November 2012 Bulletin

Updates: Medicaid Expansion and Health Benefit Exchanges

In phone calls today (Nov. 16th) with Virginia agency heads and members of the Virginia Health Reform Initiative Advisory Committee, Governor McDonnell indicated an openness to expanding Medicaid eligibility in the Commonwealth, citing a moral obligation, if the federal government is open to Medicaid reforms such as benefit redesign. He also said many questions with regard to long-term sustainability and the true cost to Virginia’s budget remain.

When the Supreme Court upheld the Affordable Care Act, it also declared that the medicaid expansion provision of the ACA must be voluntary. If Virginia expands Medicaid to 138% of the Federal Poverty Level ($31,000 for a family of four), over 420,000 individuals will gain access to life saving health benefits including an emergency extraction benefit. The state also stands to gain billions in federal money to offset costs of the expansion.

The Governor also said he is exploring all options with regard to how Virginia will operate its Health Benefit Exchange. Although he indicated a state and federal partnership exchange may be the most prudent option. The Exchange is an online marketplace where the uninsured and small business can shop for insurance coverage. A pediatric dental benefit is mandated as part of the Exchange, whether operated federally or by an individual state.

More information about how Medicaid expansion and the pediatric dental benefit within the exchange affect access to oral health services is available on the Coalition’s website.

Governor McDonnell’s comments come after the deadline for states to declare whether they will set up a state-run health insurance exchange was extended from today to December 14th; states have until February to decide if they want to set up an exchange in partnership with the federal government. Prior to the deadline extension Gov. McDonnell indicated Virginia would defer to a federally run exchange.
The Coalition is already busy planning for 2013. Thanks to everyone for the wonderful feedback, which will make next year even more successful.

If you’re interested in becoming more involved in advocacy efforts, please join us on January 30, 2013, for our second-annual Legislative Day (see sidebar for details).

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VDH Dental Clinics - Stakeholder Report

The Governor’s 2012 budget eliminated funding to the Virginia Department of Health (VDH) dental clinics, which serve over 20,000 patients a year - most of them children. The Coalition was successful in working with its partners to have funding restored to these clinics, and the budget language directed a stakeholder group, which included the Coalition, to make recommendations about the clinics’ operations.

After meeting three times, the stakeholder group recommended the following:

- **Adopt a targeted regional approach**, individually evaluating the impact of closing dental clinics in each area, with consideration of the available resources to meet patient and community needs and the need to provide for transitional services in certain areas.
- **Evaluate and identify** whether there are some areas of the state that are unlikely to be able to develop and sustain safety net dental services **without external support**.
- **Where appropriate and feasible**, using a targeted regional approach, transition identified VDH public health dental clinics from a model of treatment and prevention to a prevention model.
- **Identify and develop metrics** for the ongoing surveillance of oral health to assess the impact of shifting to a preventative health model.
- **Develop a communications plan**.
- **Maintain ongoing stakeholder input** into the transition to a prevention model

**Next Steps**

Stakeholder group member and Virginia Dental Association executive director Dr. Terry Dickinson spoke to the house appropriations committee and indicated that the stakeholder group would like to see funding restored to the dental clinics while the group continues to design a clinic structure that meets the needs of the Commonwealth.

The Coalition is continuing as an active member of the stakeholder group and is working to advocate that the money for the dental clinics is available. If it is not, the Coalition will work with other members of the stakeholder group on a budget amendment to restore funding.
Gov. McDonnell Directs All State Agencies to Submit 4% Budget Cuts

Governor McDonnell’s chief of staff issued a memo instructing state agency heads to create plans which cut 4 percent from their budgets as a contingency against future economic woes. The memo sites the upcoming ‘fiscal cliff’ (when some federal tax cuts are scheduled to expire and cuts in defense and domestic spending will kick in if Congress can’t agree on a plan to avoid them) as a reason for seeking reductions.

The memo mentions concerns about rising health care costs, namely from Medicaid. The budget cuts could affect Medicaid reimbursement for dental services and could also impact a potential budget amendment to maintain VDH dental clinic funding through next year.