

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
 FROM Eric Kurtz, JBC Staff (303-866-4952)
 DATE May 20, 2020
 SUBJECT Dental Benefits

The table below summarizes the estimated fiscal impact of the JBC's actions to date and the options presented in the fact sheet from the Colorado Dental Association. Last night the CDA sent an update to their fact sheet and the new information is noted in the table, but not estimated.

Dental Benefit Reductions		
	FY 20-21	FY 21-22
JBC Approved Changes		
Reduce annual cap to \$1,000	(\$1,470,864)	(\$2,941,728)
Reduce senior dental	(1,000,000)	(1,000,000)
Common policy 1% reduction	<u>(684,994)</u>	<u>(684,994)</u>
<i>JBC Approved</i>	<i>(\$3,155,858)</i>	<i>(\$4,626,722)</i>
Additional CDA Options		
Cap denture benefit to 1,000 utilizers	(\$3,053,909)	(\$6,107,818)
Provider rate reduction of another 3%	(3,403,072)	(3,403,072)
Further reduce senior dental	<u>(2,000,000)</u>	<u>(2,000,000)</u>
<i>Additional CDA Options</i>	<i>(\$8,456,981)</i>	<i>(\$11,510,890)</i>
General Fund Savings	(\$11,612,839)	(\$16,137,612)
Total Funds Impact on Providers	(\$28,269,492)	(\$39,942,310)
Reinvestments (added last night)		
Reinvest senior dental in adult dental	2,000,000	2,000,000
Protect benefit for high risk	Not estimated	Not estimated

It is not clear that the federal Centers for Medicare and Medicaid Services would approve a cap on utilizers for the denture benefit. The Department is investigating whether utilization criteria could be reduced in a way to achieve a similar result.

Due to the maintenance of effort requirements of the federal Families First Coronavirus Relief Act the benefit changes are assumed to achieve 50 percent of the total savings in FY 2020-21.