



MICHELLE BAASS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

State of California Medi-Cal Dental Services Directed Payment Program
Annual Evaluation for Program Year 1: State Fiscal Year 2017-2018

This Proposition 56 Medi-Cal Dental Services Directed Payment Program (DPP) Annual Evaluation conveys the results of the Evaluation Plan originally submitted by the California Department of Health Care Services (DHCS) in accordance with Title 42 of the Code of Federal Regulations (CFR), section 438.6(c)(2)(ii)(D). Specifically, this Annual Evaluation concerns the Medi-Cal Dental Services DPP that was in effect during State Fiscal Year (SFY) 2017-2018, and was approved by the Centers for Medicare and Medicaid Services pursuant to 42 CFR section 438.6(c).

Directed Payment Program Being Evaluated:

This DPP directs Medi-Cal Dental Managed Care Plans (Dental MCPs) to make uniform and fixed dollar amount add-on payments to eligible network providers based on the utilization and delivery of qualifying dental services, which includes specific restorative, endodontic, prosthodontic, periodontal, oral and maxillofacial, orthodontics, adjunctive, and visits for diagnostic and preventative services identified by the Current Dental Terminology (CDT) codes. This directed payment arrangement was developed in accordance with the California Healthcare, Research, and Prevention Tobacco Tax Act of 2016 (Proposition 56), a ballot proposition to increase the excise tax rate on cigarettes and other tobacco products for the purpose of funding certain State expenditures including health care programs administered by DHCS.

Annual Evaluation Purpose and Related Questions:

The State has directed Dental MCPs to make enhanced payments to eligible Dental Health Professionals for specified dental services eligible for Proposition 56 funds. These enhanced payments will be in addition to contracted providers' existing payments, and are expected to enhance the quality of patient care experience by supporting Dental Health Professionals in California to deliver effective, efficient, and affordable care. The purpose of the SFY 2017-2018 Annual Evaluation is to measure and review dental encounter data quality by analyzing the encounter file acceptance rate.

Evaluation Design:

The following report provides a comparison of the dental encounter data quality metric between the baseline period (December 2016) and SFY 2017-2018. In subsequent program years (PY), DHCS will report benchmark metrics such as Annual Dental Visits, Preventive Services, and Dental Treatment Services utilization, which are goals and

objectives contained in the 2018 Managed Care Quality Strategy. Dental encounter data quality is measured by the File Acceptance Rate during these two periods. File Acceptance Rate is defined as the percentage of files accepted during the measurement period. It is measured by calculating the number of accepted files, divided by the total number of submitted files. DHCS set the performance goal for this measure at 80 percent for SFY 2017-2018.

Data Sources:

The data utilized for this report was derived from the adjudicated encounter data files submitted by the six Dental MCPs in Sacramento and Los Angeles counties. The Dental MCPs submit encounter data to DHCS’ Post-Adjudicated Claims and Encounters System (PACES) on a weekly basis, and the PACES team submits the encounter data to the Management Information System/Decision Support System. DHCS calculated encounter data quality using the encounter files submitted by the Dental MCPs.

Annual Evaluation Results for Encounter Data Quality:

The encounter data quality is measured by the File Acceptance Rate measure, which is the percentage of accepted files submitted by the Dental MCPs. The table below shows the total number of files submitted and the percentage of those accepted for baseline period (December 2016) and for each month of SFY 2017-2018.

Reporting Period	Total Files Received	Total Files Accepted	Percentage of Accepted Files
December 2016 (Baseline Period)	42	31	74%
July 2017	34	24	71%
August 2017	96	75	78%
September 2017	159	134	84%
October 2017	29	28	97%
November 2017	48	44	92%
December 2017	39	34	87%
January 2018	52	44	85%
February 2018	28	23	82%
March 2018	46	37	80%
April 2018	46	36	78%
May 2018	54	46	85%
June 2018	46	37	80%
SFY 2017-2018	677	562	83%

The data on the File Acceptance Rate indicates that, on average, approximately 83 percent of total files submitted by Dental MCPs were accepted during the first year of the DPP. In comparison with the baseline period (December 2016), the file acceptance

rate increased by 9 percentage points from the average monthly rate in SFY 2017-2018, which aligns with the performance goal set by DHCS.

Evaluation Limitations:

DHCS believes this evaluation of the File Acceptance Rate accurately reflects the encounter data quality. Although the File Acceptance Rate determines the quality of encounter data submission during the first year of the DPP, it does not provide a comprehensive overview of the efficacy of the DPP on specific services and member outcomes. In subsequent annual evaluation reports, DHCS intends to compare services utilization to determine if higher payments to dental providers maintain or improve dental services utilization following the implementation of this DPP.

Conclusion:

For SFY 2017-2018, DHCS determined that the File Acceptance Rate for Dental MCPs amounted to an 83 percent monthly average—significantly higher than the baseline (December 2016) rate of 74 percent. Moreover, this File Acceptance Rate met DHCS' goal of at least an 80 percent monthly average for this evaluation period.