



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
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L A T E

January 30, 2008

MEMORANDUM

TO: Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services and Public Housing

Honorable David Y. Ige, Chair
Senate Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **S.B. 2541 – RELATING TO DENTAL CARE**
Hearing: Wednesday, January 30, 2008, 1:15 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to expand coverage under the State's Medicaid programs to include comprehensive dental care for adults and appropriates funds to provide the additional coverage. Also, establishes a pilot program in the county of Hawaii relating to hospital dentistry for the developmentally disabled community and appropriates funds and a task force to develop ways to recruit and train dental care practitioners.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill though we are concerned that the bill may adversely impact priorities in the Executive Supplemental Budget. The Department is working on developing a cost estimate for the comprehensive adult dental coverage proposed in this bill.

The Department would like to inform the Committee that none of the mandatory or optional Medicaid benefits in our Medicaid programs are mandated by statute as this bill proposes to do for comprehensive dental benefits. The adult dental benefit provided in this bill is an optional Medicaid benefit. If this bill is passed, this optional benefit will become a mandatory benefit.

This will mean that in the event where allocated program funds are insufficient to meet program wide service demands, other services may be subject to reductions while comprehensive dental services must be maintained unless revised by Legislative action.

The comprehensive adult dental benefits provided by this bill will also require approval by the Federal Centers for Medicare and Medicaid Services, to enable the State to receive Federal matching funds. If not, these benefits must be totally State-funded.

Effective December 1, 2006, the Department has restored adult preventive and restorative dental service benefits up to a \$500 annual maximum. These dental benefits had been eliminated from our Medicaid Fee-For-Service and QUEST programs back in 1996. By having services provided at the ending and beginning of consecutive fiscal years, the maximum total benefits for on-going restorative dental services can be \$1,000. Also, effective December 1, 2006, the Department added, for the first time, adult denture benefits up to a \$1,000 annual maximum. Again, by having services provided at the ending and beginning of consecutive fiscal years, the maximum total benefits for on-going restorative dental services can be \$2,000.

Restoring adult dental benefits has already had the additional positive impact of increasing the dental community's interest in participating in Medicaid; many dentists dropped out of Medicaid after the adult dental benefits were reduced in 1996 to only emergency services. Now, the Department is actively collaborating with the Hawaii Dental Association and other community groups to promote the recruitment of additional Medicaid dental providers which will improve our clients' ability to get timely access to dental services when they need them. This provider expansion will also provide improved access to dentists on the Neighbor Islands so that our clients need not fly to

The Legislature currently has the ability to appropriate for dental services through the budgetary process. Again, the Department would like to point out that when benefits are made mandatory in statute, as this bill would do, the Department's and the Legislature's flexibility will be restricted in responding to the State's fiscal condition. . Other services may be subject to reductions while comprehensive dental services must be maintained unless revised by Legislative action.

The Department supports the convening of a task force to assist in exploring new ideas and to develop ways to recruit and retain dental care practitioners.

DHS defers to the Department of Health for the testimony relating to Section 4 of this bill on coverage for hospital dentistry in the County of Hawaii for the developmentally disabled community to be administered by the Department of Health.

Thank you for the opportunity to comment on this bill.