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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **1340**

02/16/2017 Authored by Pierson, Schomacker, Gruenhagen, Davids, Loeffler and others
The bill was read for the first time and referred to the Committee on Health and Human Services Reform
03/09/2017 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to health care; increasing medical assistance rates for dental services;
1.3 requiring the commissioner of human services to develop a uniform credentialing
1.4 process for dental providers and uniform prior authorization criteria for dental
1.5 services; appropriating money; amending Minnesota Statutes 2016, sections
1.6 256B.0625, by adding subdivisions; 256B.76, subdivision 2.

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

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

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

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

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

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

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

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

2.17 (c) A managed care plan, county-based purchasing plan, dental benefit administrator,
2.18 contractor, or vendor that reviews and approves a credentialing application must notify a
2.19 provider regarding a deficiency on a submitted credentialing application form no later than
2.20 30 business days after receipt of the application form from the provider.

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

2.22 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after October
2.23 1, 1992, the commissioner shall make January 1, 2018, payments for dental services as
2.24 follows:

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

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

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

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

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

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

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

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

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

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

3.26 ~~(j) Effective for services rendered on or after January 1, 2014, payment rates for dental~~
3.27 ~~services shall be increased by five percent from the rates in effect on December 31, 2013.~~
3.28 ~~This increase does not apply to state-operated dental clinics in paragraph (f), federally~~
3.29 ~~qualified health centers, rural health centers, and Indian health services. Effective January~~
3.30 ~~1, 2014, payments made to managed care plans and county-based purchasing plans under~~
3.31 ~~sections 256B.69, 256B.692, and 256L.12 shall reflect the payment increase described in~~
3.32 ~~this paragraph.~~

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

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

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

4.25 **Sec. 4. DENTAL SERVICES GRANTS.**

4.26 (a) \$..... is appropriated from the general fund to the commissioner of human services,
4.27 for the biennium ending June 30, 2019, to award dental services grants. The commissioner
4.28 may award grants under this section to:

4.29 (1) nonprofit community clinics;

4.30 (2) federally qualified health centers, rural health clinics, and public health clinics;

4.31 (3) hospital-based dental clinics owned and operated by a city, county, or former state
4.32 hospital as defined in Minnesota Statutes, section 62Q.19, subdivision 1, paragraph (a),
4.33 clause (4); and

5.1 (4) a dental clinic owned and operated by the University of Minnesota or the Minnesota
5.2 State Colleges and Universities system.

5.3 (b) Grants may be used to fund costs related to maintaining, coordinating, and improving
5.4 access for medical assistance and MinnesotaCare enrollees to dental care in a region.

5.5 (c) The commissioner shall consider the following in awarding the grants:

5.6 (1) experience in delivering dental services to medical assistance and MinnesotaCare
5.7 enrollees in urban and rural communities;

5.8 (2) the potential to successfully maintain or expand access to dental services for medical
5.9 assistance and MinnesotaCare enrollees; and

5.10 (3) demonstrated capability to provide access to care for children, adults, and seniors
5.11 with special needs, individuals with complex medical and dental needs, recent immigrants
5.12 and non-English speakers, and students attending schools with a high percentage of
5.13 low-income students.