

Required Reporting

Coverage of Doula Services for Vermont Medicaid

[Act 97 of 2024](#) directed The Department of Vermont Health Access (DVHA) to develop a reimbursement methodology and examine the potential impact of adding coverage of doula services to the Medicaid state plan.

To meet all requirements as outlined in statute, DVHA constructed several potential reimbursement methodologies for Medicaid coverage of doula services. Each of the potential options covered doula services before, during, and after labor and delivery and included varying flexibility in billing increments and coding.

DVHA worked internally to produce potential methodologies and then incorporated stakeholder and provider feedback to develop the final proposed option. During this analysis, DVHA met with advocates from the Vermont Early Childhood Advocacy Alliance and practicing doula providers to craft a methodology that would best serve Medicaid members. Following engagement with stakeholders, a reimbursement methodology was selected that simplifies the billing and reimbursement process for providers who may be enrolling with Vermont Medicaid for the first time.

DVHA recommends the following reimbursement methodology for covering doula services under Vermont Medicaid.

Proposed Reimbursement Methodology					
Service	Description of Service	Service Limit	Duration per Visit	Billing / Payment Structure	Rate
Perinatal Period	Childbirth education; prenatal education; postpartum education and support; support during	12 visits	Minimum duration of 30 minutes	per diem	\$100 per visit ¹⁷

¹⁷ DVHA's proposed reimbursement rate for the established methodology was obtained by averaging Medicaid reimbursement rates from other states. DVHA reviewed the following states to establish an average rate: Maryland, Massachusetts, Michigan, Minnesota, Nevada, New York, and Rhode Island. The average reimbursement for perinatal services is \$100 per visit, and the average reimbursement for labor and delivery services is \$900.

	or after miscarriage or abortion.				
Labor & Delivery	Labor support during vaginal delivery or caesarean section	1 visit	N/A	1 unit	\$900
					Max Allowed: \$2,100

DVHA has constructed a fiscal estimate that provides a range of impacts for the reimbursement methodology based on service utilization percentage. This estimate was established by taking the average Medicaid births from 2021–2023 (2,033 births) and applying the maximum reimbursement allowed for each rate option and service utilization percentage. This assumes each member would utilize the full benefit (12 perinatal visits and 1 labor/delivery).

DVHA anticipates that service utilization will likely not exceed the 10%-30% range, based on utilization rates from other states.

Estimated Service Utilization	Rate Option Maximum Annual Gross (assuming the full \$2,100 was paid per birth)
10%	\$426,930
30%	\$1,280,790
50%	\$2,134,650
70%	\$2,988,510
100%	\$4,269,300

DVHA has determined that a Medicaid state plan amendment would be necessary for Vermont Medicaid to have the authority to reimburse for doula services. In order to have a state plan amendment authorized, Vermont’s Agency of Human Services (AHS) would need to request approval from the Centers for Medicare and Medicaid Services (CMS), and it can often be a lengthy process to receive federal authorization for a state plan amendment.