### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

#### BILL #: PCS for HB 1177 Dental Care by Bell SPONSOR(S): Healthcare Regulation Subcommittee TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Healthcare Regulation Subcommittee		Osborne	McElroy

#### SUMMARY ANALYSIS

A Federally Qualified Health Center (FQHC), also known as a community health center, is a federally funded safety net provider that provides primary and preventive health services, including pediatric dental screenings to determine the need for dental care and preventive dental care services. Community health centers serve populations that are medically underserved, through either the staff and supporting resources of the center or contracts or cooperative arrangements. Currently, there are 588 community health centers in Florida.

The Head Start program is a federally funded, income-based program that provides free educational and comprehensive services, including dental care, to pregnant mothers and children through age 5.

The Florida Medicaid program provides state- and federally-funded health coverage, including dental services, to low-income and disabled Floridians. Generally, the program operates under a comprehensive, integrated managed care model; except for dental services, which are provided through separate dental-only, managed care plans. Medicaid plans may choose to contract with any provider meeting standard Medicaid requirements, except as directed by law.

Current law limits the use of mobile dental units in Medicaid. Medicaid reimbursement is only available for dental services provided by mobile dental units owned or operated by, or under contract with, a county health department, FQHC, state-approved dental educational institution, or a mobile dental unit providing adult dental services at a nursing home.

The bill authorizes Medicaid reimbursement for dental services provided by other types of mobile dental units, including a mobile dental unit who contracts with a nonprofit community health center or a federally approved Head Start center.

The bill has no fiscal impact on state or local government.

The bill provides an effective date of July 1, 2023.

### FULL ANALYSIS

# I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

### **Background**

### Florida Medicaid

Medicaid is the health care safety net for low-income Floridians. Medicaid is a partnership of the federal and state governments established to provide coverage for health services for eligible persons. The program is administered by the Agency for Health Care Administration (AHCA) and financed by federal and state funds. AHCA delegates certain functions to other state agencies, including the Department of Children and Families (DCF), the Department of Health (DOH), the Agency for Persons with Disabilities, and the Department of Elderly Affairs (DOEA).

The structure of each state's Medicaid program varies and what states must pay for is largely determined by the federal government, as a condition of receiving federal funds.<sup>1</sup> Federal law sets the amount, scope, and duration of services offered in the program, among other requirements. The federal government sets the minimum mandatory populations to be included in every state Medicaid program. The federal government also sets the minimum mandatory benefits to be covered in every state Medicaid program. These benefits include physician services, hospital services, home health services, and family planning.<sup>2</sup> States can add benefits, with federal approval; Florida has added many optional benefits, including adult dental services.

### Statewide Medicaid Managed Care (SMMC)

Florida delivers medical assistance to most Medicaid recipients – approximately 78% - using a comprehensive managed care model, the SMMC program.<sup>3</sup> The SMMC program was intended to provide comprehensive, coordinated benefits coverage to the Medicaid population, leveraging economic incentives to ensure provider participation and quality performance impossible under the former, federally prescribed, fee-for-service delivery model.

The SMMC program has three components: the integrated Managed Medical Assistance (MMA) program that provides primary care, acute care and behavioral health care services; Long-Term Care (LTC) program<sup>4</sup> that provides long-term care services, including nursing facility and home and community-based services; and the dental component.

#### **Dental Services**

While most Medicaid services are provided by comprehensive, integrated, managed care plans, dental services are provided by separate, dental-only, plans. Medicaid covers dental benefits for both children<sup>5</sup> and adults. Medicaid covers full dental services for children.<sup>6</sup> Adult dental benefits are limited to emergency treatment and dentures, and do not include preventive services.<sup>7</sup> However, Medicaid

<sup>&</sup>lt;sup>1</sup> Title 42 U.S.C. §§ 1396-1396w-5; Title 42 C.F.R. Part 430-456 (§§ 430.0-456.725) (2016). <sup>2</sup> S. 409.905, F.S.

<sup>&</sup>lt;sup>3</sup> Agency for Health Care Administration, *Florida Statewide Medicaid Monthly Enrollment Report*, December 2021, available at <u>https://ahca.myflorida.com/medicaid/Finance/data\_analytics/enrollment\_report/index.shtml</u> (last visited March 31, 2023). United States Census Bureau, *Quick Facts, Florida*, <u>https://www.census.gov/quickfacts/fact/table/FL/PST045221</u> (last visited March 31, 2023).

<sup>&</sup>lt;sup>4</sup> The LTC program provides services in two settings: nursing facilities or home and community-based services (HCBS) provided in a recipient's home, an assisted living facility, or an adult family care home. Enrollment in the LTC program is based on a clinical priority system and includes a wait list. The state is approved for 62,000 recipients in the HCBS portion of LTC. In order to be eligible for the program, a recipient must be both clinically eligible under s. 409.979, F.S., and financially eligible for Medicaid under s. 409.904, F.S. <sup>5</sup> Under the age of 21.

dental plans provide expanded dental benefits to adults, including preventive and restorative dental services at no cost to the state.<sup>8</sup> The chart below indicates the covered dental services.<sup>9</sup>

Children		Adults	
Ambulatory Surgical Center or Hospital-based Dental Services	Orthodontics	Dental Exams (emergencies and dentures only)	
Dental Exams	Periodontics	Dental X-rays (limited)	
Dental Screenings	Prosthodontics (dentures)	Prosthodontics (dentures)	
Dental X-rays	Root Canals	Extractions	
Extractions	Sealants	Sedation	
Fillings and Crowns	Sedation	Ambulatory Surgical Center or Hospital-based Dental Services	
Fluoride	Space Maintainers		
Oral Health Instructions	Teeth Cleanings		

Dental services under the SMMC program may be provided by a:10

- Licensed dentist or dental hygienist;
- County health department administered by DOH;
- Federally qualified health center (FQHC);<sup>11</sup> or a
- Dental intern or a dental graduate temporarily certified to practice in a state operated hospital or a state or county government facility in accordance with s. 466.025, F.S.

# **Dental Performance Measures**

Medicaid performance measures in dental services for children are poor. The most recent data, for 2019, indicates 50% of Florida Medicaid children enrolled in a dental plan received an annual dental visit, compared to the national mean 55.5%. Similarly, 39% of Medicaid children enrolled in a dental plan received a preventive dental service, compared to the national mean of 49%.<sup>12</sup>

#### Mobile Dental Units

Current law limits the use of mobile dental units in Medicaid. Section 409.906, F.S., authorizes Medicaid reimbursement only for certain types of mobile dental units, including mobile dental units owned or operated by, or under contract with, a county health department, FQHC, state-approved dental educational institution, or a mobile dental unit providing adult dental services at a nursing home.<sup>13</sup>

Current law does not authorize Medicaid coverage of dental services provided by a mobile dental unit contracting with nonprofit community health center or a federally approved Head Start center.

# **Head Start Program**

<sup>9</sup> Florida Medicaid, Dental Services Coverage Policy (August 2018), available at

<sup>&</sup>lt;sup>8</sup> Agency for Healthcare Administration, Agency Analysis of 2023 HB 1177 (March 9, 2023).

https://ahca.myflorida.com/content/download/5945/file/59G-4.060 Dental Coverage Policy.pdf (last visited March 31, 2023). <sup>10</sup> Id.

<sup>&</sup>lt;sup>11</sup> A federally qualified health center is a federally funded nonprofit health center or clinic that serves medically underserved areas and populations regardless of an individual's ability to pay. See Federally Qualified Health Center, HealthCare.gov, available at <a href="https://www.healthcare.gov/glossary/federally-gualified-health-center-fghc/">https://www.healthcare.gov/glossary/federally-gualified-health-center-fghc/</a> (last visited March 31, 2023).

The Head Start program is a federally funded, income-based program that provides free educational and comprehensive services, including dental care,<sup>14</sup> to pregnant mothers and children through age 5.<sup>15</sup>

The program is administered by the Florida Head Start State Collaboration Office in partnership with the Division of Early Learning (within the Department of Education), and the Florida Head Start Association. Currently, there are 579 federally approved Head Start Centers in Florida.<sup>16</sup>

# **Federally Qualified Health Centers**

A Federally Qualified Health Center (FQHC), also known as a community health center, is a federally funded safety net provider that provides primary and preventive health services, including pediatric dental screenings to determine the need for dental care and preventive dental care services.<sup>17</sup>

Community health centers serve populations that are medically underserved, either through the staff and supporting resources of the center or through contracts or cooperative arrangements.<sup>18</sup> Currently, there are 588 community health centers in Florida.<sup>19</sup>

# Effect of the Bill

The bill authorizes Medicaid reimbursement for dental services provided by other types of mobile dental units. Specifically, the bill allows Medicaid reimbursement for dental services provided by a mobile dental unit who contracts with a nonprofit community health center or a federally approved Head Start center.

Additional mobile units at these locations may assist the program to achieve better performance measures in children's dental services, which are currently under the national mean.

The bill provides an effective date of July 1, 2023.

#### B. SECTION DIRECTORY:

Section 1: Amends s. 409.906, F.S., relating to optional Medicaid services.

**Section 2:** Provides an effective date of July 1, 2023.

# II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
  - 1. Revenues:

None.

2. Expenditures:

None. While the bill authorizes Medicaid plans (and fee-for-service Medicaid) to contract with additional types of mobile dental units, it does not require them to do so. If a contract is executed

**DATE:** 4/2/2023

<sup>&</sup>lt;sup>14</sup> U.S. Department of Health & Human Services, Office of Head Start-Services for Children and Families-Health and Wellness, available at <a href="https://www.acf.hhs.gov/ohs/about/head-start">https://www.acf.hhs.gov/ohs/about/head-start</a> (last visited March 31, 2023).

<sup>&</sup>lt;sup>15</sup> Florida Department of Education, Division of Early Learning, Florida Head Start State Collaboration Office, available at <u>https://www.floridaearlylearning.com/statewide-initiatives/head-start</u> (last visited March 31, 2023).

<sup>&</sup>lt;sup>16</sup> U.S. Department of Health & Human Services, Head Start Early Childhood Learning & Knowledge Center, Head Start Center Locator, available at <a href="https://eclkc.ohs.acf.hhs.gov/center-locator?latitude=27.665&longitude=-81.516&state=FL&type=1">https://eclkc.ohs.acf.hhs.gov/center-locator?latitude=27.665&longitude=-81.516&state=FL&type=1</a> (last visited March 31, 2023).

with an additional provider, and that contract increases a plan's provider network or that provider is in a more accessible location than current network providers, then the program may experience additional utilization.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
  - 1. Revenues:

None.

- 2. Expenditures:
- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.
- D. FISCAL COMMENTS: None.

# **III. COMMENTS**

- A. CONSTITUTIONAL ISSUES:
  - Applicability of Municipality/County Mandates Provision: Not applicable. The bill does not appear to affect county or municipal governments.
  - 2. Other:

None.

B. RULE-MAKING AUTHORITY:

AHCA has sufficient rule-making authority to implement the provisions of the bill.

C. DRAFTING ISSUES OR OTHER COMMENTS: None.

# IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES