

# Improving Access to Care for Pediatric Dental Patients Requiring General Anesthesia

## 1. Background

Most dental care is provided in an office setting utilizing local anesthesia. In some cases, conscious sedation, physical restraint, or other psychological and behavioral techniques are required in order to safely perform necessary dental procedures. However, there is a small population of patients who require general anesthesia for dental care. In these cases, there are three claims involved: the dentist's professional fees, the anesthesiologist's professional fees, and the facility fee. In the past, dental charges were either reimbursed through dental insurance or were paid out-of-pocket and medical insurance benefits covered the costs of anesthesia and hospitalization for these patients. However, during the last five to seven years, pediatric dentists have reported a steady decrease in medical coverage for hospitalization and anesthesia services when dental treatment is performed.

**Problem:** Lack of medical coverage results in several negative outcomes, including increases in out-of-pockets costs, increased uncompensated care, and delayed or deferred care which results in increased morbidity, and, ultimately, increased health care costs due to emergency room services and the treatment of avoidable morbidity. Dental decay is an active infection and, if left untreated, it will only get worse. To some degree, this is a case of "pay now or pay later."

## 2. Population Affected

Medicaid currently covers dental care under general anesthesia under federal program guidelines. The Medicaid policy manual stipulates the following:

"It is expected that, whenever possible, the site of dental treatment will be the dental office. However, special situations may necessitate the provision of services at a different site, such as an inpatient or outpatient hospital setting. Admission to an inpatient or outpatient hospital setting for any non-emergency dental service is covered only when one of the following conditions, which does not allow the procedure to be performed in the dental office, is met:

- A concurrent hazardous medical condition or
- The nature of the procedure requires hospitalization or
- Other contributing factors, such as age, mental impairment, etc., necessitate hospitalization.

Hospitalization is not a benefit for the convenience of the dentist or recipient or because of apprehension on the part of the recipient."

**At Issue:** The American Academy of Pediatric Dentistry contends that all medical plans (private as well as Medicaid) should provide for reimbursement of medical expenses,

including general anesthesia and hospital-related costs, when one or more of the following indications are present in the course of dental treatment:

- Patients, including infants, exhibiting physical, intellectual, or medically compromising conditions, for which dental treatment under local anesthesia, with or without additional adjunctive techniques and modalities, cannot be expected to provide a successful result and which, under general anesthesia, can be expected to produce a superior result.
- Patients demonstrating dental treatment needs for which local anesthesia is ineffective because of acute infection, anatomic variation, or allergy.
- The extremely uncooperative, fearful, anxious, or uncommunicative child or adolescent with dental needs of such magnitude that treatment should not be postponed or deferred and for whom lack of treatment can be expected to result in dental or oral pain, infection, loss of teeth, or other increased oral or dental morbidity.
- Patients who have sustained extensive oral-facial and/or dental trauma for which treatment under local anesthesia would be ineffective or compromised.

Based on these criteria alone, it is difficult to estimate the number of new cases that could be expected if medical coverage were available. However, in 1995, the American Academy of Pediatric Dentistry conducted a membership survey on access to hospital care. That survey revealed that 1.0 percent of pediatric dental patients utilize general anesthesia.

To reiterate, children who are enrolled in Michigan's Medicaid program (Healthy Kids) and those enrolled in MICHild are already covered. Children who are not enrolled in a health plan (i.e., those who are uninsured) are not covered now and would not benefit from any policy changes being discussed in this document. Policy changes under discussion, whether mandated or voluntary, will affect only that population that has private medical coverage.

### **3. Potential Interventions**

**Legislative Mandates:** Senate Bills 984-987 and House Bills 5326-5329 mandate coverage for general anesthesia and associated facility charges for dental procedures under limited circumstances. The problems with this approach are:

- In general, insurance mandates increase the cost of coverage. This results in a concomitant increase in the number of persons who are priced-out of the health insurance market. In 1997, The Lewin Group estimated that with each one percent increase in premium costs, small business sponsorship of health insurance declines by 2.6 percent and 200,000 to 600,000 Americans lose coverage. In 1999, there were approximately 850,000 Michigan citizens who were uninsured.
- Insurance mandates only benefit persons with insurance; they do not benefit the uninsured.

- State insurance mandates only affect a small portion of health insurers because the state cannot impose coverage mandates on ERISA plans.

**Voluntary Agreement:** A voluntary agreement by third party payers to cover general anesthesia and associated facility charges for dental procedures, within specified limits, could actually benefit a larger portion of the population than a state mandate would since it avoids the ERISA dilemma. It has the same shortfalls as a mandate in that it would not benefit the uninsured and it could potentially increase the cost of premiums and, thereby, reduce the total number of covered lives.

**Conclusion:** As a result of discussions sponsored by State Senator Dale Shugars and State Senator Leon Stille, key stakeholder representatives have concluded that a voluntary agreement is a better course of action than legislative mandates. Stakeholders have therefore agreed to work over the summer to identify barriers to pediatric dental care and voluntarily resolve payment issues that limit access to appropriate care. In order to reach a consensus agreement that may be adopted as a community standard, stakeholders are forming the Michigan Working Group to Improve Access to Pediatric Dentistry (see below).

#### **4. Agreement to Expand Coverages for General Anesthesia**

In recognition of the importance of improving access to pediatric dental services for dental patients and in an effort to establish a voluntary process to expand coverage for pediatric dentistry in a hospital setting, the organizations signing below hereby agree to ensure coverage of general anesthesia and hospital facility fees (when appropriate) for the following:

- A total of six or more teeth are extracted in various quadrants.
- Dental treatment needs for which local anesthesia is ineffective because of acute infection, anatomic variation, or allergy.
- Multiple extractions or multiple restorations for children under the age of seven (i.e., through the end of the sixth year).
- Patients with a concurrent hazardous medical condition.
- Extensive oral-facial and/or dental trauma for which treatment under local anesthesia would be ineffective or compromised.

A medical plan expanding coverage under this agreement may establish reasonable limits regarding the frequency of general anesthesia use, and may require prior authorization and demonstration of medical necessity for general anesthesia and associated facility charges in the same manner as is required for other covered benefits. Coverage of general anesthesia and associated facility fees would be subject to all other terms and conditions that apply generally to other benefits. The Michigan Association of Pediatric Dentistry will provide free consultation to medical plans expanding coverage under this agreement when those plans are making prior authorization, medical necessity, or coverage determinations pursuant to this agreement.

An Implementation Review Committee will meet to assess the implementation of this agreement at the end of the first year, and as necessary thereafter. The Committee shall be

comprised of three medical directors from participating medical plans and three licensed pediatric dentists representing the Michigan Association of Pediatric Dentistry. Included in their review shall be an assessment of utilization increases resulting from this agreement.

## **6. Parties to the Consensus Document**

The organizations signing below agree to abide by the provisions of this consensus document and to make a good faith effort facilitate greater access to pediatric dental care and to support the efforts of the Michigan Working Group to Improve Access to Pediatric Dentistry. To assure there is no misunderstanding, the associations signing the expanded agreement in 2005, want to state in writing what was indicated when the original agreement was reached in 2001. Signing this document was an indication that the associations would recommend this approach to their members, with the understanding that dental groups would be distributing this document to insurance entities. The organizations listed below cannot legally bind their members or customers to the provisions of this or any other agreement. The signators are voluntary associations. It is up to purchasers to make their own coverage decisions.

### **Signators**

*The Economic Alliance for Michigan*

*Michigan Chamber of Commerce*

*Blue Cross Blue Shield of Michigan*

*Michigan Association of Health Plans*

*Michigan Academy of Pediatric Dentistry*

*Michigan Dental Association*