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Governor

Sara Gagné-Holmes
Commissioner



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May 8, 2025

Senator Grohoski, Chair
Representative Cloutier, Chair
Members, Joint Standing Committee on Taxation
100 State House Station
Augusta, ME 04333-0100

Re: LD 1652 – *An Act to Create a Tax Credit for Providers of Dental Care for MaineCare Recipients*

Senator Grohoski, Representative Cloutier and members of the Joint Standing Committee on Taxation, thank you for the opportunity to provide information in opposition to LD 1652 – *An Act to Create a Tax Credit for Providers of Dental Care for MaineCare Recipients*.

This bill (1) establishes a tax credit for licensing and malpractice insurance costs up to \$5,000 for dental providers who treat MaineCare patients, (2) requires DHHS to amend its rule Chapter 101: MaineCare Benefits Manual, Section 25, Dental Services and Reimbursement, to reimburse all dental services at 75% of the “national state Medicaid rates” and to provide reimbursement for all dental case management codes, and (3) requires DHHS to create three positions within the office of MaineCare services dedicated to the dental programs and services provided under the MaineCare program.

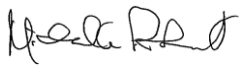
The Department opposes the bill for several reasons. First, requiring the Department to amend MaineCare’s rates circumvents the established rate determination process set forth in 22 MRS 3173-J.

In addition, while the bill overall seems intended to implement changes to increase dental provider participation in MaineCare, setting rates at 75% of the average Medicaid rates nationwide, as the bill *appears* to require (the bill’s language that the Department must reimburse at “75% of the national state Medicaid rates” is not clear and would need clarification if the bill were to be enacted), the bill would actually result in a rate **decrease** for almost all of MaineCare covered dental codes and a \$17.2 million decrease in MaineCare spending (\$5.8 million in General Fund) on dental services. Such a decrease in rates would likely discourage dental provider participation in MaineCare and have an adverse impact on MaineCare members’ access to dental services. If the description of the rate methodology in LD 1652 represents an error and the intention is to **increase** reimbursement, the Department is not in the position at this time to do so given the budget shortfall.

Lastly, we do not believe that the bill’s requirement that the Department create three positions dedicated to the dental programs – at an estimated annual cost of over \$300,000 – is necessary. The Department already has several positions working consistently on dental issues and the Department meets monthly with providers as part of a dental subcommittee to the MaineCare Advisory Committee under the direction of MaineCare Medical Director Courtney Pladsen, and with participation by MaineCare Provider Relations, Policy, and other units, in order to collectively work through identified issues.

The Department would be happy to provide additional information and further discuss the issues associated with LD 1652 and our opposition to moving forward with the bill. Please feel free to contact me if you have any questions during your deliberation of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Probert". The signature is fluid and cursive, with the first name "Michelle" written in a larger, more prominent script than the last name "Probert".

Michelle Probert
Director
Office of MaineCare Services
Maine Department of Health and Human Services