

Janet T. Mills
Governor



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Jeanne M. Lambrew, Ph.D.
Commissioner

March 25, 2021

Senator Ned Claxton, Chair
Representative Michelle Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 595 – *Resolve, To Ensure That Access to Oral and Facial Ambulatory Surgical Centers in Maine Remains Viable*

Senator Claxton, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services:

This letter is to provide information on LD 595, *Resolve, To Ensure That Access to Oral and Facial Ambulatory Surgical Centers in Maine Remains Viable*. This resolve directs the Department of Health and Human Services to amend its reimbursement rate under the MaineCare program for dental code 41899 to \$1,250 for freestanding ambulatory surgical centers performing procedures on the dentoalveolar structure. The Department does not support this change.

MaineCare generally does not reimburse Ambulatory Surgical Centers (ASCs) for codes that are not on the Medicare fee schedule. Code 41899 is not on the Medicare fee schedule for ASCs, but MaineCare made an exception and added this code in 2014 at the request of the only ASC in the state that performs this procedure. The rate was set at \$176.35, which is the rate paid to physicians for this code; hospitals are paid a similar amount, excluding hospital outliers/complex cases, for which hospitals receive an add-on payment that varies with complexity of the patient.

We recognize that the current ASC rate is likely in need of an update, but changes to reimbursement rates should be conducted as part of a comprehensive plan to rationalize MaineCare's rate system that prioritizes services where rate and/or rate methodology changes are most warranted. Picking isolated codes and rates that are not part of a larger plan toward a rational system is not consistent with this approach. In the Department's recently concluded comprehensive rate system evaluation, the firm conducting the study recommends a complete overhaul of dental and oral health rates to be implemented for July 1, 2022. The Department is reviewing recommendations from the report for adoption. We believe it would be appropriate to set a rate for this code as part of the rate setting for all dental and oral health rates.

We wanted you to be aware of the above information as you consider this bill going forward. If you have any further questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Probert'.

Michelle Probert
Director, MaineCare Services