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February 8, 2008

MEMORANDUM

TO: Honorable Josh Green, M.D., Chair
House Committee on Health

Honorable Maile S. L. Shimabukuro
House Committee on Human Services and Housing

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 2315 - Relating to Dentists**
Hearing: Friday, February 8, 2008, 8:00 am
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to require the Medicaid program to reimburse dentists at the seventy-fifth percentile of the usual, customary and reasonable rate established by dental insurers.

DEPARTMENT'S POSITION: The Department appreciates the need to provide reimbursement for dentists at a level that will ensure access to needed services. At present, we are unable to provide a dollar estimate for the reimbursement level proposed in this bill. Generally, the Medicaid program follows Medicare reimbursement schedules to establish our rates of reimbursement. Since Medicare does not provide dental services, the Department will have to first secure information on the rates paid by

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dental insurers to be able to calculate rates of reimbursement in conformance with this bill so we can then provide the Legislature with the fiscal requirements of this bill.

While the Department appreciates the intent of this bill, we respectfully request that its passage not replace nor adversely impact the priorities in the Executive Supplemental Budget.

Thank you for the opportunity to comment on this bill.

mizuno1-Edgar

From: Darrell [teruyadt@worldnet.att.net]
Sent: Wednesday, February 06, 2008 4:48 PM
To: HLTtestimony
Cc: Darrell T Teruya
Subject: Testimony HB 2315 Hearing Friday Feb 8, 2008 8:00 am HLT & HSH Committees

Testimony HB 2315 House of Representatives Hearing Friday Feb 8, 2008 8:00 am

COMMITTEE ON HEALTH
Representative Josh Green, M.D., Chair
Representative John Mizuno, Vice Chair

COMMITTEE ON HUMAN SERVICES & HOUSING
Representative Maile S. L. Shimabukuro, Chair Representative Karl Rhoads, Vice Chair

Thank you for the opportunity to submit this testimony.

I wish to submit testimony in support of HB 2315 which seeks to raise the Medicaid reimbursement to the 75th level of the current UCR fee structure. It is laudable that the State of Hawaii has recently extended Medicaid benefits to include selected adult dental procedures. This has allowed individuals to seek and obtain a wider range of treatment which, in the past, would have been limited to temporary pain relief. While the scope of services has been expanded, the fees for these services remains at a low level of compensation.

The majority of dentists in Hawaii are sole proprietorship practices. As such they have to contend with a high overhead as well as the high costs of doing business in our state. This results in a lowered willingness to service the disadvantaged. Many of us can and do accept the lower Medicaid reimbursements, discount service fees, or, on occasion provide gratis dentistry. This can be done only on a limited basis. To do so long term would result in a diminished level of care for the patient or make it fiscally difficult for the dentist to continue in practice. While there are Federally Qualified Health Centers, hospital based residencies, and mobile care facilities to help provide a safety net, these are few and far in between. In a lot of rural and neighbor island settings the private dentist is the best available choice in terms of training, equipment and dedication. It's only rational to make the best use of the community assets currently in place.

It now costs over \$500 for a person to walk into a hospital emergency room. Even then, a dental patient will not likely receive anything close to definitive care. It'd be better for a person to receive dental treatment in a caring setting. A more comprehensive approach to dental care not only seeks to relieve pain but contributes as well to an individual's sense of well being and increased self esteem.

Thank you for your consideration of this bill.

Darrell Teruya, DDS
President Hawaii Dental Association

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