

# Low Medicaid reimbursement rates negatively impacting dental care

- By Renee Beasley Jones Messenger-Inquirer



Photo by Greg Eans, Messenger-Inquirer | [geans@messenger-inquirer.com](mailto:geans@messenger-inquirer.com) Brandon Taylor, an Owensboro dentist and director of Community Dental Clinic, looks over an x-ray with a large area of infection at his office on Tuesday in Owensboro.  
Greg Eans

On average, Community Dental Clinic treats more than 100 new patients a month — in addition to its established clientele.

That's unheard of in dentistry. Thirty new patients a month would be considered a lot, said Brandon Taylor, an Owensboro dentist and director of Community Dental Clinic at 2811 New Hartford Road.

While that kind of business growth may sound enviable, it isn't. Instead, it is an indication of a growing problem for Kentuckians who rely on Medicaid. An increasing number of dentists no longer accept them as patients.

The reason: Dentists take a loss — often a steep one, depending on the service provided — when they treat Medicaid patients.

Medicaid reimbursement rates were last adjusted in 2002 — but based off 1988 data. They are woefully low, compared to the cost of service, health officials said. None of that includes the

increased red tape, credentialing and administrative expenses under the state's current managed care organization system.

"We need to see that (reimbursement) rate increase," said Richard Whitehouse, executive director of the Kentucky Dental Association. "We believe, in doing so, it will exponentially increase the providers who are willing and able to (accept new patients)."

In the meantime, there are more than 100,000 Medicaid patients in Community Dental Clinic's service area, Taylor said.

"Our region likely has one of the worst rates of oral disease that you can find anywhere in the United States," he said. "The need far exceeds available resources."

For some procedures, such as cleanings, patients may wait six months for an appointment — unless a cancellation frees up some time, Taylor said. Delayed visits often lead to more expensive care or extraction.

Community Dental Clinic is often the only office in the region that accepts new Medicaid patients. "There is a never-ending and overwhelming tide of patients," Taylor said.

More dental work is needed in western Kentucky than in some Third World nations, he said.

"Education and preventative care are necessary, but it's like running into a neighborhood that is fully ablaze and trying to install smoke detectors," Taylor said.

## **Fees**

The American Dental Association publishes an annual survey of dental fees that are broken down by region. Kentucky is in the same region with West Virginia, Tennessee and Missouri. The survey reports average Medicaid reimbursement rates in that four-state area are about 40 percent lower than the ADA survey of fees.

With average dental overhead costs at 70 percent, it is an unsustainable business model, said Matt Johnson, a dentist who practices at Johnson Family Dentistry in Owensboro.

"We, as health care providers, want to treat these people and help, but we are simply hamstrung by the fact that participating in the Medicaid network would result in a loss," Johnson said.

His dental practice continues to treat its existing Medicaid patients but does not accept new ones.

"As a dental community, I can promise you that each and every one of us want to help people get quality, efficient care," Johnson said. "But we also are an employer, and that business has to be able to pay our staff, OMU and pay city, county, state and federal taxes. Getting reimbursed at 40 percent of a typical fee is a perfect business plan to potentially go bankrupt."

Community Dental Clinic is a nonprofit practice that opened nearly a decade ago. It relies heavily on grant funding.

Of course, some income comes from billing Medicaid for services rendered. Patients without any insurance pay a sliding-scale fee based on verifiable income. The clinic performs some 100 percent charity care but not on a regular basis.

Taylor estimates Medicaid reimburses the clinic up to one-third of its expenses for some procedures and only one-tenth of the usual and customary cost on others.

"Kentucky has constructed a system that is extremely profitable for managed care organizations and next to impossible for dentists," Taylor said.

Officials with the Kentucky Cabinet for Health and Family Services did not respond to the Messenger-Inquirer's email interview, which asked several questions about Medicaid reimbursement rate calculations and reasons why rates had not increased in so many years.

Because of inadequate reimbursement rates, Whitehouse said the average for-profit dentist office cannot support more than 25 percent of its patients being on Medicaid.

Whitehouse knows of some dentists whose patient rosters are 60 percent to 80 percent Medicaid-based. "These businesses are withering. It's a tough situation to be in. ... I've never seen a more benevolent group of people. They are dedicated to their communities."

**'It's a lot for one dentist'**

Community Dental Clinic extracted more than 2,600 teeth last year. The majority of those patients were new to the practice. New patients add complicated health histories, new personalities, new treatment plans and new X-rays to an already heavy workload.

"It's a lot for one dentist," Taylor said. "There are more Medicaid patients in our region that what several dentists could see, in fact. Most of the time, we are performing surgery at the new-patient appointment. (Recently), I extracted nine teeth on a lady 30 minutes after I met her for the first time."

His office has one dentist and one hygienist. Community Dental Clinic is searching for another full-time dentist.

"Private practice is more profitable and is viewed by some to carry greater prestige, but I have a fantastic hard-working staff, supportive board and great facility. I love helping people who really need help. Every day feels like a mission trip where I get to go home at the end of the day."

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