

Fiscal Note

BILL # HB 2513

TITLE: AHCCCS; preventative dental care

SPONSOR: Shah

STATUS: As Introduced

PREPARED BY: Maggie Rocker

Description

The bill would provide preventative dental coverage for AHCCCS adults aged 21 or older.

Estimated Impact

We estimate that the bill would increase AHCCCS General Fund formula costs by \$7.2 million annually beginning in FY 2025, with total funds formula costs of \$32.3 million annually. The bill would prohibit the use of Hospital Assessment collections to fund dental costs for AHCCCS recipients receiving coverage via the Proposition 204 or Adult Expansion program.

Our estimates are based on an actuarial analysis from AHCCCS in 2023 that we have adjusted to account for estimated changes in population and inflation since that time.

AHCCCS has not yet responded with an updated estimate.

Analysis

AHCCCS currently provides emergency adult benefits up to \$1,000 per member per contract year. Under the proposed bill, the acute Medicaid adult population would also be eligible for preventative dental care, though the bill does not reference specific services. Preventative dental coverage typically includes services such as cleanings, oral exams and routine x-rays. Arizona Long Term Care System (ALTCS) Elderly and Physically Disabled (EPD) and Developmentally Disabled (DD) adults, as well as AHCCCS clients under the age of 21, already receive preventative dental care.

In a previous estimate from 2023, AHCCCS assumed member utilization would mirror that of utilization by members between ages 18 - 20 who currently receive Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services. This utilization rate multiplied by the number of acute adults aged 21 and older resulted in an annual cost of \$8.7 million General Fund (\$38.2 million Total Funds). The AHCCCS estimate assumed 2 cleanings, 2 exams, 1 fluoride application, and 1 set of x-rays.

Adjusting for inflation, changes to the federal match rate, and population change, we estimate the full-year cost of the proposal would increase General Fund spending by \$7.2 million (\$32.3 million Total Funds) annually.

Local Government Impact

None

1/29/24

