



President's Report

by Susan Klarner

► The business environment in California has been uncertain and prohibitive in many respects – there are issues we face frequently. So the theme of our most recent legislative conference was appropriate as we move forward in 2004 anticipating significant change in Sacramento. This year was a great opportunity to join experts from our industry as we came together to hear the latest insights and share information to support our ongoing business needs.

CADP has been actively involved in efforts to steer legislators to benefit the dental plan industry and consumers of our dental plan products. During our most recent member plan survey, we heard that regulatory activities, including the monitoring and understanding of the effect of proposed legislation, continues to be a top priority. These ongoing efforts also include educating regulators and staying in touch with legislative issues that directly affect the dental plan industry. The CADP Board of Directors continues to focus our association activities toward building and sustaining the appropriate relationships.

Over the past year, CADP has taken an active approach, responding to many critical issues affecting our member plans. First and foremost, we constantly strive to serve as an important resource for legislators, our members, and regulators on the many issues facing our industry to-

day. In the year to come, CADP will continue to illustrate the importance of consistency in regulation and develop models that were encouraged by individuals from within the DMHC. We will solicit participation on short-term task-forces and input as appropriate and provide further updates on a regular basis.

The CADP Board of Directors has several terms that are expiring this year. Elections for several three-year term positions will be held during the business meeting taking place at the Annual Conference in May.

On behalf of the Board of Directors, I would like to extend our appreciation of your ongoing commitment and support of the Association. The comments and feedback on the speakers at the legislative conference was resoundingly positive. So I challenge and encourage you to continue this level of support at this very important time. We look forward to seeing you at our 15th Annual Conference, May 5-8, at the Renaissance Esmeralda in Indian Wells. The latest update regarding the transition in Sacramento is sure not to disappoint. I look forward to seeing you all there!

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CALIFORNIA
ASSOCIATION
OF DENTAL PLANS

News

The CADP News is published quarterly. Your suggestions and/or comments are encouraged. Please write or call:

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Dots and Dashes

by D.E. FitzGerald, DDS, Chair, Quality Management Committee

▶ I returned recently from a five-day visit to Chicago, with daily meetings related to the code revision process the ADA is utilizing to establish CDT-5. This was the third meeting in a two-year cycle and following the appeals process will result in CDT-5 being available in July for implementation next January.

Trying to understand the machinations of the code revision process is a little like herding cats. Some of the background issues of importance are:

- The composition of the Committee was set as part of the settlement agreement between Delta Dental Plan of America and The ADA, a document not open to the public.
- The ADA received authority to set the code standards for HIPAA compliance.
- The code revision process is an "add, delete, change the descriptor" process. On the contrary, some ADA members want to start from "whole cloth."
- Representation currently includes ten voting members: Delta (DDPA), BCBSA, AAHP/HIAA, "Purchaser", CMS and five members from the ADA. Alternates are one for one for third party payers and CMS, three for five for ADA and non-existent for purchaser.
- Although codes are not specialty specific, specialty interests seem to drive the bulk of the code suggestions.

- Parallels between the CPT code process and CDT are almost non-existent.

The "whole cloth" issue will be handled through a Task Force so that it is better defined. There is also hope that clarity on descriptor codes will be forthcoming (ADA is opposed to the concept, but may be willing to compromise).

Non-ADA members go into the meetings better prepared now with background support from several organizations. This has led to an environment of collegiality, rather than earlier ADA "us/them" competitiveness. There now appears to be more mutual respect.

There also seems to be better understanding of unintended consequences, special interest intention, and the need for consistency. The meetings are volatile but well thought out. The cats still want to stray, but they seem to be going in more or less the same direction.

I also wanted to comment on member involvement with the ADA on Give Kids a Smile. WellPoint dentists made presentations to three schools to more than 2,500 children, identifying and treating more than 50 who had limited access to care. UCCI helped sponsor efforts to provide similar services to New Mexico children. PacificDental Benefits used the Southern Alameda County Dental Society to make their impact. All in all we can be very proud of these CADP members' community consciousness.

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Regulatory Update

Mary Powers Antoine, Esq., CADP Legal Counsel

▶ On February 25, 2004, Executive Director Jackie Miller and I met with Lew Chartrand, Assistant Deputy Director, and Warren Barnes, Senior Supervising Counsel, Department of Managed Health Care. We began by providing a background on the course of discussions between CADP representatives and the Department, beginning with the Mercer presentation and leading to the present meeting. We also discussed the various meetings and conversations between CADP representatives and Cindy Ehnes while she was still with the Department. Following this discussion, we provided Lew Chartrand with a copy of the Mercer White Paper, since he was unable to attend that presentation.

Considerable time was spent discussing standardized language for EOCs and the Department counsel's comments in recent months to CADP members regarding limitations and exclusions found in EOC filings. We emphasized the importance of structuring health plan products that are responsive to the consumer demands for price controls, and which provide clinically appropriate levels of benefits. The Department seemed particularly receptive to the concept of tiering benefits levels in order to provide a wide range of products in the marketplace.

The Department expressed its desire and willingness to review plan filings promptly when a plan informs the Department of a time-sensitive filing. However, the Department pointed out that in circumstances where it is asked to quickly review a filing, the counsel will need to reply that their comments may not encompass all of the issues the Department may have with the filing, and that the Department reserves the right to come back at a later date with additional comments. The Department considers such a position to be necessary to protect the public. Dental plans

should take this into consideration before requesting expedited review of a filing.

On the issue of mandated benefits, a great deal of time was spent discussing what appeared to be consistent and repeated pushbacks from Department counsel to various plans regarding challenges to limitations and exclusions found in plan EOC filings (e.g., limitations on bitewings and prophylaxis). CADP expressed the strong concern that these comments appeared to be inconsistent with the position expressed by Cindy Ehnes when we met with her in November. Ms. Ehnes had agreed that while it may be appropriate to go forward with standardizing EOC structures, the question of mandatory dental benefits should be left to a later discussion. We pointed out to the Department that we have received numerous examples from dental plans that give the strong impression that Department legal counsel has concluded that certain longstanding benefit exclusions and limitations are no longer acceptable. Further, it appears that Department counsel are applying these conclusions across the board to many plans. We expressed significant concern that these actions amounted to underground regulations, and asked the Department to refrain from continuing this practice until a dialog with plans has been opened and, if necessary, regulations issued. The Department listened to our concerns and agreed to explore the issue within the Department.

We also expressed concern to the Department that it continued practices that appear to be underground regulations, as evidenced by Mr. Chartrand's December 16, 2003, letter to the Governor's office.

Mr. Chartrand indicated his willingness to engage in regular conversations between the Department and CADP representatives to continue the discussion of issues of im-

portance to dental plans. Everyone agreed that it would be extremely beneficial to hold these meetings as soon as issues of general importance to dental plans become apparent so as to facilitate their rapid resolution. Further, both Mr. Chartrand and Mr. Barnes expressed great interest in seeing the results of the limitations and exclusions survey that Dr. John Gaebel of PacificDental Benefits had been preparing. We agreed to provide a copy of this document as soon as it was finalized and approved by the CADP Board.

At the end of the meeting, we agreed to the following action items:

- CADP Board of Directors would prioritize the issues it would like to discuss with the Department.
- CADP will provide the results of CADP's limitations and exclusions survey to the Department as soon as it is available.
- CADP representatives and Department representative would meet to discuss the issues in depth on an item-by-item basis.
- CADP and Lew Chartrand would have a pre-meeting conversation before each meeting to discuss the parameters of the discussion, and to identify the most appropriate attendees.
- CADP would continue to invite Department representatives to attend CADP general membership meetings to continue an open dialog between the plans and the Department.

We indicated to the Department that we would be back in touch with them following the March CADP Board meeting to follow up on these items.

Deloitte & Touche, LLP

15th Annual Conference Update

Make plans now to attend CADP's 15th Annual Conference, May 5-8! Taking place once again at the Renaissance Esmeralda Resort in sunny Indian Wells, you'll hear the latest in trends in the dental benefits industry, how (or whether) the regulatory atmosphere is changing in California, and other timely topics.

To make hotel reservations, call the Renaissance Esmeralda directly – (760) 773-4444. Reservations for the conference must be made by **April 6, 2004**. When making your reservation, please let the hotel know that you're attending the CADP conference.

To register for the conference, complete the conference registration form included in the newsletter and return it to CADP's administrative office. Contact CADP for a conference brochure, or download a packet from CADP's website, www.caldentalplans.org.

We'll see you in the desert!

"Dental Plans in California: A Changing Canvas" Program Co-Chairs: John Gaebel, DDS; Ronald Inge, DDS Tentative Schedule of Events ANNUAL CONFERENCE GENERAL SCHEDULE

Wednesday, May 5:

2:30 pm - 5:00 pm	Registration
2:30 pm - 5:00 pm	Exhibit set-up
3:00 pm - 5:00 pm	Annual Meeting
5:00 pm - 6:00 pm	Welcome Reception
6:30 pm - 8:00 pm	Board of Directors' Meeting

Thursday, May 6:

7:00 am - 5:00 pm	Registration
8:00 am - 8:45 am	Continental Breakfast
8:00 am - 4:00 pm	Exhibits Open
9:00 am - 4:00 pm	Annual Conference
7:00 pm - 10:00 pm	Fun Night - Cinco de Mayo Fiesta!

Friday, May 7:

7:00 am - 5:00 pm	Registration
7:30 am - 8:45 am	Continental Breakfast - Visit Exhibits
7:30 am - 2:00 pm	Exhibits Open
8:00 am - 4:00 pm	Quality Management Conference
9:00 am - 4:00 pm	Annual Conference

Saturday, May 8:

8:00 am - 4:30 pm	Quality Management Conference
8:30 am	Board of Directors' meeting

Speakers and Presentations:

Thursday, May 6:

9:00 am - 9:45 am	Keynote Presentation: <i>"Will the Old Masters Survive? Strategic Trends Driving Our Future"</i> Steven D. Tough, President & CEO, California Association of Health Plans (invited)
9:45 am - 10:30 am	<i>"A Renaissance Leader: Redefining Leadership to Support Strategic Growth"</i> Ron Cohn, Senior Consultant, Ralston Consulting Group
10:30 am - 11:00 am	Visit Exhibits
11:00 am - 12:00 pm	<i>"The DPM's View of Dental Plans – Cave Paintings or 21st Century Cubism?"</i> Steve Bilt, CEO, Bright Now! Dental
12:15 pm - 1:15 pm	Luncheon
1:30 pm - 3:00 pm	<i>"Dental Education: Art for All or for the Affluent?"</i> Speaker TBA
3:00 pm - 4:00 pm	Dessert with Exhibitors
7:00 pm	Fun Night: Cinco de Mayo Fiesta!

Friday, May 7:

9:00 am - 9:45 am	<i>"The Ultimate Critic — Arnold's DMHC: New Leadership or Performance Art?"</i> Representative, Department of Man- aged Health Care
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9:45 am - 10:30 am	<i>"From Finger Painting to Modern Master — The Latest in Marketing Research"</i> Chris Moore, McKee Wallwork Henderson
10:30 am - 11:00 am	Visit Exhibits
11:00 am - 11:45 am	<i>"Museum Piece or Living Art? - Managed Dental Benefits: Anachronism or Opportunity?"</i> Debora Karstetter, Executive Vice President, ABD Insurance and Financial Services
12:00 pm - 1:00 pm	Luncheon
1:00 pm - 2:00 pm	Dessert with Exhibitors
Joint Symposium:	
2:00 pm – 3:00 pm	<i>"Evidence-based Dentistry: Archeology or Art?"</i> Speaker TBA
3:00 – 4:00 pm	<i>"Mixing the Media: A New Collage - Integration of Medical and Dental Benefits"</i> Edward O'Neil, PhD, MPA, Director, Center for the Health Professions, University of California, San Francisco
4:00 pm	Annual Conference concludes
6:00 pm	Friday Evening Reception

Quality Management Conference General Schedule:

Friday, May 7:

7:00 am - 5:00 pm	Registration
7:30 am - 8:45 am	Continental Breakfast
7:30 am - 2:00 pm	Exhibits
8:00 am - 4:15 pm	Quality Management Conference
12:00 pm - 1:00 pm	Luncheon
1:00 pm - 2:00 pm	Dessert with Exhibitors
2:00 pm - 4:00 pm	Joint Symposium
6:00 pm	Friday Evening Reception

Saturday, May 8:

7:30 am – 9:30 am	Registration
7:30 am - 8:00 am	Continental Breakfast
8:00 am - 5:00 pm	Quality Management Conference
12:00 pm - 1:00 pm	Luncheon
4:30 pm	Credentialing Examination

Friday Program:

Co-Presenters:	D.E. FitzGerald, DDS, National Dental Director, WellPoint Dental Services
	Ivan Berger, DDS, Dental Director, SmileCare
	Karen Feldman, DDS, Dental Director, Golden West Dental & Vision Plan
	Charles Stewart, DMD, Manager, Quality Assurance, WellPoint Dental Services
8:00 am - 9:45 am	<i>Introduction and History</i>
9:45 am - 10:30 am	<i>Facility Lecture</i>
10:30 am - 11:00 am	Visit Exhibits
11:00 am - 12:00 pm	<i>Facility Case Study 1</i>
12:00 pm - 1:00 pm	Luncheon
1:00 pm - 2:00 pm	Dessert with Exhibitors
2:00 pm - 4:00 pm	Joint Symposium
2:00 pm – 3:00 pm	<i>"Evidence-based Dentistry: Archeology or Art?"</i>
3:00 – 4:00 pm	<i>"Mixing the Media: A New Collage - Integration of Medical and Dental Benefits"</i> Edward O'Neil, PhD, MPA, Director, Center for the Health Professions, University of California, San Francisco
6:00 pm	Friday Evening Reception

Saturday Program:

8:00 am – 10:00 am	<i>"California Law Update: Your Legal Lifeline!"</i> Speaker TBA
10:00 am - 11:45 am	<i>Facility Case Studies 2, 3 and 4, Study Time, Computer Entry</i>
12:00 pm	Luncheon
1:00 pm - 3:00 pm	<i>Review of Cases 2, 3 and 4</i>
3:30 pm - 4:30 pm	<i>Case 5</i>
4:30 pm	<i>Credentialing Examination</i>

Registration Information

REGISTRATION POLICIES

To qualify for advance registration fees, the CADP administrative office must receive registration form and payment by Wednesday, April 21, 2004. Registrations received after that date are subject to late registration fees. Only written cancellations received by April 21 will receive refunds (less a \$50 processing charge). *No refunds will be issued for cancellations after that date.*

To Register: Registration forms must be complete and accompanied by payment. CADP accepts checks, Visa, or MasterCard only. Checks should be made payable to CADP. If payment will be made by credit card, please complete the following information:

Credit Card Number _____ Exp. Date _____

Name on Card _____

Signature _____

Questions? Call (916) 446-3122, FAX (916) 444-7462 or e-mail: ttyler@amgroup.us.

REGISTRATION FEES

ANNUAL CONFERENCE - MAY 5-7, 2004

Registration Fees:	By April 21	After April 21
CADP member - 1st registrant from company	\$575	\$675
CADP member - Additional registrant(s), same company	\$450	\$550
AMCD Member	\$450	\$550
Non-CADP member	\$800	\$900
Non-affiliated spouse/guest (general sessions, luncheons)	\$200	\$225
Thursday evening event (spouse/guest)	\$100	\$125

QUALITY MANAGEMENT CONFERENCE - MAY 7-8, 2004

Registration Fees:	By April 21	After April 21
CADP member 1st registrant from company	\$415	\$515
CADP member - Additional registrant(s), same company	\$315	\$415
AMCD member	\$415	\$515
Non-CADP member	\$650	\$750
Thursday evening event (optional)	\$100	\$125

NOTE: Registrations in first four categories above include one ticket to the Thursday evening Cinco de Mayo event.

NOTE: Quality Management Conference fees do not include the Thursday evening Cinco de Mayo event. Tickets are \$100 and may be purchased separately. Complete the "Thursday Evening Event" portion of the registration form and include payment with the registration fee.

CONFERENCE REGISTRATION

Please type or print clearly. Your badge will reflect the information you give us. Make one copy for each person attending.

NAME _____ TITLE _____

ORGANIZATION _____ E-MAIL _____

ADDRESS _____ CITY _____ STATE _____ ZIP _____

PHONE _____ FAX _____

SPOUSE/GUEST NAME _____ E-MAIL _____

Annual Conference Registration Fee \$ _____
 Quality Management Conference Registration Fee \$ _____
 Non-affiliated Spouse/Guest Registration Fee \$ _____
 Thursday Evening Event (optional for Quality Management Conference & Spouse/Guest registrants) \$ _____

TOTAL FEE ENCLOSED \$ _____

For office use only	
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Amt. due	_____
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Update	_____



Mail registration form and payment to CADP, One Capitol Mall, Suite 320, Sacramento, CA 95814-3229.

In the News . . .

▶ **Health Care Unions Announce Partnership**—Two health care workers unions with a long history of clashing in the Legislature and of competing to organize hospital employees have announced a partnership pledging to present a united front on a common political agenda. The California Nurses Association (CNA) and the Service Employees International Union (SEIU) announced the partnership in mid-December. CNA represents 55,000 registered nurses at 150 facilities statewide, while SEIU, the larger of the two unions, represents 1.6 million members nationwide, 275,000 of them in California. Its ranks comprise lab technicians, cafeteria workers, and janitors, some licensed vocational nurses and certified nurse assistants. In addition to fighting for nurse-patient staffing ratios and preserving SB 2, a new state law requiring that employ-

ers purchase health insurance for employees, they also intend to back efforts to increase the number of unionized hospital workers.

▶ **Advocacy Group Sues Dental Board Over Fact Sheet on Fillings**—Consumers for Dental Choice, a consumer advocacy group, has filed a lawsuit against the Dental Board of California, seeking to force the distribution of a new fact sheet that outlines the potential health hazards of mercury used in dental fillings and citing concern that the board is trying to delay the release of the fact sheet.

▶ **Governor Details California Performance Review Process**—In February, Governor Arnold Schwarzenegger provided further details about his new California Performance Review, which he first



announced during his State of the State address. The review process will be headed by Billy Hamilton, who has run reform efforts nationally and in his home state of Texas, and Chon Gutierrez, a 32-year veteran of state government who now heads the Department of Motor Vehicles. Their efforts are expected to yield a series of recommendations by June 30 that will involve restructuring state government so that it is more efficient, effective and responsive to the public. Hamilton has overseen seven such reviews in Texas since 1991. He also has advised Oklahoma, North Carolina and Louisiana, and was a deputy director of the National Performance Review in 1993 under President Clinton. The review will cover 14 aspects of government, including technology and procurement.

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