

# Utah Section 1115 Demonstration Amendment

## Dental Benefits for Medicaid Eligible Individuals age 65 and Older

### Porcelain and Porcelain-to-Metal Crowns

#### Section I. Program Description and Objectives

During the 2019 General Session, the Utah State Legislature passed, and Governor Herbert signed into law, Senate Bill 11 “Medicaid Dental Coverage Amendments”. This legislation directed the Utah Department of Health (UDOH), Division of Medicaid and Health Care Financing (DMHF) to seek 1115 waiver approval from the Centers for Medicare and Medicaid Services (CMS) to implement dental benefits for individuals who are aged 65 and older, as defined by 42 U.S.C Sec. 1382c(a)(1)(A).

This legislation also directed DMHF to seek authority to provide federal funds for porcelain and porcelain-to-metal crowns for both aged individuals and Targeted Adult eligible individuals who are eligible for dental benefits under the State’s 1115 Primary Care Network (PCN) Demonstration Waiver.

With this amendment, the State seeks to implement the above provisions of Senate Bill 11.

#### Goals and Objectives

Dental issues in adults age 65 and older are common, and can directly affect an individual’s quality of life and severity of serious diseases.<sup>1</sup> Good dental health becomes very important in a population who may experience declining health as they age. Aged individuals experience an increase in tooth decay, with approximately 50% showing serious active decay in tooth crowns and roots. In addition, periodontal disease is the most frequent dental pathology found in the aged (68 %), leading to consequent gingivitis and moderate alveolar bone loss due to chronic inflammation.<sup>2</sup> Aged individuals also commonly experience tooth loss, dry mouth and oral cancer. Preventing these conditions can be achieved by routine daily oral care and access to professional dental services. The State believes by addressing routine dental needs of demonstration eligible individuals, severe dental issues can be avoided.

This Demonstration furthers the objectives of Title XIX of the Social Security Act by promoting improved health outcomes by addressing the dental needs of demonstration eligible individuals.

The primary objective of the amendment is to improve the dental health of individuals impacted by this demonstration.

#### Operation and Proposed Timeline

The Demonstration will operate statewide. The State intends to implement the Demonstration effective January 1, 2020. The State requests to operate the Demonstration through the end of the current waiver approval period, which is June 30, 2022.

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<sup>1</sup> Gil-Montoya, J. et al. “Oral Health in the elderly patient and its impact on general well-being, a non-systematic review”. Clinical Interv. Aging 10 [2015] 461-467.

<sup>2</sup> [www.ada.org/en/member-center/oral-health-topics/aging-and-dental-health](http://www.ada.org/en/member-center/oral-health-topics/aging-and-dental-health) March 2019

### Demonstration Hypotheses and Evaluation

With the help of an independent evaluator, the State will develop a plan for evaluating the hypotheses indicated below. Utah will identify validated performance measures that adequately assess the impact of the Demonstration to beneficiaries. The State will submit the evaluation plan to CMS for approval.

The State will conduct ongoing monitoring of this demonstration, and will provide information regarding monitoring activities in the required quarterly and annual monitoring reports.

By adding dental services to the benefits received by the Aged Medicaid Population, the Demonstration will improve health outcomes for beneficiaries by increasing preventive dental care and decreasing emergency dental services. The following hypotheses will be tested during the approval period:

Hypothesis	Anticipated Measure(s)	Data Sources	Evaluation Approach
Aged individuals in the demonstration will have increased utilization of preventive dental care and decreased utilization of emergency dental services.	– Utilization of preventive dental services - Utilization of emergency dental services	Claims data	Independent evaluator will design quantitative and qualitative measures to include experimental or quasi-experimental comparisons
Targeted Adult individuals receiving porcelain crowns will have an improved rate of substance use disorder treatment completion compared to the treatment completion rates pre-demonstration.	– SUD treatment completions rates prior to demonstration -SUD treatment completion rates post demonstration	Treatment Episode Data Set (TEDS)  Claims Data	Independent evaluator will design quantitative and qualitative measures to include experimental or quasi-experimental comparisons

Porcelain crowns are considered an added benefit to the benefit package for aged individuals. As such, the impact of porcelain crowns will be evaluated with the identified hypothesis above identified for this population.

## Section II. Demonstration Eligibility

### *Dental Benefits for Aged Individuals*

Individuals must meet the following criteria to be eligible to receive state plan dental benefits under this Demonstration:

- Must be a Medicaid eligible individual who is aged, as defined in 42 U.S.C. Sec. 1382c(a)(1)(A), which is age 65 and older.

### *Porcelain or Porcelain-to-Metal Crowns*

Individuals must meet the following criteria to be eligible to receive porcelain or porcelain-to-metal crowns:

- Must be a Medicaid eligible individual who is aged, as defined in 42 U.S.C. Sec. 1382c(a)(1)(A), which is age 65 and older; or
- Must be eligible to receive dental benefits as a Targeted Adult Medicaid beneficiary who is actively receiving treatment for a Substance Use Disorder (SUD), as approved under the State's 1115 Primary Care Network Demonstration Waiver.

### *Projected Enrollment*

The projected enrollment for the Demonstration group is:

- Dental benefits for Aged Medicaid individuals: Approximately 9,000 individuals per year.
- Porcelain or Porcelain-to-Metal Crowns: Approximately 3200-3400 Aged Medicaid individuals per year, and approximately 350-400 Targeted Adult individuals per year.

## Section III. Demonstration Benefits and Cost Sharing Requirements

The dental benefits provided to Aged Medicaid beneficiaries under this amendment will be the same as the state plan benefits provided to pregnant women and the Blind and Disabled populations.

Porcelain and porcelain-to-metal crowns will be a covered benefit for individuals eligible under this Demonstration, as detailed in Section II. above.

Cost sharing requirements will not differ from those provided under the state plan.

## Section IV. Delivery System

The Department will deliver services through a fee for service payment model and by contracting with an entity that:

- Has demonstrated experience working with individuals who are being treated for both a substance use disorder and a major oral health disease;
- Operates a program, targeted at the individuals described in this amendment, that has demonstrated, through a peer-reviewed evaluation, the effectiveness of providing dental treatment to those individuals;
- Is willing to pay for an amount equal to the program's non-federal share of the cost of providing dental services to the population described.
- Can guarantee access to care statewide.

At present the only entity that qualifies to provide these services is the University of Utah School of Dentistry and their associated statewide provider network.

### Section V. Enrollment in Demonstration

Eligible individuals will be enrolled in the Demonstration as of the implementation date of this amendment.

### Section VI. Demonstration Financing and Budget Neutrality

Refer to Budget Neutrality- Attachment 1 for the State's historical and projected expenditures for the requested period of the Demonstration.

Below is the projected enrollment and expenditures for each remaining demonstration year.

<b>Aged Dental</b>	<b>DY 18 (SFY 20)</b>	<b>DY19 (SFY 21)</b>	<b>DY 20 (SFY 22)</b>
Enrollment	9,000	9,225	9,456
Expenditures*	\$3,321,000	\$3,584,438	\$3,868,774

\*Note- Includes expenditures for porcelain crowns for this group

<b>Porcelain Crowns- Targeted Adults</b>	<b>DY 18 (SFY 20)</b>	<b>DY 19 (SFY 21)</b>	<b>DY 20 (SFY 22)</b>
Enrollment	362	378	394
Expenditures	\$110,000	\$116,000	\$122,000

### Section VII. Proposed Waiver and Expenditure Authority

The State requests the following proposed waivers and expenditure authority to operate the Demonstration.

<b>Waiver and Expenditure Authority</b>	<b>Reason and Use of Waiver</b>
Section 1902(a)(10)(B)- Amount, Duration, and Scope of Services and Comparability	To enable the State to vary the amount, duration, and scope of services provided to individuals in the demonstration group.
Section 1902(a)(23)(A)- Freedom of Choice	To enable the State to restrict freedom of choice of providers for the population affected by this demonstration.

#### Expenditure Authority

The State requests expenditure authority to provide state plan dental benefits to Aged Medicaid beneficiaries. The State also requests expenditure authority to provide porcelain or porcelain-to-metal crowns to Aged Medicaid beneficiaries and Targeted Adult Population individuals who are actively receiving SUD treatment.

## **Section VIII. Compliance with Public Notice and Tribal Consultation**

### *Public Notice Process*

Public Notice of the State's request for this demonstration waiver, and notice of Public Hearing was published in the Utah State Bulletin on May 1, 2019. Public notice will also be advertised in the newspapers of widest circulation on May 5th and May 12th, 2019. Public notice will also be sent to an electronic mailing list. The public comment period will be held May 6, 2019 through June 5, 2019.

Two public hearings to take public comment on this request will be held. The first public hearing will be held on May 13, 2019 from 4:00 p.m. to 6:00 p.m., at the Multi-Agency State Office Building, located at 195 N 1950 W, Salt Lake City, UT. The second public hearing will be held on May 16, 2019 from 2:00 p.m. to 4:00 p.m., during the Medical Care Advisory Committee (MCAC) meeting, at the Cannon Health Building located at 288 N 1460 W, Salt Lake City, UT. Telephonic conferencing is available for both public hearings.

### *Tribal Consultation*

In accordance with the Utah Medicaid State Plan, and section 1902(a)(73) of the Social Security Act, the State ensures that a meaningful consultation process occurs in a timely manner on program decisions impacting Indian Tribes in the State of Utah. DMHF has notified the UDOH Indian Health Liaison of the waiver amendment. As a result of this notification, DMHF will begin the tribal consultation process by attending the Utah Indian Health Affairs Board (UIHAB) meeting on May 10, 2019 to present this demonstration waiver. The consultation process will include, but is not limited to:

- An initial meeting to present the intent and broad scope of the policy and waiver application to the UIHAB.
- Discussion at the UIHAB meeting to more fully understand the specifics and impact of the proposed policy initiation or change;
- Open meeting for all interested parties to receive information or provide comment;
- A presentation by tribal representatives of their concerns and the potential impact of the proposed policy;
- Continued meetings until concerns over intended policy have been fully discussed;
- A written response from the Department of Health to tribal leaders as to the action on, or outcome of tribal concerns.

Tribal consultation policy can be found at: <http://health.utah.gov/indianh/consultation.html>.

## **Section IX. Demonstration Administration**

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## DEMONSTRATION WITH WAIVER (WW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

ELIGIBILITY GROUP		DY 15	DEMO TREND RATE	DEMONSTRATION YEARS (DY)					TOTAL WW
				DY 16 (SFY 18)	DY 17 (SFY 19)	DY 18 (SFY 20)	DY 19 (SFY 21)	DY 20 (SFY 22)	
<b>Current Eligibles</b>									
<b>Pop Type:</b>		<b>Medicaid</b>	<i>Parent Caretaker Relative (PCR) pop. transferred to Expansion Parents in new waiver 4/1/19</i>						
Eligible Member Months		377,866	0%	377,866	364,366	320,957	319,534	318,076	
PMPM Cost	\$	949.03	5.3%	\$ 999.33	\$ 1,052.29	\$ 1,108.06	\$ 1,166.79	\$ 1,228.63	
Total Expenditure				\$ 377,612,297	\$ 383,419,793	\$ 355,641,069	\$ 372,829,701	\$ 390,798,329	\$ 1,880,301,189
<b>Demo Pop I - PCN Childless Adults</b>									
<b>Pop Type:</b>		<b>Medicaid</b>	<i>PCN ends 3/31/19</i>						
Eligible Member Months		70,097	4.9%	73,812	58,293	-	-	-	
PMPM Cost	\$	48.97	5.3%	\$ 51.57	\$ 54.30	\$ 57.18	\$ 60.21	\$ 63.40	
Total Expenditure				\$ 3,806,153	\$ 3,165,223	\$ -	\$ -	\$ -	\$ 6,971,376
<b>Demo Pop III/IV - UPP Childless Adults</b>									
<b>Pop Type:</b>		<b>Medicaid</b>							
Eligible Member Months		159	4.9%	167	175	184	193	202	
PMPM Cost	\$	68.45	5.3%	\$ 72.08	\$ 75.90	\$ 79.92	\$ 84.16	\$ 88.62	
Total Expenditure				\$ 10,702	\$ 11,237	\$ 11,799	\$ 12,388	\$ 13,008	\$ 59,133
<b>Targeted Adults</b>									
<b>Pop Type:</b>		<b>Expansion</b>	<i>Started 11/1/17, suspended in this 1115 waiver and transferred to the new 1115 waiver 7/1/19</i>						
Eligible Member Months			0%	78,000	78,000	78,000	78,000	78,000	
PMPM Cost			5.3%	\$ 979.53	\$ 1,031.45	\$ 1,086.11	\$ 1,143.68	\$ 1,204.29	
Total Expenditure				\$ 76,403,340	\$ 80,452,717	\$ 84,716,711	\$ 89,206,697	\$ 93,934,652	\$ 424,714,116
<b>Dental - Targeted Adults</b>									
<b>Pop Type:</b>		<b>Expansion</b>	<i>Started 3/1/19 Porcelain crowns anticipated start date of 7/1/19</i>						
Eligible Member Months				-	12,000	36,000	36,000	36,000	
PMPM Cost			5.3%	\$ -	\$ 33.33	\$ 38.20	\$ 40.19	\$ 42.29	
Total Expenditure				\$ -	\$ 400,000	\$ 1,375,111	\$ 1,446,988	\$ 1,522,414	\$ 4,744,512
<b>System of Care</b>									
<b>Pop Type:</b>		<b>Hypothetical</b>	<i>Start 6/1/19</i>						
Eligible Member Months				-	120	1,440	1,440	1,440	
PMPM Cost			5.3%	\$ -	\$ 2,100.00	\$ 2,211.30	\$ 2,328.50	\$ 2,451.91	
Total Expenditure				\$ -	\$ 252,000	\$ 3,184,272	\$ 3,353,038	\$ 3,530,749	\$ 10,320,060
<b>Demo Pop I - PCN Adults w/Children</b>									
<b>Pop Type:</b>		<b>Hypothetical</b>	<i>PCN ends 3/31/19</i>						
Eligible Member Months		104,836	5.9%	111,042	88,212	-	-	-	
PMPM Cost	\$	46.18	5.3%	\$ 48.63	\$ 51.20	\$ 53.92	\$ 56.77	\$ 59.78	
Total Expenditure				\$ 5,399,479	\$ 4,516,681	\$ -	\$ -	\$ -	\$ 9,916,160
<b>Demo Pop III/IV - UPP Adults with Children</b>									
<b>Pop Type:</b>		<b>Hypothetical</b>							
Eligible Member Months		6,067	34.9%	\$ 8,181.96	\$ 11,034.19	\$ 14,880.70	\$ 20,068.12	\$ 27,063.86	
PMPM Cost	\$	150.08	5.3%	\$ 158.04	\$ 166.41	\$ 175.23	\$ 184.52	\$ 194.30	
Total Expenditure				\$ 1,293,049	\$ 1,836,227	\$ 2,607,582	\$ 3,702,963	\$ 5,258,489	\$ 14,698,309
<b>Dental - Blind/Disabled</b>									
<b>Pop Type:</b>		<b>Hypothetical</b>							
Eligible Member Months			0%	412,361	412,361	412,361	412,361	412,361	
PMPM Cost			3.0%	\$ 18.42	\$ 18.97	\$ 19.54	\$ 20.13	\$ 20.73	
Total Expenditure				\$ 7,595,690	\$ 7,823,560	\$ 8,058,267	\$ 8,300,015	\$ 8,549,016	\$ 40,326,548

**DEMONSTRATION WITH WAIVER (WW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS**

ELIGIBILITY GROUP	DY 15	DEMO TREND RATE	DEMONSTRATION YEARS (DY)					TOTAL WW
			DY 16 (SFY 18)	DY 17 (SFY 19)	DY 18 (SFY 20)	DY 19 (SFY 21)	DY 20 (SFY 22)	
<b>Dental - Aged</b>								
<b>Pop Type:</b>	<b>Hypothetical</b>		<i>Anticipated start date of 7/1/19</i>					
Eligible Member Months		0%	-	-	108,000	110,700	113,468	
PMPM Cost		3.0%	\$ -	\$ -	\$ 30.75	\$ 32.38	\$ 34.10	
Total Expenditure			\$ -	\$ -	\$ 3,321,000	\$ 3,584,438	\$ 3,868,774	\$ 10,774,212
<b>Former Foster Care</b>								
<b>Pop Type:</b>	<b>Hypothetical</b>							
Eligible Member Months		0%	10	10	10	10	10	
PMPM Cost		4.8%	\$ 990.87	\$ 1,038.43	\$ 1,088.28	\$ 1,140.51	\$ 1,195.26	
Total Expenditure			\$ 9,909	\$ 10,384	\$ 10,883	\$ 11,405	\$ 11,953	\$ 54,534
<b>SUD</b>								
<b>Pop Type:</b>	<b>Hypothetical</b>							
Eligible Member Months		6.9%	39,456	42,175	45,081	48,187	51,507	
PMPM Cost		5.0%	\$ 3,321.96	\$ 3,488.06	\$ 3,662.46	\$ 3,845.58	\$ 4,037.86	
Total Expenditure			\$ 131,072,269	\$ 147,108,390	\$ 165,106,231	\$ 185,306,008	\$ 207,977,324	\$ 836,570,223
<b>Withdrawal Management</b>								
<b>Pop Type:</b>	<b>Hypothetical</b>							
Eligible Member Months		0.0%	-	670	4,018	4,018	4,018	
PMPM Cost		5.0%	\$ -	\$ 700.00	\$ 735.00	\$ 771.75	\$ 810.34	
Total Expenditure			\$ -	\$ 468,738	\$ 2,953,046	\$ 3,100,699	\$ 3,255,733	\$ 9,778,216

 Assumes start date of 5/1/19 (2 months of SFY19)

 Assumes start date of 7/1/2019 (SFY20); includes costs for porcelain crowns

**NOTES**

For a per capita budget neutrality model, the trend for member months is the same in the with-waiver projections as in the without-waiver projections. This is the default setting.

## DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

ELIGIBILITY GROUP	TREND RATE 1	MONTHS OF AGING	BASE YEAR DY 15 (SFY 17)	TREND RATE 2	DEMONSTRATION YEARS (DY)					TOTAL WOW
					DY 16 (SFY 18)	DY 17 (SFY 19)	DY 18 (SFY 20)	DY 19 (SFY 21)	DY 20 (SFY 22)	
<b>Current Eligibles</b>										
<b>Pop Type:</b>	<b>Medicaid</b>	<i>Parent Caretaker Relative (PCR) pop. transferred to Expansion Parents in new waiver 4/1/19</i>								
Eligible Member Months	0.0%	0	377,866	0.0%	377,866	364,366	320,957	319,534	318,076	
PMPM Cost	5.3%	0	\$ 949.03	5.3%	\$ 999.33	\$ 1,052.29	\$ 1,108.07	\$ 1,166.79	\$ 1,228.63	
Total Expenditure					\$ 377,612,830	\$ 383,420,334	\$ 355,641,571	\$ 372,830,227	\$ 390,798,881	\$ 1,880,303,842
<b>Demo Pop I - PCN Adults with Children</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>	<i>PCN ends 3/31/19</i>								
Eligible Member Months	5.9%	0	104,836	5.9%	111,042	88,212	-	-	-	
PMPM Cost	5.3%	0	\$ 46.18	5.3%	\$ 48.63	\$ 51.21	\$ 53.92	\$ 56.78	\$ 59.79	
Total Expenditure					\$ 5,399,987	\$ 4,517,106	\$ -	\$ -	\$ -	\$ 9,917,093
<b>Demo Pop III/V - UPP Adults with Children</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>									
Eligible Member Months	34.9%	0	6,067	34.9%	8,182	11,034	14,881	20,068	27,064	
PMPM Cost	5.3%	0	\$ 150.08	5.3%	\$ 158.03	\$ 166.41	\$ 175.23	\$ 184.51	\$ 194.29	
Total Expenditure					\$ 1,292,995	\$ 1,836,150	\$ 2,607,473	\$ 3,702,809	\$ 5,258,269	\$ 14,697,695
<b>Dental - Targeted Adults</b>										
<b>Pop Type:</b>	<b>Expansion</b>	<i>Suspend, then new subgroup in new waiver</i>								
Eligible Member Months		0			-	12,000	36,000	36,000	36,000	
PMPM Cost	5.3%	0		5.3%	\$ -	\$33.33	\$38.20	\$40.19	\$42.29	
Total Expenditure					\$ -	\$ 400,000	\$ 1,375,111	\$ 1,446,988	\$ 1,522,414	\$ 4,744,512
<b>System of Care</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>	<i>Start 6/1/19</i>								
Eligible Member Months		0			-	120	1,440	1,440	1,440	
PMPM Cost	5.3%	0		5.3%	\$ -	\$ 2,100.00	\$2,211.30	\$2,328.50	\$2,451.91	
Total Expenditure					\$ -	\$ 252,000	\$ 3,184,272	\$ 3,353,038	\$ 3,530,749	\$ 10,320,060
<b>Dental - Blind/Disabled</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>									
Eligible Member Months	0.0%	0			412,361	412,361	412,361	412,361	412,361	
PMPM Cost	3.0%	0			\$ 18.42	\$ 18.97	\$ 19.54	\$ 20.13	\$ 20.73	
Total Expenditure					\$ 7,595,690	\$ 7,823,560	\$ 8,058,267	\$ 8,300,015	\$ 8,549,016	\$ 40,326,548
<b>Dental - Aged</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>	<i>Anticipated start date of 7/1/19</i>								
Eligible Member Months	2.5%	0				108,000	110,700	113,468		
PMPM Cost	5.3%	0				\$ 30.75	\$ 32.38	\$ 34.10		
Total Expenditure					\$ -	\$ 3,321,000	\$ 3,584,438	\$ 3,868,774	\$	\$ 10,774,212
<b>Former Foster</b>										
<b>Pop Type:</b>	<b>Hypothetical</b>									
Eligible Member Months	0.0%	24			10	10	10	10	10	
PMPM Cost	4.8%	24			\$ 990.87	\$ 1,038.43	\$ 1,088.28	\$ 1,140.51	\$ 1,195.26	
Total Expenditure					\$ 9,909	\$ 10,384	\$ 10,883	\$ 11,405	\$ 11,953	\$ 54,534



## DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

ELIGIBILITY GROUP	TREND RATE 1	MONTHS OF AGING	BASE YEAR DY 15 (SFY 17)	TREND RATE 2	DEMONSTRATION YEARS (DY)					TOTAL WOW
SUD					DY 16 (SFY 18)	DY 17 (SFY 19)	DY 18 (SFY 20)	DY 19 (SFY 21)	DY 20 (SFY 22)	
<b>Pop Type:</b>		<b>Hypothetical</b>								
Eligible Member Months	6.9%	18	36,913	6.9%	39,456.31	42,175	45,081	48,187	51,507	
PMPM Cost	5.0%	18	\$ 3,163.77	5.0%	\$ 3,321.96	\$ 3,488.06	\$ 3,662.46	\$ 3,845.58	\$ 4,037.86	
Total Expenditure					\$ 131,072,269	\$ 147,108,390	\$ 165,106,231	\$ 185,306,008	\$ 207,977,324	\$ 836,570,223
<b>Withdrawal Management</b>										
<b>Pop Type:</b>		<b>Hypothetical</b>			<i>Starts 5/1/19</i>					
Eligible Member Months	0.0%	0		0.0%	-	670	4,018	4,018	4,018	
PMPM Cost	5.0%	0		5.0%	\$ -	\$ 700.00	\$ 735.00	\$ 771.75	\$ 810.34	
Total Expenditure					\$ -	\$ 468,738	\$ 2,953,046	\$ 3,100,699	\$ 3,255,733	\$ 9,778,216

Assumes start date of 5/1/19 (2 months of SFY19)

Assumes start date of 7/1/2019 (SFY20); includes costs for porcelain crowns