

**Testimony**  
**House Bill 1246 – Department of Human Services**  
**House Human Services Committee**  
**Representative Clara Sue Price, Chairman**  
**January 16, 2007**

Chairman Price, members of the Human Services Committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding the appropriation section of this bill.

Dental services are one of the optional services that are available through the North Dakota Medicaid program. Medicaid payments for dental services are based on a fee for service rate schedule, and are increased when the Legislature provides funds for that purpose.

Senate Bill 1246 would create a new fee schedule using the billed charges (fees) submitted by Dentists on Medicaid dental claims for 2005. The fees are averaged, and then a fee schedule would be set at **85 percent of this average**. This would be done on a fee-by-fee basis.

For example:

Dental Code	Description	Medicaid Fee Schedule	85% of Average Billed Charges	Increase
D0120	Periodic Oral Evaluation	\$16.28	\$21.79	\$5.51

At the request of the North Dakota Dental Association, the Department prepared information regarding the cost to move to the 85 percent of the average of billed charges. The information, which was used for the appropriation section of this bill, does not consider the following:

1. The impact of Recipient Liability. Therefore, we are offering Attachment A as an explanation of the estimated cost, with Recipient Liability, to implement Senate Bill 1246.
2. The appropriation clause does not account for any increased access and utilization, which may result from the implementation of this bill. The Department would be unable to estimate this potential utilization increase; however, the North Dakota Dental Association may know the improved access they expect as a result of increasing the reimbursement. Attachment A does **not** consider any increased utilization.

The Department acknowledges there is an access issue for Medicaid clients, and if this bill becomes law, we hope this access issue will significantly improve.

The Executive Budget for 2007-2009 for dental services is the \$12 million, of which \$4.3 million are general funds. The additional funds in this appropriation section of this bill are **not** in the Executive Budget.

I would be happy to answer any questions that you may have.