

## MEMORANDUM

To: Sen. Claire Ayer, Chair, Senate Committee on Health and Welfare  
Sen. Jane Kitchel, Chair, Senate Committee on Appropriations  
Sen. Tim Ashe, Chair, Senate Committee on Finance  
Rep. Michael Fisher, Chair, House Committee on Health Care  
Rep. Sarah Copland Hanzas, Vice Chair, House Committee on Health Care

From: Mark Larson, Commissioner

Cc: Doug Racine, Secretary, Agency of Human Services

Date: January 24, 2013

Re: Payment Rates under the Enhanced Primary Care Program (EPCP)

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Primary care providers qualify for a federal program called **the Enhanced Primary Care Program (EPCP)**. It began in 2013 and continues through calendar year 2014. The program allows for payment to qualifying primary care providers at **an approved “Medicare rate” for a select set of evaluation and management (E&M) and vaccine administration services**; specifically, the federal government agrees to pay 100% of the difference between the Medicaid and Medicare rate. Vermont’s participation in this program resulted in an approximately 30% increase in the rates for these services compared to 2012.

As this is a federal program, DVHA must follow the rules of the program with regard to calculation of the Medicare rate. Under these federal rules, rates went down slightly for 2014. However, the rates are still well above what they were in 2012 and what they would be if we did not participate in the program. Table 1 below summarizes the rate changes under the EPCP from 2012-2014.

*This program is scheduled to end on December 31, 2014 and therefore, without an extension of federal funding or increased state funding, rates will drop to the Medicaid rate at that time.*

**For all non-EPCP services**, rates were increased consistent with the approved Medicaid rate increases starting on November 1, 2013. Note that our payment system updates and historic growth in the utilization of an individual service can mean that a service-level, “percentage increase” can vary from the aggregate increase. Table 2 summarizes examples of these positive changes for services typically billed by primary care practices.

Another important nuance is that part of these rate increases included removal of a 2% reduction implemented in 2010 for some services. Because this reduction was not reflected on published fee schedules, the impact would only be seen on the remittance (i.e., the final bill). Said another way, the impact of this change must be accounted for as an additional increase above what is reflected in published rate schedules.

**Table 1. Summary of EPCP Services (2012-2014)**

CODE	Description	2012	2012 (2% reduction)	2013	2013 (2% reduction)	2014	Difference Between 2012-2013	Difference Between 2012-2014
90471	Immunization admin	\$19.86	\$19.46	\$27.42	\$26.87	\$25.22	35%	30%
99211	Office/outpatient visit est	\$16.19		\$21.60		\$20.14	33%	24%
99213	Office/outpatient visit est	\$57.28		\$76.01		\$72.83	33%	27%
99214	Office/outpatient visit est	\$84.70		\$111.72		\$107.49	32%	27%
99215	Office/outpatient visit est	\$113.67		\$149.79		\$143.94	32%	27%
99381	Init pm e/m new pat infant	\$87.80		\$115.36		\$110.75	31%	26%
99382	Init pm e/m new pat 1-4 yrs	\$95.46		\$120.22		\$115.59	26%	21%
99383	Prev visit new age 5-11	\$98.83		\$125.12		\$120.51	27%	22%
99384	Prev visit new age 12-17	\$111.26		\$140.90		\$136.13	27%	22%
99385	Prev visit new age 18-39	\$104.25		\$136.92		\$132.15	31%	27%
99386	Prev visit new age 40-64	\$120.82		\$157.92		\$152.47	31%	26%
99387	Init pm e/m new pat 65+ yrs	\$130.97		\$171.73		\$165.57	31%	26%
99391	Per pm reeval est pat infant	\$78.08		\$103.56		\$99.67	33%	28%
99392	Prev visit est age 1-4	\$86.85		\$110.27		\$106.40	27%	23%
99393	Prev visit est age 5-11	\$86.56		\$109.90		\$106.04	27%	23%
99394	Prev visit est age 12-17	\$94.72		\$120.39		\$116.15	27%	23%
99395	Prev visit est age 18-39	\$93.10		\$122.92		\$118.68	32%	27%
99396	Prev visit est age 40-64	\$99.30		\$130.91		\$126.49	32%	27%
99397	Per pm reeval est pat 65+	\$107.33		\$141.26		\$136.13	32%	27%

\*2013 rates shown are prior to change on November 1, 2013

\*\*E&M codes were not subject to the 2% reduction

**Table 2. Summary of Select non-EPCP Services (2012-2014)\***

CODE	Description	2012	2012 (2% reduction)	2013	2013 (2% reduction)	2014	Difference Between 2012-2013	Difference Between 2012-2014
36415	Routine venipuncture	\$8.00	\$7.84	\$8.00	\$7.84	\$8.00	0%	2%
81002	Urinalysis nonauto w/o scope	\$2.49	\$2.44	\$2.49	\$2.44	\$2.49	0%	2%
83036	Glycosylated hemoglobin test	\$13.52	\$13.25	\$13.52	\$13.25	\$13.52	0%	2%
85610	Prothrombin time	\$5.42	\$5.32	\$5.42	\$5.31	\$5.42	0%	2%
93000	Electrocardiogram complete	\$11.79	\$11.55	\$14.50	\$14.21	\$13.32	23%	3%

\*2013 rates shown are prior to change on November 1, 2013