VERMONT
AGENCY OF HUMAN SERVICES
DEPARTMENT OF VERMONT HEALTH ACCESS

Medicaid Reimbursement Goals and Approaches

Department of Vermont Health Access (DVHA)

February 12, 2020

DVHA Reimbursement Goals

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- To be a reliable and predictable payer partner
- To continually professionalize Medicaid reimbursement methodologies
- To efficiently allocate resources to ensure access to cost-effective care for Medicaid members
- To identify opportunities to pay for value and enable delivery system transformation

DVHA Organizational Alignment

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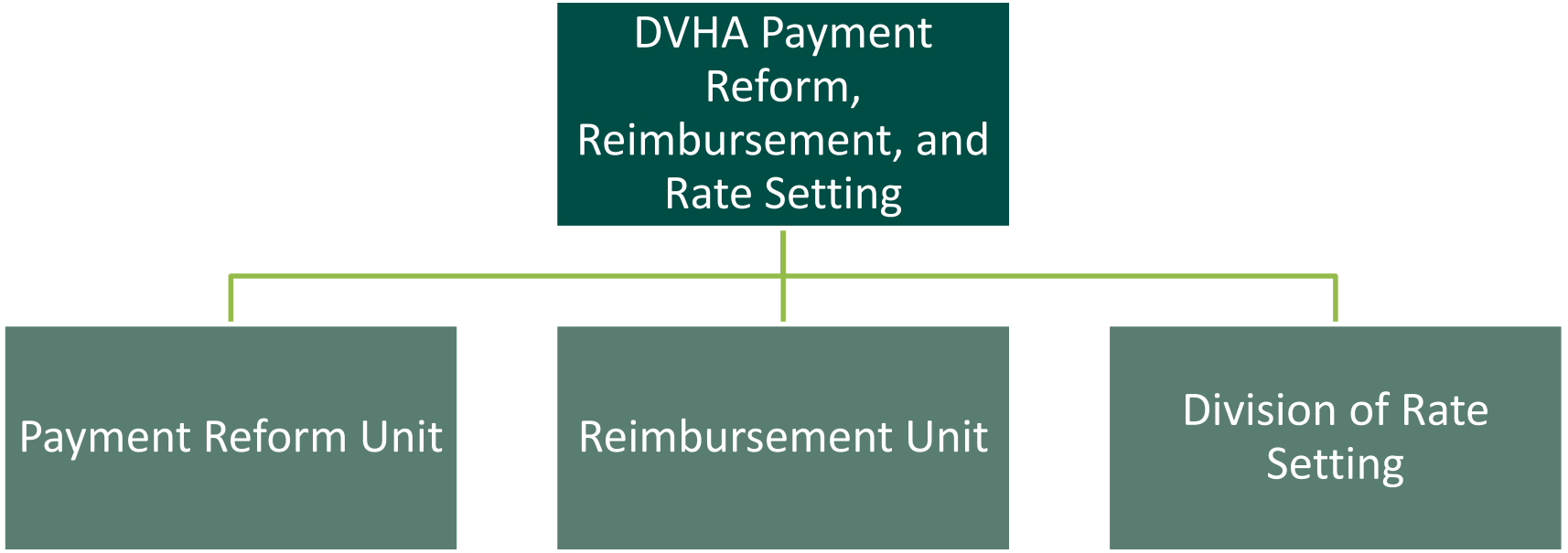

Professionalizing Reimbursements

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- Establishing a predictable schedule for fee schedule and/or rate updates
- Aligning with other payer methodologies (and rates) where possible
- Limiting the number of methodological exceptions
- Communication about proposed changes with providers prior to implementation

Approaches to Reimbursement

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Fee Schedules

- Standardized rates across providers for each unit of service

Cost-Based Reimbursement

- Payments specific to each provider organization

Alternative Payment Models

- Bundled payments
- Population-based payments
- May include payments for performance

LTSS HCBS Rates Maintained by DVHA

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Rates Maintained by DVHA	Last Update	Frequency
Medicaid State Plan Home Health Services (includes home health, hospice, and high-technology nursing services)	07/01/2019 GCR 19-030 – 2% FFS increase	Annual Note: methodology development planned for 2020
Medicaid State Plan Assistive Community Care Services	07/01/2019 GCR 19-033 - $5 per day increase	Annual (proposed) Note: methodology development planned for 2020
Choices for Care Nursing Facility Rates	01/01/2020 (quarterly update) Administrative Rule	Quarterly case mix adjustment; Annual inflationary update; Full cost rebase every 4 years

If DVHA were to develop and maintain methodologies for additional services, staffing resources would be needed to support these processes ongoing. Methodologies that contemplate annual rate increases would also require annual budgetary appropriations.