

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Acting Secretary

February 14, 2023

The Honorable Melony Griffith Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401-1991

## Re: SB 237 – Public Health – Dental Services – Access – Letter of Opposition

Dear Chair Griffith and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of opposition for Senate Bill (SB) 237 – Public Health – Dental Services – Access. SB 237 implements a wide variety of programmatic changes intended to improve dental access in Maryland, including mandatory dental screenings for children at certain ages, coverage of dental services regardless of immigration status, requiring Medical Assistance to reimburse community health workers, as well as rate increases for dental services.

MDH recognizes the importance of dental care starting at a young age. However, MDH is concerned by the bill's provision that a child enrolled in public schools and child care facilities shall provide evidence of a dental screening at certain age milestones, beginning after a child turns 1 years old and lasting until the child is 12 years old. Specifically, MDH is concerned there are not enough dental providers to deliver the required screenings to children. As of August 2022, there were only 193 active pediatric dentists in Maryland statewide. If there are not enough pediatric dentists, this creates a barrier for the child to complete the screenings. As a result, children may be at risk of missing key developmental and educational milestones and working families would be unduly burdened without access to these services.

MDH estimates the bill will require \$327 million to implement for Fiscal Year (FY) 2024, with \$183.8 million coming from Federal Funds and \$143.2 million from General Funds. Costs are expected to increase each fiscal year thereafter. MDH anticipates that implementation of coverage for dental services for individuals regardless of immigration status, estimated to be 115,856 individuals, will require at least 80 additional staff persons as well as significant programming changes. Service costs for these individuals is estimated to be \$24.8 million annually and MDH will not be eligible to receive a federal match for these service costs.

SB 237 further requires coverage for Community Health Workers (CHW) services. Currently, CHWs are not a Medical Assistance covered provider type. As drafted, it is unclear whether the intent of the legislation is to require coverage only for dental-related services. Conservatively, MDH estimates such coverage would cost \$279.5 million annually, with \$170.5 million coming

from Federal Funds and \$109.9 million from General Funds. This is inclusive of services delivered and costs for needed system changes. However, costs will be substantially higher if coverage of a broader array of services will also be required or if CHW services must be reimbursed for individuals regardless of immigration status.

MDH is dedicated to ensuring vulnerable Marylanders are able to access critical dental services. Effective January 1, 2023, MDH implemented coverage for dental services for adults enrolled in Medical Assistance. This substantial expansion will provide access to services for more than 800,000 individuals. During the 2022 legislative session, the Maryland FY 2023 Operating Budget directed \$19.6 million (\$9.1 million General Funds) to the Medical Assistance program to increase dental reimbursement rates, representing the largest increase since FY 2009. Effective July 1, 2022, MDH provided a one-time rate increase of 9.4 percent for 32 specific dental codes prioritized by stakeholders. These codes include a selection of diagnostic, preventive, and restorative services. An additional \$20 million is included in the Governor's budget to support another rate increase in FY23. If implemented, these funds will be sufficient to support an additional 5.75% increase for all dental rates. Additionally, the Medicaid program is adding silver diamine fluoride to its benefit package and increasing ambulatory surgery rates for dental procedures.

If you would like to discuss this further, please do not hesitate to contact Megan Peters, Acting Director of Governmental Affairs at <u>megan.peters@maryland.gov</u> or (410) 260-3190.

Sincerely,

Laura Herrera Scott, M.D., M.P.H. Acting Secretary