

MEMORANDUM

TO: Michael Smith, Secretary, Agency of Human Services

FROM: Cory Gustafson, Commissioner, Department of Vermont Health Access

CC: Sarah Squirrel, Commissioner, Department of Mental Health
Monica Hutt, Commissioner, Department of Disabilities, Aging and Independent Living
Ken Schatz, Commissioner, Department for Children and Families
Jim Baker, Interim Commissioner, Department of Corrections
Dr. Mark Levine, Commissioner, Vermont Department of Health

DATE: March 20th, 2020

SUBJECT: Vermont Medicaid: Emergency Response to COVID-19

Effective Friday, March 13th, Vermont Medicaid began planning for and implementing changes in response to the Governor's declaration of a State of Emergency¹ in the State of Vermont produced by coronavirus disease 2019 (COVID-19). These changes are intended to assure access to care for Vermonters, enable Medicaid providers to receive reimbursement for services provided for their patients during the State of Emergency produced by COVID-19, and support financial viability of the health care system.

The Department of Vermont Health Access is working to implement the following flexibilities during the State of Emergency:

Eligibility and Enrollment Flexibilities

1. Temporarily waiving financial verifications required for those seeking to enroll in health insurance;
2. Extending out coverage periods until after the emergency ends;
3. Examining system capability for temporarily waiving Dr. Dynasaur premium obligations;
4. Suspending certain terminations of health insurance;
5. Offering a Special Enrollment Period (1 month) for those who do not currently have health insurance to enroll in a qualified health plan and receive premium and cost-sharing assistance, if eligible. (Eligible Vermonters can continue to apply for, and enroll in, Medicaid at any time.)

¹ Declaration of [State of Emergency](#) in Response to COVID-19.

Provider Enrollment Flexibilities

1. Temporarily waive provider enrollment requirements to ensure a sufficient number of providers are available to serve Medicaid enrollees. Such requirements include the payment of application fees, criminal background checks, or site visits.
2. Temporarily cease the revalidation of providers who are located in-state or otherwise directly impacted by a disaster.
3. Temporarily waive requirements that physicians and other health care professionals be licensed in the state or territory in which they are providing services, so long as they have equivalent licensing in another state.

Cost-Sharing Flexibilities

1. Exempt all co-payments for outpatient hospital services for Medicaid members during the Emergency produced by COVID-19;
2. [Exempt co-payments for supportive medications](#) (i.e. cough/cold/analgesics/inhalers) for Medicaid members during the Emergency produced by COVID-19.

Additional Pharmacy benefit changes:

- Allowing members to receive early refills for medications to ensure Medicaid members have up to an extra 30-day to 90-day supply as needed.
- Expanding the allowed day supply limit for Suboxone, buprenorphine, and buprenorphine/naloxone prescriptions up to a 30-day supply.
- Removing the 90-day supply requirement for select medications to allow Vermont pharmacies to better manage their inventory to avoid medication shortages.

Coverage and Reimbursement Response

1. [Coverage and reimbursement for the use of 3 ‘triage codes’](#) to allow providers to receive payment for brief virtual communication services used to determine whether an office visit or other service is needed.² These codes, G0071 (virtual communication services for FQHCs and RHCs^{3,4,5}), G2012 (i.e., virtual check-in via telephone) and G2010 (i.e., remote evaluation of a recorded video or image) for providers in non-FQHC/RHC settings, are often referred to as ‘triage codes’ because they are intended to allow providers to be reimbursed when a patient checks in with the provider via telephone or other telecommunications device to decide whether an office visit or other service is needed.
2. Providing reimbursement at the same rate for medically necessary, clinically appropriate services (e.g. new patient and established patient office visits, psychotherapy, etc.) [delivered by telephone](#) as the rate currently established for Medicaid-covered services provided through telemedicine/face-to-face.
3. Importantly, it was announced on Tuesday, March 17th by the Office for Civil Rights at the U.S. Department of Health and Human Services (HHS) that [effective immediately, the Office will exercise its enforcement discretion and will waive potential penalties for HIPAA violations against](#)

² G0071 for FQHCs and RHCs only and G2012 & G2010 for providers located in non-FQHC/RHC settings.

³ FQHC: Federally Qualified Health Center; RHC: Rural Health Clinic.

⁴ <https://www.cms.gov/Center/Provider-Type/Federally-Qualified-Health-Centers-FQHC-Center>

⁵ <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FQHCPPS/Downloads/VCS-FAQs.pdf>

[health care providers](#) that serve patients through everyday communications technologies, such as FaceTime or Skype, when used in good faith for diagnosis or treatment during the COVID-19 nationwide public health emergency.⁶ Vermont Medicaid already covers the use of telemedicine for services that are medically necessary and clinically appropriate for delivery by telemedicine, including for mental health and substance use disorder treatment.

Additionally, the Department of Vermont Health Access plans, in consultation with the Agency of Human Services and the provider community, to the best of its ability with consideration of financial constraints and as of yet to be determined federal financial support, to preserve access to health care services and is assessing the feasibility of the following financial flexibilities during the State of Emergency:

Mechanisms to Support Financial Viability of the Health Care System

1. Examining the process for suspension, with immediate effect and until further notice during the State of Emergency, all payment schedules currently in effect relating to health care provider assessments under Chapter 19 of Title 33 of Vermont Statutes and fiscal impact on the State budget. During the period of suspension, providers would not be obligated to make payments under their provider tax payment schedules. The suspension would be a temporary grant of forbearance only.⁷
2. Exploring mechanisms for providing payments to Medicaid-participating providers for continued delivery of health care services during the COVID-19 emergency response upon need demonstrated by a participating provider's application for financial assistance, determination by the Agency of Human Services following review of required financial documents that the Medicaid-participating provider is experiencing financial hardship warranting Agency intervention, and receipt of approval from the Centers for Medicare and Medicaid Services indicating appropriate use of Medicaid funds.
3. Evaluating a temporary alternative payment methodology that would pay a Federally Qualified Health Center or Rural Health Clinic the same revenue that it would have earned from Medicaid if the number of paid Medicaid encounters during the 2020 performance period were equivalent to 98% of the number of paid Medicaid encounters during the 2019 measurement period.

⁶ <https://www.hhs.gov/about/news/2020/03/17/ocr-announces-notification-of-enforcement-discretion-for-telehealth-remote-communications-during-the-covid-19.html>

⁷ A temporary grant of forbearance shall not be construed as a waiver or forgiveness of any provider assessment amount properly levied under applicable Vermont law.