

Cover note for two documents from DVHA re payments for group psychotherapy

You replied to this message on 2/12/2016 2:00 PM.

From: Parker, Lindsay <Lindsay.Parker@vermont.gov> Sent: Fri 2/12/2016 12:22 PM
To: William Lippert
Cc: Costantino, Steven; Hathaway, Carrie; Schilling, Lisa; Berliner, Ashley; Loring Starr; Nolan Langweil; Christopher Pearson; French, Aaron
Subject: DVHA Memo - Group Psychotherapy

Message 2016_2_12_HHC_Group Therapy Rate.pdf (397 KB)
W~Ashley Berliner, Department of Vermont Health Access~FY2016 Budget Adjustment - Group Therapy Presentation~1-14-2016.pdf (300 KB)

Hello Representative Lippert,

Attached please find a memo from DVHA Commissioner Costantino regarding group psychotherapy and Medicaid reimbursement, including a historical look at the reimbursement rate and utilization of the code for group psychotherapy.

We are also attaching a presentation from DVHA to House Committee on Appropriations. This presentation includes a description of Resource Based Relative Value Scale (RBRVS) methodology and fee schedule, which includes group psychotherapy (code 90853), as well as an explanation of why it is not preferable to pull a single service (like group therapy) from the fee schedule.

Below is information that DVHA previously shared with Representative Johnson. The following shows the estimated cost of increasing Medicaid rates for all services based on RBRVS to 100% of Medicare (again this includes the rate for group therapy).

1) To increase RBRVS rates to 100% of Medicare:

Gross: \$27.5M
State: \$12.0M
Fed: \$15.5M

The rate for 90853 would be \$25.58 if DVHA were to pay exactly what Medicare does (100% of Medicare).

2) The cost to increase 90853 to \$40 and all RBRVS rates to % Medicare equivalent:

At \$40 the 90853 code would be priced at approximately 157% Medicare. The cost to increase all RBRVS codes to 157%:

Gross: \$107M
State: \$ 48M
Fed: \$ 59M

Thank you,
Lindsay