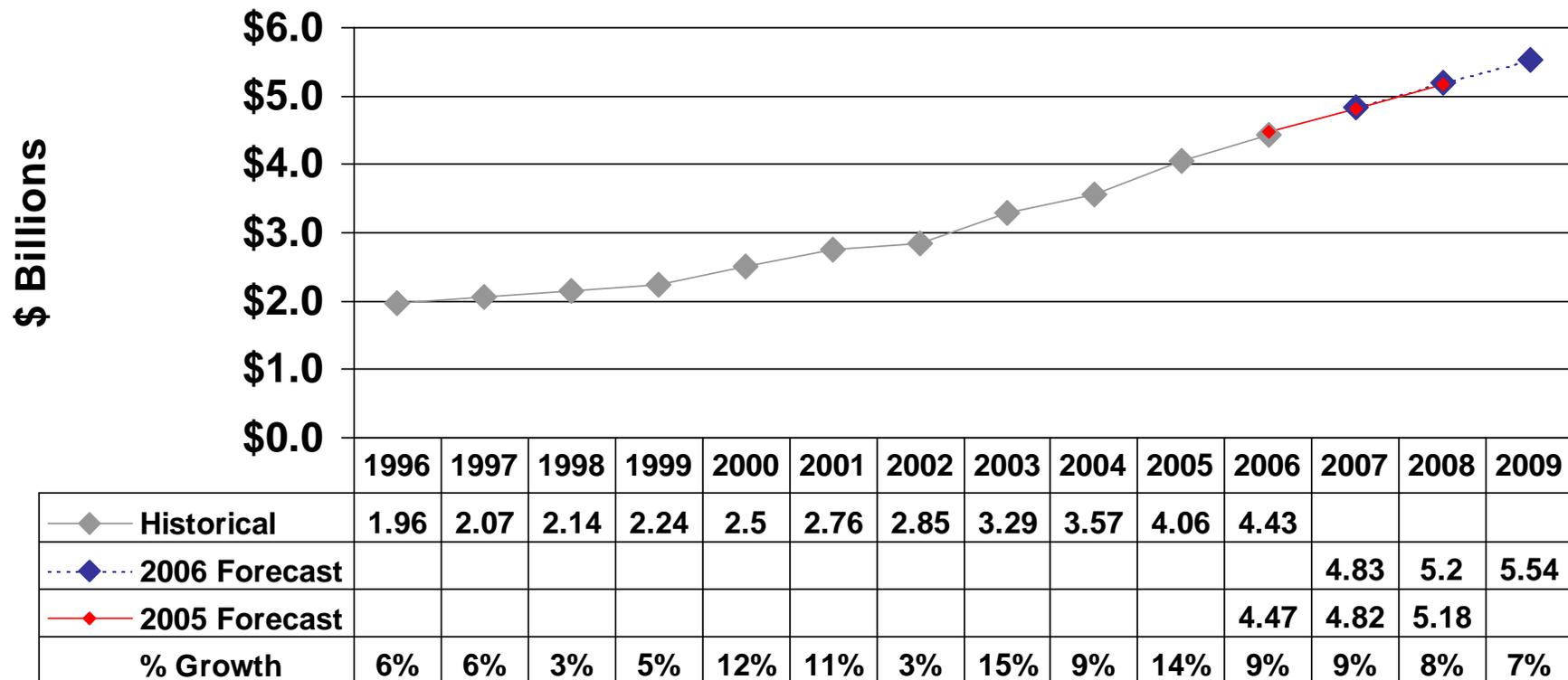


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2006 Consensus Medicaid Forecast

*Historical and Projected Expenditures for
General Medicaid, Long-Term Care and Mental Health Services
(\$billions)*



% Growth reflects annual growth of historical expenditures and the 2006 forecast.

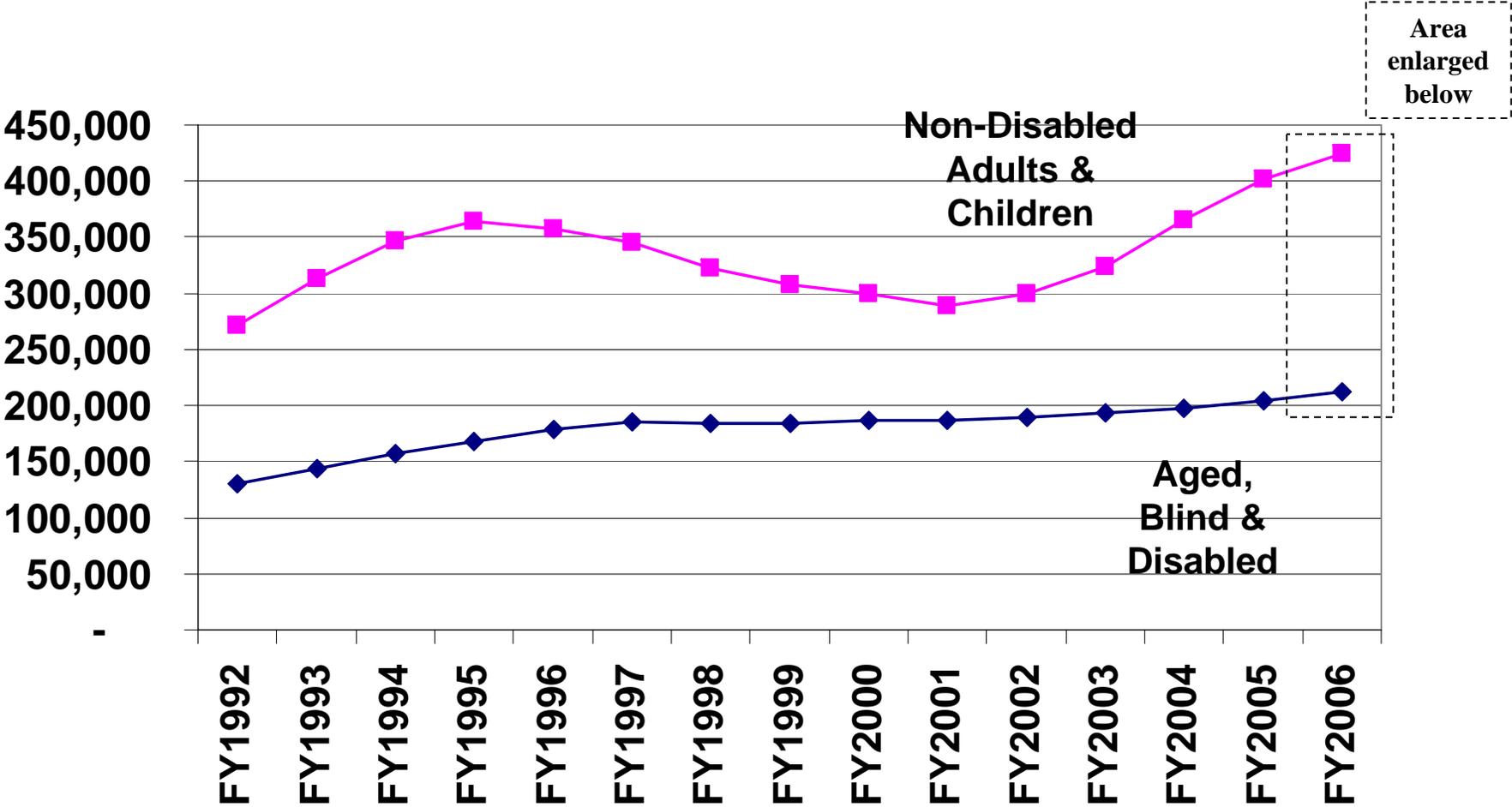
FY 2007 Funding Amendments

	Official Forecast	Chapter 847 Amendments	Current Appropriation
Managed Care	\$1,201,338,848	\$0	\$1,201,338,848
Inpatient Hospital	763,086,074	0	763,086,074
Outpatient Hospital	109,437,225	0	109,437,225
Physician Services	153,169,528	0	153,169,528
Pharmacy	181,226,856	(718,654)	180,508,202
All Other Acute Services	690,138,989	(190,000)	689,948,989
Total Long-Term Care	1,430,064,803	(8,689,696)	1,421,375,107
Total Mental Health	303,873,461	0	303,873,461
Total Medicaid Expenditures	\$4,832,335,785	(\$9,598,350)	\$4,822,737,435
Federal Funding	\$2,338,376,193	(\$5,571,675)	\$2,332,804,518
State Appropriation	\$2,493,959,592	(\$4,026,675)	\$2,489,932,917

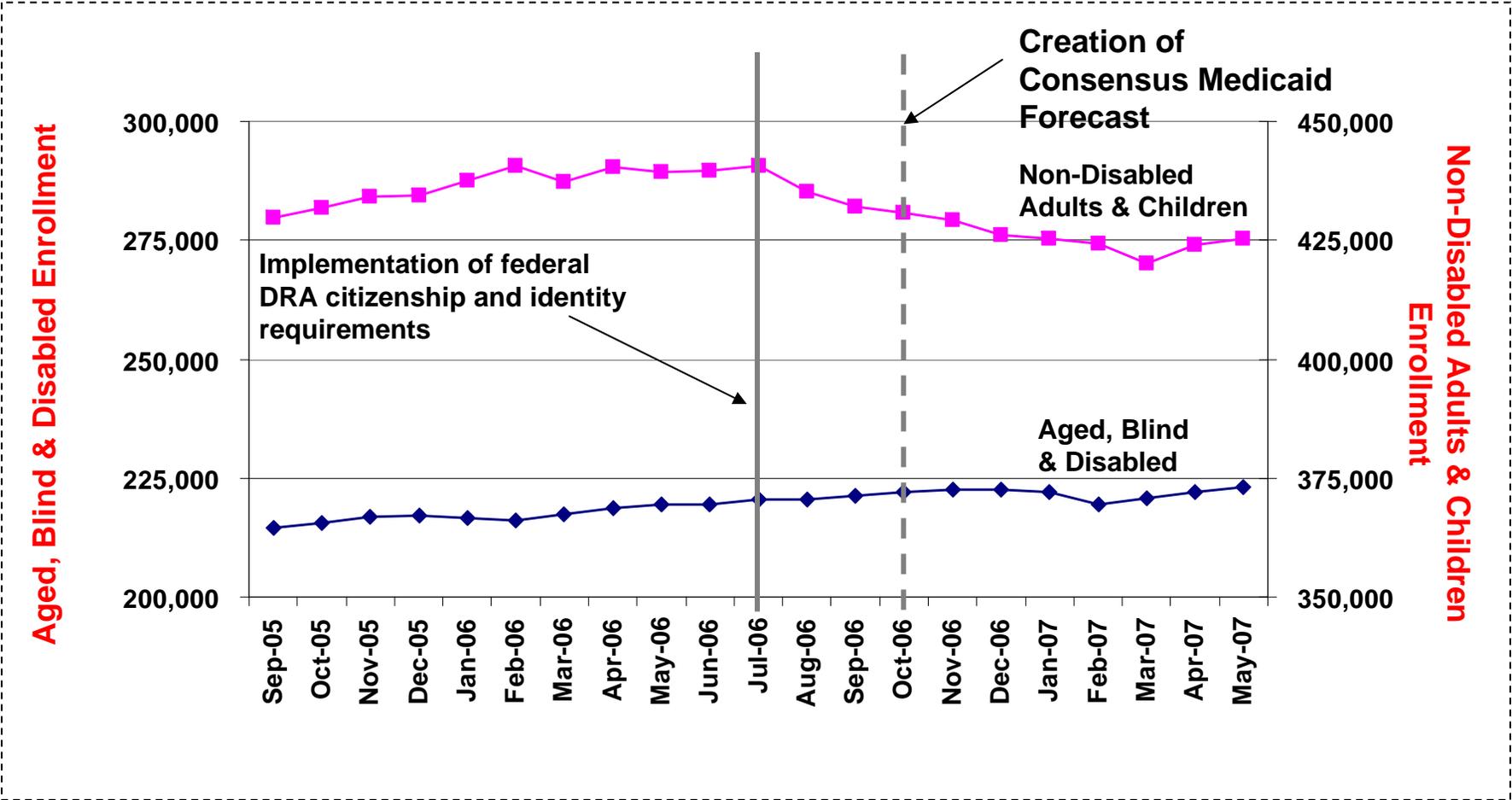
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Medicaid Enrollment Trends



Medicaid Enrollment Trends



FY 2007 Year-to-Date Expenditures

Expense	Current Appropriation	YTD FY 2007	YTD FY 2006	YTD Growth	Funded Growth
Managed Care	\$1,201,338,848	\$992,099,102	\$900,999,433	10.1%	10.1%
Inpatient Hospital	763,086,074	568,703,933	538,373,409	5.6%	10.7%
Outpatient Hospital	109,437,225	86,757,360	93,878,827	-7.6%	-4.9%
Physician Services	153,169,528	120,663,728	127,515,030	-5.4%	-0.5%
Pharmacy	180,508,202	152,490,536	327,216,991	-53.4%	-47.0%
All Other Acute Services	689,948,989	555,987,342	379,478,940	46.5%	33.3%
Long-Term Care Services	1,421,375,107	1,142,916,578	1,043,063,586	9.6%	12.4%
Mental Health Services	303,873,461	245,905,434	210,411,541	16.9%	17.3%
Total Medicaid Expenditures	\$4,822,737,435	\$3,865,524,014	\$3,620,937,757	6.8%	8.8%
Federal Funding	\$2,332,804,518	1,872,845,884	1,810,398,797	3.4%	6.1%
State Appropriation	\$2,489,932,917	1,992,678,130	1,810,538,959	10.1%	11.5%

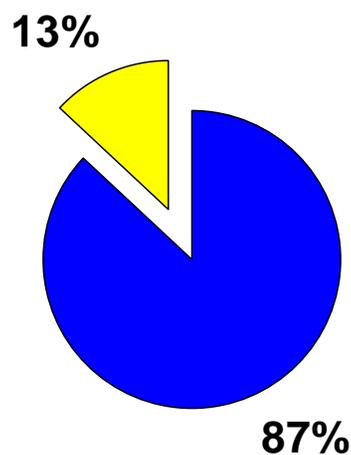
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Access to/Utilization of Dental Services Needed to Improve

- In FY 2003, only 23.4% of all eligible children actually received any dental services
- Low participation of dentists (620 of 4,786) in the Medicaid/FAMIS program was a major problem
 - Low reimbursement
 - Administrative “hassles”
 - Patient no-shows

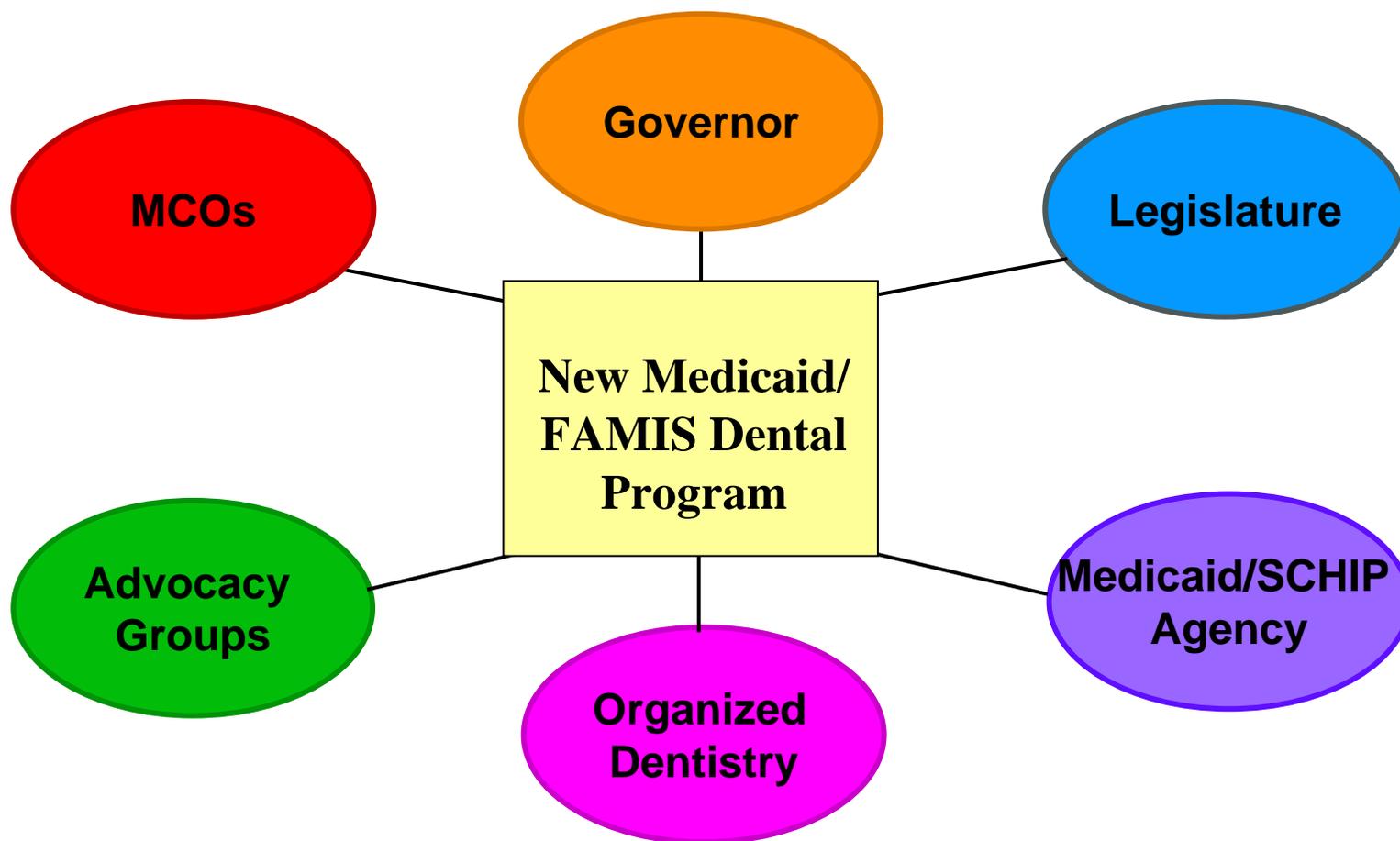
Dentist Participation in Medicaid/SCHIP*



■ Not Participating
■ Participating

* FY 2003

Key Stakeholders Worked Together for Change



New Program Structure and a 30% Increase In Fees

- **General Assembly/Governor authorized DMAS to develop an entirely new program structure**

- **Also approved a 30% increase in dental fees**
 - **28% on July 1, 2005; additional 2% in May, 2006**

A New Day for Dental!

Smiles for Children



Smiles For Children
Improving Dental Care Across Virginia

- **Effective date: July 1, 2005**
- **All children (Medicaid & FAMIS) are enrolled in a single program administered by Doral Dental USA**
- **Limited medically necessary diagnostic/oral surgery services for adults**
- **DMAS retains policymaking authority and closely monitors contractor activities along with Dental Advisory Committee**

Key Program Enhancements

Old Program

- Multiple Vendors
- Different credentialing processes
- Complicated Administration
- Limited local representation on program decisions
- Enrollee transfer between plans can disrupt care

Smiles for Children

- Single Vendor (Doral)
- Streamlined Credentialing
- Easy, Industry-Standard Administration
- Va. Based Peer Review Committee & Dental Advisory Committee
- All enrollees in *Smiles for Children* program

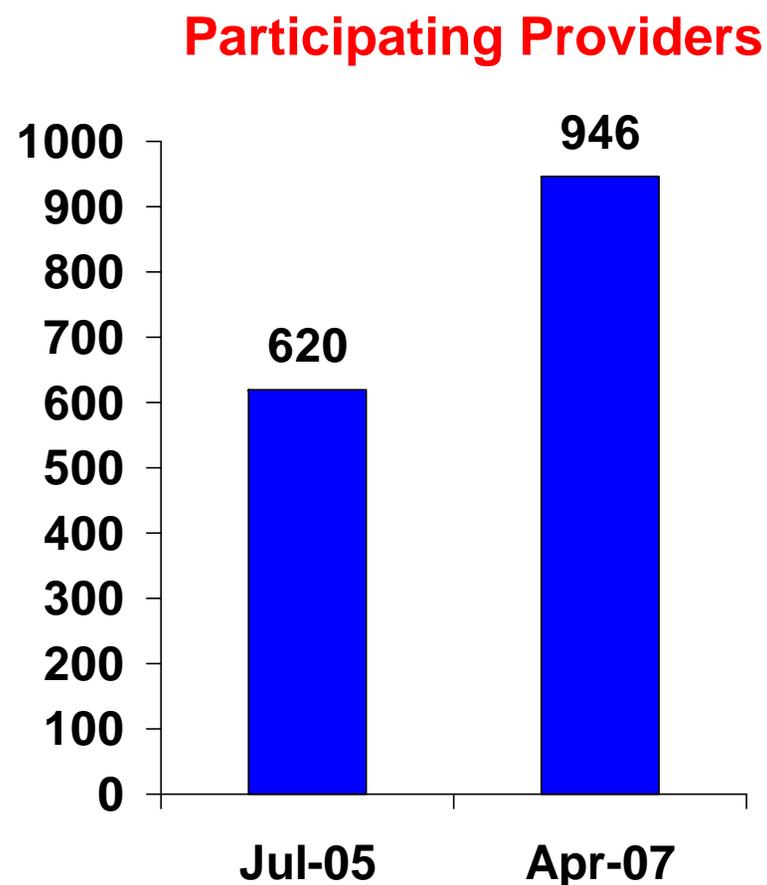
Value-Added Benefits for Providers

- Toll-free phone number for providers
- Call center specialists
 - Member Placement
 - Eligibility, benefits, authorizations
 - Claims issues
 - Addressing patient “no-shows”
- Multiple claim submission options.....free, electronic filing
- Timely and accurate payments
- Automated, web-integrated or live eligibility verification (24/7)



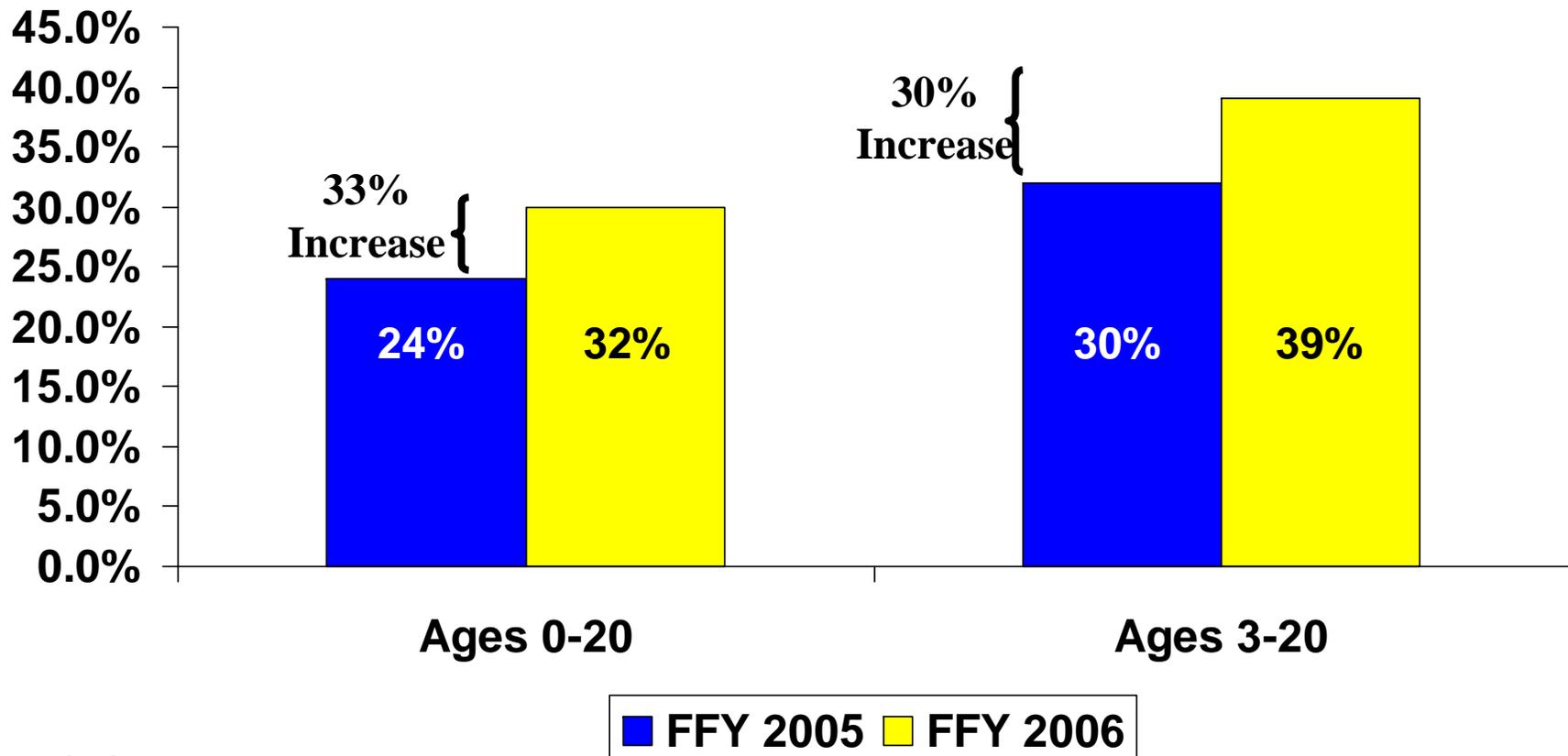
Program Changes = Increased Provider Network

- 326 new dentists are participating (53% increase)
 - Network continues to expand
 - 6 localities that previously had no participating dentists now have access
 - Percentage of contracted providers who are billing for services has increased from 50% to 80%
- Very high level of provider satisfaction



.....And Increased Access to Care

Percentage of Children Receiving Necessary Dental Care



Smiles for Children Has Received National Attention



14th Annual Medicaid
Managed Care Congress



2006 & 2007

THANK YOU!!
