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A bill for an act

relating to health care; increasing medical assistance rates for dental services; requiring the commissioner of human services to develop a uniform credentialing process for dental providers and uniform prior authorization criteria for dental services; amending Minnesota Statutes 2016, sections 256B.0625, by adding subdivisions; 256B.76, subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2016, section 256B.0625, is amended by adding a subdivision to read:

Subd. 9c. **Uniform prior authorization for dental services.** (a) By January 1, 2018, the commissioner shall develop uniform prior authorization criteria for all dental services requiring prior authorization. The commissioner shall publish a list of the dental services requiring prior authorization and the process for obtaining prior authorization on the department's Web site. Dental services on the list and the process for obtaining prior authorization approval shall be consistent and shall be required to be used by dental providers, managed care plans, county-based purchasing plans, and dental benefit administrators, regardless of whether the services are provided through the fee-for-service system or through the prepaid medical assistance program.

(b) Managed care plans and county-based purchasing plans may require prior authorization for additional dental services not on the list described in paragraph (a) so long as a uniform process for obtaining prior approvals is applied including a process for reconsideration when a prior approval request is denied that can be utilized by both the patient and the patient's dental provider.

(c) For purposes of this subdivision, "dental benefits administrator" means an organization licensed under chapter 62C or 62D that contracts with a managed care plan or county-based purchasing plan to provide covered dental care services to enrollees of the plan.

Sec. 2. Minnesota Statutes 2016, section 256B.0625, is amended by adding a subdivision to read:

Subd. 9d. **Uniform credentialing process.** (a) By January 1, 2018, the commissioner shall develop a uniform credentialing process for dental providers. Upon federal approval, the credentialing process must be accepted by all managed care plans, county-based purchasing plans, and dental benefit administrators that contract with the commissioner or subcontract with plans to provide dental services to medical assistance or MinnesotaCare enrollees.

(b) The process developed in this subdivision shall include a uniform credentialing application that shall be available in electronic format and accessible on the department's Web site. The process developed under this subdivision shall include the ability of submitting a completed application electronically. The uniform credentialing application must be available to providers free of charge.

(c) A managed care plan, county-based purchasing plan, dental benefit administrator, contractor, or vendor that reviews and approves a credentialing application must notify a provider regarding a deficiency on a submitted credentialing application form no later than 30 business days after receipt of the application form from the provider.

Sec. 3. Minnesota Statutes 2016, section 256B.76, subdivision 2, is amended to read:

Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after ~~October 1, 1992, the commissioner shall make~~ January 1, 2018, payments for dental services ~~as follows:~~

~~(1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25 percent above the rate in effect on June 30, 1992; and~~

~~(2) dental rates shall be converted from the 50th percentile of 1982 to the 50th percentile of 1989, less the percent in aggregate necessary to equal the above increases.~~

~~(b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.~~

~~(c) Effective for services rendered on or after January 1, 2000, payment rates for dental services shall be increased by three percent over the rates in effect on December 31, 1999.~~

~~(d) Effective for services provided on or after January 1, 2002, payment for diagnostic examinations and dental x-rays provided to children under age 21 shall be the lower of (1) the submitted charge, or (2) 85 percent of median 1999 charges.~~

~~(e) The increases listed in paragraphs (b) and (c) shall be implemented January 1, 2000, for managed care~~ shall be paid at the lower of (1) submitted charges; or (2) 50 percent of the 90th percentile of 2014 charges submitted for the applicable current dental terminology code. This rate does not apply to state-operated dental clinics under paragraph (b).

~~(f) Effective~~ (b) For dental services rendered ~~on or after October 1, 2010,~~ by a state-operated dental clinic, payment shall be paid on a reasonable cost basis that is based on the Medicare principles of reimbursement. ~~This payment shall be effective for services rendered on or after January 1, 2011, to recipients enrolled in managed care plans or county-based purchasing plans.~~

~~(g) Beginning in fiscal year 2011,~~ (c) If the payments to state-operated dental clinics in paragraph (f), including state and federal shares, are less than $1,850,000 per fiscal year, a supplemental state payment equal to the difference between the total payments in paragraph (f) and $1,850,000 shall be paid from the general fund to state-operated services for the operation of the dental clinics.

~~(h) If the cost-based payment system for state-operated dental clinics described in paragraph (f) does not receive federal approval, then state-operated dental clinics shall be designated as critical access dental providers under subdivision 4, paragraph (b), and shall receive the critical access dental reimbursement rate as described under subdivision 4, paragraph (a).~~

~~(i) Effective for services rendered on or after September 1, 2011, through June 30, 2013, payment rates for dental services shall be reduced by three percent. This reduction does not apply to state-operated dental clinics in paragraph (f).~~

~~(j) Effective for services rendered on or after January 1, 2014, payment rates for dental services shall be increased by five percent from the rates in effect on December 31, 2013. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, and Indian health services. Effective January 1, 2014, payments made to managed care plans and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment increase described in this paragraph.~~

~~(k) Effective for services rendered on or after July 1, 2015, through December 31, 2016, the commissioner shall increase payment rates for services furnished by dental providers~~

~~located outside of the seven-county metropolitan area by the maximum percentage possible above the rates in effect on June 30, 2015, while remaining within the limits of funding appropriated for this purpose. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, and Indian health services. Effective January 1, 2016, through December 31, 2016, payments to managed care plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect the payment increase described in this paragraph. The commissioner shall require managed care and county-based purchasing plans to pass on the full amount of the increase, in the form of higher payment rates to dental providers located outside of the seven-county metropolitan area.~~

~~(l) Effective for services provided on or after January 1, 2017, the commissioner shall increase payment rates by 9.65 percent for dental services provided outside of the seven-county metropolitan area. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, or Indian health services.~~ (d) Effective January 1, ~~2017~~ 2018, payments to managed care plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect the payment increase described in ~~this~~ paragraph (a). The commissioner shall require managed care plans and county-based purchasing plans to increase the rates the plans would otherwise pay to providers under fee arrangements by the same percentage rate increase described in paragraph (a). A managed care plan or county-based purchasing plan must pay dental providers at least the fee-for-service rate fee schedule amount for covered dental services. The commissioner shall require managed care plans and county-based purchasing plans to report to the commissioner documenting that the rate increase was paid to the dental providers.