Estimating the Cost of Introducing Comprehensive Medicaid Adult Dental Benefits in Kansas

Authors: Marko Vujicic, Ph.D.; Chelsea Fosse, D.M.D., M.P.H.

Key Messages

- Implementing comprehensive adult dental benefits in Medicaid in Kansas would require an estimated year one investment of \$1.4 million in state funds.
- The estimated net cost after reaching "steady state" spending levels three years following implementation is roughly **\$960,000 annually** in state funds. This estimate comes from \$7.2 million in total additional dental care costs offset by \$4.8 million in medical care and emergency department cost savings, and applying the state's FMAP (i.e., "Medicaid match"). The net cost translates to **\$0.51 per enrollee per month** in state funds.

In July 2021, the ADA Health Policy Institute (HPI), Families USA, and Community Catalyst released a white paper, "<u>Making the Case for Dental Coverage for Adults in All State</u> <u>Medicaid Programs</u>." Adult dental coverage is optional in Medicaid programs, yet there is a growing body of evidence that **dental benefits improve access to dental care among low-income adults while reducing racial inequities and lowering medical care costs**.

Kansas is one of 16 states that currently provides limited dental benefits for adult

enrollees in Medicaid. For Kansas and all other states with limited, emergency-only, or even no adult dental benefits in their Medicaid program, we estimated the increased dental care costs associated with providing extensive coverage, as well as fiscal offsets for medical care cost reductions since improved oral health is associated with lower medical care costs for conditions like diabetes, heart disease, and pregnancy.

The data used for these previous cost estimates in the white paper were based on national data, and did not account for expected savings in emergency department costs due to data constraints.

HPI Health Policy Institute	
This Research Brief was written in a partnership between the ADA Heath Policy Institute (PII) and Families UEA and Community Catalyst. The Heath Pullicy Institute is a thought fueder and troubed	Making the Case for Dental Coverage for Adults in All State Medicaid Programs Author: Marko Vajcic, Ph.D., Chelsea Forse, D.M.D., M.P.H., Colin Reach, M.P.A.; Melssa Burroghs
because the share investigate of a critical second for pholy investigate 0.5. critical second area splan. Per danses to generate second area splan. Per danses to generate second area splan because, and denies wearch devocates, and denies wearch devocates, and denies wearch devocates, and denies wearch devocates and denies are operations. Phat devocate community Catalyst is a community Catalyst is a community Catalyst is a community catalyst is a devocated of the second area generated on the second area and altertable of the second area and altertable of the second area splan and altertable of the second area of the second area of the second area of the second area and altertable of the second area o	Key Messages • Ord hand in assential for evening heath Poviding adult details arrange law shores a data that details are many law shores adult and transmit and details are many law shores adult and to be an even to revise real and any law. A shore heath any any shore that are shore and the adult and the shores adult and the shore adult and the shores adult and the shore adult and the shore adult and the shore adult and the shores adult and the shores adult and the shore adult and the shores adult adult and the shores adult a
Families USA is a leading non- partisan research organization that provides public health policy analysis with specific focus on health care value, health equity.	Introduction Oral health is essential for overall health and wefness. Oral health is linked with systemic health conditions and diseases as will as employment sepontunities, economic stability, and oral concentroducts. Once conce the health waterias a health and with 'W millions of duties

soal concestedres. Dne smort be hashing without a healthy mouth, "fer million of adults in America – aparitable jave-innower adults," a cannot divert the enablem and they were the stage healthy, exit work, socialize, and live pain files. Part of this disparity is driven by gaps in dentific oversage in heleral and state policy, particularly dentific oversage for adults enabled in Medical. As the nation recovers from the COVID-10 pandemic and economic disentim, you handli

coverage is a critical gap in our health care system. For adults who rely on Medicial, being able to afford oral health care could be the key to recovering their health or getting a new job. Yet million of adults are left without oral health coverage, exacerbasing health inequities. Notably, the people most likely to get sick and lose job during the pandemic an

The Health Policy Institute (HPI) is a thought leader and trusted source for policy knowledge on critical issues affecting the U.S. dental care system. HPI strives to generate, synthesize, and disseminate innovative research for policy makers, oral health advocates, and dental care providers.

Who We Are

HPI's interdisciplinary team of health economists, statisticians, and analysts has extensive expertise in health systems policy research. HPI staff routinely collaborates with researchers in academia and policy think tanks.

Contact Us

Contact the Health Policy Institute for more information on products and services at **hpi@ada.org** or call 312.440.2928. We recently collaborated with Oral Health Kansas to obtain new data from the Kansas Division of Healthcare Finance for a refined state-level estimate. Similar to the above-referenced white paper, we modeled costs and savings over a three-year timeframe to account for the fact that the impact of introducing Medicaid dental benefits is not immediate; awareness among enrollees and provider adjustment is required for full impact. We also included additional cost savings from reduced emergency department visits for dental conditions.

	Year One	Year Two	Year Three
Medicaid enrollment, adults	157,300	157,300	157,300
Dental care utilization rate, baseline	15.2%	15.2%	15.2%
Dental care utilization rate, post reform	18.0%	20.7%	23.5%
Additional enrollees receiving dental care	4,352	8,704	13,056
Average dental care costs per patient per year, post reform	\$437	\$437	\$437
Additional costs for new dental patients	\$1,901,809	\$3,803,619	\$5,705,428
Additional costs for existing dental patients	\$1,506,305	\$1,506,305	\$1,506,305
Estimated total additional dental care costs	\$3,408,114	\$5,309,924	\$7,211,733
Estimated reduction in health care costs for those			
with diabetes	\$0	\$117,503	\$352,509
with cardiovascular disease	\$0	\$264,695	\$794,086
who are pregnant	\$0	\$113,586	\$340.759
with an emergency department visit for a dental condition	\$0	\$1,663,290	\$3,326,580
Estimated total medical care cost savings	\$0	\$2,159,075	\$4,813,935
Net additional cost of adult dental benefit	\$3,408,114	\$3,150,849	\$2,397,798
State share of net additional cost of adult dental benefit	\$1,357,793	\$1,255,298	\$955,283
Net cost per enrollee per month	\$1.81	\$1.67	\$1.27
Net cost per enrollee per month (state share)	\$0.72	\$0.67	\$0.51

Table 1: Estimated Cost of Adding a Comprehensive Adult Dental Benefit in Medicaid in Kansas

Please see the following for notes on methodology: Vujicic M, Fosse C, Reusch C, Burroughs M. Making the case for adults in all state Medicaid programs. Health Policy Institute White Paper. American Dental Association in partnership with Community Catalyst and Families USA. July 2021. Available from:

https://www.ada.org/~/media/ADA/Science%20and%20Research/HPI/Files/WhitePaper_0721.pdf.

Additional state-level analyses are available at <u>ADA.org/HPI</u>. The Health Policy Institute is pleased to work with policymakers and advocates on research initiatives related to the dental care sector.