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Proposal 1: NOSDA Establishes a Dentist Recruitment Program

Related Strategy

Recruiting dentists to do rural practice with Medicaid in the payer mix

Background

Some areas in Springdale County are considered a Dental Health Professional Shortage Area (“DHPSA”). When Springdale County’s major employer Super-Mart filed for bankruptcy and down-sized, many residents lost both dental insurance and income. A number of dentists moved their practices to busier settings as a result. But where some dentists saw market devastation there may also be opportunity. It has been argued that recent dental school graduates may be attracted to the “bargain” of opening a practice in an area with unoccupied, affordable office space, as well as a patient population with high Medicaid eligibility. North Oralington State Medicaid provides a comprehensive adult dental benefit.

Proposed action

NOSDA will establish a dental recruitment program targeting general dentists to serve in Springdale County DHPSAs. Funds will be designated to support loan repayment incentives and/or practice-related subsidies (ie. rent/equipment) for up to four dentists who can commit to practicing in a Springdale County designated DHPSA area full-time for at least five years and maintain a minimum 20% Medicaid patients in their patient rolls. In addition, funds will be set aside for infrastructure and support costs including technological infrastructure costs, which includes ensuring each dentist’s Electronic Health Records system is compatible with North Oralington’s electronic Medicaid system and a half-time Medicaid patient coordinator, to provide case management to select Medicaid patients as needed and to file, track, and expedite reimbursement paperwork through the Medicaid system. It is expected that some or all of the recruited dentists will stay in the local area past their required obligation and maintain patient mixes that include a significant number of Medicaid patients. Electronic billing and a patient coordinator would help to alleviate the other common challenges of paperwork and high no-show rates.

The expected cost of this effort will include \$360,000, (up to \$70,000 in loan repayment and up to \$15,000 in subsidies per dentist). Expected first year administrative costs will be \$90,000 and \$65,000 for outgoing years (\$45,000 for patient coordinator and \$20,000 to support translation, transportation, and other Medicaid-required services to select patients as needed).

| Description | Year 1 Cost | Year 2 Cost | Ongoing Cost |
|--|------------------|-----------------|-----------------|
| Loan repayment for up to 4 dentists | \$280,000 | \$ - | \$ - |
| Subsidies for up to 4 dentists | \$60,000 | \$ - | \$ - |
| Patient coordinator | \$45,000 | \$45,000 | \$45,000 |
| Support for translation, transportation, and other Medicaid services | \$20,000 | \$20,000 | \$20,000 |
| Total | \$405,000 | \$65,000 | \$65,000 |

How does recruiting dentists to rural practice with Medicaid in the payer mix work?

The term “Payer mix” is health care jargon for the percentage of revenue coming from private insurance versus government insurance versus self-paying individuals.

Most rural areas in the United States are Dental Health Professional Shortage Areas (DHPSAs), or areas whose dental workforce is too small to serve the population. In addition, because many rural residents are covered by public insurance, dentists practicing in rural areas are at an increased need to take public insurance, or Medicaid, as payment. Among the many factors complicating dentists’ decision accept Medicaid are extremely limited coverage of adult services, low reimbursement rates, laborious preapproval and payment processes, and stigma surrounding Medicaid patients. The combination of a high rate of rural dentists anticipated to retire in the coming decade and low



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rate of recent graduates choosing to practice in rural areas, suggest that this trend is likely to worsen without intervention.

In order to improve rural residents' access to dental care, there are a number of tactics to try to maintain or increase both the number of dentists practicing in rural settings and the number of rural dentists who accept Medicaid. Some of these techniques include priming the workforce, for example recruiting dental students from rural locations, expanding the dental workforce to include direct access auxiliaries, or facilitating and expediting the licensure of foreign-trained dentists.

Another strategy is to incentivize dentists to go into rural practice and accept public insurance using tuition stipends, student loan repayments, small business loans, tax credits, business development support, and malpractice insurance subsidization. Still another approach is to streamline and improve Medicaid practices, and use education and social norming to convince all dentists to accept it not only for its professional and humanitarian implications, but also because it can be an income generator. Most states use some combination of these methods to try to improve access to care for rural adults.

What are some things to consider about recruiting dentists to do rural practice with Medicaid in the payer mix?

- Long-term sustainability is a significant concern for most of these strategies. Dentists may choose to leave rural areas once the terms of their incentives are fulfilled. Medicaid dental coverage for adults and reimbursement rates are at constant risk as state budgets are tightened. **How can you anticipate and address these concerns so that the strategy you select is not at risk?**
- Enforcement is a key factor in the success of many of these strategies, for example to make sure dentists are actively fulfilling the terms of their incentives. **How can incentive-providers ensure that incentive-recipients are fulfilling the terms of their commitments?**
- Overtreatment is a concern for Medicaid incentives, and is cited as a major reason why the Medicaid approval process is so onerous. **How can you contribute to a solution to overtreatment in a way that balances both dentists' needs and the state's (and taxpayers')?**
- Community relations are important in moving forward with any strategies. At the same time, you understand that dentists may not want or be able to participate as core community members for a variety of reasons – desire to spend their weekends in cities, social implications of income disparities, and other reasons. **How can you help to facilitate a smooth and realistic social experience for both the community's reception of the dentist and the dentist's participation in the community?**

What are some examples of where recruiting dentists to do rural practice with Medicaid in the payer mix has worked before?

Some dentists have been able to increase efficiency and productivity while seeing more Medicaid-covered patients by “strategically altering the design and delivery of their services.”

- <http://www.chcf.org/publications/2008/08/the-good-practice-treating-underserved-dental-patients-while-staying-afloat#ixzz2HmX3IhKA>

Some individual dentists have lauded rural practice opportunities for lifestyle reasons, and the reduced competition for patients that characterizes urban practice.

- <http://www.oregonbusiness.com/articles/42-january-2007/1078-oregon-suffers-growing-dentist-shortage>
- <http://www.marshallindependent.com/page/content.detail/id/511623.html>