MICHIGAN EXPANDS NEGOTIATED GENERAL ANESTHESIA COVERAGE WITH INSURANCE INDUSTRY

The Michigan Academy of Pediatric Dentistry (MAPD), thanks to the hard work of Curt S. Ralstrom (Clinton Township, Mich.) and Connie M. Verhagen (Muskegon, Mich.), recently announced an expanded **Pediatric Dental Patients Requiring General Anesthesia** agreement with the Michigan health insurers, effective Jan. 1, 2006. **This agreement raises the child age eligible for coverage reimbursement from four to seven.**

This revised agreement includes all parties[1] to the original February 2001 voluntary agreement by third party payers to cover general anesthesia and associated facilities charges for dental procedures. As reported in the May 2001 issue of *Pediatric Dentistry Today*[2], this voluntary agreement includes not only the state medical insurance plans but also the self-insured plans, which fall under federal ERISA regulations. This means 100% of the medical insurance plans have agreed to cover general anesthesia and hospital fees for dental patients in Michigan.

The 2001 agreement included coverage for general anesthesia and facility fees for patients that meet specified conditions. At the time of the 2001 agreement, all parties agreed that if the coverage was not abused, they would later revisit consideration of raising the child age for coverage. The revised 2006 agreement continues these criteria for coverage (with the higher age limit highlighted):

- Multiple extractions or multiple restorations for children **under the age of seven** (i.e., through the end of their sixth year).
- A total of six or more teeth are extracted in various quadrants.
- Dental treatment needs for which local anesthesia is ineffective because of acute infection, anatomic variation or allergy.
- Extensive oral-facial and/or dental trauma for which treatment under local anesthesia would be infective or compromised.
- Allows medical plans to establish reasonable limits regarding the frequency of use of general anesthesia, including prior authorization and demonstration of medical necessity in the same manner as is required for other covered benefits.
- Creates an Implementation Review Committee to meet annually to assess utilization increases resulting from this agreement; the committee includes three pediatric dentist members of MAPD.
- MAPD will provide free consultations to medical plans on issues of prior authorization, medical necessity, or coverage determinations under this agreement.

Congratulations to MAPD! This negotiated coverage is an excellent model for addressing the ERISA/self-insured plans issue, because otherwise such plans are not subject to state insurance mandates such as general anesthesia coverage laws. Large corporations often opt for self-insured health plans regulated by ERISA.

For further information, please contact Deputy Executive Director and General Counsel C. Scott Litch at (312) 337-2169 or *slitch@aapd.org*.

[1] The Economic Alliance for Michigan, the Michigan Chamber of Commerce, Blue Cross Blue Shield of Michigan, the Michigan Association of Health Plans, the MAPD, and the Michigan Dental Association. The Council of Michigan Dental Specialties also played an important role in the negotiations.

[2] This article is accessible at www.aapd.org in the Members Only section under Advocacy/Issues by Topic/General Anesthesia/Additional Resources.

Update in Brief

CDHP RESOURCES ON MEDICAID DRA PROVISIONS AND STATE IMPLEMENTATION

Much activity is occurring in the states related to implementation of Medicaid changes under the Deficit Reduction Act of 2005 (DRA). The new EPSDT "wrap-around" provision was highlighted in the March 2006 issue of *Pediatric Dentistry Today.* AAPD advocates working on this issue at the state level will want to review two recent **Issue Briefs** from the *Children's Dental Health Project* on: ***The Deficit Reduction Act of 2005: What Does It Mean For Children's Dentists?*** and ***Top Ten Questions To Ask State Leaders about Medicaid and Coverage for Children's Oral Health***. These are available at: *www.cdhp.org.*

NEW PHS CHIEF DENTAL OFFICER SELECTED

U.S. Surgeon General Dr. Richard Carmona recently announced the appointment of **Dr. Christopher G. Halliday** as the next Chief Dental Officer of the U.S. Public Health Service, effective May 1, 2006. Dr. Halliday, the current Acting Director of the Indian Health Service Division of Oral Health and Principal Dental Consultant for IHS, succeeds Dr. Dushanka Kleinman of NIDCR whose term has expired. RADM (Select) Halliday received his dental degree from Marquette University and his MPH from the University of North Carolina, Chapel Hill. He began his Public Health Service career with the IHS in Barrow, Alaska, as a Staff Dental Officer and then its Chief Dental Officer. He went on to other IHS locations such as the Dzilth-Na-O-Dith-Hle PHS Indian Health Center, Bloomfield, New Mexico and Window Rock, Arizona. He then did a brief assignment with HRSA in Rockville, Md., managing dental grant programs, and then to the IHS Headquarters as the Assistant Headquarters Dental Consultant. He has been in his current position since July 2000. Dr. Halliday can be reached at *Christopher.halliday@ihs.gov.*

Michigan Academy of Pediatric Dentistry Negotiates General Anesthesia Agreement with Insurance Industry

The Michigan Academy of Pediatric Dentistry (MAPD) faced a unique issue in working with two state senators who introduced a general anesthesia bill in February 2000. The Michigan Dental Association (MDA) also assisted in the effort, and several representatives introduced identical bills the same day in the House of Representatives. It helped matters tremendously when it turned out that one of Connie M. Verhagen's (Muskegon, Mich.) patients, an autistic boy whose needed treatment under general anesthesia was denied by the medical insurance company, was the grandson of a state senator! However, the big three automakers in Michigan have self-insured plans which fall under ERISA regulations and therefore, cannot be regulated by state law. These plans make up about 60% of the insured lives in the state. Therefore, any legislation passed by the state would only affect 40% of patients in the states.

Based on the pressure from the introduction of the legislation, insurance company representatives and medical directors came forward to negotiate with the MAPD. After nearly a year of negotiations, a final agreement was reached in February 2001. **The end result is that ALL state insurance plans and ALL ERISA plans have agreed to cover general anesthesia and hospital fees—a tremendous victory for patients and the MAPD!**

In general, the agreement:

- Includes coverage for general anesthesia and facility fees for patients that meet the conditions of the agreement.
- Allows medical plans to limit frequency of use of general anesthesia by requiring prior authorization through the patient's primary care physician.
- Creates an Implementation Committee (medical and dental plans) to review the agreement at the end of the first year.
- Provides for free consulting services from pediatric dentists to medical plans making determinations pursuant to the agreement.

The conditions for coverage are:

- Multiple extractions or multiple restorations for children under the age of four (i.e. through the end of their third year).
- A total of six or more teeth are extracted in various quadrants.
- Dental treatment needs for which local anesthesia is ineffective because of acute infection, anatomic variation or allergy.
- Extensive oral-facial and/or dental trauma for which treatment under local anesthesia would be ineffective or compromised.
- Patients with a concurrent hazardous medical condition, including but not limited to: autism, autoimmune deficiency disease, cardiovascular diseases, cerebral palsy, cerebrovascular accidents, chromosomal abnormalities, cleidocranial dysostosis, craniosynostosis, cystic fibrosis, dysfunctional coping mechanism, ectodermal dysplasia, endocrine problems, hemorragic diathesis, hydrocephalus/microcephalus, juvenile rheumatoid arthritis, liver disease, mental retardation, muscle diseases or myopathies, muscle end plate diseases, multiple schlerosis, neurological defects, osteogenesis imperfecta, obesity, psychiatric disturbances, renal diseases, scoliosis, and spina bifida.

Also included is a letter to primary care physicians that can be used in corresponding and soliciting their assistance. This letter will be printed in the next issue of the *Pediatric Dentistry Today* newsletter.

Parties to the agreement include: The Economic Alliance for Michigan, the Michigan Chamber of Commerce, Blue Cross Blue Shield of Michigan, the Michigan Association of Health Plans, the MAPD, and the MDA. The insurance groups commented that:

"Purchasers have long opposed a one-size-fits all mandates as ill-advised—and unwarranted—interference in health benefit decisions that are properly left between employers and employees. By contrast, this voluntary agreement on pediatric dentistry resolves real coverage problems in a flexible manner. It also assures close cooperation and communication between providers and payers, including a mechanism for future evaluation and adjustment."

For further information, please contact:

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C. Scott Litch, AAPD Deputy Executive Director and General Counsel and Council on Dental Care, Staff Liaison, 800-544-2174, slitch@aapd.org.

More on the Michigan General Anesthesia Settlement

In the last issue, we reported on the Michigan Academy of Pediatric Dentistry's (MAPD) successful negotiations for insurance companies in their state to provide general anesthesia coverage. We inadvertently failed to credit Curt S. Ralstrom's in this effort. Dr. Ralstrom, past president for the MAPD, was instrumental in getting the general anesthesia agreement finalized.

As promised, below is the letter developed for corresponding with the physician and soliciting their assistance; it was noted that the key to the agreement is to work with the child's primary care physician, who is the "gatekeeper" to the medical insurance plan.

Date:

Primary Care Physician's Name
Address
City, State & Zip Code

RE: Patient's Name and Date of Birth

Dear Primary Care Physician:

Our mutual patient _____ (patient's name) was seen in my pediatric dental practice on _____(date). An oral examination revealed _____(clinical findings and diagnosis). If left untreated this condition can _____(list sequela of untreated caries, abscesses and other clinical findings).

Due to _____(reason why the patient needs to be done under general anesthesia; i.e., "age and mental development of the child", "the medical diagnosis of autism", "the patient's cardiovascular disease", etc.) dental treatment cannot be done in the dental office but needs to be accomplished under general anesthesia in the _____(hospital, surgicenter, etc.)

_____(patient's name) medical insurance requires a prior authorization through the primary care physician. Please submit this request on behalf of _____(patient's name).

After we have received the approval from the medical insurance plan our office will set up the date of surgery. We will instruct _____(patient's parent(s) or legal guardian) to contact your office for a History and Physical prior to surgery.

Should you have any questions or concerns please contact me directly so that _____(patient's name) necessary dental treatment can be done expeditiously.

Sincerely,

Pediatric Dentist

For further information, please contact Scott D. Goodman, Council on Dental Care, chair, 704-847-4717, *sg00dman@att.net*. or C. Scott Litch, Council on Dental Care, staff liaison, 312-337-2169, *slitch@aapd.org*.