



State of Vermont
Agency of Human Services
208 Hurricane Lane, Suite 103
Williston, VT 05495

Global Commitment Register

March 3, 2016

GCR 16-005
FINAL

Outpatient Prospective Payment System (OPPS) 2016

Policy Summary:

The Department of Vermont Health Access (DVHA) is filing Vermont Medicaid State Plan Amendment (SPA) #16-011 to change the rates paid for hospital outpatient services. DVHA sets rates based on the Medicare national median rates without locality adjusters except when otherwise specified in the State Plan. When DVHA uses the Medicare national median rates, it makes an adjustment to the rates using an adjustment percentage. The DVHA rates that will be in place effective March 1, 2016 are the national median rate set by Medicare effective January 1, 2016 multiplied by the following percentages: 112.17% (increase from 92.79%) for in-state hospitals with Medicare Critical Access Hospital (CAH) designation; 74.76% (decrease from 86.64%) for in-state hospitals without CAH designation; 74.76% for Dartmouth Hitchcock Medical Center; 69.80% for all other out-of-state hospitals. With these rates, DVHA has factored in an assumption related to provider-based billing that will yield estimated annualized payments of \$20,000,000 to hospitals. Hospitals for the first time were able to be reimbursed for provider based billing in 2014. The \$20,000,000 represents the estimated amount of provider based billing that Medicaid will reimburse for in 2016. Therefore, the fiscal impact of these rate changes, inclusive of the assumption related to provider based billing payments, is an annualized increase of \$55,668.

Effective Date:

March 1, 2016

Authority/Legal Basis:

These changes are being made pursuant to 42 CFR §430.12(c)(1)(ii) under the Medicaid State Plan, which can be found here: <http://dvha.vermont.gov/administration/state-plan>.

Population Affected:

All Medicaid

Fiscal Impact:

	Current State Fiscal Year	Next State Fiscal Year
State	\$8,554	\$25,423
Federal	\$10,002	\$30,239

Total	\$18,556	\$55,668
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Additional Information:

The draft SPA provides additional details on the proposed changes; copies of the draft SPA can be found on the DVHA website: <http://dvha.vermont.gov/global-commitment-to-health/global-commitment-register-proposed-policy-changes>.