

Pushing Back Against Medicaid Administrative Burdens

DentaQuest Case Study
New Mexico

Kris Hendricks, DDS

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- New Mexico PPA
- Board Member of Delta Dental of New Mexico
- Former New Mexico Medicaid Committee Dentist Representative
- Owner of private multi specialty group including pediatric dentistry, orthodontics, general and cosmetic dentistry, speech and language pathology, occupational therapy and physical therapy.

In May of this year, in New Mexico, DentaQuest attempted to introduce strict pre-payment review policies into many common pediatric dental codes. This would have severely restricted provider autonomy and payments to providers.
Similar policies were announced in multiple states.

This is our story.

When you think of New Mexico



Also New Mexico



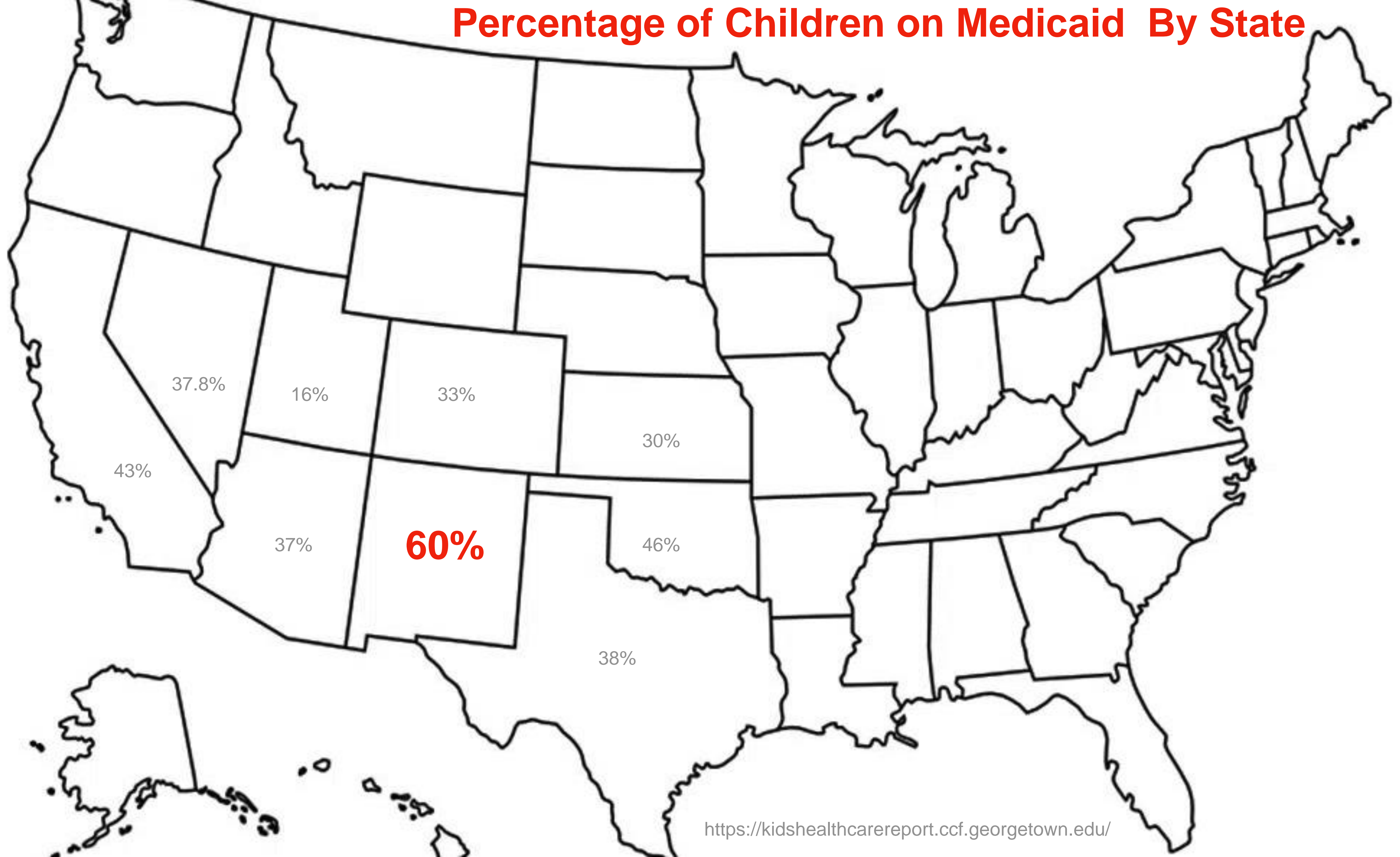
But also New Mexico...

June 11, 2024

New Mexico again ranks at the bottom for child wellbeing

New Mexico continues to rank at the bottom of the country for child well-being, with a score of 50th and also at the bottom for childhood education, according to the new KIDS Count Data Book. The Annie E. Casey Foundation KIDS COUNT Data Book is an annual assessment of child wellbeing state by state. Besides [...]

Percentage of Children on Medicaid By State



Challenges with Medicaid dentistry in New Mexico

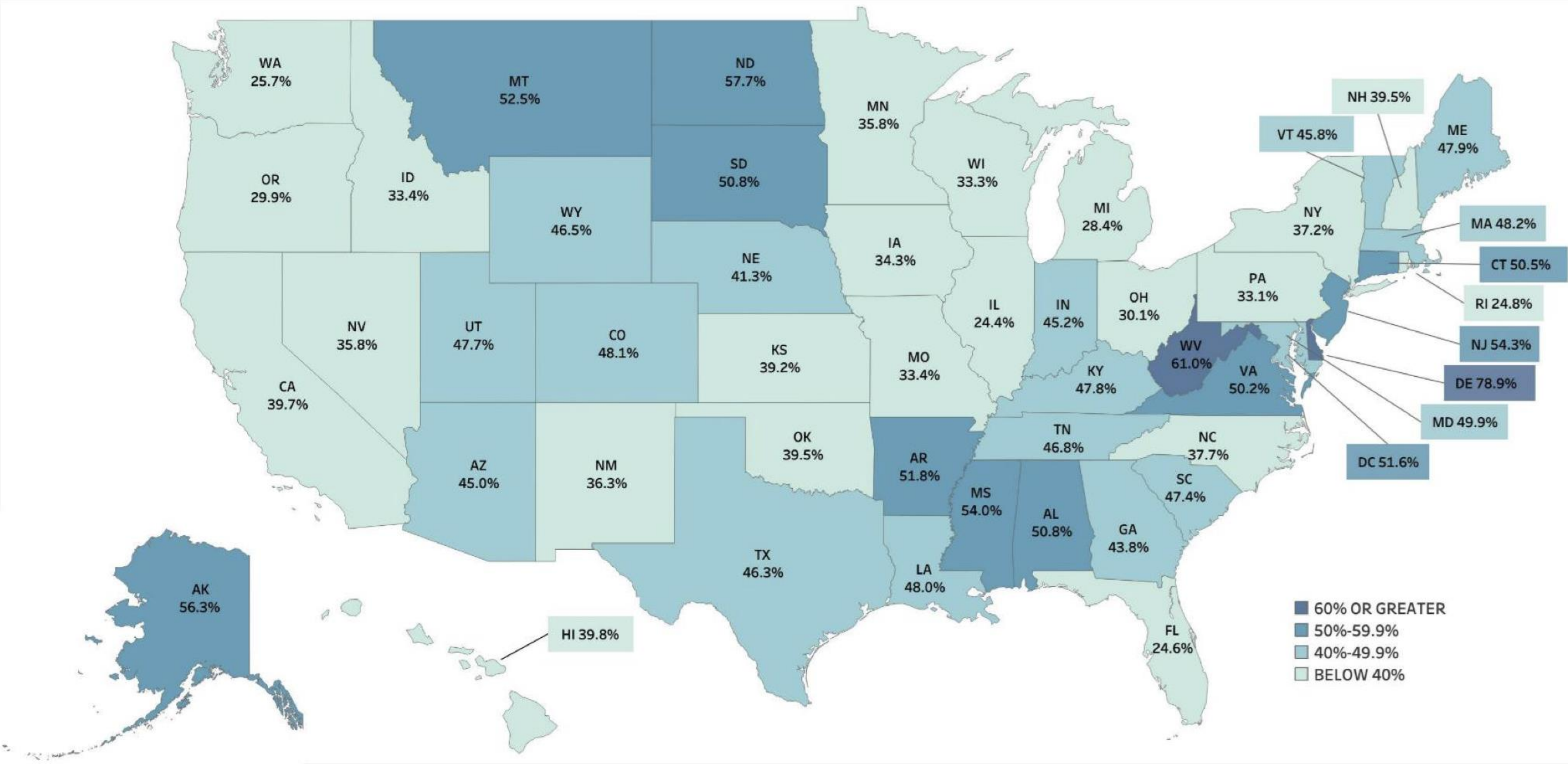
60% of children in New Mexico are covered by Medicaid as their primary [dental] insurance. (2023 Health Care Authority Legislative presentation)

Dental reimbursement is listed as 36.3% of UCF. (ADA)

New Mexico charges Gross Receipts Tax (GRT) on medicaid services and providers must pay over 8% back to the government on medicaid payments received.

Effective relative reimbursement when accounting for GRT is approximately 32% UCF, the lowest in the southwest region. (ADA 2023)

Medicaid FFS Reimbursement as a Percent of Dentist Charges, Child Dental Services, 2022



Other Challenges in NM A Healthcare Desert

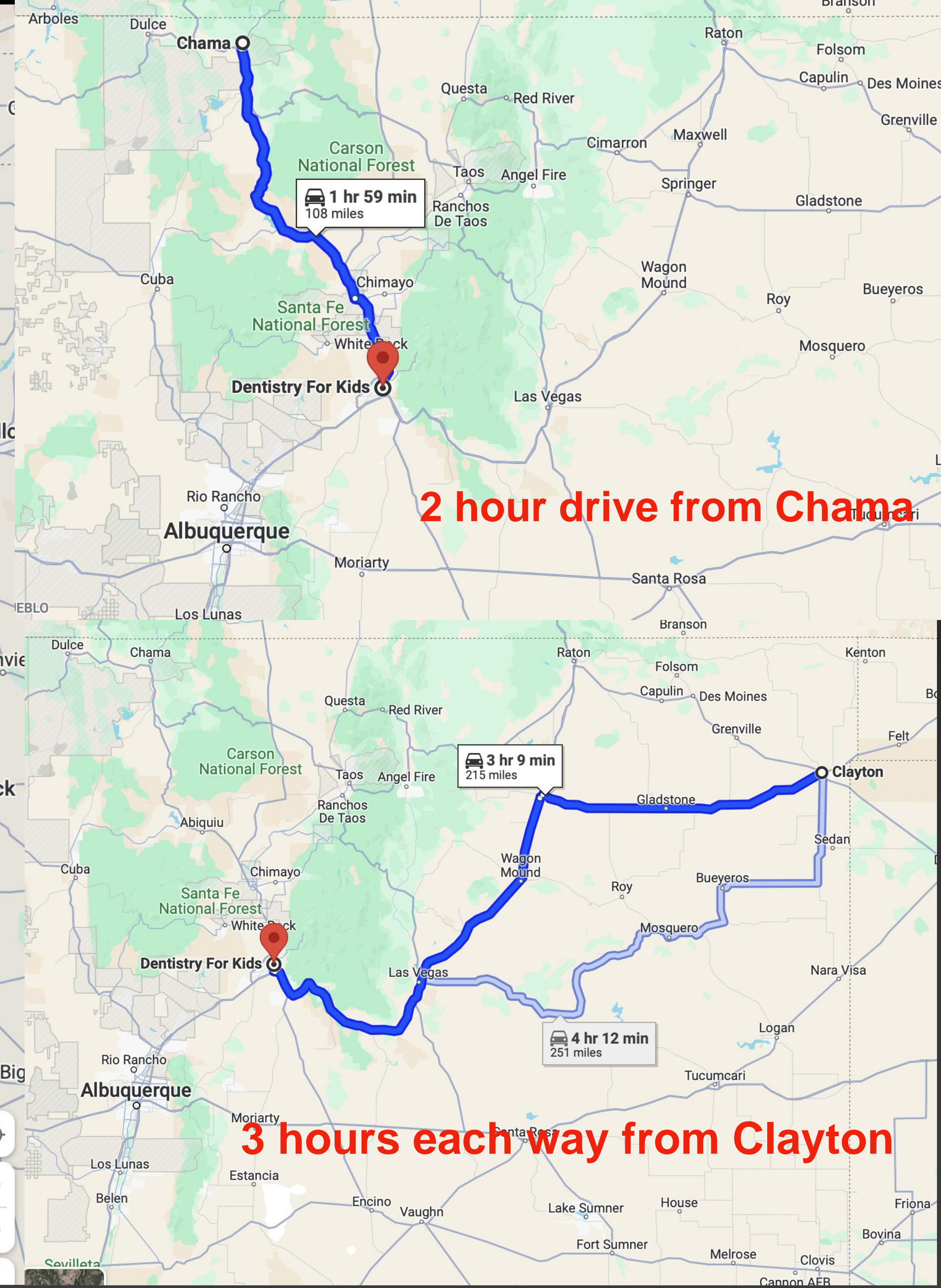
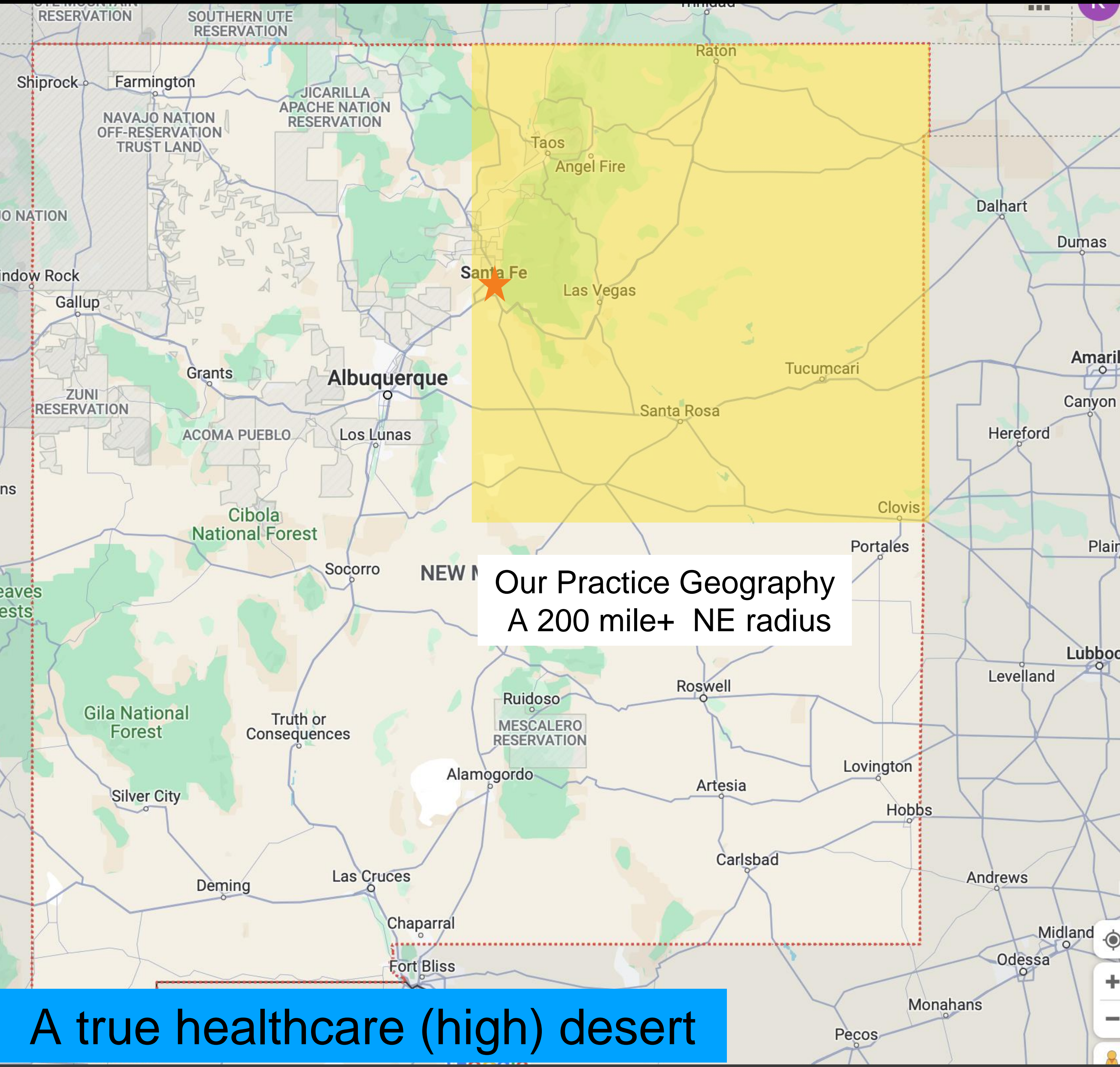
- Shrinking medicaid provider pool, especially in specialties and rural areas
- Limited support resources
- Very limited provider organization
- New Mexico Dental Association is primarily advocating interests of GP adult dentistry in Albuquerque and Santa Fe



Taken as a whole, NM has one of the nation's
most challenging economic circumstances for
pediatric dentistry



Our Practice:
Multi-specialty group with primary focus on pediatrics and orthodontics
70% = Medicaid, 25% = Private Ins, 5% = FFS



A true healthcare (high) desert



New Mexico's Managed Care Model

Managed Care Model

MCO

- The state contracts with managed care providers to administer medicaid benefits to it's enrolled members.
- State pays a dollar amount per enrollee, per month, to the MCO.



TURQUOISE CARE
NM MEDICAID MANAGED CARE PROGRAM

MCO Options in NM

“Turquoise Care”

Starting July 2024, the NM Governor awarded 4 MCO contracts

Compare the Value Added Services provided by each MCO [here](#).

Available MCOs include:

- [Blue Cross Blue Shield of New Mexico](#)
- [Molina Healthcare of New Mexico](#)
- [Presbyterian Health Plan](#)
- [United Healthcare Community Plan of New Mexico](#)

*From the NM Turquoise Care
Website*

Managed Care Model

MCO contracts with dental subcontractor

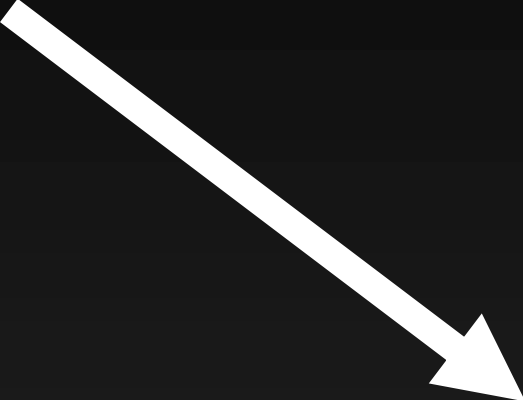
- MCOs can choose how to administer the dental portion of the plans benefit.
- Many MCOs subcontract the dental management portion of their plan.
- **DentaQuest** is a subcontractor for MCOs managing the dental portion of their medicaid plans.



For the first time—as of 06/24—DentaQuest has a monopoly on dental medicaid administration with the New Mexico Turquoise Care

Managed Care
Model

State



MCOs



Dentaquest/other



Network Providers

Who is The Man Behind the Curtain?

Who are the MCOS?



Who is DentaQuest

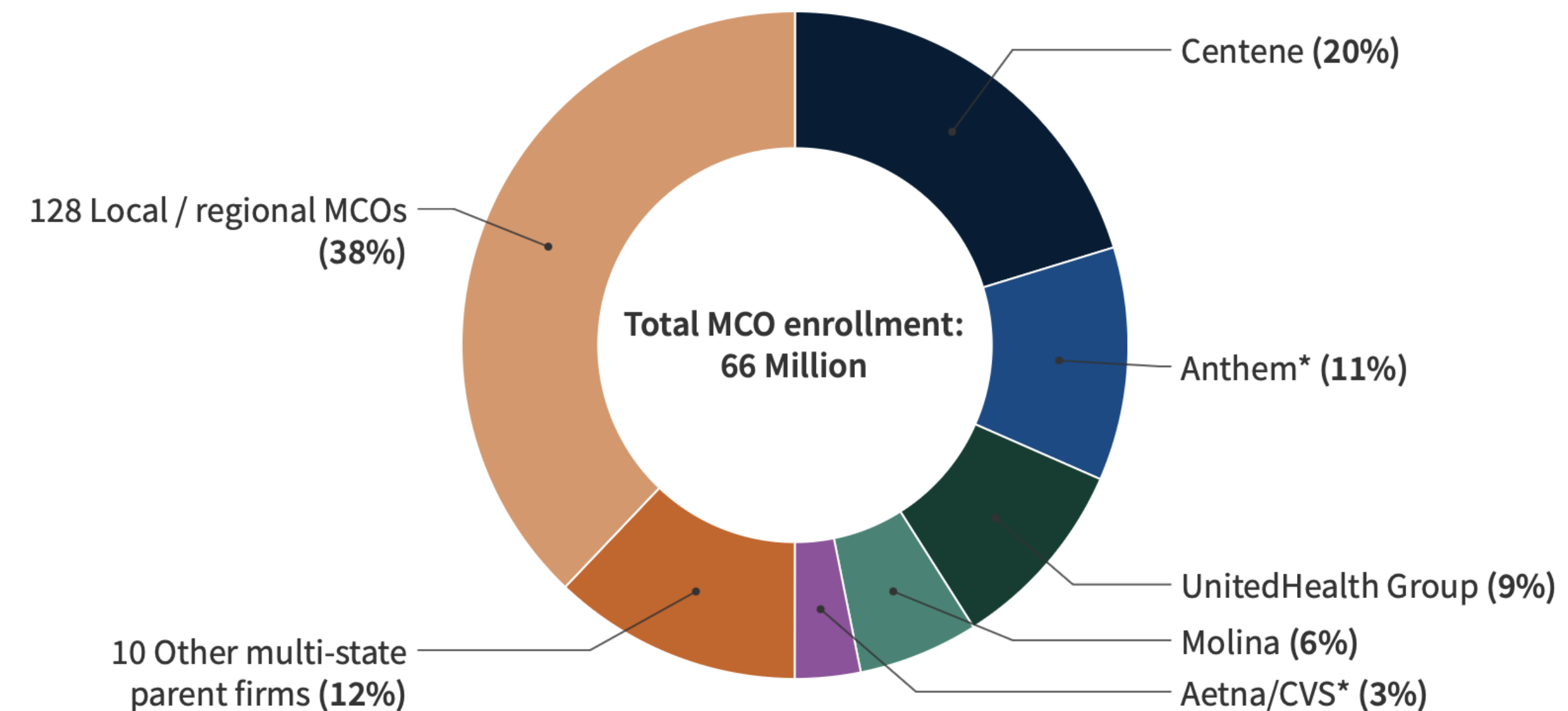
MCO

Managed Care Organizations

- They operate in 41 states
- Over half of the Medicaid MCOs are part of Fortune 500 Firms
- Many MCOs are “For Profit” companies

In the 41 MCO States, Five Fortune 500 Firms Have Half of the Medicaid MCO Market.

Share of total comprehensive Medicaid MCO enrollment as of July 1, 2021:



Note: Data are as of July 1, 2021. A parent firm is a firm that owns Medicaid MCOs that provide comprehensive services to Medicaid beneficiaries in two or more states. Aetna was acquired by CVS Health in November 2018 and is therefore referred to as "Aetna/CVS." Anthem changed its name to Elevance Health in 2022.

Source: KFF analysis of Medicaid Managed Care Enrollment Reports, Centers for Medicare and Medicaid Services, U.S. Department of Health and Human Services, 2023. • [Get the data](#) • [Download PNG](#)

DentaQuest

Dental Insurance Company

- Founded in 2006
- Manages contract dentistry for many state medicaid programs
- Largest medicaid administrator in the U.S
- Recently acquired by SunLife Insurance—publicly traded
- Operates in 35 states currently

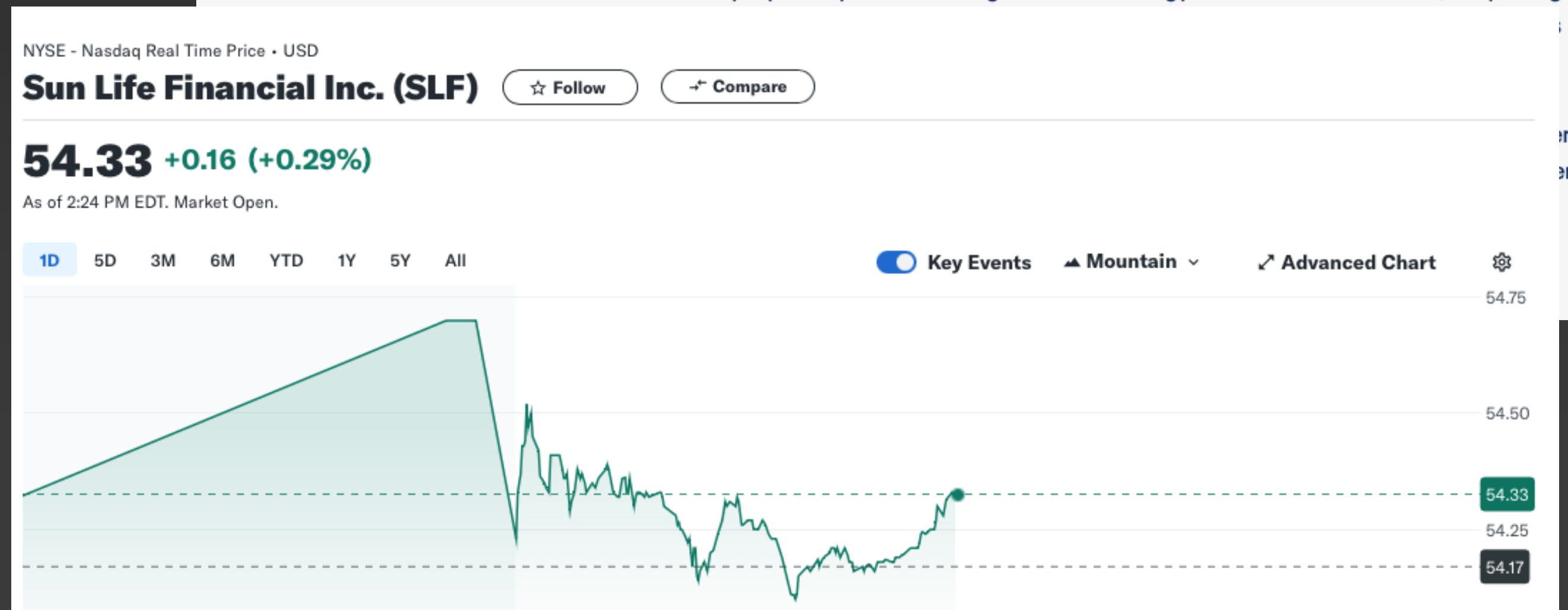
WHO WE ARE

The Sun Life U.S. dental business, including DentaQuest, is dedicated to improving the oral health of all through purpose-driven, outcomes-based solutions. We are the second-largest dental benefits provider in the U.S. by membership.¹ We make dental benefits better for everyone through Preventistry® – an inclusive approach centered on preventive, quality care, expanded access and solutions built on valued relationships across the health care ecosystem.

We manage dental and vision benefits for approximately 36 million Americans.² For more than 30 years, we have delivered cost-effective benefit plans and services for employer groups, individuals, health plans and government-sponsored dental programs. We also support direct patient care through an expanding network of approximately 80 dental practices in underserved communities across the United States.

Members have access to quality dental care nationwide through our PPO network of approximately 130,000 unique providers and more than 100,000 access points for government programs. We also are the largest Medicaid and CHIP dental benefits administrator in the U.S., with programs in 35 states and counting.³

Evidence-based oral health solutions and proprietary claims management technology create value for Clients, keep things simple



2024...DentaQuest makes a play to restrict provider billing in New Mex



DentaQuest Policy Update

Pre-payment review

- The announcement comes in a routine email from DQ
- DQ announces pre-payment reviews for a significant number of treatment codes
- Most codes involved apply to pediatric dental and oral surgery.
 - Primary tooth extractions, Pulpotomies, Resins, Frenectomies, Nitrous Oxide
- Radiograph frequency is also reduced

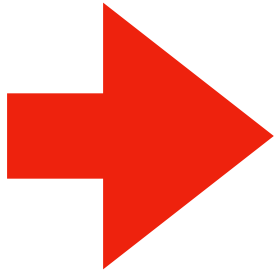


May 3, 2024

NEW MEXICO MEDICAID AUTHORIZATION AND CLAIM POLICY UPDATES

Pre-authorizations/ Pre-payment review

The below services did not previously require review. These services will require review beginning 6/5/2024. Please review the list and the required documentation to ensure that your claim and authorization requests process smoothly. The Office Reference Manual has a complete list of covered services, their benefit limitations, and required documentation. A new version will be available on or before 06/05/2024.



Code	Description	Utilization Management Change	Required Documentation
D0367	cone beam CT capture and interpretation with field of view of both jaws; with or without cranium	Pre-Payment Review	Narrative of medical necessity
D2950	core buildup, including any pins when required	Pre-Payment Review	Pre-operative x-ray(s)
D7241	removal of impacted tooth - completely bony, with unusual surgical complications	Pre-Payment Review	Pre-operative x-ray(s)
D3220	therapeutic pulpotomy (excluding final restoration) - removal of pulp coronal to the dentinocemental junction and application of medicament	Pre-payment review will apply only to the following ages/ teeth Ages: 5 to 8 (teeth D-G, N-Q, DS, ES, FS, GS, NS, OS, PS, QS) Ages: 10 to 14 (teeth A-C, H-M, R-T, AS, BS, CS, HS, IS, JS, KS, LS, MS, RS, SS, TS)	Pre-operative x-ray(s)
	extraction, erupted tooth or	Pre-payment review will apply only to the following ages/ teeth Ages: 5 to 8 (teeth D-G, N-Q, DS, ES, FS,	

DQ Policy Basics

Major Pediatric Dental Impacts

- BW frequency reduced to 1x per 12 months
- Age group requirement for all resins, extractions, pulpotomies must be reviewed for payment to determine necessity
- Nitrous requires narrative of need or medical documentation of special need for all children over age 3
- Frenectomy would require pediatrician referral



DentaQuest claims they have to do this to bring practices in line with federal standards and avoid illegitimate billings

Administrative Assessment

- We estimated that the administrative burden of reviewing every treatment and patient age to determine need of pre-payment review, submitting review documentation and fighting denials would require 2 full time administrators.
- We estimated an additional cost of \$80k-\$100k a year in salaries & benefits.
- We expected a large number of procedures to be denied, certainly reducing income.

Our primary concerns

Some, but no all...

- Huge administrative burden and costs.
- We would have to complete the procedures, then find out if we would be paid on them.
- We don't trust DQ review team to do anything other than deny as many treatments as possible.
- Criteria for nitrous approval is unknown.
- Since not only pediatricians refer for frenectomy—would other referrals be considered legit?
- NM decay rates are so high, that 12mo BWs are often inadequate.
- Medicaid margin is already razor thin, would it be financially viable to continue with reduced payments?



UNRELEASED PIC OF
YE ON NITROUS.

@ye

@yeezyonly

@yefanatics

@yenonstop

What did we do???

Panic!

- Called DentaQuest representative for New Mexico. (Mark Sanchez)
 - He was very defensive, and reminded us multiple times, that his name was not on the letter.
 - He recommended sending protest letters to him, which he would present to the upper management.
 - He said he would submit them on Monday May 5th, so to get them done. (We were notified Friday afternoon—he asked to have the letters Sunday night)

Step 1:

Letters of Protest—May 4, 2024

- **PROBLEM:** NM lacks an organized collective of pediatric dentists.
- Joy Trigo (NM AAPD) and I had met in 2017, fighting a battle over cuts to OR treatment payments (a story for another day).
 - Dr. Trigo is in Las Cruces, a small town in Southern NM. We only primarily DSOs involved in pediatric dentistry in Albuquerque—our most densely populated region.
- I called Joy and we each reached out to dentists we knew, who were involved in medicaid, asking them to draft protest letters.
- **Not a single dentist** I called was aware of these changes before I told them! Most affected practitioners couldn't even find the DQ communication and needed a copy sent to them.
- By Monday, we had 4 letters of protest (that we knew of) including mine and Dr. Trigo's which were sent to DQ.

Waiting Period

May 5th, 2024 — May 21, 2024

- DQ rep advises us to hold on, suggesting that DQ will likely revise the new policy.
- NMDA is notified and they say that they will reach out to their contacts.
- NMDA executive secretary, is told by the DQ rep that the policy could be rescinded. He suggests we wait on further information.

May 17th

Unrelated Legislative Update
Arrives In My Inbox

- Board email from Delta Dental with a legislative update discusses medicaid and I see the names of a woman I know, who worked for the medicaid department.
- I called her—she answers and has been promoted to Deputy Secretary at the Human Service Department.
- She is shocked to hear about the policy and requests I send her a copy. She assures me that the state is not asking for anything like this.
- From our conversation, the State's goals regarding medicaid dental: reduce administrative medicaid burdens, increase the network, improve reimbursements.



May 21, 2024

DentaQuest Response Letter Arrives

- Clarification moves the implementation date up to June 1st (just 2 days sooner).
- Letter changes nothing, but rather explains the criteria to be used in the prepayment scenarios.
- Claims this is being done according to state guidelines
- “Recent reviews of our New Mexico Medicaid program identified opportunities to augment our administration policy to better align to Medicaid guidelines, quality care and best clinical practice”



May 21, 2024

PREPAYMENT REVIEW AND CLAIM POLICY UPDATES: Clarification

Dear New Mexico Providers:

We recently notified you of prepayment review and claim policy updates. Based on your feedback and collaboration, we regret that some of the updates were not as clear as they could have been. **Today, we'd like to provide clarifications on the updates that will be implemented 6/1/2024.**

Overview of DentaQuest Care Management Program

As a Medicaid administrator our key responsibility is to manage Medicaid benefits in accordance with state Medicaid guidelines. Our care management programs ensure dental services are (1) medically necessary, (2) appropriate for the individual, and (3) delivered in the most appropriate and cost-effective manner. Recent reviews of our New Mexico Medicaid program identified opportunities to augment our administration policy to better align to Medicaid guidelines, quality care and best clinical practices.

Important clarifications around recent changes

- **Benefits have not been changed or restricted** in any way; DentaQuest's updated policies are simply a level of review to ensure services are aligned to Medicaid guidelines.
- **Prepayment review occurs as a regular step in claims processing** and should not require significant additional work from you or your practice.
 - Our Pre-Payment Review program does not require you to submit a prior authorization to be paid for your services.
 - You can submit claims via your normal process and include supporting documentation and/or narrative of medical necessity for codes requiring prepayment review.
 - Proper and sufficient supporting documentation allows our certified clinicians to efficiently perform a clinical review for medical necessity/appropriateness of care.
 - When appropriate documentation is included with the claim, this process does not delay or prolong your claims payment.

Panic Time Again...

- I called lead counsel for Delta Dental of New Mexico—who I know from my board position. He had previously been lead counsel for Molina, which administered medicaid.
- He showed me how DQ had violated normal policies.
- The Human Services Department and Medicaid Office should have to approve any policy changes or even communications to providers.



Call with DentaQuest Dental Director

- My NM DQ rep arranged a conference call for me with Dr. Thommes—dental director for DentaQuest.
- The Delta Dental attorney prepped me and I was able to press him on protocols and question the inconsistencies in the policy.
- But...nothing was going to change. This call seemed to be arranged to quiet a squeaky wheel.



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Crossroads

Big Decision & Realizations

- We wouldn't continue treating medicaid under the new policies.
- DentaQuest does not care how we feel about it.
- But, the State of New Mexico doesn't want this.



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Organ Mountains
Las Cruces, NM

A sudden drop of medicaid could destroy the practice,
Many people would lose their jobs
We wanted to serve this community
We had to fight

Blitzkrieg: Stop DentaQuest

Who we contacted

- Calls and messages left at Human Services Department, again.
- Call with a local Legislator, whose children I've treated.
- Messages sent to Governor and Governor's office.
- Called all representatives at the Managed Care Organizations
 - No one there knew anything about this, but was also a little unconcerned
- NMDA—calls to assist.
- Found rosters of everyone working for Human Services and Medicaid. We figured out how the email addresses were made (firstname.lastname@NM.gov) and emailed all of them.

Our message:

“DentaQuest is implementing a new policy, which will make treating medicaid patients untenable for our practice and many others. We do not believe the state endorses this policy. If it is not stopped or changed we will have to leave the network. The policy goes into effect in less than a week. Please help.”

at and leave the network if the policy went through. We planned to announce to the families of the practice on June 1st that we were leaving the r

The Tables Turn

May 30, 2024 6am

- DQ NM rep calls, says he is in the hospital with a “cardiac event” and will be going on medical leave.
- However, he wanted to let me know: my practice would be exempted from the new policy.
- Dr. Trigo receives a similar call.
- More calls came throughout the day signaling the policy would not take effect for anyone.



The gym, where I took the call

Why the change?

Who was responsible for stopping this?

- The head of Medicaid and Human Services Department intervened and blocked the policy update.
- DentaQuest had not followed proper protocols nor had they received the endorsement of the state or the MCOs before introducing the policy changes.



May 31, 2024

DentaQuest Rescinds May 31, 2024

UPDATE: PREPAYMENT REVIEW AND CLAIM POLICY

Dear New Mexico Dental Providers:

We recently notified you of prepayment review (PPR) requirements that will go into effect June 1, 2024. Based on your feedback and collaboration, we have made the decision to hold on implementing this Pre-Payment Review program at this time. We would like to take the opportunity to engage with your concerns and discuss the pre-payment review approach with you and our MCO and State partners prior to implementing.

Again, the PPR requirements will **not** go into effect June 1, 2024.

We would also like to clarify that the changes you were notified of regarding PPR were not at the direction of the state of New Mexico Human Services Department (HSD) or at the direction of the health plans.

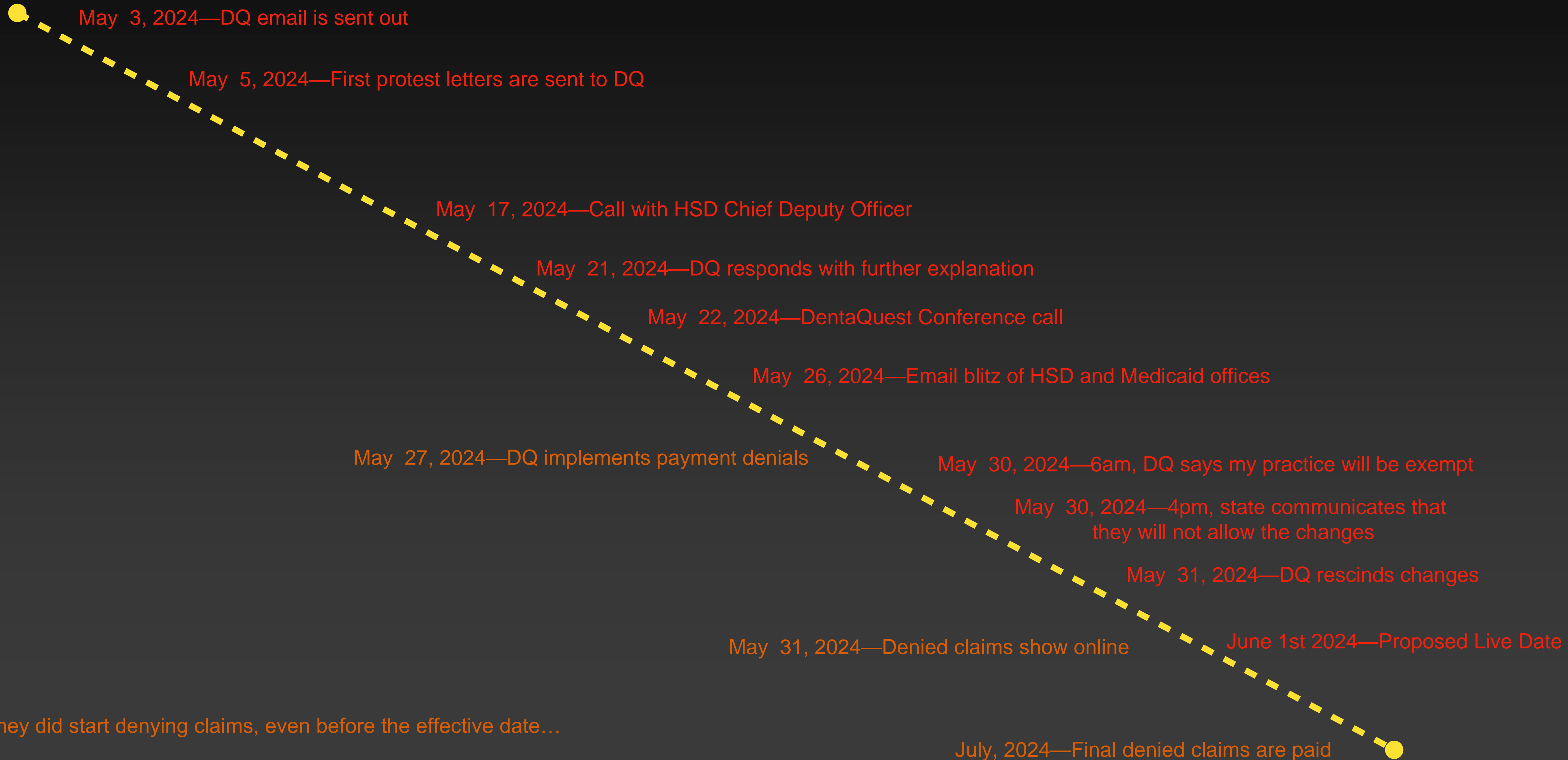
We apologize for any confusion this may have caused. We want to thank you for your continued participation in the New Mexico Medicaid programs. Please continue providing the high quality, medically necessary care for your patients.

If you have any questions, please reach out to us at nmproviders@dentaquest.com.

Sincerely,

Brenda Walker
AVP, Network Management

DentaQuest Changes Timeline



Key Players

Who could make a difference?

- DentaQuest New Mexico Representative
 - Mostly a PR person, but has been responsive in getting denied claims paid.
- Human Services Department Chief Deputy
 - Very effective and probably the #1 person who stopped this
- Local Legislators
 - Can bark up the tree and reach people in policy making places
- Lead Counsel Delta Dental of New Mexico
 - Instrumental in guiding me and preparing me for conversations. He also reviewed my communications with DentaQuest because he had such a disdain for DentaQuest
- Scott Litch, and the entire PPA organization
 - Quick responses to inquiries and sent notifications to national players
 - Gained great insight into the larger picture and realized that we were not alone
- NMDA
 - Mostly contacted people we had already spoken to, but did advocate for us at the legislative level

Key Takeaways

- Take advantage of opportunities to work inside and outside the dental community.
- Several governmental contacts used in this battle came through previous interactions with them.
- Be prepared for unscrupulous moves by organizations.
- Until we told people/organizations that we would leave the DentaQuest network, we made little traction.
- We were able to turn this into an access to care issue, which changed the stakes in our favor.
- Understand the “rules of engagement”



The Positives

- We made new contacts within the state for future battles/efforts.
- We improved our understanding of the medicaid program.
- The thought of leaving medicaid brought on some soul searching and a realization that this is a population we want to care for.
- The State of NM was sympathetic to our needs and the directors of Human Services and Medicaid all sent me personal thank you emails for alerting them to this, for our service in the community and advocacy for our specialty.



Special Thanks To My Family
To my wife, who fought like a pit bull to win this,
To my kids, who endured the endless conversations we had about it
and managed their anxiety as we spoke about our fears.



Thank You
drhendricksdds@gmail.com