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Testimony of the Office of MaineCare Services
Maine Department of Health and Human Services

Before the Joint Standing Committee on Health and Human Services

In Opposition to LD 307, *An Act to Lower the State's Health Care Costs*

Presented by: Representative Morris
Hearing Date: March 5, 2024

Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, my name is Olivia Alford, and I serve as the Director of Delivery System Reform of the Office of MaineCare Services (OMS) in the Department of Health and Human Services. I am here today to testify in opposition of LD 307, *An Act to Lower the State's Health Care Costs*, in the amended form proposed by the Sponsor.

This bill proposes to require the Department of Health and Human Services to provide dental services required under the MaineCare program for adults and children through a contract with one or more dental benefit administrators.

The Office of MaineCare Services (OMS) is not necessarily opposed to providing dental services for MaineCare members through a contract with one or more dental benefit administrators but is opposed to, and would be unable to meet, the timelines required in the bill. Specifically, we are concerned about the January 1, 2025 deadline to apply for a state plan amendment to implement the MaineCare dental health program outlined in this bill. Additionally, we seek to emphasize the importance of including dental providers and community coalitions in this decision-making process and being clear the objectives this effort is likely to achieve.

LD 1701 from the 130th Legislature, *An Act to Establish a Managed Care Program for MaineCare Services*, was voted ought not to pass by this committee, but the committee requested that the Department conduct a dental managed care contract feasibility study. This request was in response to the Department's statements that dental managed care, unlike broad sweeping Medicaid managed care, likely has greater potential to improve access to dental services for MaineCare members and may offer administrative simplifications and support for dental providers. Additionally, dental managed care, if done well, would likely come with some administrative simplifications for the Department. However, the Department wants to be clear that we do not foresee short- or medium-term cost savings resulting from dental managed care implementation. Instead, the compelling reason to do this is to attempt to increase provider enrollment and MaineCare member access to services. Additionally, it is unknown if any administrative savings would be wholly offset or even increased by paying for administrative costs of the dental plans.

This would be on top of increased costs which would result from the goal of improving access to dental services for MaineCare members.

The Department completed study the 130th Legislature requested via contractor in 2023. The study compiled information on different ways Medicaid agencies provide dental services, identified key considerations, and offered a sample timeline, based in part on other state timelines for soliciting bids to manage their state Medicaid dental programs. The report estimates it takes at least one year to develop the RFP, followed by at least 13 months of work from the date the RFP is posted for a contract to begin. For Maine, this clock would begin once a staff person or vendor is onboarded to do this work. The report also noted that states new to managed care can expect "...numerous revisions and potential delays." For example, in response to technical questions posed to the state, Oklahoma had to amend its RFP and push implementation back by six months. Additionally, while the LD refers to a state plan amendment, implementing dental managed care often requires submission and approval of a waiver, not a state plan amendment. A waiver application is much more time intensive and requires additional scrutiny and reporting requirements than a state plan amendment. The Department cannot submit the waiver for CMS approval until the RFP is in process. This work would also be on top of other, significant initiatives already being undertaken by MaineCare, including but not limited to ongoing MaineCare rate system reform, including hospital and nursing facility reforms, the Home and Community Based Services Lifespan waiver, and significant technology projects.

If this committee decides to pass this bill, it is critical to adjust the timelines to reasonable targets. A more reasonable date would include submitting for CMS approval by July 1, 2026 and should include a clause that the Department only moves forward with this work if there is a qualified entity.

Lastly, the bill appears to have conflicting eligibility requirements. Part 1 states, "...adults and children eligible for Medicaid assistance under Title XXI of the Social Security Act." That section of the Act speaks solely of the State Children's Health Insurance Program, more commonly referred to as CHIP. Title XIX of the Act is Medicaid more generally. Section 1 appears to conflict with Section 2, which references the general MaineCare eligibility sections in Maine statute.

Thank you for your time and attention. I would be happy to answer any questions you may have and to make myself available for questions at the work session.