

LSA NUMBER: #10-795

TITLE: Medicaid Services—Dental Services

DIVISION: Office of Medicaid Policy and Planning

PREPARED BY: Program Staff: Kristina Moorhead and Joy Heim

OVERVIEW OF RULE:

This rule amends 405 IAC 5-14-1 to revise the dental covered services included under the dental services limitation and to increase the limitation amount from \$600, with some services outside of the limitation to \$1,000 limitation with all dental services included in the limitation, for recipients 21 years of age and over.

The modification of the dental services limitation began on January 1, 2011 via an emergency rule promulgation.

FISCAL IMPACT:

The estimated decrease in annual Medicaid expenditures for this rule amendment is as follows:

	SFY 2011	SFY 2012	SFY2013
Total Medicaid	\$5,540,000	\$13,470,000	\$14,870,000
Federal Share	\$4,010,000	\$9,000,000	\$9,960,000
State Share	\$1,530,000	\$4,460,000	\$4,910,000

ECONOMIC IMPACT:

The proposed rule increases the dental cap from a \$600 cap, with some services outside of the cap, to a \$1,000 cap, with all dental services included in the cap. The FSSA OMPP is proceeding with this proposed rule due to budgetary constraints. The resulting savings of this proposed rule with help FSSA OMPP in meeting budgetary obligations.

There are 1,253 dental providers that are forecasted to provide \$188 million of dental services under the Indiana Medicaid program for state fiscal year 2011. These providers represent the regulated persons that this estimated economic impact shall address. During SFY 2010, 16,115 Medicaid members twenty-one (21) years of age or older received more than \$1,000 of dental services.

The proposed rule does not directly increase administrative or compliance costs for regulated entities. However, a reduction in reimbursement may result in a loss of profit for some providers. This loss of profit may lead some providers to change business practices or some providers may choose to no longer be Medicaid providers.

OPPONENTS:

PROPONENTS: OMPP

RECOMMENDATIONS: None.

PUBLIC HEARING COMMENTS: The public hearing will be scheduled once the agency receives authorization to proceed from the Legislative Services Agency, which is estimated to be in early April 2011.