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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES - OTHER MEDICAL CARE  
(Continued)

4. c. Family Planning Services

Family planning services are reimbursed in accordance with the methods and standards described within this State Plan for each specific service. The agency's rates were set as of 07/01/09 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

5. Physician's Services

Payment for a service rendered by a physician (M.D or D.O.) is made at the lower of the actual charge for the service or the Medicaid rate on file. Most rates were set using the Medicare Resource Based Relative Value Scale payment methodology. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

a. Supplemental Payments for Qualified Teaching Professionals

- a. Notwithstanding other provisions of this Attachment 4.19-B, effective 7/1/2011, supplemental payment will be paid according to this subsection for professional services performed by Qualified Teaching Physicians (QTPs). The purpose of the supplemental payment is to ensure access to essential professional services for Medicaid beneficiaries through the care provided by teaching physicians on the faculty of the University of Vermont (UVM) College of Medicine.

QTPs include those physicians who are:

1. Licensed by the State of Vermont, where applicable;
2. Enrolled as a State of Vermont Medicaid provider; and
3. Hold salaried appointments on the faculty of the UVM College of Medicine and are employed by UVM Medical Group.

- b. A supplemental payment will be made for services provided by QTPs in an amount equal to the difference between the Medicaid payments otherwise made for the services and payments at the Average Commercial Rate. Only the professional component of a procedure is eligible for a supplemental payment. Payment will be made quarterly and will not be made prior to the delivery of services.

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- c. The Average Commercial Rate to be paid to QTPs is determined as follows:
1. Compute the Average Commercial Fee Schedule: For the most recently completed calendar year, compute the average commercial payment rate per procedure code, including patient share amounts, paid by the top five commercial third party payers as determined by total billed charges reported for all QTPs. The average rate for each procedure code will be a straight average among all QTPs for which a rate is available.
  2. Calculate the Average Commercial Payment Ceiling: For the most recently completed calendar year, multiply the Average Commercial Fee Schedule rate for each procedure code as determined above by the number of times each procedure code was paid to QTPs on behalf of Medicaid beneficiaries as reported from the Medicaid Management Information System (MMIS). The sum of the product for all procedure codes subject to enhanced payment represents the Average Commercial Payment Ceiling.
  3. Calculate the Medicaid Payment Amount. Using the same data as in 11A.(c)(2), multiply the units for each procedure code by the most recent Medicaid rate on file for the procedure code.
- d. The Medicaid Supplemental Payment to QTPs is equal to 95% of the difference between the Average Commercial Payment Ceiling for the year and the total Medicaid Payment Amount for the year.
- e. The calculated supplemental payment amount is equal to 95% of the ACR as calculated and made available by the State for the calendar year.
6. a. Podiatrist's Services

Payment is made at the lower of the actual charge or the Medicaid rate on file. Most rates were set using the Medicare Resource Based Relative Value Scale payment methodology. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

- b. Optometrist's Services  
Payment is made at the lower of the actual charge or the Medicaid rate on file. Most rates were set using the Medicare Resource Based Relative Value Scale payment methodology. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.
- c. Chiropractors  
Payment is made at the lower of the actual charge or the Medicaid rate on file. Most rates were set using the Medicare Resource Based Relative Value Scale payment methodology. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

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6. d. Other Practitioners Services

1. Behavioral Health Services

Payment is made at the lower of the actual charge or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

2. Opticians' Services

Payment is made at the lower of the actual charge or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

3. High-Tech Nursing Services

Payment is made at the lower of the actual charge or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

4. Licensed Lay Midwife Services

Payment is made at the lower of the actual charge or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

5. Naturopathic Physician Services

Payment is made at the lower of actual charge for the service or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

7. Home Health Services

Payment is made at the lower of the actual charge of the Medicaid rate. The agency's rates were set as of 07/01/09 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

8. Private Duty Nursing

Payment is made at the lower of the actual charge of the Medicaid rate. The agency's rates were set as of 07/01/09 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

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9. Clinic Services

- a. Payment for clinic services other than a mental health clinic, comprehensive service clinics and Free Standing Dialysis Centers is made at the lower of the actual charge or the Medicaid rate. The agency's rates were set as of 10/12/08 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.
- b. Payment for mental health clinic services is made at the lower of the actual charge or the Medicaid rate. The agency's rates were set as of 10/12/08 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.
- c. Payment for comprehensive service clinics is made at the lower of the actual charge or the Medicaid rate. The agency's rates were set as of 10/12/08 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.
- d. Free Standing Dialysis Centers Payment is made at the lower of the actual charge or the Medicaid rate. The agency's rates were set as of 10/12/08 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

10. Dental Services

Payment is made at the lower of the actual charge or the Medicaid rate. The agency's rates were set as of 10/12/08 and are effective for services on or after that date. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

11. Physical Therapy and Related Services

Payment is made at the lower of the actual charge or the Medicaid rate. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

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15. a. Intermediate Care Facility Services (Nursing Facilities)

See Attachments 4.1 9-C and 4.1 9-D.

b. Intermediate Care Facilities for the Mentally Retarded

See Attachment 4.1 9-D.

16. Inpatient Psychiatric Facility Services for Individuals Under Age 22

See Attachment 4.19-A.

17. Nurse-Midwife Services

Covered nurse-midwife services are reimbursed at the lower of the actual charge or the Medicaid rate on file for a physician providing the same service. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers).

18. Hospice Care

Payment for hospice services is at a per diem rate, based on Medicare rates which are adjusted for Medicaid and published annually and established in accordance with Medicare regulations at 42 CFR 418, subpart G. Fee schedule will be updated concurrently with Medicare updates. Hospice payments for inpatient care are limited and paid in accordance with 42 CFR 418.302(g). Acquired Immunodeficiency Syndrome cases are included in the limitation calculation. The State does not apply the optional cap limitation on payments. The agency's rates were set as of 10/01/10 and are effective for services on or after that date. All rates are published at <http://dvha.vermont.gov/for-providers>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

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20. Extended Services to Pregnant Women

Payment is made at the lower of the usual and customary charge to the general public or the Medicaid rate on file for the particular service. The agency's rates were set as of 10/01/10 and are effective for services on or after that date. All rates are published at <http://dvha.vermont.gov/for-providers/claims-processing-1>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

21. Ambulatory Prenatal Care For Pregnant Women During a Presumptive Eligibility Period

Not provided.

22. Respiratory Care

Payment is made at the lower of the actual charge or the Medicaid rate on file. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at <http://dvha.vermont.gov/for-providers/claims-processing-1>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

23. Certified Pediatric and Family Nurse Practitioners

Covered pediatric or family nurse practitioner services are reimbursed at the lower of the actual charge or the Medicaid rate on file for a physician providing the same service. For services payable in Medicare's Resource Based Relative Values Scale payment methodology, the DVHA is utilizing the Medicare RBRVS RVUs, the Medicare GPCIs and State determined conversion factors as specified in Section 26. This methodology was updated for dates of service effective on or after January 1, 2012. All rates are published at <http://dvha.vermont.gov/for-providers/claims-processing-1>.

24. Any Other Medical Care And Any Other Type Of Remedial Care Recognized Under State Law, Specified By The Secretary

a. Transportation

Ambulance: Payment for ambulance services is made at the lower of the actual charge or the Medicaid rate on file. The agency's rates were set as of 07/01/08 and are effective for services on or after that date. All rates are published at <http://dvha.vermont.gov/for-providers/claims-processing-1>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

Non-Emergency: Payment for transportation other than that covered in the Ambulance paragraph above is made at negotiated rates under the terms of a provider agreement. The agency's rates were set as of 01/11/11 and are effective for services on or after that date. All rates are published at <http://dvha.vermont.gov/for-providers/claims-processing-1>. Except as otherwise noted in the Plan, State-developed fee schedule rates are the same for both governmental and private providers.

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25. Telemedicine

Telemedicine is defined as the practice of health care delivery by a provider who is located at a site other than the site where the patient is located for the purposes of evaluation, diagnosis, consultation, or treatment that requires the use of advanced telecommunications technology. Telephone conversations, chart reviews, electronic mail messages, and facsimile transmissions are not considered telemedicine.

The distant site provider uses telemedicine to provide a service to the patient at the patient site.

The applicable provider types are as follows:

1. Community Mental Health Clinics
2. Designated Agencies
3. Federally Qualified Health Centers
4. Rural Health Clinics
5. Physicians
6. Naturopathic Physicians

Qualifying distant site providers are reimbursed in accordance with the standard Medicaid reimbursement methodology.

Qualifying patient sites are reimbursed a facility fee. The fee is set at 80% of Medicare and is effective for services on or after 7/01/10; all rates are published at <http://dvha.vermont.gov/for-providers>. Payment is made at the lower of the actual charge or the Medicaid rate on file. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

26. Resource Based Relative Value Scale (RBRVS)

Effective for dates of service on or after January 1, 2012, the DVHA will reimburse qualified providers who deliver services that are covered by the DVHA and have a Relative Value Unit (RVU) listed on Medicare's RBRVS schedule by using the RVU listed on Medicare's RBRVS schedule in developing the DVHA's rate. There may be situations where the DVHA covers a service that is not payable in Medicare's RBRVS but a RVU is available. The DVHA will utilize the available RVU in this instance. There may be other situations where the DVHA covers a service that is not payable in Medicare's RBRVS and a RVU is not available. The DVHA will utilize the rate on file for this service as defined in Sections 5 through 25 above.

The components used to develop rates in the DVHA RBRVS payment methodology include the RVUs published by Medicare, the Geographic Practice Cost Indices (GPCIs) published by Medicare, and Conversion Factors which are specific to the DVHA fee schedule.

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Effective for dates of service on or after January 1, 2012, the RVUs used are the Medicare RBRVS values published by the Centers for Medicare and Medicaid on its website in the file RVU12A.zip. The DVHA will always use the Non-Facility values for the Practice Expense component of the RVU. The DVHA will follow Medicare's payment logic of using the lesser of the RBRVS or OPSS RVU values.

The GPCIs used by DVHA are 1.000 for Work, 1.008 for Practice Expense and 0.554 for Malpractice Insurance.

The DVHA will use three conversion factors for DVHA covered services payable in the RBRVS methodology. A conversion factor of \$29.08 is used for services in the following series: CPT 99382, 99383, 99384, 99392, 99393, 99394, 90801-90899 and 96101-96155. A conversion factor of \$27.98 is used for services in the following series: CPT 59000-59871, 70010-79999, 90471-90474, 98940-98943 and 99201-99480. For all other covered services payable in the RBRVS methodology, a conversion factor of \$21.28 is used.

Where the Vermont legislature has mandated a two percent reduction on rates paid to providers, the rate on file does not reflect this two percent rate reduction. Depending upon the provider billing the service, DVHA modifier pricing logic may also apply.

27. Anesthesia

Payment is made at the lower of the actual charge or the Medicaid rate on file. Effective for dates of service on or after January 1, 2012, the DVHA will reimburse qualified providers who administer anesthesia services covered by the DVHA using the Medicare payment formula of (time units of service + base unit) multiplied by a conversion factor. The units of service billed are based on Medicare billing requirements. The base unit values used by DVHA are those put in place by Medicare effective January 1, 2012. The DVHA will follow Medicare's changes to the base unit values by updating the base units each January.

1. The DVHA will not use Medicare's conversion factor for Vermont, but rather a conversion factor of \$18.15.

All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.

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