

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1411
By: Moncrief
Health & Human Services
4/10/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

An interim investigation by the House Committee on General Investigating found evidence of misconduct by some providers in the Texas Health Steps Dental Services Program, involving the aggressive use of certain dental procedures and fraudulent billing procedures. C.S.S.B. 1411 addresses these abuses by implementing changes recommended by the committee to reduce fraud and improve the quality of services and care offered by the program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Health and Human Services Commission or an agency operating part of the medical assistance program, as appropriate, in SECTION 1 (Section 32.053, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 32B, Human Resources Code, by adding Section 32.053, as follows:

Sec. 32.053. DENTAL SERVICES. (a) Defines the “dental necessity” for a dental service or product.

(b) Prohibits a dental service or product from being provided under the medical assistance program unless there is a dental necessity for the service or product.

(c) Requires the Health and Human Services Commission or an agency operating part of the medical assistance program, as appropriate (department), in providing dental services under the medical assistance program, to:

- (1) ensure that a stainless steel crown is not used as a preventive measure;
- (2) require a dentist participating in the medical assistance program to document, through x-rays or other methods established by department rule, the dental necessity for a stainless steel crown before the crown is applied;
- (3) require a dentist participating in the medical assistance program to comply with a minimum standard of documentation and record-keeping for each of the dentist's patients;
- (4) replace the 15-point system used for determining the dental necessity for hospitalization and general anesthesia with a more objective and comprehensive system developed by the department; and
- (5) take all necessary action to eliminate unlawful acts described by Section 36.002 in the provision of dental services under the medical assistance program, including aggressively investigating and prosecuting any dentist who

abuses the system for reimbursement under the medical assistance program, and conducting targeted audits of dentists whose billing activities under the medical assistance program are excessive or otherwise inconsistent with the billing activities of other similarly situated dentists.

(d) Requires the department, in setting reimbursement rates for dental services under the medical assistance program, to:

(1) reduce the amount of the hospitalization fee in effect on December 1, 2000, and redistribute amounts made available through reduction of that fee to other commonly billed dental services for which adequate accountability measures exist; and

(2) eliminate the nutritional consultation fee and redistribute amounts made available through elimination of that fee to other commonly billed dental services for which adequate accountability measures exist;

(3) provide for reimbursement of a behavior management fee only if certain conditions are met; and

(4) redistribute amounts made available through limitation of the behavior management fee under Subdivision (3) to other commonly billed dental services for which adequate accountability measures exist.

(e) Requires the department to develop the minimum standard described by Subsection (c)(3) in cooperation with the State Board of Dental Examiners.

SECTION 2. Requires a state agency, if before implementing any provision of this Act it determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, to request the waiver or authorization and authorizes the agency to delay implementing that provision until the waiver or authorization is granted.

SECTION 3. Effective date: upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

Differs from the original as follows:

- Adds the definition of “dental necessity” and the prohibition against provision of a service or product without need.
- Refers to “dental” rather than “medical” necessity throughout the bill.
- Deletes a previously proposed reference to method of payment in the requirement that a dentist keep certain records.
- Uses the terminology “unlawful acts” rather than “fraud.”
- Redesignates previously proposed Section 32.053, Human Resources Code, Subsections (a), (b) and (c) as Subsections (c), (d), and (e).
- Deletes the previously proposed requirements regarding a zero tolerance fraud policy and random auditing of all dentists who provide services under the medical assistance program. Amends the provisions regarding the elimination of the nutritional consultation fee and the behavior management fee, and adds provisions regarding the behavior management fee.

- Amends a reference to a subsection to conform it to the redesignation of subdivisions.