

To: Senate Committee on Health and Welfare

From: Ashley Berliner, Director of Medicaid Policy, Department of Vermont Health Access (DVHA)

Date: January 19, 2024

Re: S.109: An act related to Medicaid coverage for doula services

Thank you, Chair Lyons, and members of the Committee. I am not able to provide a position from the administration at this time, but do want to speak to several of the provisions within the rule.

The bill requires DVHA to do the following:

1. **Provide Medicaid coverage** of qualified doula services for childbirth education and support services, including physical and emotional support, during pregnancy, labor and delivery, and the postpartum period.
 - a. DVHA cannot state a position at this time.
2. **Maintain a registry** of qualified doulas who have met all of the requirements.
 - a. DVHA is unable to maintain a registry of providers, but would maintain a list of Medicaid-enrolled doulas. The provision of this bill should be reassigned to the Office of Professional Regulation (OPR). OPR maintains provider registries and ensures that they meet specific qualifications.
3. **Reimburse on a FFS** basis, at a rate not to exceed \$850, allocated specifically:
 - \$25.00 per hour for prenatal visits, not to exceed 4 hours;
 - a flat fee of \$650.00 for physical and emotional support for the entire course of the mother's labor and delivery, which shall include unlimited telephone and e-mail contact and the doula's commitment to be available on an on-call basis;
 - \$25.00 per hour for postpartum visits, which may include 10 postpartum hospital visits, not to exceed 2 hours;
 - up to \$50.00 for administrative expenses.
 - a. DVHA does not support this provision.
 - b. This does not establish a reimbursement methodology, but rather just a flat dollar amount, which makes it difficult to effectively provide rate updates in the future. When establishing new reimbursement methodologies, DVHA engages with our external rate setting



consultants to leverage their expertise. This process allows DVHA to take a holistic approach when establishing a reimbursement methodology for services, and also ensures a defined rate methodology that allows for routine updates to the fee schedule.

That said, we have built a fiscal estimate based on the rates in this provision. Fiscal Impact of the services to the State and Federal would be dependent on how many women utilized the doula services. From 2021 to 2022, Medicaid paid for an average of 2,137 births per year.

Estimated Service Utilization	Maximum Annual Gross (assuming the full \$850 was billed per birth)
10%	\$181,645
30%	\$544,935
50%	\$908,225
70%	\$1,271,515
100%	\$1,816,450

It is understood that the rate as currently written in the bill may not be sufficient. If covered DVHA will work with subject matter experts to determine an appropriate rate that ensures access for Medicaid members.

4. Act shall take effect on July 1, 2023 or upon approval of a state plan amendment, whichever is later.
 - a. This will require a new provider type in Vermont's very old MMIS. This takes a lot of amount of time to program due to the old system, and there are many changes already queued up for next year.

That said, the MMIS team reported some encouraging news around timeline. If passed, DVHA will make every effort to prioritize this legislative requirement to work. While an initial request was made that bill be effective on July 2025, DVHA now feels it could accommodate an earlier implementation schedule and requests that the effective date be revised to January 2025 to allow for prioritized programming of the MMIS for a new provider type and billing structure. Language around CMS approval of State Plan should remain.

Thank you, and we will be happy to assist with any questions on this testimony.