STATE HEALTH POLICY MONITOR

AUGUST 2007

A PUBLICATION OF THE NATIONAL ACADEMY FOR STATE HEALTH POLICY

SCHIP Dental Benefits

ANDREW SNYDER

Congress is considering reauthorization of the State Children's Health Insurance Program (SCHIP), originally passed in 1997. At the time of enactment, a hotly debated topic was whether to mandate coverage of dental services in SCHIP, as they are under Medicaid's Early and Periodic Screening, Diagnosis and Treatment (EPSDT) benefit. Since that time, a Surgeon General's report in 2000 raised awareness of dental disease as the most common chronic disease of childhood, five times more prevalent than asthma. More recently, problems of access to dental care under Medicaid and SCHIP has been highlighted by the tragic death of a 12-year-old Maryland boy of a brain infection resulting from an untreated dental abscess.

NATIONAL ACADEMY *for* STATE HEALTH POLICY

State Health Policy Monitor tracks how health policy issues, policies, and practices are being implemented in select states and across the country.

"SCHIP Dental Benefits," State Health Policy Monitor, Vol. 1, Issue 1 (Portland, ME: National Academy for State Health Policy, August 2007), Publication No. 2007-104. Research and development of this publication was supported by the Robert Wood Johnson Foundation.

This publication can be downloaded at: www.nashp.org/Files/shpmonitor_SCHIPdental.pdf.

As SCHIP reauthorization moves forward and policy makers evaluate what has worked, and what needs to change, it is useful to re-examine the status of SCHIP dental benefits. Currently:

- Dental services are optional for separate SCHIP programs, and required for Medicaid-expansion SCHIP programs.
- Despite its "optional" status, 39 states with separate or combination SCHIP programs currently provide some level of dental coverage.
- State coverage varies widely in regard to covered services, cost-sharing, and annual payment caps.

SCHIP targets children from families with income under 200 percent of the federal poverty level (or higher, depending on state Medicaid eligibility levels) and who are not eligible for Medicaid. States have options for how they shape their programs, and at this point, 12 use their SCHIP funds to expand Medicaid, and the rest have established separate SCHIP plans or enacted some combination of Medicaid and non-Medicaid programs. Unlike in Medicaid, which requires coverage of medically necessary dental services under the auspices of the EPSDT benefit[1], dental benefits are optional in stand-alone SCHIP plans.

Currently, 39 of the states with separate SCHIP plans or combination plans include dental coverage.[2] Colorado (2001) and Delaware (2003) were the last states to add dental coverage; Texas and Utah temporarily eliminated their SCHIP dental benefits, but have since reinstated them.[3] Only Tennessee, which recently launched its Cover Kids program, does not cover dental services under SCHIP.[4] However, there is significant variation among states in regard to covered services, cost-sharing, and benefit caps.

Benefits

Fully one-third of states (14) with separate SCHIP plans provide benefits that mirror the state's Medicaid program. Most of the remainder provide basic services that are modeled after private insurance benefits, meaning that they provide a range of services that is more limited in scope, often excluding higher-cost specialty care and limiting the number of services that are allowed per year. For example, thirteen states do not cover braces (full-banded orthodontia).

Cost-Sharing and Annual Payment Caps

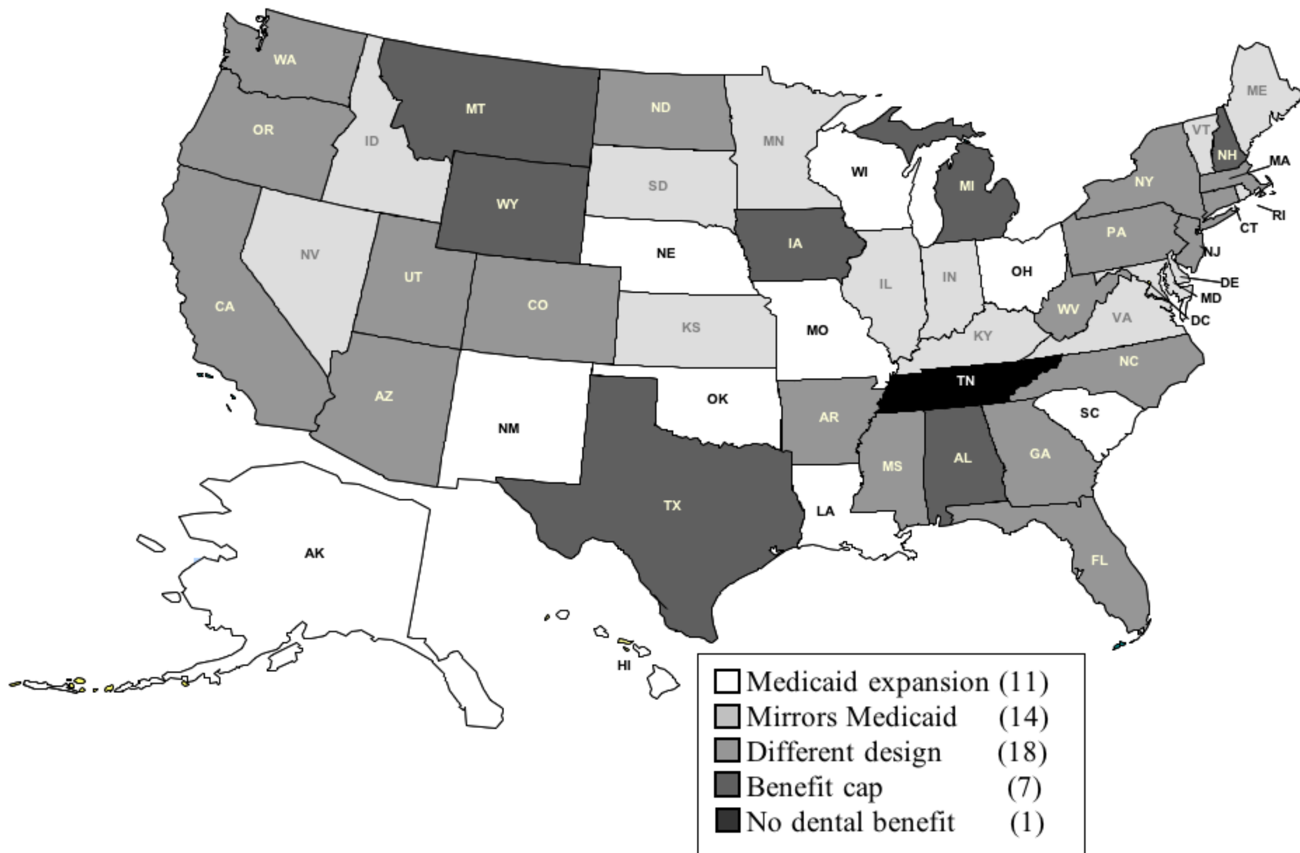
Eleven states require providers to collect co-payments for dental services that are not preventative, typically $5 or less per service.[5] Seven states have gone further and instituted an annual benefit cap on dental claims payments.

- Alabama, Iowa, and Wyoming have an annual cap of $1,000.
- Michigan, Montana, New Hampshire, and Texas have caps of $600 or less.

A dental treatment plan that includes restorative care (i.e. fillings and crowns) can quickly consume the funds allowed under a benefit cap. For example, the average retail charge for emergency treatment for a single abscessed primary tooth was approximately $388 in 2005.[6] The rates that state Medicaid and SCHIP pay are typically well below dentists' usual and customary charges; however even at reduced rates, the cap can quickly be met. See Figure 1 for a summary of the states' various caps and benefit designs.

Note that the figure indicates the dental benefits offered through the state-designed SCHIP programs in each state. For states with combination SCHIP programs, information is only displayed for the state-designed component. The Medicaid-expansion components of combination programs are not included. A chart with more information on specific

FIGURE 1. THIRTY-NINE OF FORTY SEPARATE SCHIP PROGRAMS INCLUDE DENTAL BENEFITS



program characteristics can be found in the National Academy for State Health Policy's April 2007 report *Improving Oral Health Care for Young Children,* available at www.nashp.org/Files/Improving_Oral_Health.pdf.

Notes

1 Early and Periodic Screening, Diagnosis, and Treatment, which includes coverage of screening for medical, dental, vision, and hearing services, and all medically necessary care for conditions identified by that screening. Dental screening under EPSDT is usually constituted by a referral to a dentist on or before a child's first birthday.

2 This information comes from an e-mail and telephone survey of states conducted by NASHP in July and August 2006. Shelly Gehshan and Matt Wyatt, *Improving Oral Health Care for Young Children*, (Portland, ME: National Academy for State Health Policy), April 2007.

3 Meg Booth and Burton Edelstein, "State Children's Health Insurance Program: A Decade of Optional Dental Coverage for Kids." Available at http://www.cdhp.org/downloads/SCHIPReauthNOV3-2006.pdf. Accessed April 5, 2007.

4 See the Cover Kids website at http://www.covertn.gov/cover_kids.html, and the Cover Kids benefit grid at http://www.covertn.gov/coverkids_benefitgrid.pdf. Accessed April 5, 2007.

5 By contrast, Medicaid-enrolled children under age 19 are exempt from cost-sharing, including co-payments.

6 This is drawn from the American Dental Association's 2005 Survey of Dental Fees, and uses the median charge for general practitioners for an emergency exam (procedure code D0160 - $65), x-ray (D0220 - $19), pulpotomy (D3220 - $124), and stainless steel crown (D2930 - $180).

About the National Academy for State Health Policy

The National Academy for State Health Policy (NASHP) is an independent academy of state health policy makers working together to identify emerging issues, develop policy solutions, and improve state health policy and practice. As a non-profit, non-partisan organization dedicated to helping states achieve excellence in health policy and practice, NASHP provides a forum on critical health issues across branches and agencies of state government.

NASHP resources available at: www.nashp.org

Portland, Maine Office:
50 Monument Square, Suite 502, Portland ME 04101 Phone: (207) 874-6524

Washington, D.C. Office:
1233 20th St., NW, Suite 303, Washington, DC 20036 Phone: (202) 903-0101