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**State/Territory Name: Vermont**

**State Plan Amendment (SPA) #: 15-0013**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) HCFA 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
JFK Federal Building, Government Center  
Room 2275  
Boston, Massachusetts 02203



**Division of Medicaid and Children's Health Operations / Boston Regional Office**

August 18, 2015

Hal Cohen, Secretary  
Vermont Agency of Human Services  
208 Hurricane Lane, Suite 103  
Williston, Vermont 05495

Dear Secretary Cohen:

We are pleased to enclose a copy of Vermont's approved State plan amendment (SPA) No. 15-013 with an effective date of July 1, 2015, as requested by your Agency.

This SPA amended your approved Title XIX State plan to increase the reimbursement methodology for primary care providers to the rate received by similar providers under Medicare.

Enclosed are the following pages to be incorporated within your State plan:

- Attachment 4.19-B, page 10

If there are questions, please contact Tom Schenck at (617) 565-1325, or [tom.schenck@cms.hhs.gov](mailto:tom.schenck@cms.hhs.gov).



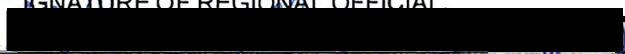
Sincerely,

A black rectangular redaction box covering the signature of Richard R. McGreal.

Richard R. McGreal  
Associate Regional Administrator

Enclosure

cc: Steven Costantino, Commissioner  
Lindsay Parker, Health Programs Administrator, Policy Unit  
Ashley Berliner, Medicaid Policy and Planning Chief, Policy Unit

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  15-013	2. STATE:  VERMONT
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (CHECK ONE):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )		4. PROPOSED EFFECTIVE DATE(S) JULY 1, 2015	
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §430.12(c)(1)(ii)	7. FEDERAL BUDGET IMPACT: a. FFY 2015      \$ 140,619 b. FFY 2016      \$ 544,863		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATT. 4.19-B, PAGE 10	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ) ATT. 4.19-B, PAGE 10		
10. SUBJECT OF AMENDMENT: Payment for evaluation & management services and vaccine administration services for eligible primary care providers			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED SIGNATURE OF SECRETARY OF ADMINISTRATION 	
12. SIGNATURE OF STATE AGENCY OFFICIAL:  		16. RETURN TO:  LINDSAY PARKER  AGENCY OF HUMAN SERVICES 208 HURRICANE LANE WILLISTON, VT 05495	
13. TYPED NAME: HAL COHEN		14. TITLE: SECRETARY, AGENCY OF HUMAN SERVICES	
15. DATE SUBMITTED: August 4, 2015		17. DATE RECEIVED: August 4, 2015	
<b>FOR REGIONAL OFFICE USE ONLY</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Richard R. McGreal		22. TITLE: Associate Regional Administrator	
23. REMARKS			

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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES - OTHER MEDICAL CARE  
(Continued)

Effective for dates of service on or after January 1, 2015, the RVUs used are the Medicare RBRVS values published by the Centers for Medicare and Medicaid on its website. The DVHA will utilize the Non-Facility values for services provided in the physician office and facility RVUs to providers when place of service is an inpatient hospital, outpatient hospital, emergency room, ambulatory surgical center, inpatient psychiatric facility, nursing facility or skilled nursing center. The DVHA will follow Medicare's payment logic of using the lesser of the RBRVS or OPPS RVU values for those select procedures subject to the policy.

The GPCIs used are 1.000 for Work, 1.004 for Practice Expense and 0.682 for Malpractice Insurance.

Effective with dates of service on or after January 1, 2015, the DVHA will use one conversion factor for DVHA covered services payable in the RBRVS methodology. The DVHA will pay for these services using a conversion factor of \$28.71 multiplied by the RVU value on file with DVHA as referenced in the first paragraph on this page.

Effective with dates of service on or after July 1, 2015, the DVHA will implement a second conversion factor of \$29.92 that will be paid only to eligible enrolled Vermont Medicaid providers who must attest to being a primary care physician by one of the following:

1. Board certification as a primary care physician by the American Board of Medical Specialties (ABMS), the American Board of Physician Specialties (ABPS), or the American Osteopathic Association (AOA) or;
2. Have furnished evaluation & management (E&M) and vaccine administration services that equal at least 60% of the Medicaid codes billed during the most recently completed fiscal year.

If the provider meets these conditions, then the services paid using the conversion factor of \$29.92 are those covered and separately payable by Vermont Medicaid and are within the range of E&M Codes from 99201 through 99499 or vaccine administration codes from 90460 through 90474.

When the \$29.92 rate is used, there is no site of service adjustment. Reimbursement is always made using the RVUs associated with the office setting.

Depending upon the provider billing the service, the DVHA modifier pricing logic may also apply.

All rates are published at <http://dvha.vermont.gov/for-providers>.

27. Anesthesia

Payment is made at the lower of the actual charge or the Medicaid rate on file. Effective for dates of service on or after January 1, 2012, the DVHA will reimburse qualified providers who administer anesthesia services covered by the DVHA using the Medicare payment formula of (time units of service + base unit) multiplied by a conversion factor. The units of service billed are based on Medicare billing requirements. The base unit values used by DVHA are those put in place by Medicare effective January 1, 2012. The DVHA will follow Medicare's changes to the base unit values by updating the base units each January.

1. The DVHA will not use Medicare's conversion factor for Vermont, but rather a conversion factor of \$18.15.

All rates are published at [www.dvha.vermont.gov/for-providers](http://www.dvha.vermont.gov/for-providers). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private.