Is Your Dental Practice Prepared to Undergo a Medicaid Dental Audit?

(November 25, 2013): The link between oral health and overall health has been increasingly acknowledged over the years. Emphasis has been placed on children's oral health in particular. In fact, the *Children's Health Insurance Program Re-authorization Act of 2009* (CHIPRA) mandates that "child health assistance provided to a targeted low-income child shall include coverage of dental services necessary to prevent disease and promote oral health, restore oral structures to health and function, and treat emergency conditions."[1] The importance of good oral hygiene habits and preventive dental care cannot be overstated; yet, the federal government has not mandated even minimal dental benefits for low-income adult Americans through Medicaid. While dental coverage for low-income children is rather expansive, it is entirely up to states as to whether dental is covered for low-income adults at all. In any event, the likelihood that you will be subjected to a Medicaid dental audit by federal and / or state authorities has been increasing each year. In this article, we discuss the current enforcement environment, along with steps you can take to reduce your dental practice's level of risk.

I. State Medicaid Dental Care Differs from Jurisdiction to Jurisdiction:

The range of approaches by states to low-income adult dental coverage is vast, including from no coverage to coverage of all service categories. Some states are expanding their coverage of low-income adult dental care to both reflect the increasingly recognized importance of quality dental care and the increasing costs of dental care. For example, Indiana raised its cap on adult dental services from $600 per calendar year to $1,000 per calendar year in 2011.[2] Of course, the nation's fiscal crisis has also pushed states in the other direction, forcing states like Pennsylvania, Massachusetts, Illinois, California and Washington to cut ***"discretionary costs"*** from their Medicaid budgets, which has included dental coverage.[3]

II. The Likelihood of Your Practice Being Subjected to a Medicaid Dental Audit:

Not surprisingly, the increased recognition of the importance of preventive and quality dental care has also led to the increased scrutiny of dental services paid for by federal-state health benefit programs. The criminal conviction of a Virginia dentist in 2008 on felony charges of racketeering, health care fraud, and structuring a financial transaction sent vibrations throughout the dental world. The Virginia dentist was a long time provider of dental services in his community (the poorest area of his state, in fact), having begun his practice in 1981. By 2008, his payor mix was 50-50 Medicaid-private pay.

An "anonymous" complaint triggered the investigation of his practice which led to his conviction, though he had also been audited by Medicaid several times prior to that. Nobody disputes that

there were some mistakes in his practice's documentation and record keeping, including the Virginia dentist himself. Yet, as he stated in an interview:

> ***"the government's position was that these errors were not mistakes, but the errant claims were submitted to be paid for more than I was entitled."***

Both prior to serving his sentence and after his release, the Virginia dentist shared his story time and time again, stressing to his peers the importance of comprehensive documentation. As he stated in that same interview:

> ***"If I can prevent this situation from happening to anyone else, airing my "dirty laundry" will have been worth the embarrassment. […] If you become a Medicaid provider, be very, very careful! Document, document, document; review, check, and recheck. Make no mistakes!"***

As predicted, we've seen dentists across the nation come under increased scrutiny. Medicaid Integrity Contractors (MIC) in states such as Indiana and Texas have been particularly active. The MICs are requesting samples of medical documentation from as early as 2007, and are requesting the full ambit of documentation, from charts to billings.

III. The Medicaid Documentation Quandary:

Dentists should be aware of and expect Medicaid dental audit letters from their local MICs, which are generally followed by a site-visit. Unfortunately, the letters are broad, giving dentists no real sense of what types of services, if any, are being reviewed. The lack of focus, we believe, is indicative of the contractors' intent to review compliance with federal and state documentation guidelines in general. Many dentists document quite minimally, indicating the tooth at issue and the service that has been deemed medically necessary, with no indication or elaboration on the basis for that determination (e.g., treatment diagnosis, x-ray findings, etc.). We encourage our dental clients to ask themselves: would a peer be able to look at my documentation and come to the same conclusion as I did as to which service(s) was medically necessary? If not, the documentation is probably not sufficient for Medicaid standards. Remember that all of the dots need to be connected

for the MIC reviewer in the documentation. The MIC reviewer will not make any inferences in your favor.

IV. How Should a Dentist Respond to Medicaid Dental Audit?

In light of the increased scrutiny of dental services, dentists should review their forms and documentation procedures and update them accordingly if deficiencies are identified. Dentists should also apprise their staff of the current activity in the Medicaid dental world and establish a plan of action for how to respond in the event that the local MIC initiates an audit of their practice.

V. Final Remarks:

Now, more than ever, it is essential that dentists participating in the Medicaid programs review both their operational and documentation practices to ensure that a third-party examining their patient treatment records years from now can readily see why certain care and treatment decisions were made and that the services billed to the Medicaid program were medically reasonable and necessary.

 **Lorraine Ater, Esq. is a health law attorney with the boutique firm, Liles Parker, Attorneys & Counselors at Law. Liles Parker has offices in Washington DC, Houston TX, McAllen TX and Baton Rouge LA. Our attorneys represent dentists, orthodontists and other health care professionals around the country in connection with government audits of Medicaid and Medicare claims, licensure matters and transactional projects. Need assistance? For a free consultation, please call: 1 (800) 475-1906.**

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[1] **Title XXI of the Social Security Act, Section 2103(c)(5).**

[2] **On January 1, 2011, the cap on dental services for members age 21 and older was increased to $1,000 and included all covered dental services, including all emergency dental services.**

[3] **A more comprehensive** discussion of the Medicaid dental budget cuts **reflects the challenges faced by the states.**