

Table of Contents

State/Territory Name: Vermont

State Plan Amendment (SPA) #: 20-0011

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Companion Letter
- 3) CMS 179 Form/Summary Form (with 179-like data)
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

June 26, 2020

VIA E-MAIL

Mike Smith, Secretary
Vermont Agency of Human Services
280 State Drive - Center Building
Waterbury, VT 05671

Dear Secretary Smith:

Enclosed is an approved copy of the Vermont State Plan Amendment (SPA) 20-0011, received on March 31, 2020 proposing to eliminate co-payments for preventive dental services. The effective date for this SPA is January 1, 2020, as requested by your agency.

If you have questions concerning this letter, please contact Gilson DaSilva, Division of Program Operations (South Branch) at (617) 565-1227 or via e-mail at Gilson.dasilva@cms.hhs.gov.

Sincerely,

/s/

Ruth A. Hughes, Acting Director
Division of Program Operations

cc: Cory Gustafson, Commissioner, Department of Vermont Health Access
Dylan Frazer, Health Programs Administrator, VT Medicaid Policy Unit

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June 26, 2020

VIA E-MAIL

Mike Smith, Secretary
Vermont Agency of Human Services
280 State Drive - Center Building
Waterbury, VT 05671

Dear Secretary Smith:

This letter is being sent with the Centers for Medicare and Medicaid Services' (CMS) approval of Vermont's State Plan Amendment (SPA) #20-0011, consistent with the State Medicaid Director letter (SMD) #10-020 published on October 1, 2010 (relating to SPA review process), to address concerns that the state has not implemented a tracking system that complies with federal statute and regulations. Vermont's SPA #20-0011 proposes to eliminate cost sharing on preventive dental services and this policy has been approved.

During review of SPA #20-0011, CMS identified a cost sharing policy that is not consistent with federal requirements. Sections 1916A(a)(2)(B), (b)(1)(B)(ii) and (b)(2)(A) of the Social Security Act (the Act), implemented at 42 CFR §447.56(f), set an aggregate cap on the total premiums and cost sharing charged to a given beneficiary (or, in the case of a family with multiple beneficiaries, all beneficiaries in the household) to five percent of the beneficiary's family income. This five percent aggregate cap may be applied, at state option, on either a monthly or quarterly basis ("aggregate cap period").

As discussed on multiple phone calls with the state, the state has not yet implemented a system to track beneficiaries' premiums and cost sharing payments prior to beneficiaries reaching their household aggregate cap. As part of a SPA approved in 2016, the state had agreed to integrate tracking functionality into its eligibility and claims systems and review claims history after the quarter ended to reimburse any beneficiary who exceeded his/her aggregate cap in the prior quarter as a temporary mitigation. However, three years later, the state has still not integrated tracking functionality into its information systems due to project delays. CMS believes three years exceed a temporary mitigation. CMS has supplied some options for the state to consider as it re-examines its compliance with the tracking requirements.

During a phone call on June 25, 2020 CMS reiterated the need for the state to track cost sharing and premiums consistent with statutory and regulatory requirements. Tracking cost sharing and premiums is not integral to the purpose of SPA #20-0011. In accordance with SMD #10-020, CMS

explained to the state the option it has to resolve this issue separately from the approval of the SPA. The state informed CMS that it would like to address the steps needed to comply with federal policy concerning cost sharing and premium tracking separately. This letter initiates that separate process.

Please respond within 90-days of receipt of this letter by submitting a plan to bring the state plan into compliance with tracking requirements. During this 90-day period, CMS welcomes the opportunity to work with you and your staff. Should you or your staff have any questions, please contact Stephanie Kaminsky, Director, Division of Medicaid Eligibility and Policy at Stephanie.Kaminsky@cms.hhs.gov.

Sincerely,

/s/

Ruth A. Hughes, Acting Director
Division of Program Operations

cc: Cory Gustafson, Commissioner, Department of Vermont Health Access
Dylan Frazer, Health Programs Administrator, VT Medicaid Policy Unit

Medicaid Premiums and Cost Sharing: Summary Page (CMS 179)

State/Territory name: Vermont

Transmittal Number:

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

VT-20-0011

Proposed Effective Date

01/01/2020 (mm/dd/yyyy)

Federal Statute/Regulation Citation

42 CFR §430.12(c)(1)(ii)

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2020	\$ 14089.00
Second Year	2021	\$ 19033.00

Subject of Amendment

Removal of copays for preventive dental services.

Governor's Office Review

- Governor's office reported no comment
- Comments of Governor's office received

Describe:

- No reply received within 45 days of submittal
- Other, as specified

Describe:

Approved by the Secretary of Administration

Signature of State Agency Official

Submitted By: Dylan Frazer

Last Revision Date: Jun 9, 2020

Submit Date: Jun 9, 2020

Date Received: 03/31/2020

Date Approved: 06/25/2020

Effective Date of Approved Material: 01/01/2020

Signature of Regional Official:

/s/

Title: Ruth A. Hughes, Acting Director
Division of Program Operations



Medicaid Premiums and Cost Sharing

State Name:

OMB Control Number: 0938-1148

Transmittal Number: VT - 20 - 0011

Cost Sharing Amounts - Categorically Needy Individuals **G2a**

1916
1916A
42 CFR 447.52 through 54

The state charges cost sharing to all categorically needy (Mandatory Coverage and Options for Coverage) individuals.

Services or Items with the Same Cost Sharing Amount for All Incomes

Add	Service or Item	Amount	Dollars or Percentage	Unit	Explanation	Remove
Add	Pharmacy	1.00	\$	Prescription	\$1.00 for prescription drugs costing less than \$30.00. *Cost refers to the amount of reimbursement	Remove
Add	Pharmacy	2.00	\$	Prescription	\$2.00 for prescription drugs costing \$30.00 or more but less than \$50.00. *Cost refers to the amount of reimbursement	Remove
Add	Pharmacy	3.00	\$	Prescription	\$3.00 for prescription drugs costing \$50.00 or more. *Cost refers to the amount of reimbursement	Remove
Add	Outpatient	3.00	\$	Day	\$3.00 per day per hospital. Sexual assault related services are exempt from cost sharing.	Remove
Add	Dental	3.00	\$	Visit	\$3.00 per provider per date of service. Preventive dental services are exempt from cost sharing.	Remove

Services or Items with Cost Sharing Amounts that Vary by Income

Service or Item:

Indicate the income ranges by which the cost sharing amount for this service or item varies.

Add	Incomes Greater than	Incomes Less than or Equal to	Amount	Dollars or Percentage	Unit	Explanation	Remove
Add	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Remove

Cost Sharing for Non-preferred Drugs Charged to Otherwise Exempt Individuals

If the state charges cost sharing for non-preferred drugs (entered above), answer the following question:

The state charges cost sharing for non-preferred drugs to otherwise exempt individuals.



Medicaid Premiums and Cost Sharing

Cost Sharing for Non-emergency Services Provided in the Hospital Emergency Department Charged to Otherwise Exempt Individuals

If the state charges cost sharing for non-emergency services provided in the hospital emergency department (entered above), answer the following question:

The state charges cost sharing for non-emergency services provided in the hospital emergency department to otherwise exempt individuals.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20181119