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CMS Proposal in the Medicare Physician Fee Schedule

California Dental Association

Presentation to OIRA

October 17, 2022

About CDA

- The California Dental Association is the largest state association in the nation.
- We have been representing California's dentists since 1870.
- Our mission is to support our members in their practice and service to the public through innovation in education, advocacy and related programs.

The Agency's Proposal to Expand Coverage of Dental Services

- We are very supportive of the recent CMS proposal in the Physician Fee Schedule Rule for Medicare to cover and reimburse specified dental procedures.
 - CMS' proposal to cover specified dental procedures is amply within current legal authority.
 - An existing code set already used by Medicare will serve well in the future.
 - There is a well-developed pathway to set reimbursement rates for specified dental services, outside the RVU system, that can quickly be deployed by CMS.
- Expanding coverage and reimbursement for specified dental services will generate substantial offsetting savings for the Medicare program in the coming years.

The Agency's Proposal to Expand Coverage of Dental Services

- CDA acknowledges and supports CMS' proposal to expand Medicare coverage for dental services that are medically necessary to the clinical success of other Medicare-covered procedures.
- CDA provided clinical evidence in support of the five services CMS proposes to cover under Medicare.

The Agency's Proposal to Expand Coverage of Dental Services

- CDA also provided clinical evidence to support additional services that would meet the “medically necessary” standard, which included:
 - Dental or oral examination and necessary diagnosis or treatment of any presenting infection prior to joint replacement, for patients with diabetes and patients undergoing bisphosphonate or immunosuppressive therapies.

The Agency's Proposal to Expand Coverage of Dental Services

- There is no need to defer coverage and engage in further studies to determine if CMS should approve Medicare coverage for dental services, as some stakeholders suggest.
- The Agency's current policy is to provide coverage for dental services that meet the "medically necessary" standard.
- CDA's comments provide extensive clinical evidence in support of services that meet the "medically necessary" standard.
- Additional studies may be useful for gathering further evidence to determine whether covered services meet specific beneficiary needs but are not necessary to determine whether dental services should receive Medicare coverage as a whole.

Dental Services are Currently Paid Under Medicare

- The Proposed Rule solicited comments on potential future payment models for dental and oral health care services.
- Currently dental services are paid by Medicare using “D” codes
 - Covered “D” codes maintain an “R” status indicator meaning “restricted coverage” and thus are subject to contractor pricing.
 - Medicare Administrative Contractors (“MACs”) make claim-by-claim determinations as to whether the service is eligible for coverage consistent with Medicare policy.
 - MACs may adopt multiple approaches to setting prices for covered dental services.

Future Payment Models for Medicare Coverage of Dental Services

- CDA has proposed concrete solutions that will make the existing payment model sustainable for the future and directly address the questions posed by the Agency and other commenters:
 - CMS should continue to use “R” status indicators for “D” codes and contractor pricing
 - To ensure consistent pricing, CMS should require MACs to price covered dental services at or around 80% of average charges using FAIR Health.
 - For 2023, use the Physician Fee Schedule Geographic Practice Cost Index (GPCI) to adjust for the price determined from the Fair Health survey for geographic differences;
 - Create a dental-specific GPCI for use in later years; and
 - Create a dental-specific version of the Medicare Economic Index (MEI) to update prices based on current FAIR Health data in future years.

Cost Saving Measures

- Implementing the proposed coverage expansion, as CMS has proposed, and adopting the reimbursement model CDA has provided, will result in significant cost-savings and efficiencies for the Medicare program.
- [In a pilot at the Department of Veterans Affairs to reduce NV-HAP](#), twice daily oral health care yielded an estimate cost avoidance of \$2.84 million.
- [A recent study in the Compendium of Continuing Education in Dentistry](#) showed that yearly cost savings ranged from:
 - \$515 – \$574 per patient with diabetes
 - \$548 – \$675 per patient with coronary artery disease (CAD)
 - \$866 – \$1,718 per patient with diabetes and CAD

Conclusion

- Minimal changes to the existing D code system within Medicare could be utilized for a 2023 implementation without including dental services in the PFS RVU calculation.
- CDA believes that expansion will:
 - Improve patient outcomes for Medicare patients receiving services that meet the medically necessary standard.
 - Increase health equity by expanding coverage for underserved populations that often face significantly higher rates of chronic health conditions.
 - Generate substantial offsetting savings for the Medicare program in the coming years.

Questions

- Should you have any questions, or would like additional information, please contact either Carrie Gordon at carrie.gordon@cda.org or Brianna Pittman-Spencer at brianna.pittman@cda.org.