

# Medicaid Reimbursement and Economic Sustainability in Alabama Pediatric Dental Practice

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## Background

Access to timely dental care is a critical component of pediatric health, yet many Medicaid-insured children experience substantial delays in receiving necessary treatment. In clinical settings such as UAB Pediatric Dentistry, extended wait times for routine restorative care (4+ months at Clinic 9 at CoA), sedation (4+ months), and general anesthesia (12+ month) reflect a broader strain on the provider network, as fewer practices are able to accommodate Medicaid patients. As a result, families frequently rely on academic and safety-net clinics, where demand exceeds capacity. These delays contribute to progression of preventable disease, increased need for invasive procedures, and greater reliance on hospital-based dentistry. For children and families, prolonged waitlists are associated with more severe oral health outcomes, missed school days, emergency department utilization, and disproportionate burdens on those already facing social and economic vulnerability. This project was initiated to better understand the factors contributing to these access challenges and to highlight the implications for both providers and the pediatric populations they serve.

**Objective:** This study evaluated economic alignment in Alabama pediatric dental practice by integrating Medicaid fee schedules, workforce salaries, and practice expenses using an inflation-adjusted framework.

## Methodology

This descriptive analysis integrated three domains:

1. Salary trajectories for providers (ADA Practice Survey data: National Median Annual Net Income of Specialists in Private Practice-Pediatric Dentist)<sup>1</sup>, dental assistants, and dental hygienists (Bureau of Labor data for Alabama State Wage Hourly Rate)<sup>2</sup> were evaluated by comparing 2024 wages with past years using nominal and Consumer Price Index<sup>3</sup>-adjusted growth.

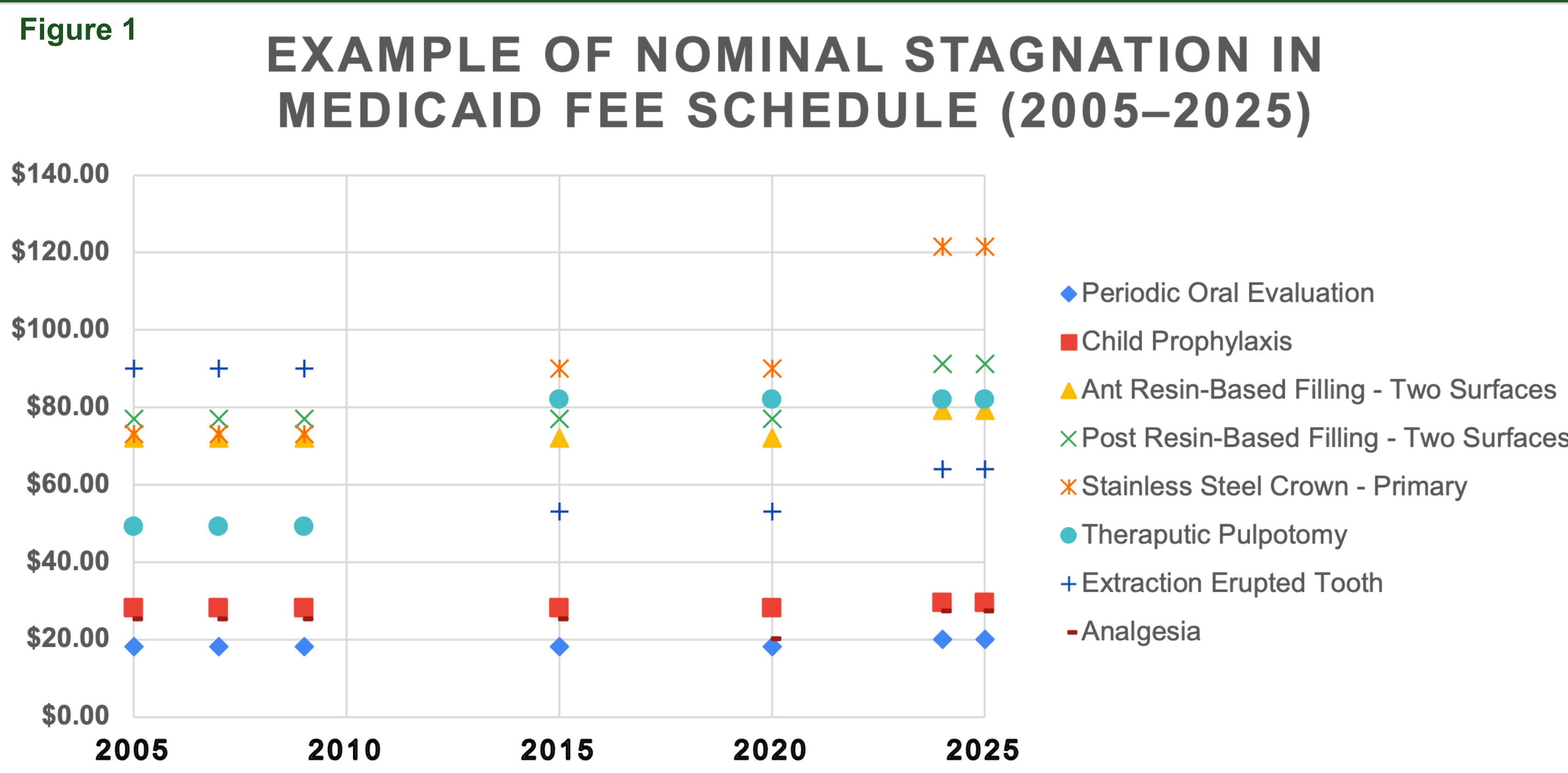
2. Pediatric dental practice expenses (ADA Practice Survey data: Median Practice Expenses Per Dentist (Excluding Shareholder Salaries) for Owner Specialists in Private Practice - Pediatric Dentistry)<sup>1</sup> were analyzed similarly using trajectory-based comparisons.

3. Medicaid fee schedules were analyzed by service type between 2005 and 2025 and after deflation.

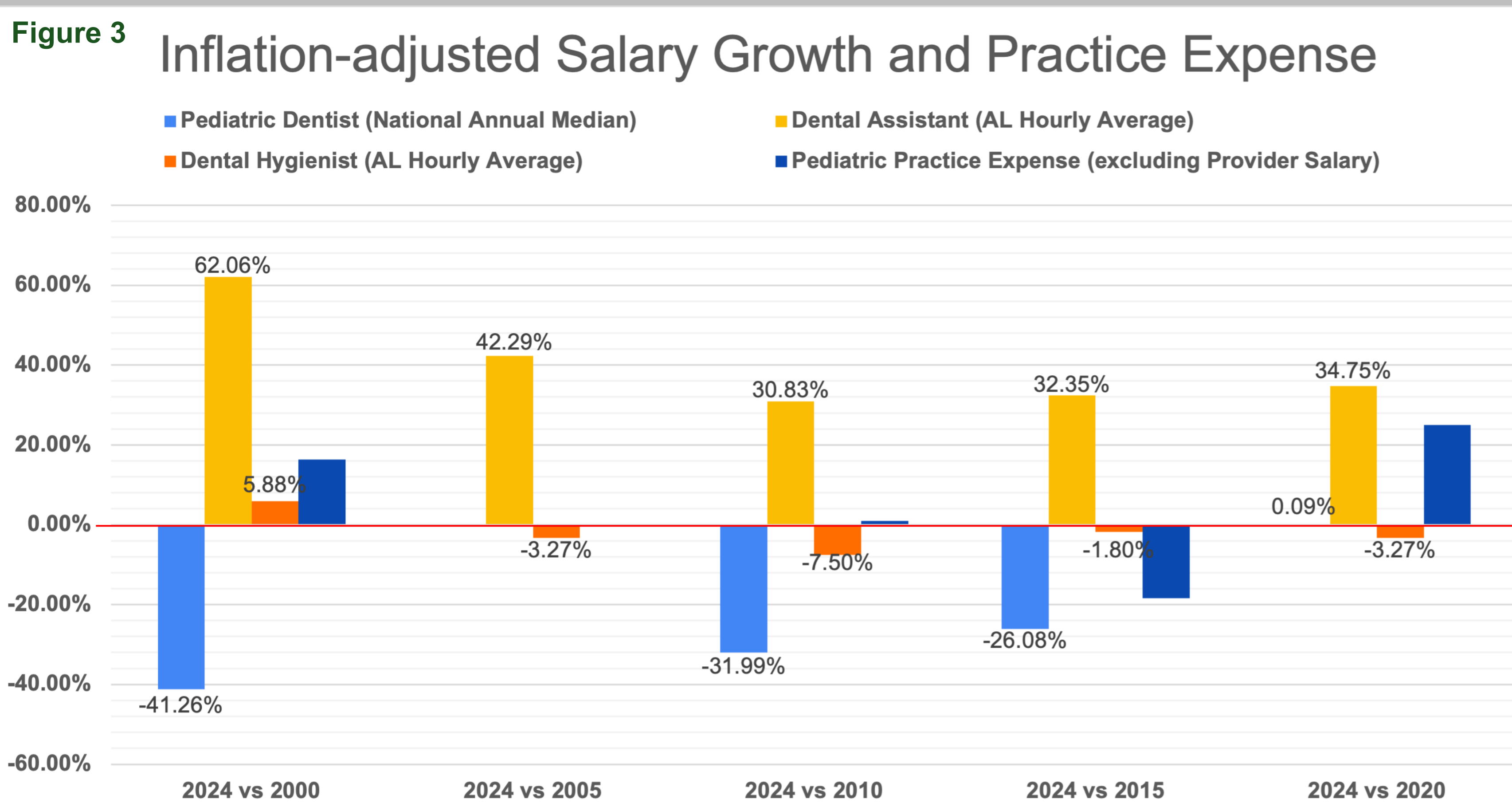
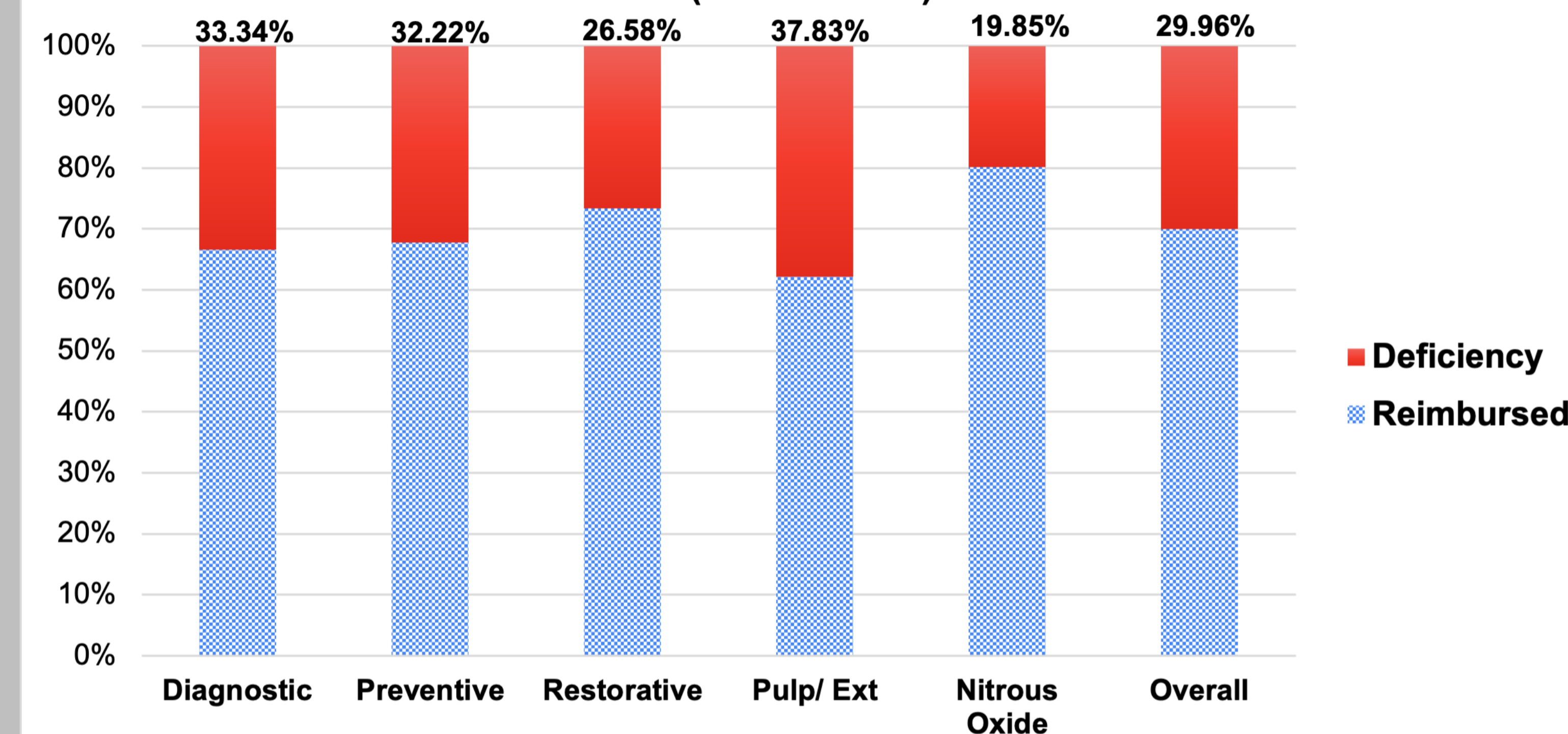
## References

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## Results



**Figure 2** Inflation-Adjusted Fee Growth in Alabama Medicaid by Service Category (2025 vs 2005)



## Conclusion

- Alabama Medicaid pediatric dental reimbursement has declined approximately 30% in real value over the past 20 years.
- Workforce and operational costs have not followed similar downward trajectories.
- Persistent economic divergence suggests increasing misalignment between reimbursement and pediatric practice sustainability.
- Ongoing monitoring and strategic alignment may support long-term access to pediatric oral healthcare.

## Discussion

### Sustained Inflation-Adjusted Erosion

- The results showed a structural erosion rather than short-term fluctuation.
- Lower relative reimbursement may influence provider participation decisions, particularly in labor-intensive pediatric practice models.

### Medicaid Reimbursement Relative to Other Payers<sup>4</sup>

- In 2024, Alabama Medicaid fee-for-service reimbursement for child dental services represented approximately 46.4% of average dentist charges.
- Medicaid reimbursement represented approximately 75% of average private dental insurance payment rates.
- This differential highlights the gap between Medicaid and commercial reimbursement structures within the same clinical market.
- Evaluating Medicaid reimbursement in relation to other payer systems provides additional context for assessing long-term sustainability.

### Practice Sustainability and Children Access to Care

- Previous study points out that the increasing reimburse rate may improve children's access to care, particularly in states with low reimburse rate and low dentist density<sup>5</sup>.
- Real reimbursement decline coinciding with rising staffing demands and practice cost may influence provider participation and reflect on dental service usage amount Medicaid-enrolled children and adolescents<sup>6</sup>.
- Prolonged misalignment may reduce Medicaid network stability and negatively impact access to care.

### Broader Access Implications

- Nominal fee increases may obscure real purchasing power erosion.
- Inflation-adjusted, cross-domain comparison provides a more accurate framework for evaluating reimbursement policy.
- This Methodology may be applied to other states.