

# CHIP TIPS

*A new series highlighting opportunities for covering children under Medicaid and CHIP*

MARCH 2010

## CHILDREN'S ORAL HEALTH BENEFITS

Signed into law in February of 2009, the Children's Health Insurance Program Reauthorization Act (CHIPRA) renewed and strengthened the Children's Health Insurance Program (CHIP). The law provided states with new tools and fiscal incentives to enroll eligible uninsured children in Medicaid and CHIP. It also included provisions focused on improving the quality of care and benefits for children. Among these provisions are new requirements and options aimed at improving the oral health of children. All CHIP programs are now required to cover comprehensive dental benefits. CHIPRA also allows states with separate CHIP programs to offer a dental-only plan for children who have other health insurance, but lack adequate dental benefits. Other oral health improvements include education for new parents, better access to benefit and provider information, and enhanced reporting on the quality of dental health services in Medicaid and CHIP.

### WHAT HAPPENED BEFORE CHIPRA?

Under the original CHIP statute, states can provide coverage to uninsured children by expanding Medicaid, adopting a separate CHIP program, or combining both approaches. States that provide CHIP coverage through a Medicaid expansion are required to provide children with Medicaid benefits, including comprehensive dental services. Before CHIPRA, states with separate CHIP programs were not required to cover dental services. Even without a federal requirement, all states with separate CHIP programs elected to provide some dental coverage, but they typically covered a less comprehensive set of services than Medicaid and often capped dental benefits at dollar levels too low to ensure that the dental needs of children were met; in addition, at least three states eliminated dental benefits from CHIP for some period.<sup>1</sup>

In the years leading up to CHIPRA, dental disease among young children increased and tooth decay remained the single most common chronic disease among U.S. children.<sup>2</sup> Two years prior to the enactment of CHIPRA, the importance of oral health to children was dramatized by the death of a 12-year-old Maryland child from complications of a dental abscess.<sup>3</sup> With increased public awareness of dental disease among children and the potential consequences of going without care, dental coverage for children was an important topic in the deliberations that culminated in the enactment of CHIPRA.

### WHAT CHANGES DOES CHIPRA MAKE?

CHIPRA mandates comprehensive dental coverage for children in separate CHIP programs. It also permits states to use CHIP funds to offer dental-only supplemental coverage for children who have other health insurance but lack adequate dental coverage, if they otherwise meet CHIP eligibility criteria.

### HOW DOES IT WORK?

**Coverage and Benefits.** Children enrolled in CHIP-funded Medicaid expansions will continue to receive the same comprehensive dental coverage that all children in Medicaid receive through the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) benefit for children.<sup>4</sup> EPSDT services (including dental services) must be sufficient in scope, quantity, and duration to meet each beneficiary's unique needs as determined by a screening and through periodic diagnosis by a dentist. EPSDT specifies that dental services must:

- Be provided at intervals that meet reasonable standards of dental practice;
- Be provided at such other intervals, indicated as medically necessary, to determine the existence of a suspected illness or condition; and
- Include relief of pain and infections, restoration of teeth, and maintenance of dental health.

As of October 1, 2009, states that cover children under a separate CHIP plan must meet the new standard for dental benefits required by CHIPRA and described by the Centers for Medicare and Medicaid Services (CMS) in a State Health Official letter dated October 7, 2009.<sup>5</sup> These states must provide coverage of comprehensive dental services in one of two ways: 1) through a state-defined benefit or 2) by electing coverage that is equal to one of three “benchmark” benefit packages.

**Other Dental Provisions in CHIP.** With the aim of improving the oral health of children in Medicaid and CHIP, CHIPRA also:

- Implements a program to educate parents of newborns about the importance of oral health and the need for a dental visit in the first year of life;
- Calls for improved access to information on dental providers and covered dental benefits for Medicaid and CHIP enrollees;
- Allows federally-qualified community health centers (FQHC) to contract with private practice dental providers to provide oral health services;
- Compels states to report on certain oral health services; and
- Includes dental care among the initial core set of child health quality measures to be developed by the Health and Human Services (HHS) Secretary, and requires the Secretary to provide information on efforts to improve dental care in reports to Congress on the quality of children’s health care under Medicaid and CHIP.

## WHAT ARE THE CHOICES FOR STATES?

### Dental Coverage in Separate CHIP Plans

States with separate CHIP plans must now provide dental benefits. These states can ensure that their dental coverage meets the new federal standards by electing either to provide benefits through a state-defined benefit package or to adopt dental benefits equal to those in a dental benchmark plan.

**State-Defined Benefit Package:** States choosing the state-defined benefit package must demonstrate that it includes services “necessary to prevent disease and promote oral health, restore oral structures to health and function, and treat emergency conditions.” Also, the coverage must be consistent with a dental periodicity schedule and states are encouraged to rely on nationally-recognized standards, including the Medicaid dental periodicity schedule used by EPSDT or the guidelines adopted by the American Academy of Pediatric Dentists.<sup>6</sup>



State-defined dental benefits must include services in each of these categories: diagnostic, preventive, restorative, endodontic, periodontic, prosthodontic, oral and maxillofacial surgery, orthodontic, and emergency dental services. While not required to provide all services in each category, states must provide coverage that meets the statutory standard as defined above.

Thus, the dental services must be medically necessary and states cannot impose any limits that would be inconsistent with the statutory standard. Any limits, such as the number of covered cleanings per year, must comply with the state’s chosen periodicity schedule. States do not have to cover services that are needed only for cosmetic or other non-medical reasons.

**Benchmark Benefit Packages:** The second option states have to meet the CHIP dental benefit requirement is to adopt benefits that are equal to one of three dental benchmark packages. The benchmark plans include:

- 1) The Federal Employees Health Benefit Plan with the largest enrollment of dependents in the past two years (currently, MetLife);
- 2) The state employee dependent dental coverage selected most frequently in the past two years; or
- 3) Coverage offered through the state's largest commercial (non-Medicaid) dependent dental plan.

States can add benefits to a benchmark package, but they cannot otherwise modify it.

*Cost-Sharing Protections:* The federal rules regarding cost-sharing for children in CHIP apply to dental services in the same way they apply to medical services. Regardless of the cost-sharing policies in a dental benchmark plan that is adopted by a state, cost-sharing for services provided to CHIP enrollees must comply with those federal rules. That is, the federal CHIP rules on cost-sharing—rather than the benchmark plan's cost-sharing policies—govern.

To foster children's use of preventive oral health care, states are prohibited from imposing co-payments, deductibles, coinsurance, or other cost-sharing for routine, preventive, and diagnostic dental services. Also, the federal requirement that states limit aggregate CHIP cost-sharing charges to five percent or less of a family's income encompasses dental services. That is, in assessing whether a family has reached the five percent cap, a state must consider the combined expenses for medical and dental services. States are allowed to establish different premiums for regular CHIP coverage versus dental-only coverage, but the five percent cost-sharing cap applies in both circumstances.

As is required of states with regard to cost-sharing for medical care, states must develop a methodology for establishing cost-sharing for dental care and submit it to CMS for approval. States must also inform families about the five percent cost-sharing cap and about how they should work with the state to track their costs.

### **Dental-Only Supplemental Benefit Plan**

CHIPRA also gives states the option to provide supplemental dental coverage to children who have health insurance through an employer-sponsored or other group health plan, but have inadequate or no dental benefits under that coverage. This option is available only to states with separate CHIP programs. In aggregate, the dental benefits covered under the other health insurance and the benefits in the dental-only supplemental plan must be consistent with or equal to the dental benefits provided to children enrolled in CHIP.

Children with other insurance can be eligible for dental-only supplemental coverage only if they otherwise meet CHIP eligibility criteria. For such children whose insurance provides limited or no coverage of dental services, the supplemental dental-only plan can bring their dental benefits (including cost-sharing protections) up to the CHIP level. The CHIP dental-only plan would pay secondary to the child's other insurance coverage. States can waive CHIP waiting periods for children in need only of dental coverage.

States must meet some conditions to exercise the option to provide dental-only benefits. They cannot restrict applications or enrollment in either their medical or dental CHIP programs (e.g., through use of a waiting list or enrollment cap). They may not provide better coverage (including cost-sharing protections) to children in the dental-only plan than in the regular CHIP program.

## WHERE CAN I FIND MORE INFORMATION?

- For other topics in the CHIP Tips series, visit <http://www.kff.org/medicaid/kcmu040609pkg.cfm>.
- The dental provisions of CHIPRA can be found in section 501 of [Public Law 111-3](#). The State Health Official letter providing guidance on the dental provisions is available at <http://www.cms.hhs.gov/SMDL/downloads/CHIPRA%20Dental%20SHO%20Final%20100709revised.pdf>.
- A summary of the dental-related CHIPRA provisions and other resources are available from the Children's Dental Health Project at [http://www.cdhp.org/resource/chip\\_reauthorization\\_renewed\\_support\\_childrens\\_oral\\_health](http://www.cdhp.org/resource/chip_reauthorization_renewed_support_childrens_oral_health).
- A summary of CHIPRA and related resources are available from CCF at <http://ccf.georgetown.edu/index/chip-law>.
- Resources available from the Kaiser Family Foundation include:
  - A policy brief on the role of Medicaid and CHIP in providing oral health coverage and access for children at <http://www.kff.org/medicaid/7681.cfm>
  - A fact sheet on CHIPRA and other resources on children's coverage at <http://www.kff.org/medicaid/childrenscoverageresources.cfm>.
  - A report on steps states can take to improve children's access to oral health care in Medicaid and CHIP at <http://www.kff.org/medicaid/7792.cfm>.

## ENDNOTES

- <sup>1</sup> B. Edelstein, D. Schneider, and R. Laughlin, "SCHIP Dental Performance Over the First 10 Years: Findings From the Literature and a New ADA Survey," American Dental Association (November 2007), available at [http://www.ada.org/prof/advocacy/issues/071217\\_schip\\_performance.pdf](http://www.ada.org/prof/advocacy/issues/071217_schip_performance.pdf).
- <sup>2</sup> U.S. Department of Health and Human Services National Institute of Dental and Craniofacial Research, National Institutes of Health, "Oral Health in America: A Report of the Surgeon General" (2000).
- <sup>3</sup> M. Otto, "For Want of a Dentist" *Washington Post* (February 28, 2007).
- <sup>4</sup> EPSDT is Medicaid's comprehensive preventive and treatment program for children. Under the program, children are entitled to periodic health screenings and treatment to ameliorate any diagnosed condition. The goal is to identify physical and mental conditions in childhood and provide timely intervention to support growth and avoid long-term disability. For more information, see [http://www.cms.hhs.gov/MedicaidEarlyPeriodicScreen/01\\_Overview.asp](http://www.cms.hhs.gov/MedicaidEarlyPeriodicScreen/01_Overview.asp). EPSDT is governed by federal rules at [42 CFR, Part 441, Subpart B](#).
- <sup>5</sup> Centers for Medicare and Medicaid Services, State Health Official Letter, SHO #09-012 (October 7, 2009).
- <sup>6</sup> American Academy of Pediatric Dentistry, "Guideline on Periodicity of Examination, Preventive Dental Services, Anticipatory Guidance/Counseling, and Oral Treatment for Infants, Children, and Adolescents," (2009), available at [http://www.aapd.org/media/Policies\\_Guidelines/G\\_Periodicity.pdf](http://www.aapd.org/media/Policies_Guidelines/G_Periodicity.pdf).

This publication (#8054) is available on the Kaiser Family Foundation's website at [www.kff.org](http://www.kff.org) and on the Center for Children and Families' website at [ccf.georgetown.edu](http://ccf.georgetown.edu). It was prepared by the Kaiser Family Foundation's Commission on Medicaid and the Uninsured (KCMU), Georgetown University's Center for Children and Families (CCF), and the Children's Dental Health Project (CDHP), a national non-profit organization that advances policies that improve children's access to oral health. For more information on CHDP, visit their website at [www.cdhp.org](http://www.cdhp.org).