



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

2/24/2025

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### **H.13 – An act relating to Medicaid payment rates for home- and community-based service providers**

**As passed by the House of Representatives**

#### **Bill Summary**

**T**he bill would address Medicaid payment rates for home- and community-based service (HCBS) providers, designated agencies (DAs) and specialized services agencies (SSAs). The bill would require the Secretary of Human Services:

- To determine payment rates for HCBS providers, DAs, and SSAs that are “reasonable and adequate to achieve the required outcomes for the populations they serve.”
- To consider geographic differences in wages, benefits, housing and real estate costs in each region of the State when determining “reasonable and adequate” rates of payment for HCBS providers, DAs, and SSAs.
- To establish a methodology for determining payment rates for HCBS providers, DAs, and SSAs in accordance with the bill.
- To establish a process by which a provider whose financial condition places it at imminent risk of closure may seek extraordinary financial relief from the Agency of Human Services (AHS).
- To redetermine the payment rates for HCBS providers, DAs, and SSAs at least annually and report on those rates and the amounts necessary to fund them to the legislative committees of jurisdiction annually as part of the Agency’s budget presentation.

#### **Fiscal Impact**

While the bill requires the Secretary of Human Services to determine reasonable and adequate rates for HCBS providers, DAs, and SSAs, it does not require the Agency to increase the rates therefore there would be no fiscal impact on the budget specific to the bill as proposed.

The bill also requires AHS to establish a process for providers whose financial condition places them at risk of closure to seek extraordinary financial relief from AHS. However, the bill does not require AHS to provide financial relief to HCBS providers, DAs or SSAs, nor does it provide an appropriate to fund any such financial relief.