

Representative Stephen D. Clark proposes the following substitute bill:

**MEDICAID DENTAL AND PHYSICIAN
REIMBURSEMENT AMENDMENTS**

2006 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steven R. Mascaro

Senate Sponsor: Peter C. Knudson

LONG TITLE

General Description:

This bill establishes a statutory requirement, within appropriations from the Legislature, to reimburse dentists providing children's Medicaid dental services at 70% of the aggregate PEHP fee schedule for dental services, and to reimburse physicians providing Medicaid services at 70% of the aggregate PEHP fee schedule.

Highlighted Provisions:

This bill:

- ▶ enacts a statute:
 - to establish a standard for reimbursing dentists providing Medicaid services for children; and
 - establish a minimum standard for reimbursing physicians providing Medicaid services.

Monies Appropriated in this Bill:

This bill appropriates:

- ▶ as an ongoing appropriation subject to future budget constraints, \$5,795,342 from the General Fund for fiscal year 2006-07 to the Department of Health to fund \$1,509,463 for the children's dental services in the Medicaid program, and to fund \$4,285,880 million for Medicaid reimbursement rates for physicians.

27 **Other Special Clauses:**

28 None

29 **Utah Code Sections Affected:**

30 ENACTS:

31 **26-18-3.2**, Utah Code Annotated 1953



32 *Be it enacted by the Legislature of the state of Utah:*

33 Section 1. Section **26-18-3.2** is enacted to read:

34 **26-18-3.2. Dental and physician services -- Medicaid program.**

35 (1) The purpose of this section is to:

36 (a) increase the number of dentists that will be able to financially support dental
37 services to children in the Medicaid program and increase access to dental services for children
38 on Medicaid; and

39 (b) increase the number of physicians that will be able to financially support medical
40 services to individuals in the Medicaid program and increase access to medical services for
41 individuals on Medicaid.

42 (2) Within appropriations from the Legislature, the department may amend the state
43 plan for medical assistance to establish and maintain a Medicaid reimbursement rate:

44 (a) for dental services for children, at 70% of the aggregate reimbursement rate for
45 dental services provided by the Public Employee's Health Plan established under Title 49,
46 Chapter 20, Public Employee's Benefit and Insurance Program Act; and

47 (b) for physician services for individuals on Medicaid, at 70% of the aggregate
48 reimbursement rate for physician services provided by the Public Employee's Health Plan
49 established under Title 49, Chapter 20, Public Employee's Benefit and Insurance Program Act.

50 Section 2. **Appropriation.**

51 As an ongoing appropriation subject to future budget constraints, there is appropriated
52 from the General Fund for fiscal year 2006-07, \$5,795,342 to the Department of Health,
53 \$1,509,463 of which shall be used to raise the reimbursement rate for dental services for
54 children in the Medicaid program, pursuant to Subsection 26-18-3.2(1)(a), and \$4,285,880 of
55 which shall be used to raise the reimbursement rate for physicians providing Medicaid services,
56 pursuant to Subsection 26-18-3.2(1)(b).

State Impact

This bill appropriates \$5,795,342 from the General Fund starting in FY 2007 to the Utah Department of Health to raise the reimbursement rate for dental services for children and physician services for individuals on Medicaid to 70 percent of the aggregate reimbursement rate for services provided by the Public Employees Health Plan.

The state funding is matched with federal funds at a ratio of 30 to 70 percent reimbursement rate. The state matching funds may need to be increased in the future to maintain the specified reimbursement rate due to inflation and increasing caseloads.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$5,795,342	\$5,795,342	\$0	\$0
Federal Funds	\$13,711,100	\$13,711,100	\$13,711,100	\$13,711,100
TOTAL	\$19,506,442	\$19,506,442	\$13,711,100	\$13,711,100

Individual and Business Impact

Dentists who treat children on Medicaid could receive an increase in their reimbursement rate and physicians who treat individuals on Medicaid could receive an increase in their reimbursement rate.
