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State/Territory Name: Vermont

State Plan Amendment (SPA) #: 15-005

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

February 27, 2015

Hal Cohen, Secretary
Vermont Agency of Human Services
208 Hurricane Lane, Suite 103
Williston, Vermont 05495

Dear Secretary Cohen:

We are pleased to enclose a copy of approved State plan amendment (SPA) No. 15-005 with an effective date of January 1, 2015, as requested by your Agency.

This SPA transmitted a proposed amendment to your approved Title XIX State plan to update the rates paid for services under the Department of Vermont Health Access' Resource Based Relative Value Scale (RBRVS) methodology.



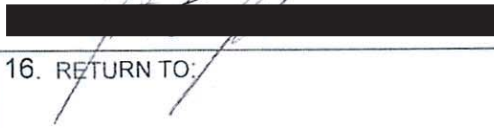

If there are questions, please contact Lynn Wolfsfeld at (401) 999-4004.

Sincerely,


Richard R. McGreal
Associate Regional Administrator

Enclosure

cc: Steven Costantino, Commissioner
Lindsay Parker, Health Programs Administrator, Policy Unit
Ashley Berliner, Medicaid Policy and Planning Chief, Policy Unit

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 15 - 005	2. STATE: VERMONT
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE(S) JANUARY 1, 2015	
5. TYPE OF PLAN MATERIAL (CHECK ONE):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §430.12(c)(1)(ii)		7. FEDERAL BUDGET IMPACT: a. FFY 2015 - \$ 52,284 b. FFY 2016 - \$ 67,529	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATT. 4.19-B PAGES 3, 9, 10		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) ATT. 4.19-B PAGES 3, 9, 10	
10. SUBJECT OF AMENDMENT: RESOURCE BASED RELATIVE VALUE SCALE (RBRVS) 2015			
11. GOVERNOR'S REVIEW (<i>Check One</i>):		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED	
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		SIGNATURE OF SECRETARY OF ADMINISTRATION 	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: 	
13. TYPED NAME: HAL COHEN		LINDSAY PARKER	
14. TITLE: SECRETARY, AGENCY OF HUMAN SERVICES		AGENCY OF HUMAN SERVICES 208 HURRICANE LANE WILLISTON, VT 05495	
15. DATE SUBMITTED: February 3, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 2/3/15		18. DATE APPROVED: 2/27/15	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/15		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Richard R. McGreal		22. TITLE Associate Regional Administrator, Division of Medicaid and Children's Health Operations, Boston Regional Office	
23. REMARKS			

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. 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. 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. The RBRVS methodology was updated for dates of service effective as specified in Section 26 of Attachment 4.19-B. All rates are published at 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.

(Continued)

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

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 by permitting two-way, real-time interactive communications between the patient at the originating site and the physician or practitioner at the distant site. Telephone conversations, chart reviews, electronic mail messages, and facsimile transmissions are not considered telemedicine.

With the application of the GT modifier, the distant site provider uses telemedicine to provide a service to the patient at the originating site.

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, 2015, 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.

(Continued)

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

Effective for dates of service on or after January 1, 2015, the RVUs used are the Medicare RBRVS values published by the Centers for Medicare and Medicaid on its website. The DVHA will utilize the Non-Facility values for services provided in the physician office and facility RVUs to providers when place of service is an inpatient hospital, outpatient hospital, emergency room, ambulatory surgical center, inpatient psychiatric facility, nursing facility or skilled nursing center. The DVHA will follow Medicare’s payment logic of using the lesser of the RBRVS or OPSS RVU values for those select procedures subject to the policy.

The GPCIs used are 1.000 for Work, 1.004 for Practice Expense and 0.682 for Malpractice Insurance.

Effective with dates of service on or after January 1, 2015, the DVHA will use one conversion factor for DVHA covered services payable in the RBRVS methodology. The DVHA will pay for these services using a conversion factor of \$28.71 multiplied by the RVU value on file with DVHA as referenced in the first paragraph on this page.

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. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.