

Medicaid Talking Points

Brief History:

- 1997 – Reimbursement levels set at **75% of 1987 UCR**
- 2002 – Pediatric increase in reimbursements for individuals under 18 years of age
- 2022 – Adult Affordable Care Act (ACA) expansion population added, initially
- 2024 – Adult expansion population fully incorporated into Medicaid program
- 2024 – Oral Surgery code reimbursement increase/Adult prophylaxis increase
- 2024 – Lobbied Legislators for funding/reimbursement increase & administrative changes
 - Included in Senate Budget proposal
 - Lost in conference due to lack of program transparency
- 2024 - \$25 million placed in “rebasement fund,” with Dental only group mentioned for use
- 2025 – Big Beautiful Bill changes result in “rebasement fund” not being utilized
 - MOAB (Medicaid Oversight & Advisory Board) established through HB695
 - BAC (Beneficiary Advisory Board) established by Federal mandate
- 2025-26 – Continued Grassroots outreach and lobbying for increased
 - Funding/reimbursement – **This is where individual providers can help!**

Talking Points:

- Dentistry in Kentucky is still overwhelmingly independent small businesses
- These Providers are being asked to see the Medicaid population at a loss
- The base reimbursement schedule remains unchanged from 1997
- A One-surface filling on a back tooth is paid at \$44, this procedure costs \$89 in supplies alone.
- Expenses continue to rise yearly and have exploded post-COVID. This is compounded by severe workforce issues, greatly increasing payroll and associated expenses.
- Dentists in Kentucky are “trapped.” All available insurance including Medicaid, are HMO or PPO, dictating fees and reimbursement levels. These offices cannot adapt to increased costs in the marketplace.

- Our in-state Dental Students are averaging \$300-350K in debt to obtain their education. Because of this debt load, great numbers of new Dentists are choosing not to practice in Kentucky due to our extremely low reimbursement levels.
- Dentists are continuing to be forced to remove themselves or greatly decrease the amount of Medicaid patients they can see due to market pressures, leading to decreased access for patients.
- Reduction in access leads to increased reliance on ERs, leading to vastly increased Medicaid expenses.
- Early treatment and intervention on Dental issues prevents larger problems down the road.
- **Healthy Mouth=Healthy Body**, leading to better long-term outcomes and spending throughout the program.
- Numerous recent studies have identified links between poor oral health and Alzheimer's, low birth weight, diabetes, cardiac issues and a myriad of other overall health issues.
- **A full Dental carve would lead to increased transparency in the funding and reimbursements of the Dental program.**
- We are currently in negotiations with the State about incorporation of dental into the current Fee for Service program, or other viable options.
- The KDA has repeatedly been informed that the Dental program is 2% of Kentucky Medicaid. The national average is 3.5% and is increasing yearly as states realize the importance of Dental health to overall health.
- We are asking for an increase to 5% of the total program to bring us much closer to

Benefits of a full carve-out of the Medicaid Dental program

Background

For the past two and a half years, the KDA has pursued a plan to increase funding for Kentucky's Fee-for-Service Traditional Medicaid dental program (non-MCO) and then secure legislation to set those higher rates as the minimum reimbursement floor for MCOs.

This "directed payment model" approach was disrupted by the *One Big Beautiful Bill*, which capped all future directed payment models at prevailing Medicare rates. Because dentistry has no comprehensive Medicare payment model (only limited coverage for certain populations), we were excluded from this option.

The Solution

Transition to a **full carve-out** of the Medicaid Dental program. This would remove dental services from the MCO structure and place them under a separate, dedicated program—whether state-run, MCO-administered, or privately managed—allowing greater control over funding, oversight, and administration.

The Benefits

- Funding Transparency – Clear tracking of how Dental funds are allocated and used
- Reduced Administrative Waste – Potential elimination of the MLR/DLR profit pull from dental funds
- Problem-Solving Power – Ability to address long-standing administrative issues, including coding, reimbursement delays, and credentialing
- Greater Accountability – Direct oversight of provider payments and program operations
- Opportunity for Innovation – A structure that supports targeted improvements in access, quality, and provider participation
- currently funding levels of surrounding states, specifically Missouri and Ohio.

A Strong Dental Medicaid Program Builds a Strong Kentucky

Kentucky ranks 49th in oral health. Base Medicaid dental reimbursement rates haven't been updated in almost 30 years, making it harder for patients to find a provider — especially in rural and underserved communities. This puts access at risk for more than 1.6 million Kentuckians enrolled in Medicaid.



The Problem: Outdated Reimbursement

- Dental Medicaid rates are less than 60% of commercial insurance.
- Dentists face rising costs, but Medicaid

rates have stayed the same for over two decades.

- As a result, many providers are limiting or leaving Medicaid.
- Dental care makes up less than 2% of Kentucky's Medicaid budget, compared to the 3.5% national average.

Kentucky's Low Reimbursement Affects Patient Access

- Kentucky's low rates discourage basic care and lead to poor long-term outcomes.
- Even with the recent expansion of adult dental benefits, reimbursement for restorative services remains significantly underfunded. Investing in basic restorative care - such as fillings and crowns - offers long-term cost savings by preventing more



Healthy Mouth = Healthy Body Improved Oral Health Improves Overall Health

Leading to Cost Savings

- Poor oral health is linked to heart disease, diabetes, pregnancy complications, and cancer. All of which have high prevalence in Kentucky.
- In 2019, Kentucky Medicaid paid \$44 million for dental-related ER visits — mostly preventable.
- Adults ages 25–34 accounted for 65% of those ER visits.

• **According to DMS, the state still spends \$9 million each year on ER visits for dental pain.**



- Preventive dental care reduces ER visits by up to 43%, saving millions.
- Avoiding dental emergencies could save up to 1 million work hours in Kentucky annually.
- Several current research studies show notable links between oral health and systemic disease.

serious and costly procedures like surgical extractions, emergency visits, and hospitalization.

- Low reimbursement discourages providers from offering fillings, root canals, and crowns — even when these procedures are medically appropriate.

| Procedure | KY Medicaid FFS | Missouri Medicaid | 2023 KY UCR |
|-----------------------------------|-----------------|-------------------|-------------|
| One Surface Anterior Resin D2330 | \$44.00 | \$155.20 | \$249.00 |
| Two Surface Posterior Resin D2392 | \$55.00 | \$214.40 | \$364.00 |
| Anterior Root Canal D3310 | \$274.30 | \$695.70 | \$1443.00 |
| Upper Complete Denture D5110 | \$656.11 | \$1608.00 | \$2662.00 |

Contact Dr. Steve Robertson, KDA Executive Director at steve@kyda.org or call him on his mobile at 270-535-4554.

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KDA
Kentucky Dental Association

A Strong Dental Medicaid Program Builds a Strong Kentucky

2025 Legislative Request

- In the 2024–2025 state budget, the General



Assembly acknowledged the issue and took a meaningful step forward by directing a rebasing study in HB 6, 2024–2025

- This session is the

time to build on that progress.

- Increase dental's share of the Medicaid budget from 2% to 5%

• Appropriate a \$50 million state match to unlock over \$450 million in federal funds for ACA expansion population

- This investment will stabilize Kentucky's provider network and expand access to care.

Long-Term Policy Considerations

- Carve-out dental benefits for transparency.

- Tie reimbursement to inflation or create a Consumer Price Index (CPI) model for providers' rates to create stability and certainty.

- Review and compare dental fee schedules every two years

- Simplify administrative processes for credentialing and claims.



Kentucky Dental Medicaid Rates

In 1997, Kentucky Dental Medicaid rates were set at **75% of the 1987 UCR.**

This is still the base rate of the program today, almost 3 decades later.

A one-surface filling paid at \$44 uses \$89 in supplies, alone.

In conversations with nearly a dozen dentists and oral health experts, The Courier Journal found

Kentucky has:

- One of the lowest adult dental Medicaid reimbursement rates in the nation, with more than 1.5 million Kentuckians, including children, relying on the government program for their dental care. (4/7/2025)



Stabilize the Foundation of Medicaid Dental

Kentucky's oral health won't improve unless providers can sustainably participate in Medicaid. This year's funding request is a smart investment — one that will save money over time, strengthen the dental workforce, and ensure patients can get the care they need.



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