

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop: S2-26-12  
Baltimore, Maryland 21244-1850



June 28, 2022

Jenney Samuelson  
Secretary  
Vermont Agency of Human Services  
280 State Drive  
Waterbury, VT 05671

Dear Secretary Samuelson:

The Centers for Medicare & Medicaid Services (CMS) is approving Vermont’s request to extend the demonstration project entitled, “Global Commitment to Health” (GCH) (Project Number 11-W-00194/1), in accordance with section 1115(a) of the Social Security Act (the Act). Approval of the GCH extension request will enable the state to continue to test, monitor, and evaluate a managed care-like delivery system, home and community-based services (HCBS), and pilot programs, as well as pursue innovations within the Medicaid program to maintain high quality services and programs that are cost-effective. Approval of the extension request allows the state to modify existing demonstration programs as well as add additional programs to the longstanding demonstration. This approval is effective July 1, 2022 through December 31, 2027, upon which date, unless extended or otherwise amended, all authorities granted to operate this demonstration will expire.

The GCH demonstration extension advances several key priorities of the Biden-Harris Administration by leveraging Medicaid as a tool to help address the complex challenges facing Vermont’s most vulnerable residents, such as behavioral health care access, prescription drug costs, and the health needs of individuals receiving HCBS. In this demonstration, Vermont is introducing new initiatives and investments to assist the state in improving health coverage, access, and equity for Medicaid beneficiaries and other low-income individuals in the state.

Over the past several years, Vermont has had higher rates of substance use disorders (SUDs) and illicit drug use disorders than the national average<sup>1,2</sup> and the state has been implementing initiatives to increase access to treatment services and improve health outcomes. Through this demonstration extension, Vermont will continue and expand efforts to provide community-based interventions and inpatient treatment services for individuals with a SUD or serious mental illness (SMI). New efforts in this extension include the creation of a new SUD Community

---

<sup>1</sup> “State Level Data National Survey on Drug Use and Health 2017-2018.” Vermont Department of Health, December 2019. <https://www.healthvermont.gov/sites/default/files/documents/pdf/ADAP-NSDUH-Summary-2017-2018.pdf>.

<sup>2</sup> Vermont’s 2018 GCH demonstration amendment [application](#).

Intervention and Treatment (CIT) eligibility group that will provide benefits, such as service coordination, counseling, and residential treatment, for low and moderate-income Vermonters with a SUD. Vermont is also establishing a Maternal Health and Treatment Services initiative that provides a whole-person and family-centered care model for treating pregnant women and mothers with SUD and/or a mental health condition at the Lund Home facility. The Lund Home provides mental health and SUD treatment to pregnant women, postpartum women, and mothers with children up to age five in a setting that allows the family to stay and be treated together.

Vermont is continuing and expanding benefits for the VPharm premium assistance program authorized in the GCH demonstration. The VPharm program helps individuals enrolled in Medicare Part D, including those over 65 and those with disabilities, pay their monthly Part D premiums and lower the co-pays for many of their prescriptions. Currently, Vermont provides the same prescription coverage as under the Medicaid State Plan to eligible individuals with incomes up to 150 percent of the Federal Poverty Level (FPL), and maintenance drug-only coverage for eligible individuals with incomes between 150 percent and 225 percent FPL. In this demonstration extension, Vermont is extending state plan-equivalent prescription coverage to VPharm-eligible individuals at all income levels up to 225 percent FPL. This program supports the objectives of Medicaid by expanding premium assistance and access to affordable healthcare for low-income individuals.

Vermont is also maintaining and strengthening existing programs offering HCBS. For instance, Vermont is continuing the Developmental Disabilities Services program and adding an enhanced dental benefit in excess of the limitations set forth in the state plan, because individuals enrolled in the program may have more significant dental needs than other Medicaid enrollees (e.g., needing sedation for regular dental services).

Notable new programs include the Supportive Housing Assistance Pilot program, which will provide individuals with services to successfully transition into and maintain residency in close coordination and collaboration with agencies that provide rental assistance. Eligible individuals will have access to pre-tenancy supports, tenancy sustaining services, and community transition services for enrollees moving to supportive housing from any setting. Furthermore, Vermont is creating a new incentive-based program, titled Medicaid Data Aggregation and Access Program (MDAAP), that will provide health information technology (HIT) infrastructure support to Medicaid providers in order to increase HIT use and connectivity to the state's health information exchange. Eligible providers include mental health providers, SUD treatment providers, and long-term services and supports (LTSS) providers who meet the Medicaid patient volume criteria in the STCs.

CMS is also taking steps in this demonstration extension to reinforce and ensure the authorized programs offering HCBS comply with HCBS rules and regulations. Following a review of information and stakeholder feedback, CMS determined the state's five HCBS programs do not separate case management from the direct service providers; therefore, the state is out of compliance with 42 CFR section 441.730(b). CMS directed Vermont to submit a corrective action plan (CAP) that outlines the state's process to reach full compliance with conflict of interest regulations. On December 17, 2021, Vermont submitted the plan for CMS review, and

CMS and Vermont are working together to finalize the plan. Once approved, the CAP will be appended to the STCs as Attachment Q.

In Vermont's demonstration extension application, the state requested to transition the Department of Vermont Health Access (DVHA) from a non-risk prepaid inpatient health plan (PIHP) to a full-risk bearing MCO subject to the Medicaid managed care requirements under 42 CFR 438. CMS is not approving this request, and instead, the state will maintain the current managed care-like model that was approved in the 2016 demonstration extension. The Agency for Human Services (AHS) will continue the interagency agreement with the DVHA to deliver services through a managed care-like model, subject to the requirements that would be applicable to a non-risk PIHP. As a part of the state's unique model, Vermont has authority to pay for services and fund programs, referred to as investments, that improve public health, reduce the rate of uninsured and/or underinsured, increase access to care, and support the health care delivery system. In this extension, Vermont will maintain this authority but with a new investment framework and updated investment goals that include investments in social determinants of health, HCBS, and supports to increase community living for individuals at risk of needing facility-based care.

CMS is authorizing Vermont's request to extend a COVID-19 public health emergency (PHE) flexibility for Children's Personal Care Services that permits the state to reimburse legally responsible individuals, which could be inclusive of legally responsible family caregivers, for personal care services following a reasonable assessment by the state that the caregiver is capable of rendering the service. This flexibility will be active at the conclusion of the COVID-19 PHE and after Vermont notifies CMS of its readiness to effectuate the flexibility.

### **Components of the Proposal Still Under Review**

CMS and Vermont are continuing discussions regarding the state's pending requests, which are key components of the state's strategy to improve equitable access and outcomes for individuals enrolled in Medicaid: services and supports for justice-involved adults to stabilize health pre-release, ensure continuity of coverage through Medicaid pre-release enrollment strategies, increase mental health services for inmates, and support re-entry into the community. CMS is supportive of increasing prerelease services for justice involved populations and we will work with the state on its prerelease initiatives in the coming year. CMS is also continuing to review the state's request pertaining to in-lieu of services that would be authorized under the state's managed care plan-like framework.

### **Monitoring and Evaluation**

Vermont conducted and submitted to CMS an Interim Evaluation Report that covered calendar years 2016 to 2019 of the Global Commitment to Health demonstration.<sup>3</sup> This evaluation report found that the demonstration was associated with an overall improvement in beneficiaries' access to care. Specifically, there was an increase in access to ambulatory and preventive care visits, well-child visits, and dental care during the evaluation period. In addition, while there were mixed findings on a range of quality of care outcome measures, the report found that the demonstration improved initiation and engagement in SUD treatment, and improved self-

---

<sup>3</sup> The Pacific Health Policy Group. State of Vermont: Global Commitment to Health Section 1115 Medicaid Demonstration 11-W-00194/1. December 21, 2020. Draft Interim Evaluation Report submitted for CMS review.

reported health status for enrollees with LTSS needs. The report also showed that the ACO model improved diabetes and hypertension control, increased engagement of eligible beneficiaries over time, and improved access to mental health care and SUD treatment. Furthermore, the demonstration reduced overall Medicaid spending and total per capita risk-adjusted expenditures for enrollees who were between 1 and 64 years old.

Consistent with CMS requirements for section 1115 demonstrations, and as outlined in the demonstration extension special terms and conditions (STCs), the state is required to conduct systematic monitoring of the various demonstration components, per applicable CMS guidance and technical assistance. Such monitoring will support tracking the state's progress with the demonstration components towards their corresponding milestones and/or goals. Furthermore, in alignment with CMS guidance and STC requirements, Vermont will develop a rigorous Evaluation Design using robust data sources and analytic approaches that will support a comprehensive evaluation of the demonstration to assess whether the demonstration initiatives are effective in producing the desired outcomes for its beneficiaries and providers, as well as for the state's overall Medicaid program. The evaluation must outline and address well-crafted hypotheses and research questions for all key demonstration policy components that support understanding the demonstration's impact on beneficiary coverage, access to and quality of care, and health outcomes, as well as its effectiveness in achieving the policy goals and objectives. For example, the evaluation must assess the likelihood of enrollment and enrollment continuity and beneficiary financial status in the context of the waiver of retroactive eligibility. Likewise, as another example, the evaluation of the SUD demonstration component should assess initiation and compliance with treatment, utilization of health services in appropriate care settings, and reductions in key outcomes, such as deaths due to overdose. CMS underscores the importance of the state undertaking a well-designed beneficiary survey to assess, for instance, beneficiary understanding of the various demonstration policy components, including the waiver of retroactive eligibility, beneficiary experiences with access to and quality of care, as well as the incidence and extent of beneficiary medical debt. The state must also investigate cost outcomes for the demonstration as a whole, including but not limited to, uncompensated care costs. In addition, the state must revisit and revise the Evaluation Design, if necessary, each time a new investment is approved by CMS to ensure the state is evaluating the effectiveness of each investment opportunity.

The state's monitoring and evaluation should accommodate data collection and analyses stratified by key subpopulations of interest to inform a fuller understanding of existing disparities in access and health outcomes, and how the demonstration's various policies might support bridging any such inequities.

### **Consideration of Public Comments**

To increase the transparency of demonstration projects, section 1115(d)(1) and (2) of the Act direct the Secretary to issue regulations providing for two periods of public comment on a state's application for a section 1115 demonstration that would result in an impact on eligibility, enrollment, benefits, cost-sharing, or financing. The first comment period occurs at the state level before submission of the section 1115 application, and the second comment period occurs at the federal level after the application is received by the Secretary.

Section 1115(d)(2)(A) and (C) of the Act further specify that comment periods should be “sufficient to ensure a meaningful level of public input,” but the statute imposed no additional requirement on the states or the Secretary to address those comments, as might otherwise be required under a general rulemaking. Accordingly, the implementing regulations issued in 2012 provide that CMS will review and consider all comments received by the deadline, but will not necessarily provide written responses to all public comments (42 CFR 431.416(d)(2)). The federal comment period opened on July 9, 2021, and closed on August 8, 2021. There were five public comments received during the federal comment period; however, two of these comments did not contain any feedback or information about the commenter, therefore they were not considered. One commenter supported Vermont’s proposed supportive housing pilot and recommended it for approval. One commenter supported the demonstration, in particular the innovative care models such as family-focused residential mental health and SUD treatment.

One commenter raised several concerns with some of the state’s extension proposals and did not recommend approval. The commenter opposed the IMD provisions of the demonstration for various reasons, including that the IMD exclusion cannot be waived. CMS is approving the expenditures associated with SMI IMD section 1115(a)(2) of the Act. Section 1115(a)(2) of the Act grants the Secretary the authority, in the context of a demonstration project under section 1115(a), to provide federal matching of state expenditures that would not otherwise be federally matchable under the terms of section 1903. Specifically, with respect to state expenditures under a section 1115 “demonstration project which, in the judgment of the Secretary, is likely to assist in promoting the objectives of [Medicaid],” expenditures that would “not otherwise” be matchable under section 1903 may “be regarded as expenditures under the State plan or plans approved under such title, or for administration of such State plan or plans . . . as may be appropriate.” This “expenditure authority” has been exercised by the Secretary for decades to conduct demonstration projects that provide coverage for individuals or services that could not otherwise be covered under a State’s Medicaid State plan. This has allowed the Secretary to expand eligibility for benefits to individuals who would not otherwise be eligible, and for services that would not otherwise be covered. This interpretation has been upheld in court as a valid exercise of the Secretary’s demonstration authority under section 1115. For example, federal courts have upheld demonstration projects that covered individuals under section 1115(a)(2) who would not otherwise be eligible for coverage. *Spry v. Thompson*, 487 F.3d 1272 (9th Cir. 2007); *Wood v. Betlach*, No. CV-12-08098, 2013 WL 3871414 (D. Ariz. July 26, 2013).

Additionally, the commenter shared concerns that it does not view receiving FFP as a valid experiment. CMS has determined that Vermont’s request serves a research and demonstration purpose as outlined in the SMDL #18-011. As noted above, testing the benefits of covering individuals and services that could not otherwise be covered promotes the coverage objective of Medicaid, and helps states and CMS gather information to inform any potential future legislation CMS believes that this authority will yield useful data as this demonstration includes robust monitoring and evaluation requirements.

The commenter said that, “Should CMS grant this extension, it should at least reject Vermont’s request to modify the STCs to permit FFP for IMD stays over 60 days.” CMS agrees and has not included this in the state’s extension.

The commenter also raises concerns with Vermont’s request to continue its waiver to impose premiums per month on children under 18 with household incomes above 195% FPL, because section 1115 authority cannot be used to allow Vermont to charge premiums; premiums are not experimental and conflict with Medicaid objectives.

CMS has determined states can be authorized to set premiums for optional populations, including those at a higher household income (e.g., above 195% FPL). Therefore, Vermont is permitted to continue setting premiums for these optional populations.

Finally, the commenter states there is nothing experimental about Vermont’s proposal to extend its waiver for eliminating retroactive coverage because states have been permitted to waive it since at least the 1990s. The commenter also argued that waiving retroactive coverage doesn’t promote Medicaid objectives and evidence suggests it reduces access to coverage and care among low income individuals, leaving them with unmet needs and/or medical debt. They note that this could cause significant hardship for individuals and Vermont doesn’t justify its request and why it’s experimental in its extension application.

We appreciate the concerns raised regarding waiving retroactive eligibility and CMS is examining this further, with plans to share additional guidance regarding its limitations. The three populations that Vermont has a waiver of retroactive eligibility for (CFC Moderate Needs, VPharm, and VPharm Expansion) are optional demonstration populations that do not receive full Medicaid benefits, and Vermont can continue to apply this waiver.

After carefully reviewing the public comments submitted during the federal comment period and information received from the state public comment period, CMS has concluded that the demonstration is likely to assist in promoting the objectives of Medicaid.

### **Other Information**

CMS’s approval of this section 1115(a) demonstration is subject to the limitations specified in the attached waiver and expenditure authorities, STCs, and any supplemental attachments defining the nature, character, and extent of federal involvement in this project. The state may deviate from Medicaid state plan requirements only to the extent those requirements have been specifically listed as waived or not applicable under the demonstration.

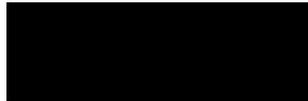
The award is subject to CMS receiving written acceptance of this award within 30 days of the date of this approval letter. Your project officer is Ms. Rabia Khan. Ms. Khan is available to answer any questions concerning implementation of the state’s section 1115(a) demonstration and her contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid and CHIP Services

Mail Stop S2-25-26  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850  
Email: [Rabia.Khan1@cms.hhs.gov](mailto:Rabia.Khan1@cms.hhs.gov)

We appreciate your state's commitment to improving the health of people in Vermont, and we look forward to our continued partnership on the GCH section 1115(a) demonstration. If you have any questions regarding this approval, please contact Ms. Judith Cash, Director, State Demonstrations Group, Center for Medicaid and CHIP Services, at (410) 786-9686.

Sincerely,



Daniel Tsai  
Deputy Administrator and Director

Enclosure

cc: Gilson DaSilva, State Monitoring Lead, CMS Medicaid and CHIP Operations Group

**CENTERS FOR MEDICARE & MEDICAID SERVICES**

**WAIVER AUTHORITY**

**NUMBER:** 11-W-00194/1

**TITLE:** Global Commitment To Health Section 1115 Demonstration

**AWARDEE:** Vermont Agency Of Human Services (AHS)

Under the authority of Section 1115(a)(1) of the Social Security Act (the Act) the following waivers are granted to enable Vermont to operate the Global Commitment to Health Section 1115 Demonstration. These waivers are effective beginning July 1, 2022 and are limited to the extent necessary to achieve the objectives below. These waivers may only be implemented consistent with the approved Special Terms and Conditions (STCs) set forth in the accompanying document.

Except as provided below with respect to expenditure authority, all requirements of the Medicaid program expressed in law, regulation and policy statement, not expressly waived in this list, shall apply to the demonstration project for the period beginning July 1, 2022 through December 31, 2027.

**Statewideness/Uniformity**

**Section 1902(a)(1)**

To the extent necessary to enable Vermont to operate the program differently in different geographical areas of the state.

**Reasonable Promptness**

**Section 1902(a)(8)**

To allow the state to maintain a waiting list for high and moderate need individuals applying for home and community-based services (HCBS). To allow the state to require applicants for nursing facility and home and community-based services (including demonstration home and community-based waiver-like services) to complete a person-centered assessment and options counseling process prior to receiving such services. To permit waiting lists for eligibility for demonstration-only (non-Medicaid state plan) populations.

**Amount, Duration, Scope of Services**

**Section 1902(a)(10)(B)**

To enable Vermont to vary the amount, duration and scope of services offered to various mandatory and optional groups of individuals affected by or eligible under the demonstration as long as the amount, duration and scope of covered services meets the minimum requirements under title XIX of the Act for the group (if applicable) and the special terms and conditions.

To allow the state to provide nursing facility and home and community-based services based on relative need as part of the person-centered and options counseling process for new applicants for Choices for Care services; to permit certain individuals, based on need, to receive demonstration services that are not available to categorically eligible individuals, or other individuals in the same eligibility group, under the Medicaid state plan; and to limit the amount, duration, and scope of services to those included in the participants' approved care plan.

**Financial Eligibility****Section 1902(a)(10)(C)(i)(III)**

To allow the state to use institutional income rules (up to 300 percent of the Supplemental Security Income Federal Benefit Rate (FBR)) for Choices for Care and special programs described in STC 4.4(c), excluding CRT.

Additionally, this waiver permits the state to have a resource standard for the Choices for Care program of \$10,000 for high and highest need individuals who are single and own and reside in their own homes and who select home and community-based services (HCBS) in lieu of institutional services.

**Payment to Providers****Sections 1902(a)(13),  
1902(a)(30)**

To allow the state, through the Department of Vermont Health Access, to establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved state plan, and to make non-risk prepaid insurance health plan (PIHP) payments without regard to how the upper payment limit is established in 42 CFR 447.362.

**Premium Requirements****Section 1902(a)(14)  
In so far as it incorporates  
Section 1916**

To permit Vermont to impose premiums in excess of statutory limits for optional populations and for children through age 18 with income above 195 percent of the Federal poverty level (FPL) as reflected in the Special Terms and Conditions.

**Income/Resource Comparability****Section 1902(a)(17)**

To the extent necessary to enable the state to use varying income and resource standards and methods for plan groups and individuals.

**Spend-Down****Section 1902(a)(17)**

To enable the state to offer one-month spend-downs for medically needy people receiving community-based services as an alternative to institutionalization, and non-institutionalized persons who are receiving personal care attendant services at the onset of waivers.

**Financial Responsibility/Deeming****Section 1902(a)(17)(D)**

To the extent necessary to exempt the state from the limits under section 1902(a)(17)(D) on whose income and resources may be used to determine eligibility unless actually made available, and so that family income and resources may be used instead.

To enable the state to disregard quarterly income totaling less than \$20 from the post-eligibility income determination.

**Freedom of Choice****Section 1902(a)(23)(A)**

To enable the state to restrict freedom of choice of provider for the demonstration participants to the extent that beneficiaries will be restricted to providers enrolled in a provider network through the Department of Vermont Health Access (DVHA) for the type of service at issue and in the appropriate geographic area, but may change providers among those enrolled providers. Freedom of choice of provider may not be restricted for family planning providers.

To enable Vermont to restrict choice of provider for individuals enrolled in the Community Intervention and Treatment (CIT) program. The individual may receive services from any willing provider within that designated provider network.

**Direct Payments to Providers**

**Section 1902(a)(32)**

To permit payments for incidental purchases for Choices for Care HCBS to be made directly to beneficiaries or their representatives.

## CENTERS FOR MEDICARE & MEDICAID SERVICES

### EXPENDITURE AUTHORITY

**NUMBER:** 11-W-00194/1  
**TITLE:** Global Commitment to Health Section 1115 Demonstration  
**AWARDEE:** Vermont Agency of Human Services (AHS)

Under the authority of Section 1115(a)(2) of the Social Security Act (the Act), expenditures made by Vermont for the items identified below (which are not otherwise included as expenditures under section 1903 of the Act) shall, for the period of this demonstration extension, beginning July 1, 2022 through December 31, 2027, unless otherwise specified, be regarded as expenditures under the state's Medicaid Title XIX plan. These expenditure authorities are granted to enable the state to operate its Global Commitment to Health Section 1115 Demonstration and may only be implemented consistent with the approved Special Terms and Conditions (STCs) set forth in the accompanying document.

Except as provided below with respect to expenditure authority, all requirements of the Medicaid program expressed in federal law, regulation and policy statements not expressly waived or identified as not applicable to these expenditure authorities, shall apply to the Global Commitment to Health demonstration for the period of this demonstration extension.

1. **Expenditures Related to Eligibility Expansion.** Expenditures to provide Medicaid coverage to the following demonstration populations that are not covered under the Medicaid state plan and are enrolled in the Vermont Global Commitment to Health demonstration. (Note: Demonstration populations 1, 2, and 3, which are described in the demonstration's STCs, are covered under the Medicaid state plan.)
  - a. **Demonstration Population 4: Choices for Care Highest Needs Group.** Expenditures for 217-like individuals receiving Home and Community-Based Waiver (HCBW)-like services who meet the clinical standard of need for the Choices for Care program's highest needs group and Program of All-Inclusive Care for the Elderly (PACE)-like participants who meet the clinical standards for the highest need group.
  - b. **Demonstration Population 5: Choices for Care High Needs Group.** Expenditures for 217-like individuals receiving HCBW-like services in the Choices for Care program's High Needs Group and PACE-like participants who meet the clinical standards for the High Needs Group.
  - c. **Demonstration Population 6: Choices for Care Moderate Needs Group.** Expenditures for a small subset of Choices for Care HCBW- like services for individuals who are not otherwise eligible under the Medicaid state plan and who would not have been eligible had the state elected eligibility under 42 CFR 435.217, but are at risk for institutionalization and are in need of home and community-based services. Such individuals may have income up to 300 percent of the SSI FBR and resources below \$10,000. Individuals with income below the limit and with excess resources may apply excess resources to income, up to the income limit. These benefits do not meet the

requirements of Minimum Essential Coverage.

- d. **Demonstration Population 7: VPharm.** Expenditures for premium and copay assistance for Medicare beneficiaries with income at or below 150 percent of the Federal poverty level (FPL), who may be enrolled in the Medicare Savings Program (MSP) but are not otherwise eligible for full Medicaid benefits.
  - e. **Demonstration Population 8: VPharm Expansion.** Expenditures for premium and copay assistance for Medicare beneficiaries with income above 150 percent and up to and including 225 percent of the FPL, who may be enrolled in the MSP but are not otherwise eligible for full Medicaid benefits.
  - f. **Demonstration Population 9: Substance Use Disorder (SUD) Community Intervention and Treatment Group.** Individuals with a diagnosis of a substance use disorder (SUD) with income above 133 percent of the FPL up to and including 225 percent of the FPL. Individuals in this population are not eligible for full state plan benefits.
2. **Expenditures Related to Additional Services for Special Programs.** Expenditures for additional health care related-services described in STC 4.4(c) for all populations affected by or eligible through the demonstration.
  3. **Expenditures for Public Health, Health Care, and Health-Related Investments Related to State Plan, Demonstration, Uninsured, and Underinsured Populations.** Expenditures to support the goal of providing state-funded health care programs to improve the access and quality of health care services available to State Plan, demonstration, uninsured, and underinsured individuals in Vermont subject to the terms and limitations set forward in STCs 11.1 and 11.2 and up to a maximum of the limits set in STC 11.4. To the extent that the investments covered under the foregoing STCs benefit low income, uninsured or underinsured individuals who are not eligible for Medicaid State plan benefits under the State plan or under expenditure authority under section 1115(a)(2), the notice, eligibility determination, and appeal rights that apply to State plan eligible individuals shall not be applicable to such individuals.
    - a. **HCBS Investments.** The state may spend up to the Investments expenditure authority limit on activities to enhance, expand and strengthen HCBS that are not otherwise eligible for federal match under the State Plan. The state must notify CMS at least 30 days prior to implementing any of the proposed new investments as per STC 11.6 . The state will be required to comply with all updated law, regulation and policy related to HCBS.
  4. **Expenditures for Hospice Services that Exceed State Plan Limits.** Expenditures for adults eligible under the approved state plan for hospice services that exceed state plan limits.
  5. **Expenditures for the Marketplace Subsidy Program.** Expenditures for state funded programs that provide premium subsidies to certain individuals who purchase health insurance through the Marketplace and who are not otherwise eligible for Medicaid.

6. **Expenditures for Services for Individually Assessed Cost Effective Alternate Services.** Expenditures for direct health care services or other services furnished as alternatives to covered services when the state and treating health care professionals have made an assessment and determination that the service is a medically appropriate and cost effective substitute for the corresponding state plan service or setting.
7. **Expenditures for Mental Health Community Rehabilitation and Treatment (CRT) Services.** Expenditures for mental health community rehabilitation and treatment (CRT) services, as defined by Vermont rule and policy, provided through a state-funded program to Medicaid enrolled individuals with severe and persistent mental illness who have incomes up to and including 133 percent of the FPL.

Expenditures for mental health CRT services, as defined by Vermont rule and policy, provided through a state-funded program to individuals not eligible for Medicaid with severe and persistent mental illness who have incomes above 133 percent of the FPL.

8. **HCBW-like Services for State Plan Eligibles Who Meet Highest Need, High Need or Moderate Needs Clinical Criteria for Choices for Care (CFC).** Expenditures for HCBW-like services for State plan eligibles who meet all State plan eligibility requirements, who have the indicated level of clinical need for HCBW-like services. The Moderate Needs Group do not meet all the Choices for Care (CFC) clinical criteria for long-term services, but are at risk of institutionalization. These individuals demonstrate a clinical need that shows they would benefit from a subset of HCBW-like services.
9. **Other Choices for Care HCBW-like and Special Program Expenditures.**
  - a. Expenditures for CFC participants with resources exceeding current limits, who are single, own and reside in their own homes, and select home based care rather than nursing facility care, to allow them to retain resources to remain in the community.
  - b. Expenditures for personal care services provided by CFC participants' spouses and legal guardians.
  - c. Expenditures for respite and companion services provided by CFC participants' legal guardians, except if the respite is for the legal guardian as primary caregiver.
  - d. Expenditures for personal care services provided by Developmental Disabilities Services participants' parents (when the participant is a minor child), spouses, and legal guardians. The state may not claim FFP for services provided under this authority until CMS has approved the Caregiver Reimbursement Protocol (Attachment P). The flexibility for this population stands under the COVID-19 PHE until 6 months after the PHE expires.
  - e. Expenditures for habilitation services and community supports by Brain Injury Program participants' parents (when the participant is a minor child), spouses, and legal guardians. The state may not claim FFP for services provided under this authority until CMS has approved the provision of these services in the Caregiver Reimbursement Protocol (Attachment P), unless otherwise authorized by flexibilities available under the COVID-19 public health emergency.

- f. Expenditures for incidental purchases paid in cash allowances to participants who are self-directing their CFC services prior to service delivery.
10. **Full Medicaid Benefits for Presumptively Eligible Pregnant Women.** Expenditures to provide full Medicaid State plan benefits to presumptively eligible pregnant women.
11. **Residential and Inpatient Treatment for Individuals with Substance Use Disorder (SUD).** Expenditures for otherwise covered services furnished to otherwise eligible individuals who are primarily receiving treatment and withdrawal management services for substance use disorder (SUD) who are short-term residents in facilities that meet the definition of an institution for mental diseases (IMD).
12. **Residential and Inpatient Treatment for Individuals with Serious Mental Illness.** Expenditures for Medicaid state plan services furnished to eligible individuals who are primarily receiving short-term treatment for a serious mental illness (SMI) in facilities that meet the definition of an IMD.
13. **Maternal Health and Treatment Services.** Expenditures for otherwise covered services furnished to otherwise Medicaid eligible pregnant women, postpartum women, and mothers 19 to 64 years of age, who are primarily receiving treatment and withdrawal management services for SUD or SMI and who are residents at the Lund Home (or its successor), which meets the definition of an IMD.
14. **Supportive Housing Assistance Pilot**
  - a. Expenditures for supportive housing assistance services that are in full alignment with services under 1915(c) and 1915(i) authorities provided to enrollees in the state’s Supportive Housing Assistance Pilot program. The state will institute annual enrollment limits for this pilot program and will maintain a waiting list.
  - b. Expenditures for community transition services for enrollees in the state’s Supportive Housing Assistance Pilot program who are moving to supportive housing from non-institutional, non-provider-operated living arrangements.
15. **Medicaid Data Aggregation and Access Program (MDAAP).** Expenditures for the state’s MDAAP incentive program that will strengthen Medicaid providers’ ability to participate in the state’s health information exchange (HIE), in accordance with the requirements in STC 8.3.
16. **Children’s Personal Care Services (CPCS).** Expenditures for personal care services, as authorized and described under the Medicaid state plan, provided by legally responsible individuals (which could be inclusive of legally responsible family caregivers) following a reasonable assessment by the state that the caregiver is capable of rendering the services. At the conclusion of the COVID-19 PHE, the state will notify CMS of its readiness to effectuate this flexibility and this authority will be active as of the date of the notice. Providers of CPCS, including legally responsible relatives, must meet all existing requirements as described under the Medicaid state plan, including EVV requirements.

**Title XIX Requirements not Applicable to Demonstration Expenditure Authorities  
(Populations 6, 7, and 8 described in STC 4.2)**

17. Retroactive Eligibility

Section 1902(a)(34)

To enable the state to waive the requirement to provide medical assistance for up to 3 months prior to the date that an application for assistance is made for expansion groups.

## CENTERS FOR MEDICARE & MEDICAID SERVICES

### SPECIAL TERMS AND CONDITIONS

**NUMBER:** 11-W-00194/1  
**TITLE:** Global Commitment to Health Section 1115 Demonstration  
**AWARDEE:** Vermont Agency of Human Services (AHS)

#### 1. PREFACE

The following are the Special Terms and Conditions (STCs) for the Vermont Global Commitment to Health Section 1115(a) Medicaid Demonstration (hereinafter “demonstration”). The parties to this agreement are the Vermont Agency of Human Services (AHS, state) and the Centers for Medicare & Medicaid Services (CMS). The STCs set forth limitations on the extent of the waivers and expenditure authorities that have been granted to further the demonstration, which are enumerated in separate lists. The STCs also detail the nature, character, and extent of Federal involvement in the demonstration and the state’s obligations to CMS during the life of the demonstration. These STCs are effective as of July 1, 2022 through December 30, 2027 unless otherwise specified. All previously approved STCs, waivers, and expenditure authorities are superseded by the STCs set forth below.

The STCs have been arranged into the following subject areas:

1. Preface
2. Program Description and Objectives
3. General Program Requirements
4. Eligibility, Benefits, and Enrollment
5. Cost Sharing
6. Delivery Systems
7. Long-Term Services and Supports Protections
8. Other Programs
9. Opioid Use Disorder (OUD)/Substance Use Disorder (SUD)
10. Serious Mental Illness (SMI)/Serious Emotional Disturbance (SED)
11. Use of Demonstration Funds
12. Monitoring and Reporting Requirements
13. General Financial Requirements
14. Monitoring Budget Neutrality for the Demonstration
15. Evaluation of the Demonstration
16. Schedule of State Deliverables for the Demonstration Period

Additional attachments have been included to provide supplementary information and guidance for specific STCs.

- Attachment A. Preparing the Evaluation Design
- Attachment B. Preparing the Interim and Summative Evaluation Reports
- Attachment C. Summary of Choices for Care Eligibility Criteria

Attachment D. Choices for Care Services by Demonstration Group  
Attachment E. Choices for Care Long-Term Services and Supports Definitions and Provider Qualifications  
Attachment F. Global Commitment Special Program Service Definitions and Provider Qualifications  
Attachment G. Premiums and Co-Payments for Demonstration Populations  
Attachment H. Medicaid Data Aggregation and Access Program Incentive Payment Protocol [RESERVED]  
Attachment I. Supportive Housing Assistance Pilot Eligibility Criteria, Services, and Provider Qualifications  
Attachment J. SUD Implementation Plan  
Attachment K. Emergency Preparedness and Response and COVID-19 Addendum  
Attachment L. SMI/SED Implementation Plan  
Attachment M. SUD Monitoring Protocol [RESERVED]  
Attachment N. SMI/SED Monitoring Protocol [RESERVED]  
Attachment O. Approved Evaluation Design [RESERVED]  
Attachment P. Caregiver Reimbursement Protocol [RESERVED]  
Attachment Q. Home and Community-Based Services (HCBS) Conflict of Interest Corrective Action Plan [RESERVED]  
Attachment R. Investment Framework  
Attachment S. New Investment Application Template  
Attachment T. Community Rehabilitation and Treatment Needs and Risk-Based Eligibility Criteria  
Attachment U. SUD Community Intervention and Treatment Services Target and Needs-Based Criteria

## **2. PROGRAM DESCRIPTION AND OBJECTIVES**

The demonstration was initiated in September 2005, and is designed to use a multi-disciplinary approach including the basic principles of public health, the fundamentals of effective administration of a Medicaid managed care delivery system, and program flexibility. Since 2005, the demonstration has helped reduce Vermont's uninsured rate from 11.4 percent in 2005 to approximately 3.1 percent in 2021 through expansion of eligibility. The demonstration has also enabled Vermont to address and eliminate the bias toward institutional care and offer cost-effective, community-based services. For example, the proportion of Choices for Care participants served in the community has passed fifty percent and continues to increase. In addition, Vermont no longer has a waiting list for individuals in the Highest and High Needs Groups under the Choices for Care component of the demonstration.

As of July 1, 2022, Vermont extended the demonstration to further promote delivery system and payment reform to meet the goals of the state working with the Center for Medicaid and CHIP Services and the Center for Medicare and Medicaid Innovation (CMMI) consistent with Medicare's payment reform efforts in order to allow for alignment across public payers. Specifically, Vermont expects to demonstrate its ability to achieve universal access to health care, cost containment, and improved quality of care.

The state's goals in implementing the demonstration are to:

- Advance the state toward population-wide comprehensive coverage;
- Implement innovative care models across the continuum that produce value;
- Engage Vermonters in transforming their health;
- Strengthen care coordination and population health management capabilities to encompass the full spectrum of health-related services and supports; and
- Accelerate payment reform.

The state will employ four major elements in achieving the above goals:

1. *Expanding Benefits and Eligibility:* Vermont is introducing a new SUD Community Intervention and Treatment eligibility group and expanding benefits for some existing programs, including the VPharm cost sharing assistance program, Community Rehabilitation and Treatment (CRT) program, and Developmental Disabilities Services program.
2. *Managed Care Delivery System:* Under the demonstration the Agency for Human Services (AHS) will continue the interagency agreement with the Department of Vermont Health Access (DVHA) to deliver services through a managed care-like model, subject to the requirements that would be applicable to a non-risk pre-paid inpatient health plan (PIHP) as defined in STC 6.3.
3. *Advancing Population Health:* Under the demonstration, Vermont will strengthen care coordination and population health management through public health investments, a new supportive housing assistance pilot, and a new incentive program that will provide health information technology (HIT) infrastructure support to Medicaid providers in order to increase HIT use and connectivity to the state's health information exchange.
4. *Delivery System Reform:* Under the demonstration, Vermont will support systemic delivery reform efforts using the payment flexibility provided through the demonstration to create alignment across public and private payers.

The initial Global Commitment to Health and Choices for Care demonstrations were approved in September of 2005, effective October 1, 2005. The Global Commitment to Health demonstration was extended for 3 years, effective January 1, 2011, and again for 3 years, effective October 2, 2013. The Choices for Care demonstration was extended for 5 years, effective October 1, 2010, and became part of the Global Commitment to Health demonstration in January 2015. The Global Commitment to Health demonstration was extended for another 5 years effective January 1, 2017. The following amendments have been made to the Global Commitment to Health demonstration:

- 2007: A component of the Catamount Health program was added, enabling the state to provide a premium subsidy to Vermonters who had been without health insurance coverage for a year or more, have income at or below 200 percent of the FPL, and who do not have access to cost-effective employer-sponsored insurance, as determined by the state.
- 2009: The state extended Catamount Health coverage to Vermonters at or below 300 percent of the FPL.
- 2011: The state included a palliative care program for children who are at or below 300 percent of the FPL and have been diagnosed with life-limiting illness that would preclude

them from reaching adulthood. This program allows children to receive curative and palliative care services such as expressive therapy, care coordination, family training and respite for caregivers.

- 2012: CMS provided authority for the state to eliminate the \$75 inpatient admission co-pay and to implement nominal co-payments for the Vermont Health Access Plan (VHAP) as articulated in the Medicaid state plan.
- 2013: CMS approved the extension of the Global Commitment to Health demonstration which included sun-setting the authorities for most of the Expansion Populations, including Catamount Health coverage, because these populations would be eligible for Marketplace coverage beginning January 1, 2014. The extension also added the Adult Group under the state plan to the population affected by the demonstration effective January 1, 2014. Finally, the extension also included premium subsidies for individuals enrolled in a qualified health plan whose income is at or below 300 percent of the FPL.
- 2015: In January 2015, the Global Commitment to Health demonstration was amended to include authority for the former Choices for Care demonstration. In addition, the state received section 1115 authority to provide full Medicaid state plan benefits to pregnant women who are determined presumptively eligible.
- 2017: In January 2017, CMS approved the extension of the Global Commitment to Health demonstration to further promote delivery system and payment reform to meet the goals of the state working with the Center for Medicaid and CHIP Services and the Center for Medicare and Medicaid Innovation (CMMI), consistent with Medicare's payment reform efforts in order to allow for alignment across public payers.
- 2018: CMS approved an amendment to permit the state to receive federal financial participation (FFP) for the continuum of services to treat addictions to opioids and other substances, including services provided to Medicaid enrollees with a substance use disorder (SUD) who are short-term residents in residential and inpatient treatment facilities that meet the definition of an Institution for Mental Diseases (IMD).
- 2019: CMS approved an amendment to enable Vermont to receive FFP for inpatient services provided to otherwise-eligible Medicaid beneficiaries while residing in IMDs for diagnoses of serious mental illness (SMI) and/or serious emotional disturbance (SED).
- 2020: The Global Commitment to Health demonstration was amended May 22, 2020 to add an Emergency Preparedness and Response Attachment R (now Attachment K) in order to respond to the COVID-19 pandemic. Additionally, the demonstration was amended December 3, 2020 to modify the requirement, at 42 CFR 438.406(b)(4), to allow beneficiaries to provide evidence and testimony "in person" to appeal an adverse benefit determination during the COVID-19 public health emergency. The STCs were amended to grant flexibility during public health emergencies where the Department of Vermont Health Access (DVHA) must provide enrollees reasonable opportunity, in writing, telephonically, and video or virtual communication, to present evidence and testimony and make legal factual arguments.

### **3. GENERAL PROGRAM REQUIREMENTS**

- 3.1. **Compliance with Federal Non-Discrimination Statutes.** The state must comply with all applicable federal statutes relating to non-discrimination. These include, but are not

limited to, the Americans with Disabilities Act of 1990 (ADA), Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973 (Section 504), the Age Discrimination Act of 1975, and section 1557 of the Patient Protection and Affordable Care Act (Section 1557).

- 3.2. **Compliance with Medicaid Law, Regulation, and Policy.** All requirements of the Medicaid program expressed in federal law, regulation, and policy statement not expressly waived or identified as not applicable in the waiver and expenditure authority documents (of which these terms and conditions are part), apply to the demonstration.
- 3.3. **Changes in Medicaid Law, Regulation, and Policy.** The state must, within the timeframes specified in the applicable federal law, regulation, or written policy, come into compliance with changes in law, regulation, or policy affecting the Medicaid program that occur during this demonstration approval period, unless the provision being changed is expressly waived or identified as not applicable. In addition, CMS reserves the right to amend the STCs to reflect such changes and/or changes as needed without requiring the state to submit an amendment to the demonstration under STC 3.7. CMS will notify the state 30 calendar days in advance of the expected approval date of the amended STCs to allow the state to provide comment. Changes will be considered in force upon issuance of the approval letter by CMS. The state must accept the changes in writing.
- 3.4. **Impact on Demonstration of Changes in Federal Law, Regulation, and Policy.**
  - a. To the extent that a change in federal law, regulation, or policy requires either a reduction or an increase in federal financial participation (FFP) for expenditures made under this demonstration, the state must adopt, subject to CMS approval, a modified budget neutrality agreement for the demonstration as necessary to comply with such change, as well as a modified allotment neutrality worksheet as necessary to comply with such change. The trend rates for the budget neutrality agreement are not subject to change under this subparagraph. Further, the State may seek an amendment to the demonstration (as per STC 3.7 of this section) as a result of the change in FFP.
  - b. If mandated changes in the federal law require state legislation, unless otherwise prescribed by the terms of the federal law, the changes must take effect on the earlier of the day such state legislation becomes effective, or on the last day such legislation was required to be in effect under the law, whichever is sooner.
- 3.5. **State Plan Amendments.** The state will not be required to submit title XIX state plan amendments (SPAs) for changes affecting any populations made eligible solely through the demonstration. If a population covered through the Medicaid state plan is affected by a change to the demonstration, a conforming amendment to the appropriate state plan is required, except as otherwise noted in these STCs. In all such cases, the Medicaid state plan governs.
- 3.6. **Changes Subject to the Amendment Process.** Demonstration changes related to eligibility, enrollment, benefits, beneficiary rights, delivery systems, cost sharing, sources

of non-federal share of funding, budget neutrality, and other comparable program elements must be submitted to CMS as amendments to the demonstration except as referenced in STCs 13.16 and 13.17 below. All amendment requests are subject to approval at the discretion of the Secretary in accordance with section 1115 of the Act. The state must not implement changes to these elements without prior approval by CMS through an approved amendment to the Medicaid state plan or amendment to the demonstration. Amendments to the demonstration are not retroactive and no FFP of any kind, including for administrative or medical assistance expenditures, will be available under changes to the demonstration that have not been approved through the amendment process set forth in STC 3.7 below, except as provided in STCs 3.3, 13.16, and 13.17.

**3.7. Amendment Process.** Requests to amend the demonstration must be submitted to CMS for approval no later than 120 calendar days prior to the planned date of implementation of the change and may not be implemented until approved. CMS reserves the right to deny or delay approval of a demonstration amendment based on non-compliance with these STCs, including but not limited to failure by the state to submit required elements of a complete amendment request as described in this STC, and failure by the state to submit required reports and other deliverables according to the deadlines specified therein. Amendment requests must include, but are not limited to, the following:

- a. An explanation of the public process used by the state, consistent with the requirements of STC 3.12. Such explanation must include a summary of any public feedback received and identification of how this feedback was addressed by the state in the final amendment request submitted to CMS;
- b. A detailed description of the amendment, including impact on beneficiaries, with sufficient supporting documentation;
- c. A data analysis that identifies the specific “with waiver” impact of the proposed amendment on the current budget neutrality agreement. Such analysis must include current total computable “with waiver” and “without waiver” status on both a summary and detailed level though the current approval period using the most recent actual expenditures, as well as summary and detailed projections of the change in the “with waiver” expenditure total as result of the proposed amendment, which isolates (by Eligibility Group) the impact of the amendment;
- d. The state must provide updates to existing demonstration reporting and quality and evaluation plans. This includes a description of how the Evaluation Design and annual progress reports will be modified to incorporate the amendment provisions, as well as the oversight, monitoring and measurement of the provisions.

**3.8. Extension of the Demonstration.** If the state intends to request an extension of the demonstration it must submit an application to CMS from the Governor of the state in accordance with the requirements of 42 CFR §431.412(c). States that do not intend to request an extension of the demonstration beyond the period authorized in these STCs must submit a phase-out plan consistent with the requirements of STC 3.9.

3.9. **Demonstration Phase-Out.** The state may only suspend or terminate this demonstration, in whole or in part, consistent with the following requirements:

- a. **Notification of Suspension or Termination.** The state must promptly notify CMS in writing of the reason(s) for the suspension or termination, together with the effective date and a transition and phase-out plan. The state must submit a notification letter and a draft transition and phase-out plan to CMS no less than six months before the effective date of the demonstration's suspension or termination. Prior to submitting the draft transition and phase-out plan to CMS, the state must publish on its website the draft transition and phase-out plan for a 30-day public comment period. In addition, the state must conduct tribal consultation in accordance with the requirements of STC 3.12, if applicable. Once the 30-day public comment period has ended, the state must provide a summary of the issues raised by the public during the comment period and how the state considered the comments received when developing the revised transition and phase-out plan.
- b. **Transition and Phase-out Plan Requirements.** The state must include, at a minimum, in its phase-out plan the process by which it will notify affected beneficiaries, the content of said notices (including information on the beneficiary's appeal rights), the process by which the state will conduct redeterminations of Medicaid eligibility prior to the termination of the demonstration for the affected beneficiaries, and ensure ongoing coverage for eligible beneficiaries, as well as any community outreach activities the state will undertake to notify affected beneficiaries, including community resources that are available.
- c. **Transition and Phase-out Plan Approval.** The state must obtain CMS approval of the transition and phase-out plan prior to the implementation of transition and phase-out activities. Implementation of transition and phase-out activities must be no sooner than 14 calendar days after CMS approval of the transition and phase-out plan.
- d. **Transition and Phase-out Procedures.** The state must redetermine eligibility for all affected beneficiaries in order to determine if they qualify for Medicaid eligibility under a different eligibility category prior to making a determination of ineligibility as required under 42 CFR 435.916(f)(1). For individuals determined ineligible for Medicaid, the state must determine potential eligibility for other insurance affordability programs and comply with the procedures set forth in 42 CFR 435.1200(e). The state must comply with all applicable notice requirements found in 42 CFR, part 431 subpart E, including sections 431.206 through 431.214. In addition, the state must assure all applicable appeal and hearing rights are afforded to beneficiaries in the demonstration as outlined in 42 CFR, part 431 subpart E, including sections 431.220 and 431.221. If a beneficiary in the demonstration requests a hearing before the date of action, the state must maintain benefits as required in 42 CFR 431.230.

- e. **Exemption from Public Notice Procedures 42 CFR §431.416(g).** CMS may expedite the federal and state public notice requirements under circumstances described in 42 CFR 431.416(g).
  - f. **Enrollment Limitation during Demonstration Phase-out.** If the state elects to suspend, terminate, or not extend this demonstration, during the last six months of the demonstration, enrollment of new individuals into the demonstration must be suspended. The limitation of enrollment into the demonstration does not impact the state's obligation to determine Medicaid eligibility in accordance with the approved Medicaid state plan.
  - g. **Federal Financial Participation (FFP).** If the project is terminated or any relevant waivers suspended by the state, FFP must be limited to normal closeout costs associated with the termination or expiration of the demonstration including services, continued benefits as a result of beneficiaries' appeals, and administrative costs of disenrolling beneficiaries.
- 3.10. **Withdrawal of Waiver or Expenditure Authority.** CMS reserves the right to withdraw waivers and/or expenditure authorities at any time it determines that continuing the waiver or expenditure authorities would no longer be in the public interest or promote the objectives of title XIX. CMS will promptly notify the state in writing of the determination and the reasons for the withdrawal, together with the effective date, and afford the state an opportunity to request a hearing to challenge CMS' determination prior to the effective date. If a waiver or expenditure authority is withdrawn, FFP is limited to normal closeout costs associated with terminating the waiver or expenditure authority, including services, continued benefits as a result of beneficiary appeals, and administrative costs of disenrolling beneficiaries.
- 3.11. **Adequacy of Infrastructure.** The state must ensure the availability of adequate resources for implementation and monitoring of the demonstration, including education, outreach, and enrollment; maintaining eligibility systems; compliance with cost sharing requirements; and reporting on financial and other demonstration components.
- 3.12. **Public Notice, Tribal Consultation, and Consultation with Interested Parties.** The state must comply with the state notice procedures as required in 42 CFR 431.408 prior to submitting an application to extend the demonstration. For applications to amend the demonstration, the state must comply with the state notice procedures set forth in 59 Fed. Reg. 49249 (September 27, 1994) prior to submitting such request. The state must also comply with the Public Notice Procedures set forth in 42 CFR 447.205 for changes in statewide methods and standards for setting payment rates. The state must also comply with tribal and Indian Health Program/Urban Indian Organization consultation requirements at section 1902(a)(73) of the Act, 42 CFR 431.408(b), State Medicaid Director Letter #01-024, or contained in the state's approved Medicaid State Plan, when any program changes to the demonstration, either through amendment as set out in STC 3.7 or extension, are proposed by the state.

- 3.13. **Dual Role of Managed Care-Like Model and Compliance with Managed Care Regulations.** For purposes of the demonstration the state shall comply with all of the managed care regulations published at 42 CFR section Part 438 et. seq., except as expressly modified or identified as not applicable in the STCs. DVHA shall continue to serve as the unit designated by AHS (the Single State Agency) responsible for administration of the state Medicaid program and operates as a public managed care model solely to carry out the goals and purposes of the demonstration. DVHA's role under the demonstration as a public managed care model does not reduce or diminish its authority to operate as the designated Medicaid unit under the approved state plan, including its authority to implement program policies permissible under a state plan and establish provider participation requirements. DVHA shall comply with federal program integrity and audit requirements as if it were a non-risk pre-paid inpatient health plan (PIHP) for services and populations covered under the demonstration in accordance with STC 6.1.
- 3.14. **Federal Financial Participation (FFP).** No federal matching for expenditures for this demonstration, including for administrative and medical assistance expenditures, will be available until the effective date identified in the demonstration approval letter, or if later, as expressly stated within these STCs.
- 3.15. **Administrative Authority.** When there are multiple entities involved in the administration of the demonstration, the Single State Medicaid Agency must maintain authority, accountability, and oversight of the program. The State Medicaid Agency must exercise oversight of all delegated functions to operating agencies, managed care organizations (MCOs) and any other contracted entities. The Single State Medicaid Agency is responsible for the content and oversight of the quality strategies for the demonstration.
- 3.16. **Common Rule Exemption.** The state must ensure that the only involvement of human subjects in research activities that may be authorized and/or required by this demonstration is for projects which are conducted by or subject to the approval of CMS, and that are designed to study, evaluate, or otherwise examine the Medicaid program – including public benefit or service programs, procedures for obtaining Medicaid benefits or services, possible changes in or alternatives to Medicaid programs and procedures, or possible changes in methods or levels of payment for Medicaid benefits or services. CMS has determined that this demonstration as represented in these approved STCs meets the requirements for exemption from the human subject research provisions of the Common Rule set forth in 45 CFR 46.104(d)(5).
- 3.17. **Payment to Providers.** The state may establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved state plan. The state must use a public notice process for setting payment rates in accordance with 42 CFR 447.205, except that, the state must publish a summary of comments, the state's responses, and decisions on the Global Commitment Register website. For purposes of monitoring, the state must submit to CMS a notification of public notice compliance, such as notification of the beginning and end of the public notice period through the Global Commitment Register listserv and noting compliance in the annual report.

#### 4. ELIGIBILITY, BENEFITS, AND ENROLLMENT

4.1. The Global Commitment to Health demonstration includes the following fundamental elements: program flexibility; a health care delivery system administered by the state and modeled after a managed care delivery system; comprehensive and person-centered services; and choice in long-term services and supports.

#### 4.2. Populations Affected and Eligible under the Demonstration.

- a. **Generally.** The populations listed in the tables below will receive coverage through the Global Commitment to Health demonstration service delivery system.
- b. **State plan groups.** Coverage for mandatory and optional state plan groups described below are subject to all applicable Medicaid laws and regulations, except as expressly waived in these STCs and the waiver list and expenditure authority for this demonstration. Any Medicaid State Plan Amendments to the eligibility standards and methodologies for these eligibility groups will apply to this demonstration.
- c. **Choices for Care Program Eligibility.** State plan-eligible individuals who receive long-term services and supports under the Choices for Care program must meet state plan financial rules, with the exception of waivers granted through this demonstration, and clinical eligibility criteria as defined by Vermont statutes, regulations, and policies and procedures. See Attachments C and D for a summary of eligibility definitions for the highest, high, and moderate needs groups, services, and policies. Non-state plan eligible Choices for Care individuals are included in Populations 4, 5, and 6 in the tables below.
- d. **Other Demonstration Expansion Populations.** Coverage for these populations, which derive their eligibility from this demonstration, is subject to all applicable Medicaid laws or regulations, except as expressly not applicable under the waiver authority, expenditure authority, and the STCs. This includes the application of modified adjusted gross income (MAGI) based methodologies and exceptions for non-MAGI based methodologies, as appropriate, used to determine financial eligibility for expansion populations.

The general categories of populations affected, or made eligible, by the demonstration are:

Mandatory and Optional State Plan Groups		
Population Number	Population Description	Benefits
Population 1	Mandatory state plan populations, except for the adult group (included in population 3) and Medicare Savings Program beneficiaries (included in populations 7 and 8).	Benefits as described in the title XIX state plan and these STCs.

<b>Mandatory and Optional State Plan Groups</b>		
<b>Population Number</b>	<b>Population Description</b>	<b>Benefits</b>
Population 2	Optional state plan populations (including medically needy)	Benefits as described in the title XIX state plan and these STCs.
Population 3	The adult group, described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119, pursuant to the approved state plan.	Benefits as described in approved alternative benefit plan state plan amendment and these STCs.

<b>Demonstration Expansion Populations</b>		
<b>Population Number &amp; Name</b>	<b>Population Description</b>	<b>Benefits</b>
Population 4 CFC Highest Needs Group	Individuals age 65 and older and age 18 and older with disabilities, not otherwise eligible under the state plan, who meet the clinical criteria for the highest need group for CFC, and who would have been Medicaid-eligible under section 1902(a)(10)(A)(ii)(VI) of the Act and 42 CFR §435.217, in conjunction with section 1902(a)(10)(A)(ii)(V) of the Act, if the services they receive under the demonstration would have been provided under an HCBS waiver granted to the state under section 1915(c) of the Act prior to 2014. This includes the application of the post eligibility rules specified at 42 CFR §435.726, and of the spousal impoverishment rules specified at 1924 of the Act. This demonstration allows for a resource standard of \$10,000 for an unmarried individual who resides in and has an ownership interest in their principal place of residence.	Benefits as described in the Medicaid state plan and HCBS benefits described in these STCs.

<b>Demonstration Expansion Populations</b>		
<b>Population Number &amp; Name</b>	<b>Population Description</b>	<b>Benefits</b>
Population 5 CFC High Needs Group	Individuals age 65 and older and age 18 and older with disabilities, not otherwise eligible under the state plan, who meet the clinical criteria for the high need group for CFC, and who would have been Medicaid-eligible under section 1902(a)(10)(A)(ii)(VI) of the Act and 42 CFR §435.217, in conjunction with section 1902(a)(10)(A)(ii)(V) of the Act, if the services they receive under the demonstration would have been provided under an HCBS waiver granted to the state under section 1915(c) of the Act prior to 2014. This includes the application of the post eligibility rules specified at 42 CFR 435.726, and of the spousal impoverishment rules specified at 1924 of the Act. This demonstration allows for a resource standard of \$10,000 for an unmarried individual who resides in and has an ownership interest in their principal place of residence.	Benefits as described in the Medicaid state plan and HCBS benefits described in these STCs.
Population 6 CFC Moderate Needs Expansion Group	Individuals who have incomes below 300 percent of the SSI Federal Benefit rate and would be described in Populations 4 or 5 except that they meet the clinical criteria for the moderate needs group and are at risk of institutionalization. Clinical criteria are detailed in Attachment C.	Limited HCBS including Adult Day Services, Case Management, Homemaker services and Flexible Funds. This coverage does not meet the requirements of minimum essential coverage.
Population 7 VPharm	Medicare beneficiaries who are 65 years or older or have a disability with income at or below 150 percent of the FPL, who may be enrolled in the Medicare Savings Program (MSP) but are not otherwise eligible for full Medicaid benefits.	Medicaid state plan prescriptions, eyeglasses and related eye exams; MSP beneficiaries also receive benefits as described in the title XIX state plan.

<b>Demonstration Expansion Populations</b>		
<b>Population Number &amp; Name</b>	<b>Population Description</b>	<b>Benefits</b>
Population 8 VPharm Expansion	Medicare beneficiaries who are 65 years or older or have a disability with income above 150 percent and up to and including 225 percent of the FPL, who may be enrolled in the MSP, but are not otherwise eligible for full Medicaid benefits.	Medicaid state plan prescriptions. MSP beneficiaries also receive benefits as described in the title XIX state plan.
Population 9 SUD Community Intervention and Treatment Group	Individuals with a diagnosis of a substance use disorder (SUD) with income above 133 percent of the FPL up to and including 225 percent of the FPL. The entry into SUD CIT is less stringent than inpatient hospital level of care.  Vermont uses the American Society of Addiction Medicine (ASAM) criteria to determine medically appropriate intensity of services and level of need to best meet the needs for individuals with SUD. Individuals must have a substance use need, where an assessment using the ASAM criteria indicates that the individual meets at least ASAM 1.0.	Benefits as described in the Medicaid state plan and as described in STC 4.4(d).

4.3. **Expansion Eligibility Groups Expenditure and Enrollment Cap.** The state must not impose a waiting list or enrollment cap on any Medicaid state plan population for Medicaid state plan services.

- a. A waiting list for enrollment is permitted for individuals eligible only under demonstration authority. If the state establishes a waiting list for services, the waiting list will be limited to coverage of services available only under demonstration authority. The waiting list for services must give priority to individuals who are eligible under the Medicaid state plan.
- b. The state may maintain waiting list policies and procedures for home and community-based services through the Choices for Care Program and for demonstration-only (non-Medicaid state plan) populations, including a description of how the state will manage wait lists, if and when waiting lists should occur.

4.4. **Benefits.** All covered services may be subject to medical review and prior approval by DVHA based on medical appropriateness. A complete listing of covered services and limitations are contained in the Vermont approved title XIX state plan, Vermont statutes, regulations, and policies and procedures. The Global Commitment to Health

demonstration will provide, at a minimum, the benefits covered under the title XIX state plan and these STCs to individuals in populations 1 and 2 and benefits for individuals in population 3 shall be specified in an approved Alternative Benefit plan under the state plan and these STCs.

- a. **Hospice.** The state may provide coverage for hospice services concurrently with palliative and curative services. These concurrent services will be available for adults 21 years of age and older who are in populations 1, 2, and 3 who have been diagnosed with a life-limiting illness that is expected to be terminal, if a physician has certified that the adult is within the last months of life. The number of months of life required for such a certification shall be determined under the state plan. The state must under regular state plan rules provide concurrent hospice services for both palliative and curative services for children under age 21.
- b. **Individually Assessed Cost-Effective Alternative Services.** Vermont may provide individuals with the option to receive cost-effective treatment as patients in lieu of otherwise covered services in other settings. This option must be voluntary with the individual, and must be based on an assessment and determination that the service is a medically appropriate and cost-effective substitute for the corresponding state plan service or setting. The state must not claim any expenditures under this expenditure authority that are otherwise not allowable including, but not limited to, institution for mental diseases (IMD), inmates, or room and board. The state may not spend more than the total limits specified in the table below; annual amounts may be rolled over from DY to DY during this demonstration period.

Individually Assessed Cost-Effective Alternative Services Annual Limits						
DY 18	DY 19	DY 20	DY 21	DY 22	DY 23	Total
N/A	\$965,233	\$3,475,775	\$3,475,775	\$3,475,775	\$3,475,775	\$14,868,333

- c. **Special programs.** In addition to the services described in subparagraph (a), the state shall provide the following services, through “special programs” to individuals who would have been eligible under a separate 1915(c) waiver, 1915(i) state plan amendment, or the state’s prior 1115 demonstration. Service definitions for these programs are included in Attachment F.

<b>Special Programs</b>		
<b>Special Program Name</b>	<b>Services</b>	<b>Limitations</b>
Brain Injury Program	Services including crisis/support services, psychological and counseling supports, case management, community supports, habilitation, respite care, supported employment, environmental and assistive technology and self-directed care.	Any limitation on this service is defined by Vermont rules and policies.
Mental Health Under 22	Services including service coordination, flexible support, skilled therapy services, environmental safety devices, counseling, residential treatment, respite, supported employment, and crisis and community supports. The state assures that in accordance with EPSDT requirements, individuals under 21 receive all medically necessary 1905(a) services through the state plan.	Any limitation on this service is defined by Vermont rules and policies.
Community Rehabilitation and Treatment (CRT)	Services including service coordination, flexible support, skilled therapy services, environmental safety devices, counseling, residential treatment, respite, supported employment, enhanced dental benefit, crisis and community supports, and peer supports (upon approval of a State Plan amendment and promulgation of necessary Vermont administrative rules).	Any limitation on this service is defined by Vermont rules and policies.
Developmental Disability Services	Services including service coordination, residential habilitation, day habilitation, supported employment, crisis services, clinical intervention, respite, enhanced dental benefit, and self-directed care.	Any limitation on this service is defined by Vermont rules and policies.

- d. **SUD Community Intervention and Treatment (CIT).** SUD CIT services are provided to individuals with a diagnosis of SUD with income above 133 percent of the FPL up to and including 225 percent of the FPL. Individuals in this population are not eligible for full state plan benefits. The clinical eligibility criteria for this program are listed in Attachment U.

- i. **Benefits.** Individuals will have access to the following SUD treatment services covered under the Medicaid state plan: service coordination, recovery supports, psychoeducation, peer supports (upon approval of a State Plan amendment and promulgation of necessary Vermont administrative rules), residential treatment, withdrawal management, counseling, and skilled therapy services.
  - ii. For individuals who are enrolled in both the CRT expansion group and the SUD Intervention and Treatment group, Vermont will ensure that there is not duplication of services. The CIT program will have a limited network of providers enrolled.
- e. **Palliative Care Program.** The Palliative Care Program is for children under the age of 21 years in populations 1, 2, and 3 who have been diagnosed with a life-limiting illness that is expected to be terminal before adulthood. The program will allow for children to receive palliative and curative services.
- i. **Participation.** Demonstration participants will be identified based on diagnostic codes found on claims data and referrals from medical professionals.
    - 1. Eligibility will be determined by the nurse care manager and/or DVHA Medical Director, based on the assessment tool and supplemental clinical information (as needed). Continued eligibility will be re-assessed at least annually.
    - 2. Care planning activities for children enrolled in the palliative care program will meet the requirements specified in federal managed care regulations for enrollees with special health care needs.
  - ii. **Benefits.** In addition to state plan services, children enrolled in the palliative care program may also receive care and services that meet the definition of ‘medical assistance’ contained in section 1905(a) of the Act if determined to be medically appropriate in the child’s care plan.
    - 1. **Care Coordination.** Development and implementation of a family-centered care plan that includes telephonic and home visits by a licensed nurse.
    - 2. **Respite Care.** Short-term relief for caretaker relatives from the demanding responsibilities for caring for a sick child.
    - 3. **Expressive Therapies.** Therapies provided by licensed therapist to provide support to the child to help the child to creatively and kinesthetically express their reaction to their illness. The palliative care program offers 52 hours of expressive therapies per year. Additional expressive therapy may be authorized if medically appropriate.

- 4. **Family Training.** Training to teach family members palliative care principles, medical treatment regimen, use of medical equipment, and how to provide in-home care.
  - 5. **Bereavement Counseling.** Anticipatory counseling and up to 6 months after the child’s death for the family by a licensed professional trained in grief counseling. Payment for bereavement counseling services may be provided for on-going counseling to family members after the child’s death so long as such services were initiated prior to the child’s death.
- iii. **Cost Sharing.** Cost sharing requirements as described in STC 5.1 will apply.
- f. **Supportive Housing Assistance Pilot.** The Supportive Housing Assistance Pilot is for Medicaid enrollees age 18 and older eligible for full Medicaid state plan benefits who meet the health needs-based and risk-based criteria defined by the state in Attachment I. This pilot will provide eligible individuals with access to pre-tenancy supports, tenancy sustaining services, and community transition services for enrollees moving to supportive housing that are in full alignment with services under 1915(c) and 1915(i) authorities, with the exception of community transition services, which may be provided to individuals moving to supportive housing from non-institutional, non-provider-operated living arrangements. Benefits are further described in Attachment I. The expenditure authority limit for the Community Transition Services authority is shown in the table below.

Community Transition Services Expenditure Authority Limits						
	DY18	DY19	DY20	DY21	DY22	DY23
Annual PMPM Amount	N/A	N/A	\$2,828.00	\$2,963.74	\$3,106.00	\$3,255.09

- i. Individuals who are eligible for full State Plan benefits and are enrolled in Choices for Care or one of Vermont’s special programs defined in 4.4(c) (i.e., CRT, Developmental Disabilities Services, Brain Injury Program, or Mental Health Under 22) will be eligible for the Supportive Housing Assistance Pilot, but these individuals cannot obtain any services or supports from the pilot that duplicate benefits already available to them. The state will institute annual enrollment limits for the Supportive Housing Assistance Pilot and may maintain a waiting list.

## 5. COST SHARING

### 5.1. Premiums and Cost Sharing.

#### a. Populations 1, 2, and 3.

- i. Premiums for populations 1, 2, and 3, must be in compliance with Medicaid requirements that are set forth in statute, regulation and policy. Premiums may be charged for this population in accordance with the approved state plan.
  - ii. Cost sharing for populations 1, 2, and 3, must be in compliance with Medicaid requirements that are set forth in statute, regulation and policies. Standard Medicaid exemptions from cost-sharing set forth in 42 CFR 447(b) applies to the demonstration.
- b. **Populations 7 and 8.** Detailed cost-sharing and premium requirements for Populations 7 and 8 are included in Attachment G. The state must not apply co-payment requirements to excluded populations (children under age 21, pregnant women or individuals in long-term care facilities) or for excluded services/supplies (e.g., family planning).
- c. Notwithstanding STC 5.1(a)(i) above, and consistent with the waiver of premiums (section 1902(a)(14) of the Act insofar as it incorporates section 1916 of the Act) in this demonstration project, premiums for children through age 18 with income above 195 percent of the FPL through 312 percent of the FPL are outlined in Attachment G.

## 6. DELIVERY SYSTEMS

- 6.1. **Delivery System Overview.** Costs of all Medicaid covered services will be covered by DVHA and may be furnished through contracts with providers and through interagency agreements with governmental partners. Contracts with providers may include capitated contracts that meet the requirements of 42 CFR Part 438. In addition, DVHA will operate on a managed care-like model applying utilization controls and care management. The managed care-like model shall comply with federal regulations at 42 CFR Part 438 that would be applicable to a non-risk PIHP, including beneficiary rights and appeal/grievance procedures (unless specifically stated otherwise in the STCs). Requirements under the demonstration shall be documented through an interagency agreement between AHS and DVHA.
- 6.2. **Submission of Interagency Agreement and Rate Certification.** At least 90 days prior to the effective date of the interagency agreement, AHS shall submit for CMS review and approval the interagency agreement and corresponding rate certification as described in 42 CFR 438.7 and these STCs. Any amendments to the interagency agreement and corresponding amendments to the rate certification shall be submitted for CMS review and approval 45 days prior to the effective date of amendment to the interagency agreement.
- 6.3. **Managed Care-Like Model – Designated Non-Risk PIHP.** The managed care-like model shall be subject to 42 CFR 438 requirements as a non-risk PIHP, and AHS shall be subject to 42 CFR 438 requirements as the state, and DVHA shall be subject to 42 CFR 438 requirements as a non-risk PIHP subject to the following clarifications:

- a. AHS shall develop a per member per month (PMPM) capitation rate consistent with the requirements for actuarial soundness, rate development, special contract provisions (as applicable), and rate certifications in 42 CFR 438.4 through 438.7; The PMPM capitation rates shall not be used for determination of federal financial participation, rather the PMPM capitation rates and corresponding rate certification shall be used to determine that:
  - i. The provider reimbursement rates are not based on the rate of federal financial participation associated with the covered populations;
  - ii. The provider reimbursement rates are appropriate for the populations to be covered and the services to be furnished under the contract; and
  - iii. The provider reimbursement rates are adequate to meet the requirements on MCOs, PIHPs, and PAHPs in §§438.206, 438.207, and 438.208;
- b. DVHA shall calculate and report a Medical Loss Ratio. The MLR shall be calculated consistent with all applicable parts of 42 CFR 438.8;
- c. Neither the capitation rates determined under the interagency agreement nor the underlying provider payments shall be subject to the upper payment limits specified in 42 CFR 447.362; and
- d. AHS will be responsible for oversight of the managed care-like model acting as a non-risk PIHP, ensuring compliance with state and federal statutes, regulations, special terms and conditions, waiver, and expenditure authority. AHS shall be responsible for evaluation, interpretation and enforcement of findings issued by the external quality review organization.
- e. During periods of a public health emergency (PHE), as declared by the Secretary of Health and Human Services as a result of a Presidential declaration under the Stafford Act, the non-risk PIHP (DVHA) is not required to offer in person opportunities for beneficiaries to present evidence and testimony and make legal and factual arguments as described in 42 CFR 438.406(b)(4). However, the non-risk PIHP (DVHA) must provide enrollees reasonable opportunity, in writing, telephonically, and video or virtual communication, to present evidence and testimony and make legal factual arguments. Monitoring and Evaluation requirements for this authority are described in STCs 15.3(a) and 15.6(c).

**6.4. Capitation Rate Development.** In addition to the requirements described in STC 6.3, the development of the capitation rate must:

- a. Be developed consistent with the requirements in 42 CFR 438.5 and based on DVHA's actual experience and expected costs;
- b. Be developed for 12-month periods;

- c. Not include any administrative services and costs that are required to be incurred by AHS as the Single State Agency under federal law, regulation, or these STCs. Such administrative services and costs that cannot be part of the capitation rate include: eligibility determinations, Single State Agency Central Office and External Quality Review Organization (EQRO), administration of a State Fair Hearing system, the Beneficiary Support System in 42 CFR 438.71 and STC 6.10, and the provider screening and enrollment process under 42 CFR 438.602(b);
- d. Include only costs for services included under 42 CFR 438.3(c)(1)(ii);
- e. Not include any costs for “investments” as described in STC 11.1;
- f. AHS shall require DVHA through its interagency agreement to maintain an 85 percent medical loss ratio calculated consistent with 42 CFR 438.8 and these STCs;
- g. To the extent that DVHA does not meet at least an 85 percent medical loss ratio, the PMPM capitation rates must be reduced to the extent necessary to achieve an 85 percent medical loss ratio;
- h. DVHA shall not be eligible for an incentive payment above the actuarial sound capitation rate under 438.6(b); and
- i. AHS shall be required to comply with 42 CFR 438.6(c) and (d), in that:
  - i. Neither AHS, nor DVHA, shall make any pass-through payments, as defined in 42 CFR 438.6(a) to providers;
  - ii. Any reimbursement arrangements between DVHA and providers that is based entirely on a fee-for-service style of fee schedule, consistent with the fee schedule arrangements described in 42 CFR 438.6(c)(1)(iii), shall not require AHS to obtain prior approval under 42 CFR 438.6(c)(2);and
  - iii. Any reimbursement arrangements between AHS or DVHA and providers that are a value-based payment style fee schedule shall be required to meet the prior approval requirements in 42 CFR 438.6(c)(2) consistent with reimbursement arrangements described in 42 CFR 438.6(c)(1)(i) and (ii).

6.5. **Choice under the Managed Care-Like Model.** All Medicaid beneficiaries are enrolled in the managed care-like model that operates as if it were a non-risk PIHP. AHS shall not be subject to 42 CFR 438.52(a)(1). AHS shall be required to meet the requirements of 42 CFR 438.52(b) in all counties regardless of the county designation in the Medicare Advantage Health Services Delivery Reference file.

6.6. **Non-Application of 42 CFR 438.3(m).** AHS and DVHA shall not be determined out of compliance with 42 CFR 438.3(m) if AHS and DVHA meet the financial reporting requirements, consistent with requirements in sections 12 and 13 of these STCs, as well as applicable federal and state accounting principles and controls.

- 6.7. **Limitation of Freedom of Choice.** Freedom of choice is limited to the DVHA network of providers. However, populations must have freedom of choice when selecting enrolled providers within that network (when applicable, the provider must be enrolled in the specific specialty or subprogram applicable to the services at issue). Specifically, demonstration participants enrolled in a special service program such as, but not limited to, specialized substance use and mental health services, a special program as defined in STC 4.4(d), or the CIT program may only have access to the providers enrolled under that program, and will not have access to every Medicaid-enrolled provider for services under that program. Such participants will have freedom of choice of providers enrolled in the special service program in the appropriate geographic area. No restriction on freedom of choice of family planning provider may be imposed.
- 6.8. **Contracts and Provider Payments.** Payments to providers for Global Commitment will be set by DVHA and approved by AHS and will not be required to comply with the payment provisions in the approved state plan.
- a. All services provided under the demonstration, including nursing facility and home and community-based services, are included in the actuarially-determined per member per month calculation. Therefore, these payments are subject to the applicable requirements in 42 CFR 438.7.
- 6.9. **Contracting with Federally Qualified Health Centers (FQHCs).** The state shall not reduce the number of FQHCs and rural health centers available to provide services to beneficiaries under this demonstration.
- 6.10. **Beneficiary Support System.** AHS shall develop and implement a beneficiary support system consistent with the requirements of 42 CFR 438.71. AHS shall ensure the independence and conflict of interest requirements in 42 CFR 438.71(c)(2) are satisfied by ensuring that contracts or grants for these activities are managed by staff outside of DVHA and that staff responsible for any beneficiary support system activities report to a department or agency outside of DVHA. AHS will monitor beneficiary support system quarterly reports and take action where systemic issues are identified with managed long-term supports and services operated by DVHA.
- 6.11. **Appeals and Grievance.** AHS and DVHA shall comply with all aspects of 42 CFR 438, subpart F, with AHS as the state and DVHA as if it were a non-risk PIHP. All requirements related to State Fair Hearings in federal statute and regulations shall be the direct responsibility of AHS and may not be delegated to DVHA.
- 6.12. **Program Integrity.** AHS and DVHA shall comply with all requirements of 42 CFR 438, subpart H, with AHS as the state and DVHA as a PIHP unless specified herein. All program integrity requirements in federal statute and regulations that are required of the state in its oversight of a non-risk PIHP shall be the direct responsibility of AHS and may not be delegated to DVHA.
- a. 42 CFR 438.604(a)(4) pertaining to documentation against risk of insolvency is not applicable to DVHA.

- b. The data, information, and documentation submission requirements on DVHA as a non-risk PIHP in 42 CFR 438.604(a)(1) and (a)(2) is satisfied so long as AHS has direct access to the information systems that maintain such data, documentation and information.
- 6.13. **Data Sharing.** DVHA acting as a non-risk PIHP under a managed care-like model shall comply with all privacy and confidentiality requirements on PIHPs in 42 CFR 438. Nothing in this STC prohibits AHS from delegating data and information rights and responsibilities to DVHA consistent with federal law, including section 1902(a)(7) of the Act and 42 CFR 431.306(d). To the extent that DVHA has access to data and information under delegation from AHS that may not otherwise be shared with a non-risk PIHP, AHS must establish administrative, managerial and, technical controls to prevent sharing the data with divisions of DVHA responsible for the managed care-like model acting as a non-risk PIHP.
- 6.14. **State Quality Strategy.** The state must meet the managed care quality strategy requirements at 42 CFR 438.340 and adopt and implement a comprehensive, dynamic, and holistic continuous quality improvement strategy that integrates all aspects of quality improvement programs, processes, and requirements across the state’s Medicaid program. This quality strategy must address quality improvement for all components of the state’s Medicaid state plan and its section 1115 demonstration.
- a. **Quality Improvement Strategy (QIS) for 1915(c) or 1915(i) approvable HCBS Services.** For services that could have been authorized to individuals under a 1915(c) waiver or under a 1915(i) HCBS State plan amendment, the state’s Quality Strategy must encompass LTSS specific measures set forth in the federal managed care rule at 42 CFR 438.330 and should also reflect how the state will assess and improve performance to demonstrate compliance with applicable federal waiver assurances set forth in 42 CFR 441.301 and 441.302(b), as follows:
    - i. **Administrative Authority.** A performance measure should be developed and tracked for any authority that AHS (State Medicaid Agency) delegates to another agency, unless already captured in another performance measure.
    - ii. **Level of Care or Eligibility based on 1115 Requirements.** Performance measures are required for the following: applicants with a reasonable likelihood of needing services receive a level of care determination or an evaluation for HCBS eligibility, and the processes for determining level of care or eligibility for HCBS are followed as documented. While a performance measure for annual levels of care/eligibility is not required to be reported, the state is expected to be sure that annual levels of care/eligibility are determined.
    - iii. **Qualified Providers.** The state must have performance measures that track that providers meet licensure/certification standards, that non-certified providers are monitored to assure adherence to demonstration requirements, and that the state verifies that training is given to providers in accordance with the demonstration.

- iv. **Service Plan.** The state must demonstrate it has designed and implemented an effective system for reviewing the adequacy of service plans for HCBS participants. The state must have one or more performance measures that track choice of HCBS and providers where applicable, that service plans address all assessed needs and personal goals commensurate with the scope of services available within the program, and that services are delivered in accordance with the service plan including the type, scope, amount, duration, and frequency specified in the service plan.
- v. **Health and Welfare.** The state must demonstrate it has designed and implemented an effective system for assuring HCBS participants' health and welfare. The state must have one or more performance measures that track that on an ongoing basis it identifies, addresses and seeks to prevent instances of abuse, neglect, exploitation, including the use of restraints, and unexplained death; that an incident management system is in place that effectively resolves incidents and prevents further singular incidents to the extent possible; that state policies and procedures for the use or prohibition of restrictive interventions are followed; and, that the state establishes overall health care standards and monitors those standards based on the responsibility of the service provider as stated in the approved demonstration.
- vi. **Financial Accountability.** The state must demonstrate that it has designed and implemented an adequate system for ensuring financial accountability of the HCBS program.
- vii. To demonstrate the requirements of STC 6.14 (a)(i)-(vi) above, the state must submit performance measures to CMS for review and approval within 90 days following approval of the demonstration extension.
- viii. The state will submit a report to CMS following receipt of an Evidence Request letter and report template from the Division of HCBS Operations & Oversight (DHCBSO) no later than 21 months prior to the end of the approved waiver demonstration period that includes evidence on the status of the approved HCBS quality assurances and measures that adheres to the requirements outlined in the March 12, 2014, CMS Informational Bulletin, Modifications to Quality Measures and Reporting in §1915(c) Home and Community-Based Waivers. Following receipt of the state's evidence report, the DHCBSO will issue a draft report to the state and the state will have 90 days to respond. The DHCBSO will evaluate each evidentiary report to determine whether the assurances have been met and will issue a final report to the state 60 days following receipt of the state's response to the draft report.
- ix. Beginning with the DY 19 annual monitoring report, the state must report the deficiencies found during the monitoring and evaluation of the HCBS demonstration assurances and measures, an explanation of how these deficiencies have been or are being corrected, as well as the steps that have been taken to ensure that these deficiencies do not reoccur. The state must also report on the number of substantiated instances of abuse, neglect,

exploitation and/or death, the actions taken regarding the incidents and how they were resolved. The DY19 annual report must also include this information for the months in DY 18 after which CMS has approved the performance measures.

## 7. LONG-TERM SERVICES AND SUPPORTS PROTECTIONS

- 7.1. **Person-Centered Planning.** The state assures there is a person-centered service plan for each individual determined to be eligible for HCBS. The person-centered service plan is developed using a person-centered service planning process in accordance with 42 CFR 441.301(c)(1) (1915(c)) or 42 CFR 441.725(a) (1915(i)), and the written person-centered service plan meets federal requirements at 42 CFR 441.301(c)(2) (1915(c)) or 42 CFR 441.725(b) (1915(i)). The state may obtain an electronic signature for the person-centered service plan in cases where permitted under Vermont policies and procedures. The person-centered service plan is reviewed, and revised upon reassessment of functional need as required by 42 CFR 441.365(e), at least every 12 months, when the individual's circumstances or needs change significantly, or at the request of the individual.
- 7.2. **Self-Directed Supports.** The state agrees to provide resources to support participants in the Choices for Care, Developmental Disabilities Services, and Brain Injury programs or their proxies (e.g., a surrogate, parent or legal guardian/representative) in directing their own care. This support assures, but is not limited to, participants' compliance with laws pertaining to employer responsibilities and provision for back-up attendants as needs arise. The state agrees to assure that background checks on employees and their results are available to participants. State policies and guidelines will include, but not be limited to: criteria for who is eligible to self-direct, a fiscal agent/intermediary, and consultants to assist participants with learning their roles and responsibilities as an 'employer' and to ensure that services are consistent with care plan needs and allocations.
- a. Choices for Care program enrollees will have full informed choice on the requirements and options to: self-direct Choices for Care services; have a qualified designated representative direct Choices for Care services on their behalf; or select traditional agency-based service delivery. State and provider staff will receive training on these options.
- 7.3. **Home and Community Based Settings.** The state will assure compliance with the characteristics of home and community-based settings in accordance with 42 CFR 441.301(c)(4), for those Choices for Care services (e.g., those not found in the Vermont State Plan) that could be authorized under 1915(c) and 1915(i). The Choices for Care services are described in Attachment D.
- 7.4. **Single State Agency LTSS oversight.** In its role as single state agency, the AHS will ensure a managed LTSS plan for a comprehensive care model is developed that promotes the integration of home and community-based services, institutional, acute, primary and behavioral health care.

7.5. **Choices for Care Enrollee Access.** To support the beneficiary’s experience receiving medical assistance and long-term services and supports, the state shall assure that all Choices for Care program enrollees have access to independent support services that assist them in understanding their coverage options and in the resolution of problems regarding services, coverage, access and rights. Independent support services will:

- a. Operate independently from any provider and to the extent possible, services will be provided independently of the state and support transparent and collaborative resolution of issues between beneficiaries and state government;
- b. Be easily accessible and available to all Choices for Care enrollees. Activities will be directed toward enrollees in all settings (institutional, residential and community-based), accessible through multiple entryways (e.g., phone, internet, office) and reach out to beneficiaries and/or authorized representatives through various means (mail, phone, in person), as appropriate;
- c. Assist with access to services and supports and help individuals understand their choices, resolve problems and address concerns that may arise between the individual and a provider or payer. The state will assure:
  - i. Beneficiaries have support in the pre-enrollment stage, such as unbiased options counseling and general program-related information.
  - ii. Beneficiaries have an access point for complaints and concerns about Choices for Care enrollment, access to services, and other related matters.
  - iii. Enrollees understand the fair hearing, grievance, and appeal rights and processes within the Choices for Care program and assist them through the process if needed/requested.
  - iv. Trainings are conducted with providers on community-based resources and covered services and supports.
- d. Ensure staff and volunteers are knowledgeable. Training will include information about the state’s Medicaid programs; beneficiary protections and rights under Medicaid managed care arrangements; and the health and service needs of persons with complex needs, including those with a chronic condition, disability, and cognitive or behavioral needs. In addition, the state will ensure services are delivered in a culturally competent manner and are accessible to individuals with limited English proficiency; and
- e. Collect and report information on the volume and nature of beneficiary contacts and the resolution of such contacts on a schedule and manner determined by the state, but no less frequently than quarterly. This information will inform the state of any provider or contractor issues and support quarterly reporting requirements to CMS.

7.6. **HCBS Electronic Visit Verification System.** The state will demonstrate compliance with the Electronic Visit Verification System (EVV) requirements for personal care services (PCS) by January 1, 2021 and home health services by January 1, 2023 in

accordance with section 12006 of the 21<sup>st</sup> Century CURES Act, unless the state has received a good faith effort exemption for up to one year from CMS.

- 7.7. **Conflict of Interest Protections.** Regulations at 42 CFR 441.301(c)(1)(vi) require that providers of HCBS for the individual, or those who have an interest in or are employed by a provider of HCBS for the individual must not provide case management or develop the person-centered service plan, except when the State demonstrates that the only willing and qualified entity to provide case management and/or develop person-centered service plans in a geographic area also provides HCBS. In these cases, the State must devise conflict of interest protections including separation of entity and provider functions within provider entities, which must be approved by CMS. Individuals must be provided with a clear and accessible alternative dispute resolution process.
- a. The safeguards to mitigate and address the potential problems that may arise when the individual’s HCBS provider, or an entity with an interest in or employed by a provider of HCBS, performs service plan development (e.g., self-referral) need to include, at a minimum:
    - i. Full disclosure to participants and assurance that participants are supported in exercising their right to free choice of providers and are provided information about the full range of HCBS, not just the services furnished by the entity that is responsible for the person-centered service plan development;
    - ii. An opportunity for the participant to dispute the state’s assertion that there is not another entity or individual that is not that individual’s provider to develop the person-centered service plan through a clear and accessible alternative dispute resolution process;
    - iii. Direct oversight of the process or periodic evaluation by a state agency;
    - iv. Restricting the entity that develops the person-centered service plan from providing services without the direct approval of the state; and
    - v. Requiring the agency that develops the person-centered service plan to administratively separate the plan development function from the direct service provider functions.
  - b. When the state allows for an entity that is responsible for person-centered service plan development to also provide other direct HCBS, the state must:
    - i. Demonstrate that the entity is the only willing and qualified provider to develop the person-centered service plan; and
    - ii. Describe safeguards that mitigate and address the potential problems that may arise, with the service providers’ influence on the person-centered planning process (exercising free choice of providers, controlling the content of the plan, including assessment of risk, services, frequency and duration, and informing the participant of their rights) including:

1. Full disclosure to participants and assurance that participants are supported in exercising their right to free choice of providers and are provided information about the full range of HCBS, not just the services furnished by the entity that is responsible for the person-centered service plan development;
  2. An opportunity for the participant to dispute the state's assertion that there is not another entity or individual that is not that individual's provider to develop the person-centered service plan through a clear and accessible alternative dispute resolution process;
  3. Direct oversight of the process or periodic evaluation by a state agency;
  4. Restricting the entity that develops the person-centered service plan from providing services without the direct approval of the state; and
  5. Requiring the agency that develops the person-centered service plan to administratively separate the plan development function from the direct service provider functions.
- c. On December 17, 2021, Vermont submitted a plan to CMS describing the process it will take to comply with HCBS conflict of interest protections described in STC 7.7(a) and (b). Once approved by CMS, the plan will be appended as Attachment Q.

## 8. OTHER PROGRAMS

8.1. **State-Funded Marketplace Subsidies Program.** The state may claim as allowable expenditures under the demonstration the payments for premium subsidies made through its state-funded program for individuals who purchase health insurance through the Marketplace. Premium subsidies will be provided on behalf of individuals who:

1. are not Medicaid eligible;
2. are eligible for the advance premium tax credit (APTC) on the Marketplace; and
3. whose household MAGI, as determined for APTC and consistent with all applicable federal laws, is at or below 300 percent of the FPL.

Expenditures for this state health program must not include any expenditures listed in STC 11.5 ("Investment Approval Process").

- a. **Reporting.** The state must provide data regarding the operation of this subsidy program in the annual report required per STC 12.7. This data must, at a minimum, include:
  - i. The number of individuals served by the program;
  - ii. The size of the subsidies; and
  - iii. A comparison of projected costs with actual costs.

- b. **Budget Neutrality.** This subsidy program will be subject to the budget neutrality limit specified in STC 14.15.

8.2. **Maternal Health and Treatment Services.** The state may claim as allowable expenditures otherwise covered state plan services furnished to otherwise Medicaid eligible pregnant women, postpartum women, and mothers ages 19-64 who are residents at the Lund Home facility (or its successor), for the length of treatment as medically necessary.

- a. **Services.** The Lund Home (or its successor) provides the following state plan services:

- i. Individual, group, family therapy
- ii. Medication assisted treatment
- iii. Health screening, education, monitoring and referral
- iv. Case management
- v. NEMT

- b. **Monitoring.** The state must incorporate in the SUD and SMI Monitoring Protocol (as required under STC 9.3 and 10.5, respectively) plans to stratify appropriate monitoring metrics for the Maternal Health and Treatment Services program authorized by this demonstration. In addition, the state will develop in cooperation with CMS a list of maternal health metrics to be reported for this program. If the state discontinues the SMI components (as required under Section 10) of the Global Commitment to Health demonstration but would like to continue to receive expenditure authority for the Lund Home (or its successor), the state will need to submit a separate implementation plan (STC 10.2) to ensure that the Lund Home (or its successor) and the state continue to meet the relevant milestones of the SMI opportunity. Because of its unique care model, the Lund Home (or its successor) will not be required to obtain accreditation from a nationally recognized accreditation entity, but is subject to state licensure and oversight.

- c. **Evaluation.** The state's Evaluation Design must include a separate discussion of the maternal health and treatment services provided at the Lund Home (or its successor) including evaluation questions and hypotheses that the state intends to test. Hypotheses related to the maternal health and treatment services should not only address the appropriate SUD and SMI treatment and quality of care goals but should also address the specific maternal health outcomes and goals of this program. For example, the hypotheses should address how the extended residential component and family-centered model contributes to achieving the goals of improved retention in treatment, lower child custody rates, and improved psychosocial outcomes for the family.

- d. **Unallowable Expenditures.** Under no circumstances may the state receive FFP under expenditure authority approved for the Lund Home (or its successor) for room

and board costs. Treatment for children receiving care within the Lund Home (or its successor) is not authorized by this STC and its associated expenditure authority. Instead, service expenditures associated with children receiving care within the Lund Home (or its successor) are authorized to the extent allowable under statute, the state plan, and associated regulations.

- 8.3. **Medicaid Data Aggregation and Access Program (MDAAP).** The state may claim as allowable expenditures, up to \$14.9 million (total computable) for five years, payments to incentivize health information technology (HIT) use. This program is distinct from the investments described in Section 11 of the STCs and will not count towards the annual investment limits in STC 11.4. Incentive payments for Medicaid providers support the state's goals of expanding HIT use, increasing Vermont health information exchange (HIE) connectivity, and assisting providers with improving beneficiary outcomes and reducing disparities through the use of HIE tools.
- a. **Eligibility.** Providers that are eligible to receive incentive payments to purchase tools are limited to those whose Medicaid patient volume is at least 20% (Children's Health Insurance Plan (CHIP) does not count toward the Medicaid patient volume criteria) and are mental health providers, SUD treatment providers, LTSS providers, or other provider type identified in Attachment H.
  - b. **Reporting.** The state will report on the activities of the MDAAP Incentive Payment Program in the Annual Monitoring Reports. The state will report the amount and types of providers participating, the amount of funding given to providers, and an annual update of how the incentive is helping Vermont move its data systems forward. For example, how many providers statewide are connected to the Vermont Health Information Exchange (VHIE). All expenditures must be reported as specified in STC 12.7.
  - c. **MDAAP Incentive Payment Protocol.** The MDAAP Incentive Payment Protocol establishes rules and guidelines for participation in the MDAAP Incentive Payment Program as well as how the State will claim FFP for incentive payments. The approved MDAAP Incentive Payment Protocol will be appended into these STCs as Attachment H. The state must submit the MDAAP Incentive Payment Protocol to CMS for approval. CMS and Vermont will work collaboratively with the expectation of CMS approval of the protocol within 90 calendar days after it receives the protocol. The state cannot claim FFP for any incentive payments until the MDAAP Incentive Payment Protocol has been submitted to and approved by CMS.
  - d. **Unallowable Expenditures.** Under no circumstances, may the state receive FFP under this expenditure authority for provider incentive payments made to anyone who was previously included under the Health Information Technology for Economic and Clinical Health (HITECH) Act.

## 9. OPIOID USE DISORDER (OUD)/SUBSTANCE USE DISORDER (SUD)

9.1. **Opioid Use Disorder/Substance Use Disorder Program.** Since CMS’s approval of the SUD Implementation Plan on June 6, 2018, effective July 1, 2018, the demonstration benefit package for Vermont Medicaid recipients has included OUD/SUD services provided in residential and inpatient treatment settings that qualify as an IMD, which are not otherwise matchable expenditures under section 1903 of the Act. The state is eligible to receive FFP for Vermont Medicaid recipients residing in IMDs under the terms of this demonstration for coverage of medical assistance, including OUD/SUD benefits that would otherwise be matchable if the beneficiary were not residing in an IMD. Vermont will aim for a statewide average length of stay of 30 days in residential treatment settings, to be monitored pursuant to the SUD Monitoring Protocol as outlined in Attachment M below, to ensure short-term residential treatment stays. Under this demonstration component, beneficiaries will have access to high-quality, evidence-based OUD and other SUD treatment services ranging from medically supervised withdrawal management to on-going chronic care for these conditions in cost-effective settings while also improving care coordination and care for comorbid physical and mental health conditions.

The coverage of OUD/SUD inpatient, residential treatment and withdrawal management services in IMDs expands Vermont’s current OUD/SUD benefit package available to all Vermont Medicaid recipients as outlined in the table below. Room and board costs are not considered allowable costs for residential treatment service providers unless they qualify as inpatient facilities under section 1905(a) of the Act.

<b>Vermont OUD/SUD Benefits Coverage with Expenditure Authority</b>		
<b>SUD Benefit</b>	<b>Medicaid Authority</b>	<b>Expenditure Authority</b>
Early Intervention (Screening, Brief Intervention and Referral to Treatment)	State plan (Individual services covered)	N/A
Outpatient Services	State plan (Individual services covered)	N/A
Intensive Outpatient Services	State plan (Individual services covered)	N/A
Residential Treatment	State plan (Individual services covered)	Services provided to individuals in IMDs
Medically Supervised Withdrawal Management	State plan	Services provided to individuals in IMDs
Medication-Assisted Treatment (MAT)	State plan	Services provided to individuals in IMDs

The state attests that the services indicated in the table above, as being covered under the Medicaid state plan authority are currently covered in the Vermont Medicaid state plan.

9.2. **SUD Implementation Plan.** The state’s SUD Implementation Plan, initially approved for the period from July 1, 2018 through December 31, 2021, remains in effect for the approval period from July 1, 2022 through December 31, 2027, and is affixed to the STCs as Attachment J. Any future modifications to the approved Implementation Plan will

require CMS approval. Failure to progress in meeting the milestone goals agreed upon by the state and CMS will result in a funding deferral. The approved SUD Implementation Plan describes the strategic approach and detailed project implementation plan, including timetables and programmatic content where applicable, for meeting the following milestones which reflect the key goals and objectives of this SUD demonstration project:

- a. **Access to Critical Levels of Care for OUD and other SUDs:** Service delivery for new benefits, including residential treatment and withdrawal management, within 12-24 months of OUD/SUD program demonstration approval;
- b. **Use of Evidence-based SUD-specific Patient Placement Criteria:** Establishment of a requirement that providers assess treatment needs based on SUD-specific, multidimensional assessment tools, such as the American Society of Addiction Medicine (ASAM) Criteria or other comparable assessment and placement tools that reflect evidence-based clinical treatment guidelines within 12-24 months of OUD/SUD program demonstration approval;
- c. **Patient Placement:** Establishment of a utilization management approach such that beneficiaries have access to SUD services at the appropriate level of care and that the interventions are appropriate for the diagnosis and level of care, including an independent process for reviewing placement in residential treatment settings within 12-24 months of SUD program demonstration approval;
- d. **Use of Nationally Recognized SUD-specific Program Standards to set Provider Qualifications for Residential Treatment Facilities:** Currently, residential treatment service providers must be a licensed organization, pursuant to the residential service provider qualifications described in the Preferred Provider Substance Use Disorder Treatment Standards of the Vermont Department of Health's Division of Alcohol and Drug Abuse Programs. The state will establish residential treatment provider qualifications in licensure, policy or provider manuals, managed care contracts or credentialing, or other requirements or guidance that meet program standards in the ASAM Criteria or other comparable, nationally recognized, SUD-specific program standards regarding, in particular, the types of services, hours of clinical care, and credentials of staff for residential treatment settings within 12-24 months of OUD/SUD program demonstration approval;
- e. **Standards of Care:** Establishment of a provider review process to ensure that residential treatment providers deliver care consistent with the specifications in the ASAM Criteria or other comparable, nationally recognized SUD program standards based on evidence-based clinical treatment guidelines for types of services, hours of clinical care, and credentials of staff for residential treatment settings within 12-24 months of SUD program demonstration approval;
- f. **Standards of Care:** Establishment of a requirement that residential treatment providers offer MAT on-site or facilitate access to MAT off-site within 12-24 months of SUD program demonstration approval;

- g. **Sufficient Provider Capacity at each Level of Care including Medication-assisted Treatment for OUD:** An assessment of the availability of providers in the key levels of care throughout the state, or in the regions of the state participating under this demonstration, including those that offer MAT, within 12 months of SUD program demonstration approval;
- h. **Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD:** Implementation of opioid prescribing guidelines along with other interventions to prevent prescription drug abuse and expand coverage of and access to naloxone for overdose reversal as well as implementation of strategies to increase utilization and improve functionality of prescription drug monitoring programs;
- i. **SUD Health IT Plan:** Implementation of the milestones and metrics as detailed in STC 9.6; and
- j. **Improved Care Coordination and Transitions between Levels of Care:** Establishment and implementation of policies to ensure residential and inpatient facilities link beneficiaries with community-based services and supports following stays in these facilities within 24 months of SUD program demonstration approval.

9.3. **SUD Monitoring Protocol.** The state must submit an updated Monitoring Protocol for the SUD programs authorized by this demonstration within one hundred fifty (150) calendar days after approval of the demonstration. The Monitoring Protocol Template must be developed in cooperation with CMS and is subject to CMS approval. The state must submit a revised Monitoring Protocol within sixty (60) calendar days after receipt of CMS's comments. Once approved, the SUD Monitoring Protocol will be incorporated into the STCs, as Attachment M. Progress on the performance measures identified in the Monitoring Protocol must be reported via the quarterly and annual monitoring reports. Components of the Monitoring Protocol include:

- a. An assurance of the state's commitment and ability to report information relevant to each of the program implementation areas listed in STC 9.2 and reporting relevant information to the state's Health IT plan described in STC 9.6;
- b. A description of the methods of data collection and timeframes for reporting on the state's progress on required measures as part of the general reporting requirements described in Section 12 of the demonstration; and
- c. A description of baselines and targets to be achieved by the end of the demonstration. Where possible, baselines will be informed by state data, and targets will be benchmarked against performance in best practice settings.

9.4. **SUD Mid-Point Assessment.** The state must conduct an independent mid-point assessment by June 30, 2025. In the design, planning and conduction of the mid-point assessment, the state must require that the independent assessor consult with key

stakeholders including, but not limited to: SMI/SED and/or SUD treatment providers, beneficiaries, and other key partners.

The state must require that the assessor provide a report to the state that includes the methodologies used for examining progress and assessing risk, the limitations of the methodologies, its determinations and any recommendations. The state must provide a copy of the report to CMS no later than sixty (60) days after June 30, 2025. The state must brief CMS on the report.

For milestones and measure targets at medium to high risk of not being achieved, the state must submit to CMS modifications to the SUD Implementation Plan, and/or SUD Monitoring Plan for ameliorating these risks. Modifications to the applicable Implementation, Financing, and Monitoring Protocol are subject to CMS approval.

- a. An examination of progress toward meeting each milestone and timeframe approved in the SUD Implementation Plans and toward meeting the targets for performance measures as approved in the SUD Monitoring Protocol;
- b. A determination of factors that affected achievement on the milestones and performance measure gap closure percentage points to date;
- c. A determination of selected factors likely to affect future performance in meeting milestones and targets not yet met and information about the risk of possibly missing those milestones and performance targets;
- d. For milestones or targets at medium to high risk of not being met, recommendations for adjustments in the state’s SUD Implementation Plan or to pertinent factors that the state can influence that will support improvement; and
- e. An assessment of whether the state is on track to meet the budget neutrality requirements.

9.5. **SUD Evaluation.** The SUD Evaluation will be subject to the same requirements as the overall demonstration evaluation, as listed in sections 12 (Monitoring and Reporting Requirements) and 15 (Evaluation of the Demonstration) of these STCs.

9.6. **SUD Health Information Technology (Health IT).** The state will provide CMS with an assurance that it has a sufficient health IT infrastructure/“ecosystem” at every appropriate level (i.e. state, delivery system, and individual provider) to achieve the goals of the demonstration—or it will submit to CMS a plan to develop the infrastructure/capabilities. This “SUD Health IT Plan,” or assurance is included as a section of the state’s approved “Implementation Plan” (see STC 9.2), which remains in effect for the approval period from July 1, 2022 through December 31, 2027, and is affixed to the STCs as Attachment J. The SUD Health IT Plan will detail the necessary health IT capabilities in place to support beneficiary health outcomes to address the SUD goals of the demonstration. The plan will also be used to identify areas of SUD health IT ecosystem improvement.

- a. The SUD Health IT section of the Implementation Plan will include implementation milestones and dates for achieving them.
- b. The SUD Health IT Plan must be aligned with the state’s broader State Medicaid Health IT Plan (SMHP) and, if applicable, the state’s Behavioral Health (BH) “Health IT” Plan.
- c. The SUD Health IT Plan will describe the state’s goals, each DY, to enhance the state’s prescription drug monitoring program’s (PDMP).<sup>1</sup>
- d. The SUD Health IT Plan will address how the state’s PDMP will enhance ease of use for prescribers and other state and federal stakeholders.<sup>2</sup> This will also include plans to include PDMP interoperability with a statewide, regional or local Health Information Exchange. Additionally, the SUD Health IT Plan will describe ways in which the state will support clinicians in consulting the PDMP prior to prescribing a controlled substance—and reviewing the patients’ history of controlled substance prescriptions—prior to the issuance of a Controlled Substance Schedule II (CSII) opioid prescription.
- e. The SUD Health IT Plan will, as applicable, describe the state’s capabilities to leverage a master patient index (or master data management service, etc.) in support of SUD care delivery. Additionally, the SUD Health IT Plan must describe current and future capabilities regarding PDMP queries—and the state’s ability to properly match patients receiving opioid prescriptions with patients in the PDMP. The state will also indicate current efforts or plans to develop and/or utilize current patient index capability that supports the programmatic objectives of the demonstration.
- f. The SUD Health IT Plan will describe how the activities described in (a) through (e) above will support broader state and federal efforts to diminish the likelihood of long-term opioid use directly correlated to clinician prescribing patterns.<sup>3</sup>
- g. In developing the Health IT Plan, states should use the following resources:
  - i. States may use resources at Health IT.Gov (<https://www.healthit.gov/playbook/opioid-epidemic-and-health-it/>) in “Section 4: Opioid Epidemic and Health IT.”
  - ii. States may also use the CMS 1115 Health IT resources available on “Medicaid Program Alignment with State Systems to Advance HIT, HIE and

---

<sup>1</sup> Prescription drug monitoring programs (PDMP) are electronic databases that track controlled substance prescriptions in states. PDMPs can provide health authorities timely information about prescribing and patient behaviors that contribute to the “opioid” epidemic and facilitate a nimble and targeted response.

<sup>2</sup> *Ibid.*

<sup>3</sup> Shah, Anuj, Corey Hayes and Bradley Martin. Characteristics of Initial Prescription Episodes and Likelihood of Long-Term Opioid Use — United States, 2006–2015. MMWR Morb Mortal Wkly Rep 2017; 66.

Interoperability” at <https://www.medicaid.gov/medicaid/data-and-systems/hic/index.html>. States should review the “1115 Health IT Toolkit” for health IT considerations in conducting an assessment and developing their Health IT Plans, found at <https://www.healthit.gov/topic/advancing-interoperability-medicaid>.

- iii. States may request from CMS technical assistance to conduct an assessment and develop plans to ensure they have the specific health IT infrastructure with regards to PDMP plans and, more generally, to meet the goals of the demonstration
- h. The state will include in its SUD Monitoring Protocol (see STC 9.3) an approach to monitoring its SUD Health IT Plan which will include performance metrics provided by CMS or State defined metrics to be approved in advance by CMS.
- i. The state will monitor progress, each DY, on the implementation of its SUD Health IT Plan in relationship to its milestones and timelines—and report on its progress to CMS in an addendum to its Annual Reports (see STC 12.7).
- j. As applicable, the state should advance the standards identified in the ‘Interoperability Standards Advisory—Best Available Standards and Implementation Specifications’ (ISA) in developing and implementing the state’s SUD Health IT policies and in all related applicable State procurements (e.g., including managed care contracts) that are associated with this demonstration.
- k. Where there are opportunities at the state and provider levels (up to and including usage in MCO or ACO participation agreements) to leverage federal funds associated with a standard referenced in 45 CFR 170 Subpart B, the state should use the federally recognized standards, barring another compelling state interest.
- l. Where there are opportunities at the state and provider levels to leverage federal funds associated with a standard not already referenced in 45 CFR 170 but included in the ISA, the state should use the federally recognized ISA standards, barring no other compelling state interest.

**9.7. Deferral of Federal Financial Participation (FFP) from IMD claiming for Insufficient Progress Toward Milestones.** Up to \$5,000,000 in FFP for services in IMDs may be deferred if the state is not making adequate progress on meeting the milestones and goals as evidenced by reporting on the milestones in the Implementation Plan and the required performance measures in the Monitoring Protocol agreed upon by the state and CMS. Once CMS determines the state has not made adequate progress, up to \$5,000,000 will be deferred in the next calendar quarter and each calendar quarter thereafter until CMS has determined sufficient progress has been made.

**10. SERIOUS MENTAL ILLNESS (SMI) AND SERIOUS EMOTIONAL DISTURBANCE (SED)**

**10.1. SMI/SED Program Benefits.** Under this demonstration, beneficiaries have access to high quality, evidence-based SMI/SED treatment services. These services range in intensity from short-term acute care in inpatient settings for SMI to ongoing chronic care for such conditions in cost-effective community-based settings. Since CMS’s approval of the SMI/SED Implementation Plan on December 5, 2019, the demonstration benefit package for Vermont Medicaid recipients has included mental health services provided in residential and inpatient treatment settings that qualify as an IMD, which are not otherwise matchable expenditures under section 1903 of the Act. The state is eligible to receive FFP for Vermont Medicaid recipients residing in IMDs under the terms of this demonstration for coverage of medical assistance, including mental health benefits that would otherwise be matchable if the beneficiary were not residing in an IMD. The state is working to improve care coordination and care for co-occurring physical and behavioral health conditions. The state must achieve a statewide average length of stay of no more than 30 days in inpatient treatment settings, to be monitored pursuant to the SMI/SED Monitoring Protocol as outlined in STCs 10.2 – 10.5 below.

Vermont attests that the services indicated in the table below are either already covered under the Medicaid state plan authority or being authorized under the terms of this demonstration.

<b>SMI/SED Benefits Coverage Authorized with Expenditure Authority</b>			
<b>Benefit</b>	<b>Type</b>	<b>Medicaid Authority</b>	<b>Expenditure Authority</b>
Crisis Stabilization Services	SMI/SED	State plan (Individual services covered)	N/A
Outpatient services	SMI/SED	State plan (Individual services covered)	N/A
Intensive outpatient services	SMI/SED	State plan (Individual services covered)	N/A
Inpatient services	SMI/SED	State plan (Individual services covered)	Services provided to individuals in IMDs
Residential treatment services	SMI	State plan (Individual services covered)	N/A

**10.2. SMI/SED Implementation Plan.**

- a. The state’s SMI/SED Implementation plan approved on December 5, 2019 for the period from December 5, 2019 to December 31, 2021 remains in effect for the approval period from January 1, 2022 through December 31, 2027.
- b. The approved SMI/SED Implementation Plan is incorporated into the STCs as Attachment L, and once incorporated, may be altered only with CMS approval.

Failure to progress in meeting the milestone goals agreed upon by the state and CMS will result in a funding deferral as described in STC 9.7.

- c. The approved SMI/SED Implementation Plan describes the strategic approach and detailed project implementation plan, including timetables and programmatic content where applicable, for meeting the following milestones which reflect the key goals and objectives for the program:
  - i. Ensuring Quality of Care in Psychiatric Hospitals and Residential Treatment Settings.
    - 1. Participating hospitals must be licensed or approved as meeting standards for licensing established by the agency of the state or locality responsible for licensing hospitals prior to the state claiming FFP for services provided to beneficiaries residing in a hospital that meets the definition of an IMD. In addition, hospitals must be in compliance with the conditions of participation set forth in 42 CFR Part 482 and be either: a) certified by the state agency as being in compliance with those conditions through a state agency survey, or b) deemed status to participate in Medicare as a hospital through accreditation by a national accrediting organization whose psychiatric hospital accreditation program or acute hospital accreditation program has been approved by CMS.
    - 2. Participating residential treatment providers must be licensed, or otherwise authorized, by the state to primarily provide treatment for mental illnesses. They must also be accredited by a nationally recognized accreditation entity prior to the state claiming FFP for services provided to beneficiaries residing in a residential facility that meets the definition of an IMD.
    - 3. Establishment of an oversight and auditing process that includes unannounced visits for ensuring participating psychiatric hospitals and residential treatment settings meet state licensure or certification requirements as well as a national accrediting entity's accreditation requirements;
    - 4. Use of a utilization review entity (for example, a managed care organization or administrative service organization) to ensure beneficiaries have access to the appropriate levels and types of care and to provide oversight to ensure lengths of stay are limited to what is medically necessary and only those who have a clinical need to receive treatment in psychiatric hospitals and residential treatment settings are receiving treatment in those facilities;
    - 5. Establishment of a process for ensuring that participating psychiatric hospitals and residential treatment settings meet federal program integrity requirements and establishment of a state process to conduct risk-based screening of all newly enrolling providers, as well as

revalidating existing providers (specifically, under existing regulations, the state must screen all newly enrolling providers and reevaluate existing providers pursuant to the rules in 42 CFR Part 455 Subparts B and E, ensure treatment providers have entered into Medicaid provider agreements pursuant to 42 CFR 431.107, and establish rigorous program integrity protocols to safeguard against fraudulent billing and other compliance issues);

6. Implementation of a state requirement that participating psychiatric hospitals and residential treatment settings screen enrollees for co-morbid physical health conditions and substance use disorders (SUDs) and demonstrate the capacity to address co-morbid physical health conditions during short-term stays in residential or inpatient treatment settings (e.g., with on-site staff, telemedicine, and/or partnerships with local physical health providers).

ii. Improving Care Coordination and Transitions to Community-Based Care.

1. Implementation of a process to ensure that psychiatric hospitals and residential treatment facilities provide intensive pre-discharge, care coordination services to help beneficiaries transition out of those settings into appropriate community-based outpatient services, including requirements that community-based providers participate in transition efforts (e.g., by allowing initial services with a community-based provider while a beneficiary is still residing in these settings and/or by hiring peer support specialists to help beneficiaries make connections with available community-based providers, including, where applicable, plans for employment);
2. Implementation of a process to assess the housing situation of a beneficiary transitioning to the community from psychiatric hospitals and residential treatment settings and to connect beneficiaries who are homeless or who have unsuitable or unstable housing with community providers that coordinate housing services, where available;
3. Implementation of a requirement that psychiatric hospitals and residential treatment settings have protocols in place to ensure contact is made by the treatment setting with each discharged beneficiary within 72 hours of discharge and to ensure follow-up care is accessed by individuals after leaving those facilities by contacting the individuals directly and by contacting the community-based provider they were referred to;
4. Implementation of strategies to prevent or decrease the length of stay in emergency departments among beneficiaries with SMI or SED (e.g., through the use of peers and psychiatric consultants in EDs to help with discharge and referral to treatment providers);
5. Implementation of strategies to develop and enhance interoperability and data sharing between physical, SUD, and mental health providers,

with the goal of enhancing coordination so that disparate providers may better share clinical information to improve health outcomes for beneficiaries with SMI or SED.

iii. Increasing Access to Continuum of Care Including Crisis Stabilization Services.

1. Establishment of a process to annually assess the availability of mental health services throughout the state, particularly crisis stabilization services, and updates on steps taken to increase availability;
2. Commitment to implementation of the SMI/SED Financing Plan described in STC 10.4;
3. Implementation of strategies to improve the state's capacity to track the availability of inpatient and crisis stabilization beds to help connect individuals in need with that level of care as soon as possible;
4. Implementation of a requirement that providers, plans, and utilization review entities use an evidence-based, publicly available patient assessment tool, preferably endorsed by a mental health provider association (e.g., LOCUS or CASII) to determine appropriate level of care and length of stay.

iv. Earlier Identification and Engagement in Treatment Including Through Increased Integration

1. Implementation of strategies for identifying and engaging individuals, particularly adolescents and young adults, with SMI or SED in treatment sooner, including through supported employment and supported education programs;
2. Increasing integration of behavioral health care in non-specialty care settings, including schools and primary care practices, to improve identification of SMI or SED conditions sooner and improve awareness of and linkages to specialty treatment providers;
3. Establishment of specialized settings and services, including crisis stabilization services, focused on the needs of young people experiencing SMI or SED.

10.3. **SMI/SED Health IT Plan:** The state will provide CMS with an assurance that it has a sufficient health IT infrastructure/“ecosystem” at every appropriate level (i.e. state, delivery system, and individual provider) to achieve the goals of the demonstration. Vermont has completed this task as demonstrated in its approved HIT plan and Implementation Plan, which remains in effect for the approval period from July 1, 2022 through December 31, 2027, and is appended to the STCs as Attachment L.

- a. The SMI/SED Health IT plan applies to all states where the Health IT functionalities are expected to impact beneficiaries within the demonstration. As outlined in SMDL #18-011, states must submit to CMS the applicable Health IT Plans, to be included

as sections of the associated Implementation Plans (see STC 10.2), to develop infrastructure and capabilities consistent with the requirements outlined in the SMI/SED demonstration opportunity)

- b. The Health IT Plan must detail the necessary health IT capabilities in place to support beneficiary health outcomes to address the SMI/SED goals of the demonstration. The plans will also be used to identify areas of health IT ecosystem improvement. The Plan must include implementation milestones and projected dates for achieving them (see Attachment L), and must be aligned with the state’s broader State Medicaid Health IT Plan (SMHP) and, if applicable, the state’s Behavioral Health (BH) IT Health Plan.
- c. The state must include in its SMI/SED Monitoring Protocol (see STC 10.4) an approach to monitoring its SMI/SED Health IT Plan which will include performance metrics to be approved in advance by CMS.
- d. The state must monitor progress, each DY, on the implementation of its SMI/SED Health IT Plan in relationship to its milestones and timelines—and report on its progress to CMS in an addendum to its Annual Report (see STC 12.7).
- e. As applicable, the state should advance the standards identified in the ‘Interoperability Standards Advisory—Best Available Standards and Implementation Specifications’ (ISA) in developing and implementing the state’s SMI/SED Health IT policies and in all related applicable State procurements (e.g., including managed care contracts) that are associated with this SMI/SED amendment to this Demonstration.
- f. Where there are opportunities at the state- and provider-level (up to and including usage in MCO or ACO participation agreements) to leverage federal funds associated with a standard referenced in 45 CFR 170 Subpart B, the state should use the federally-recognized standards, barring another compelling state interest.
- g. Where there are opportunities at the state- and provider-level to leverage federal funds associated with a standard not already referenced in 45 CFR 170 but included in the ISA, the state should use the federally-recognized ISA standards, barring no other compelling state interest.
- h. Components of the Health IT Plan include:
  - i. The Health IT Plan will describe the state’s current and future capabilities to support providers implementing or expanding Health IT functionality in the following areas:
    1. Referrals,
    2. Electronic care plans and medical records,
    3. Consent,

4. Interoperability,
5. Telehealth,
6. Alerting/analytics, and
7. Identity management.

ii. In developing the Health IT Plan, states should use the following resources:

1. States may use federal resources available on Health IT.Gov (<https://www.healthit.gov/topic/behavioral-health>) including but not limited to “Behavioral Health and Physical Health Integration” and “Section 34: Opioid Epidemic and Health IT” (<https://www.healthit.gov/playbook/health-information-exchange/>).
2. States may also use the CMS 1115 Health IT resources available on “Medicaid Program Alignment with State Systems to Advance HIT, HIE and Interoperability” at <https://www.medicare.gov/medicaid/data-and-systems/hie/index.html>. States should review the “1115 Health IT Toolkit” for health IT considerations in conducting an assessment and developing their Health IT Plans.
3. States may request from CMS technical assistance to conduct an assessment and develop plans to ensure they have the specific health IT infrastructure with regards to electronic care plan sharing, care coordination, and behavioral health-physical health integration, to meet the goals of the demonstration.

10.4. **SMI/SED Financing Plan.** As part of the SMI/SED Implementation Plan referred to in STC 10.2, the state must submit, within 90 calendar days after approval of the demonstration, a financing plan that will be approved by CMS. Once approved, the SMI/SED Financing Plan will be incorporated into the STCs as part of the SMI/SED Implementation Plan in Attachment L and, once incorporated, may only be altered with CMS approval. Failure to submit an SMI/SED Financing Plan will be considered a material failure to comply with the terms of the demonstration project as described in 42 CFR 431.420(d) and, as such, would be grounds for termination or suspension of the SMI/SED program under this demonstration. Components of the financing plan must include:

- a. A plan to increase the availability of non-hospital, non-residential crisis stabilization services, including but not limited to the following: services made available through crisis call centers, mobile crisis units, coordinated community response services that includes law enforcement and other first responders, and observation/assessment centers; and
- b. A plan to increase availability of ongoing community-based services such as intensive outpatient services, assertive community treatment, and services delivered in integrated care settings;

- c. A plan to ensure the on-going maintenance of effort (MOE) on funding outpatient community-based services to ensure that resources are not disproportionately drawn into increasing access to treatment in inpatient and residential settings at the expense of community-based services.

**10.5. SMI/SED Monitoring Protocol(s).** The state must submit an updated SMI/SED Monitoring Protocol for the SMI/SED program authorized by this demonstration that reflects the changes to the SMI/SED Monitoring Protocol required by STC 10.2(c) within one hundred fifty (150) calendar days after approval of the demonstration. The SMI/SED Monitoring Protocol Template must be developed in cooperation with CMS and is subject to CMS approval. The state must submit the revised SMI/SED Monitoring Protocol within sixty (60) calendar days after receipt of CMS's comments. Once approved, the SMI/SED Monitoring Protocol will be incorporated into the STCs, as Attachment N. Progress on the performance measures identified in the Monitoring Protocol must be reported via the quarterly and annual monitoring reports. Components of the Monitoring Protocol include:

- a. An assurance of the state's commitment and ability to report information relevant to each of the program implementation areas listed in STC 10.2 and STC 10.4, reporting relevant information to the state's SMI/SED Financing Plan described in Attachment L, and reporting relevant information to the state's Health IT plans described in STC 10.3;
- b. A description of the methods of data collection and timeframes for reporting on the state's progress on required measures as part of the general reporting requirements described in Section 12 of the demonstration; and
- c. A description of baselines and targets to be achieved by the end of the demonstration. Where possible, baselines will be informed by state data, and targets will be benchmarked against performance in best practice settings.

**10.6. Evaluation.** The SMI/SED Evaluation will be subject to the same requirements as the overall demonstration evaluation, as described in Sections 12 (Monitoring and Reporting Requirements) and 15 (Evaluation of the Demonstration) of these STCs.

**10.7. Availability of FFP for the SMI/SED Services under the SMI IMD expenditure authority.** FFP is only available for services provided to beneficiaries during short term stays for acute care in IMDs. The state may claim FFP for stays up to 60 days as long as it shows at its mid-point assessment that it is meeting the requirement of a 30 day or less average length of stay (ALOS). Stays in IMDs that exceed 60 days are not eligible for FFP under this demonstration. If the state cannot show that it is meeting the 30 day or less ALOS requirement within one standard deviation at the mid-point assessment, the state may only claim FFP for stays up to 45 days until such time that the state can demonstrate that it is meeting the 30 day or less ALOS requirement. The state assures that it will provide coverage for stays that exceed 60 days—or 45 days, as relevant—with other sources of funding if it is determined that a longer length of stay is medically necessary for an individual beneficiary.

- 10.8. **SMI/SED Mid-Point Assessment.** The state must conduct an independent mid-point assessment by June 30, 2024. In the design, planning and conducting of the mid-point assessment, the state must require that the independent assessor consult with key stakeholders including, but not limited to: SMI/SED providers, beneficiaries, and other key partners.

The state must require that the assessor provide a report to the state that includes the methodologies used for examining progress and assessing risk, the limitations of the methodologies, its determinations and any recommendations. The state must provide a copy of the report to CMS no later than sixty (60) days after June 30, 2024. The state must brief CMS on the report.

For milestones and measure targets at medium to high risk of not being achieved, the state must submit to CMS modifications to the SMI/SED Implementation Plan, the SMI/SED Financing Plan, and the SMI/SED Monitoring Protocol for ameliorating these risks. Modifications to the applicable Implementation, Financing, and Monitoring Protocol are subject to CMS approval.

Elements of the mid-point assessment include:

- a. An examination of progress toward meeting each milestone and timeframe approved in the SMI/SED Implementation Plan, the SMI/SED Financing Plan, and toward meeting the targets for performance measures as approved in the SMI/SED Monitoring Protocol;
  - b. A determination of factors that affected achievement on the milestones and performance measure gap closure percentage points to date;
  - c. A determination of selected factors likely to affect future performance in meeting milestones and targets not yet met and information about the risk of possibly missing those milestones and performance targets;
  - d. For milestones or targets at medium to high risk of not being met, recommendations for adjustments in the state's SMI/SED Implementation Plan or SMI/SED Financing Plan or to pertinent factors that the state can influence that will support improvement; and
  - e. An assessment of whether the state is on track to meet the budget neutrality
- 10.9. **Unallowable Expenditures Under the SMI and SUD IMD Expenditure Authority.** In addition to the other unallowable costs and caveats already outlined in these STCs, the state may not receive FFP under any expenditure authority approved under this demonstration for any of the following:
- a. Room and board costs for residential treatment service providers unless they qualify as inpatient facilities under section 1905(a) of the Act.

- b. Costs for services provided in a nursing facility as defined in section 1919 of the Act that qualifies as an IMD.
  - c. Costs for services provided to individuals who are involuntarily residing in a psychiatric hospital or residential treatment facility by operation of criminal law.
  - d. Costs for services provided to beneficiaries under age 21 residing in an IMD unless the IMD meets the requirements for the “inpatient psychiatric services for individuals under age 21” benefit under 42 CFR 440.160, 441 Subpart D, and 483 Subpart G.
- 10.10. **Maintenance of effort (MOE).** The state must maintain a level of state and local funding for outpatient community-based mental health services for Medicaid beneficiaries for the duration of the SMI/SED program under the demonstration that is no less than the amount of funding provided at the beginning of the SMI/SED program under the demonstration. The annual MOE will be reported and monitored as part of the annual monitoring report described in STC 12.7.

## 11. USE OF DEMONSTRATION FUNDS

- 11.1. **Use of Demonstration Funds.** The demonstration provides authority for expenditures within the annual limits specified in STC 11.4 for public health, health care, and health-related investments. Advancing health equity and addressing health disparities is a core principle of these investments. The investments are subject to CMS approval and may be denied if they do not promote the objectives of Medicaid. Medicaid beneficiary notice and appeal rights are not applicable to individuals receiving the benefits of the Investments. Investments can include expenditures within the following areas:
- a. Reduce the rate of uninsured and/or underinsured in Vermont. Examples of potentially approvable investments under this category:
    - i. The delivery of 1905(a) benefits to underinsured and uninsured Vermonters.
    - ii. Programs to promote enrollment in health care plans by Vermonters.
    - iii. Specialized wraparound benefits for uninsured or underinsured populations with significant needs, comparable to benefits available through the CRT and CIT programs.
  - b. Increase the access to quality health care by low income, uninsured, underinsured individuals and Medicaid beneficiaries in Vermont. Examples of potentially approvable investments under this category:
    - i. Workforce development trainings to promote linguistically and culturally appropriate, trauma-informed and disability-competent care.
    - ii. Initiatives to improve the integration of physical and mental health and SUD treatment needs at the provider level.

- iii. Mobile health care clinics or home visitations by health care providers.
  - iv. Non-emergency health-related transportation.
  - v. Care management and care transitions programs for low-income, underinsured, and uninsured Vermonters.
  - vi. Parenting support programs.
  - vii. Support services, consistent with 1915(c) or 1915(i) services, to address the root causes of homelessness.
  - viii. Alternative pain management treatments.
  - ix. Health care workforce capacity building initiatives, including recruitment and retention incentives and initiatives targeted toward increasing representation of members of historically marginalized populations in the workforce. Graduate medical education funding is excluded.
- c. Provide public health approaches, investments in social determinants of health, and other innovative programs that benefit low-income, uninsured, underinsured individuals and Medicaid beneficiaries in Vermont. Examples of potentially approvable investments under this category:
- i. Initiatives to promote awareness of maternal health-related care needs in the community and improve outcomes in maternal/child health.
  - ii. Nurse-partnership programs, such as visiting nurse programs.
  - iii. Initiatives to promote vaccinations (e.g., vaccination drives).
  - iv. Self-management and tobacco cessation initiatives.
  - v. Building capacity in community-based organizations to interface with traditional health care providers.
  - vi. Repairs or remediation for issues such as mold or pest infestation.
  - vii. Assistance with connecting the enrollee to expert community resources to address legal issues impacting housing or interpersonal violence related issues.
  - viii. Targeted nutritious food or meal delivery services for individuals with medical or medically-related special dietary needs that do not provide a full nutritional regimen (i.e., must abide by limits in 1915(c) services).
  - ix. Contingency management
  - x. Innovative care models and care transitions initiatives for justice-involved populations and initiatives to prevent recidivism.
  - xi. Community crisis support and capacity, including, but not limited to, hotlines, mobile crisis, and psychiatric urgent care.

- xii. Lead and other environmental health remediation.
  - xiii. Water fluoridization
  - xiv. Early detection and screening programs for mental health conditions and substance use disorders.
  - xv. Screening for unmet social needs.
  - xvi. Innovative health-related services and supports to promote family togetherness.
  - xvii. Weatherization activities that promote health and safety.
- d. Implement initiatives to increase transformation to value-based and integrated models of care. Examples of potentially approvable investments under this category:
- i. Technical assistance to select providers to prepare them for alternative payment methodologies (APM) following the Healthcare Partnership Learning Action Network (HCP-LAN) criteria.
  - ii. Technical assistance to select providers for designing alternative care delivery models.
  - iii. Incentives to providers that engage in delivery system reform, value-based payment, and/or APM.
  - iv. Systems enhancement for APM readiness where not duplicating other federal/state/private funding.
  - v. Technical assistance for select providers for organization-wide adoption of financial models and business practices.
  - vi. Technical assistance for select providers for performance evaluation and management.
  - vii. Support for the following Blueprint for Health initiatives: practice participation in the State's patient-centered medical home (PCMH) initiative; implementation of local community health teams; implementation of Vermont's care coordination models; quality improvement for PCMHs; and self-management programming.
- e. Provide home and community-based services and supports necessary to increase community living for individuals in Vermont at risk of needing facility-based care. Examples of potentially approvable investments under this category:
- i. The delivery of 1915(c) and 1915(i)-like services to vulnerable Vermonters who need or are at risk of needing institutional care.
  - ii. The delivery of innovative care models to vulnerable Vermonters who need or are at risk of needing institutional care.
  - iii. Programs that support family caregivers.

- iv. Provider rate increases and incentive payments to support the LTSS workforce.
- v. Mobile Response Program for mental health crisis care.
- vi. Programs that promote health and wellness such as preventive healthcare and chronic disease self-management programs designed for people with HCBS, mental health and SUD treatment needs.

11.2. **Investment Framework.** Together, CMS and Vermont have defined an Investment Framework that outlines the investment categories in STC 11.1 and identifies the specific types of investments that may be included in each category in addition to those examples listed in STC 11.1, and any specific constraints beyond those identified in STC 11.5. The Investment Framework is appended as Attachment R.

11.3. **Phase-Down of IMD Investments.** The state must follow the phase-down schedule below for the following IMD investments. The percentages note what proportion of the expenditures the state has authority to spend for DY 18 through DY 23 during the extension period.

Phase-down of IMD Investments						
Facilities	DY 18	DY 19	DY 20	DY 21	DY 22	DY 23
Vermont Psychiatric Care Hospital and Brattleboro Retreat (IMD)	70% of DY 14 spending	60% of DY 14 spending	50% of DY 14 spending	40% of DY 14 spending	30% of DY 14 spending	20% of DY 14 spending

11.4. **Investment Annual Limits.** The table below shows the specific annual limits. These amounts can be rolled over from DY to DY during this demonstration period (DY 18-DY 23).

Annual Investment Limit						
DY 18	DY 19	DY 20	DY 21	DY 22	DY 23	Total
\$101,775,000	\$185,127,500	\$167,083,875	\$166,936,534	\$149,283,361	\$158,047,529	\$928,253,798

11.5. **Investment Approval Process.** The state may spend up to the amounts listed in STC 11.4 on approved investments during each DY. Approval is subject to CMS review and approval of state submissions using the Template (Attachment S). All approved investments from the previous demonstration period will continue to be approved under this renewal. The annual limits can be rolled over to the next DY during this demonstration period (DY 18-DY 23). The DY 23 annual limit cannot be rolled over. If the state chooses to add a new investment, it must meet the criteria specified in STC 11.1 and must not supplant other federal involvement (including meeting a maintenance of

effort requirement for any federal grant program), must meet requirements in STC 11.5, and must not include the following, including other activities CMS determines are unallowable after review:

- a. Construction costs (bricks and mortar) or capital investments;
- b. Room and board;
- c. Animal shelters and vaccines;
- d. Provider or beneficiary debt relief and restructuring;
- e. Sheltered workshops;
- f. Research grants and expenditures not related to monitoring and evaluation;
- g. Ongoing rent and/or utility subsidies that are not allowable under 1915(c) or 1915(i);
- h. Costs for prisons, correctional facilities or services for people who are civilly committed and unable to leave an institutional setting;
- i. Services provided to individuals who are not lawfully present in the United States or are undocumented;
- j. Facility closures;
- k. Expenditures that supplant services and activities funded by other state and federal governmental entities;
- l. School based programs for children that supplant Medicaid state plan programs; and
- m. Unspecified projects.

11.6. **New Investment Notification.** The state must notify CMS of any new investments. Investments must meet the criteria in STC 11.1 and must not include any of the activities listed in STC 11.5 above. The state must submit information regarding new investments following the template in Attachment S for CMS review and approval. The state must use the Investment Framework (Attachment R) to ensure investments meet the goals in STC 11.1. The state must notify CMS at least 30 days prior to implementing any of the proposed new investments. CMS will not approve a new investment if it includes unallowable activities. If CMS notifies the state with concerns or questions within 30 calendar days, the proposed investment will be considered under review as outlined in STC 11.7 below.

11.7. **Requirement for Approval of Investments That Do Not Meet Criteria.** The state may request to add an investment that does not meet the requirements of STC 11.1. In this instance, the state must submit a letter to CMS at least 120 days prior to the proposed implementation date, explaining the investment and providing justification for the

investment, including how the investment advances the goals of the Medicaid program and demonstration. CMS will review the investment and will issue a disapproval or approval, following 60 days of receipt of the state's letter.

#### **11.8. Investment Monitoring and Evaluation.**

- a. Consistent with the requirements and timelines outlined in STC 12.7, the quarterly and annual monitoring reports will monitor implementation and performance of the investments to ensure that expenditures advance the goals of the demonstration and the Medicaid program and do not violate the restrictions listed in STC 11.5. The state must maintain a list of active, retired, completed, and new investments in the quarterly monitoring reports described in STC 12.7. The state must identify administrative (i.e., not medical services in nature) investments as to ensure the correct federal matching percentage is utilized.
- b. The state will evaluate all investments authorized under this demonstration in accordance with STC 15.3. Where the state introduces a new investment or makes substantial changes to an existing investment, the state must review the Evaluation Design and revise as appropriate to ensure that evaluation plans encompass these changes and/or additions. Any revisions to the Evaluation Design should be submitted for CMS review within one hundred eighty (180) days of implementation. Should the state's review find that no changes to the Evaluation Design are needed, the state should describe in the next monitoring report the results of this review, with reference to existing research questions and data sources, as appropriate.
- c. The state's monitoring and evaluation should accommodate data collection and analyses stratified by key subpopulations of interest (e.g., race and ethnicity, income level, and regional population density) to inform a fuller understanding of existing disparities in access and health outcomes, and how the investments might support bridging any such inequities. To that end, the state should collect and submit to CMS stratified data on: rates of uninsured and underinsured in Vermont, enrollment in each of its investment programs, changes in health outcomes for individuals enrolled in investment programs, and outreach efforts to increase enrollment, especially any outreach that targets populations with existing health disparities. Monitoring reports should also incorporate successes and challenges encountered during program implementation.

### **12. MONITORING AND REPORTING REQUIREMENTS**

**12.1. Monitoring Calls.** CMS will convene periodic conference calls with the state.

- a. The purpose of these calls is to discuss ongoing demonstration operation, to include (but not limited to), any significant actual or anticipated developments affecting the demonstration. Examples include implementation activities, trends in reported data on metrics and associated mid-course adjustments, budget neutrality, the status of investment submissions, and progress on evaluation activities.

- b. CMS will provide updates on any pending actions, as well as federal policies and issues that may affect any aspect of the demonstration.
  - c. The state and CMS will jointly develop the agenda for the calls.
- 12.2. **Post-Award Forum.** Pursuant to 42 CFR 431.420(c), within six (6) months of the demonstration’s implementation, and annually thereafter, the state shall afford the public with an opportunity to provide meaningful comment on the progress of the demonstration. At least thirty (30) days prior to the date of the planned public forum, the state must publish the date, time and location of the forum in a prominent location on its website. The state must also post the most recent annual report on its website with the public forum announcement. Pursuant to 42 CFR 431.420(c), the state must include a summary of the comments in the Monitoring Report associated with the quarter in which the forum was held, as well as in its compiled Annual Monitoring Report.
- 12.3. **Submission of Post-Approval Deliverables.** The state shall submit all deliverables as stipulated by CMS and within the timeframes outlined within these STCs.
- 12.4. **Compliance with Federal Systems Innovation.** As federal systems continue to evolve and incorporate 1115 waiver reporting and analytics functions, the state shall work with CMS to:
- a. Revise the reporting templates and submission processes to accommodate timely compliance with the requirements of the new systems;
  - b. Ensure all 1115, Transformed Medicaid Statistical Information System (T-MSIS), and other data elements that have been agreed to for reporting and analytics are provided by the state; and
  - c. Submit all deliverables to the appropriate system as directed by CMS.
- 12.5. **Deferral for Failure to Submit Timely Demonstration Deliverables.** CMS may issue deferrals in the amount of \$5,000,000 per deliverable (federal share) when items required by these STCs (e.g., required data elements, analyses, reports, design documents, presentations, and other items specified in these STCs) (hereafter singly or collectively referred to as “deliverable(s)”) are not submitted timely to CMS or are found to not be consistent with the requirements approved by CMS. A deferral shall not exceed the value of the federal amount for the current demonstration period. The state does not relinquish its rights provided under 42 CFR part 430 subpart C to challenge any CMS finding that the state materially failed to comply with the terms of this agreement.

The following process will be used: 1) thirty (30) days after the deliverable was due if the state has not submitted a written request to CMS for approval of an extension as described in subsection (b) below; or 2) thirty (30) days after CMS has notified the state in writing that the deliverable was not accepted for being inconsistent with the requirements of this agreement and the information needed to bring the deliverable into alignment with CMS requirements:

- a. CMS will issue a written notification to the state providing advance notification of a pending deferral for late or non-compliant submissions of required deliverable(s).
- b. For each deliverable, the state may submit a written request for an extension to submit the required deliverable that includes a supporting rationale for the cause(s) of the delay and the state's anticipated date of submission. Should CMS agree to the state's request, a corresponding extension of the deferral process described below can be provided. CMS may agree to a corrective action as an interim step before applying the deferral, if corrective action is proposed in the state's written extension request.
- c. If CMS agrees to an interim corrective process in accordance with subsection (b), and the state fails to comply with the corrective action steps or still fails to submit the overdue deliverable(s) that meets the terms of this agreement, CMS may proceed with the issuance of a deferral against the next Quarterly Statement of Expenditures reported in Medicaid Budget and Expenditure System/State Children's Health Insurance Program Budget and Expenditure System (MBES/CBES) following a written deferral notification to the state.
- d. If the CMS deferral process has been initiated for state non-compliance with the terms of this agreement for submitting deliverable(s), and the state submits the overdue deliverable(s), and such deliverable(s) are accepted by CMS as meeting the standards outline in these STCs, the deferral(s) will be released.
- e. As the purpose of a section 1115 demonstration is to test new methods of operation or service delivery, a state's failure to submit all required reports, evaluations, and other deliverables will be considered by CMS in reviewing any application for an extension, amendment, or for a new demonstration.

12.6. **Cooperation with Federal Learning Collaboration Efforts.** The state will cooperate with improvement and learning collaboration efforts by CMS.

12.7. **Quarterly and Annual Monitoring Reports.** The state must submit three (3) Quarterly Monitoring Reports and one (1) compiled Annual Monitoring Report each DY. The fourth quarter information that would ordinarily be provided in a separate report should be reported as distinct information within the Annual Monitoring Report. The Quarterly Monitoring Reports are due no later than sixty (60) days following the end of each demonstration quarter. The compiled Annual Monitoring Report (including the fourth quarter information) is due no later than ninety (90) days following the end of the DY. The state must submit a revised Monitoring Report within sixty (60) calendar days after receipt of CMS's comments, if any. The reports will include all required elements as per 42 CFR 431.428. and should not direct readers to links outside the report. Additional links not referenced in the document may be listed in a Reference/Bibliography section. The Monitoring Reports must follow the framework provided by CMS, which is subject to change as monitoring systems are developed/evolve, and be provided in a structured manner that supports federal tracking and analysis.

- a. **Operational Updates.** Per 42 CFR 431.428, the Monitoring Reports must document any policy or administrative difficulties in operating the demonstration. The reports shall provide sufficient information to document key operational and other challenges, underlying causes of challenges, how challenges are being addressed, as well as key achievements and to what conditions and efforts successes can be attributed. The discussion should also include any issues or complaints identified by beneficiaries; lawsuits or legal actions; unusual or unanticipated trends; legislative updates; and descriptions of any public forums held. In addition, Monitoring Reports should describe key achievements, as well as the conditions and efforts to which these successes can be attributed. Monitoring Reports should also include a summary of all public comments received through post-award public forums regarding the progress of the demonstration
- b. **Performance Metrics.** Per applicable CMS guidance and technical assistance, the performance metrics will provide data to support tracking the state's progress towards meeting the demonstration's annual goals and overall targets as will be identified in the approved SUD and SMI Monitoring Protocols, and will cover key policies under this demonstration, including, but not limited to, premiums, waivers of retroactive eligibility, maternal health and treatment services, and any investments authorized under this demonstration.
- c. Additionally, per 42 CFR 431.428, the Monitoring Reports must document the impact of the demonstration in providing insurance coverage to beneficiaries and the uninsured population, as well as outcomes of care, quality and cost of care, and access to care. This may also include the results of beneficiary satisfaction surveys, if conducted, and grievances and appeals.
- d. The required monitoring and performance metrics must be included in the Monitoring Reports, and will follow the framework provided by CMS to support federal tracking and analysis.
- e. **Budget Neutrality and Financial Reporting Requirements.** Per 42 CFR 431.428, the Monitoring Reports must document the financial performance of the demonstration. The state must provide an updated budget neutrality workbook with every Monitoring Report that meets all the reporting requirements for monitoring budget neutrality set forth in the General Financial Requirements section of these STCs, including the submission of corrected budget neutrality data upon request. In addition, the state must report quarterly expenditures associated with the populations affected by this demonstration on the Form CMS-64. Administrative costs for this demonstration should be reported separately on the CMS-64.
- f. **Evaluation Activities and Interim Findings.** Per 42 CFR 431.428, the Monitoring Reports must document any results of the demonstration to date per the evaluation hypotheses. Additionally, the state shall include a summary of the progress of evaluation activities, including key milestones accomplished, as well as challenges encountered and how they were addressed.

- g. The Annual Report must include all items outlined in STC 12.7. In addition, the Annual Report must at a minimum include the requirements outlined below:
  - i. All items included in the Quarterly Reports must be summarized to reflect the operation/activities throughout the DY;
  - ii. Total annual expenditures for the demonstration population for each DY, with administrative costs reported separately;
  - iii. Total contributions, withdrawals, balances, and credits; and
  - iv. Yearly unduplicated enrollment reports for demonstration enrollees for each DY (enrollees include all individuals enrolled in the demonstration) that include the member months, as required to evaluate compliance with the budget neutrality agreement.
  - v. Reporting annual HCBS QIS requirements in accordance with STC 6.14(a)(ix).

12.8. **Compliance with Managed Care, Network Adequacy, Quality Strategy and EQR Reporting Requirements.** The state must comply with all managed care reporting regulations at 42 CFR Part 438 et. seq., except as expressly identified as not applicable in the expenditure authorities incorporated into these STCs.

12.9. **State Data Collection.** The state must collect data and information necessary to oversee service utilization and rate setting by provider/plan, comply with the Core Set of Children’s Health Care Quality Measures for Medicaid and CHIP (Child Core Set) and the Core Set of Adult Health Care Quality Measures for Medicaid (Adult Core Set), collectively referred to as the CMS Child and Adult Core Measure Sets for Medicaid and CHIP, obtain NCQA and other accreditations that the state may seek, and comply with other existing federal measure sets.

- a. The state will use this information in ongoing monitoring of individual well-being, provider/plan performance, and continuous quality improvement efforts, in addition to complying with CMS reporting requirements.
- b. The state must maintain data dictionary and file layouts of the data collected.
- c. The raw and edited data will be made available to CMS within 30 days of a written request.

12.10. **Corrective Action Plan Related to Demonstration Monitoring.** If monitoring indicates that demonstration features are not likely to assist in promoting the objectives of Medicaid, CMS reserves the right to require the state to submit a corrective action plan to CMS for approval. This may be an interim step to withdrawing waivers or expenditure authorities, as outlined in STC 3.10. CMS will withdraw an authority, as described in STC 3.10, when metrics indicate substantial, sustained directional change, inconsistent with state targets and goals, as applicable, and the state has not implemented corrective action.

CMS would further have the ability to suspend implementation of the demonstration should corrective actions not effectively resolve these concerns in a timely manner.

### 13. GENERAL FINANCIAL REQUIREMENTS

- 13.1. **Allowable Expenditures.** This demonstration project is approved for expenditures applicable to services rendered during the demonstration approval period designated by CMS. CMS will provide FFP for allowable demonstration expenditures only so long as they do not exceed the pre-defined limits as specified in these STCs.<sup>4</sup>
- 13.2. **Standard Medicaid Funding Process.** The standard Medicaid funding process will be used for this demonstration. The state will provide quarterly expenditure reports through the Medicaid and CHIP Budget and Expenditure System (MBES/CBES) to report total expenditures for services provided under this demonstration following routine CMS-37 and CMS-64 reporting instructions as outlined in section 2500 of the State Medicaid Manual. The state will estimate matchable demonstration expenditures (total computable and federal share) subject to the budget neutrality expenditure limit and separately report these expenditures by quarter for each federal fiscal year on the form CMS-37 for both the medical assistance payments (MAP) and state and local administration costs (ADM). CMS shall make federal funds available based upon the state's estimate, as approved by CMS. Within thirty (30) days after the end of each quarter, the state shall submit form CMS-64 Quarterly Medicaid Expenditure Report, showing Medicaid expenditures made in the quarter just ended. If applicable, subject to the payment deferral process, CMS shall reconcile expenditures reported on form CMS-64 with federal funding previously made available to the state, and include the reconciling adjustment in the finalization of the grant award to the state.
  - a. Intergovernmental transfers of the individual per member per month fixed amount from AHS to DVHA are not reportable expenditures, but provide funding for reportable DVHA expenditures. CMS will reconcile expenditures reported on the form CMS-64 with federal funding previously made available to the state, and include the reconciling adjustment in the finalization of the grant award to the state.
- 13.3. **Sources of Non-Federal Share.** As a condition of demonstration approval, the state certifies that the non-federal share is obtained from permissible state and/or local funds that, unless permitted by law, are not other federal funds. The state further certifies that such funds must not be used to match any other federal grant or contract, except as permitted by law. CMS approval of this demonstration does not constitute direct or indirect approval of any underlying source of non-federal share or associated funding mechanisms and all sources of non-federal funding must be compliant with section 1903(w) of the Act and applicable regulations. In addition, CMS reserves the right to

---

<sup>4</sup> For a description of CMS's current policies related to budget neutrality for Medicaid demonstration projects authorized under section 1115(a) of the Act, see State Medicaid Director Letter #18-009.

prohibit the use of any sources of non-federal share funding that it determines impermissible.

- a. If requested, the state must submit for CMS review and approval documentation of any sources of non-federal share that would be used to fund the demonstration.
- b. If CMS determines that any funding sources are not consistent with applicable federal regulations, the state must address CMS's concerns within the time frames allotted by CMS.
- c. Without limitation, CMS may request information about the non-federal share sources for any amendments that CMS determines may financially impact the demonstration.

13.4. **State Certification of Funding Conditions.** As a condition of demonstration approval, the state certifies that the following conditions for non-federal share funding of demonstration expenditures have been met:

- a. Units of state or local government, including health care providers that are units of state or local government, certify that state or local monies have been expended as the non-federal share of funds under the demonstration.
- b. To the extent the state utilizes certified public expenditures (CPE) as the funding mechanism for the state share of title XIX payments, including expenditures authorized under a section 1115 demonstration, the state must obtain CMS approval for a cost reimbursement methodology. This methodology must include a detailed explanation of the process, including any necessary cost reporting protocols, by which the state would identify those costs eligible under title XIX (or under section 1115 authority) for purposes of certifying public expenditures.
- c. To the extent the state utilizes CPEs as the funding mechanism to claim federal match for expenditures under the demonstration, governmental entities to which general revenue funds are appropriated must certify to the state the amount of such state or local monies that are allowable under 42 CFR 433.51 to satisfy demonstration expenditures. If the CPE is claimed under a Medicaid authority, the federal matching funds received cannot be used as the non-federal share needed to receive other federal matching funds under 42 CFR 433.51(c). The entities that incurred the cost must also provide cost documentation to support the state's claim for federal match.
- d. The state may use intergovernmental transfers (IGT) to the extent that such funds are derived from state or local revenues and are transferred by units of government within the state. Any transfers from units of government for purposes of Title XIX must be made in an amount not to exceed the non-federal share of title XIX payments and any payment derived from a proper IGT is not contingent upon receipt of the IGT.

- e. Under all circumstances, health care providers must retain 100 percent of the reimbursement for claimed expenditures. Moreover, consistent with 42 CFR 447.10, no pre-arranged agreements (contractual, voluntary, or otherwise) may exist between health care providers and state and/or local governments to return and/or redirect to the state any portion of the Medicaid payments. This confirmation of Medicaid payment retention is made with the understanding that payments that are the normal operating expenses of conducting business, such as payments related to taxes, including health care provider-related taxes, fees, business relationships with governments that are unrelated to Medicaid and in which there is no connection to Medicaid payments, are not considered returning and/or redirecting a Medicaid payment.
- f. The State Medicaid Director or his/her designee certifies that all state and/or local funds used as the state's share of the allowable expenditures reported on the CMS-64 for this demonstration were in accordance with all applicable federal requirements and did not lead to the duplication of any other federal funds.

**13.5. Financial Integrity for Managed Care and Other Delivery Systems.** As a condition of demonstration approval, the state attests to the following, as applicable:

- a. All risk-based managed care organization, prepaid inpatient health plan (PIHP), and prepaid ambulatory health plan (PAHP) payments comply with all requirements on payments in 42 CFR §438, including 438.6(b)(2), 438.6(c), 438.6(d), 438.60 and/or 438.74.

**13.6. Requirements for health care related taxes and provider donations.** As a condition of demonstration approval, the state attests to the following, as applicable:

- a. All health care-related taxes as defined by Section 1903 (w)(3)(A) of the Social Security Act and 42 CFR § 433.55 are broad-based as defined by Section 1903 (w)(3)(B) of the Social Security Act and 42 CFR § 433.68 (c).
- b. All health care-related taxes are uniform as defined by Section 1903 (w)(3)(C) of the Social Security Act and 42 CFR § 433.68 (d).
- c. If the health care-related tax is either not broad-based or not uniform, the state has applied for and received a waiver of the broad-based and/or uniformity requirements as specified by 1903 (w)(3)(E)(i) of the Social Security Act and 42 CFR § 433.72.
- d. The tax does not contain a hold harmless arrangement as described by Section 1903 (w)(4) of the Social Security Act and 42 CFR § 433.68 (f).
- e. All provider related-donations as defined by 42 CFR § 433.52 are bona fide as defined by Section 1903 (w)(2)(B) of the Social Security Act, 42 CFR § 433.66, and 42 CFR § 433.54.

**13.7. State Monitoring of Non-federal Share.** No later than 60 days after demonstration approval, the state must provide a report to CMS regarding payments under the

demonstration specifying that payments under the demonstration are funded all or in part by a locality tax, if the state operates any locality taxes that constitute any non-federal share for the demonstration. This requirement also applies, effective upon initiation of a locality tax, if the state initiates a new locality tax for non-federal share of the demonstration. This report must include:

- a. Any agreement written or otherwise regarding the arrangement among the providers with counties, the state or other entities for each locality tax;
- b. Number of hospitals in each locality of the taxing entities for each locality tax;
- c. Whether or not all hospitals will be paying the assessment for each locality tax;
- d. The assessment rate that the hospitals will be paying for each locality tax;
- e. Whether any hospitals that pay the assessment will not be receiving payments funded by the assessment;
- f. Number of hospitals that receive at least the total assessment back in the form of Medicaid payments for each locality tax;
- g. The monitoring plan for the taxing arrangement to ensure that the tax comply with section 1903(w)(4) of the Social Security Act and 42 CFR 433.68(f); and
- h. Information on whether the state will be reporting the assessment on the CMS form 64.11A as required under Section 1903(w) of the Act.

This deliverable is subject to the deferral as described in STC 12.5.

13.8. **Extent of Federal Financial Participation for the Demonstration.** Subject to CMS approval of the source(s) of the non-federal share of funding, CMS will provide FFP at the applicable federal matching rate for the demonstration as a whole for the following, subject to the budget neutrality expenditure limits described in section 14:

- a. Administrative costs, including those associated with the administration of the demonstration;
- b. Net expenditures and prior period adjustments of the Medicaid program that are paid in accordance with the approved Medicaid state plan; and
- c. Medical assistance expenditures and prior period adjustments made under section 1115 demonstration authority with dates of service during the demonstration extension period; including those made in conjunction with the demonstration, net of enrollment fees, cost sharing, pharmacy rebates, and all other types of third-party liability.

13.9. **Program Integrity.** The state must have processes in place to ensure there is no duplication of federal funding for any aspect of the demonstration. The state must also

ensure that the state and any of its contractors follow standard program integrity principles and practices, including retention of data. All data, financial reporting, and sources of non-federal share are subject to audit.

- 13.10. **Medicaid Expenditure Groups (MEG).** MEGs are defined for the purpose of identifying categories of Medicaid or demonstration expenditures subject to budget neutrality, components of budget neutrality expenditure limit calculations, and other purposes related to monitoring and tracking expenditures under the demonstration. The Master MEG Chart table provides a master list of MEGs defined for this demonstration.

Master MEG Chart					
MEG	To Which BN Test Does This Apply?	WOW Per Capita	WOW Aggregate	WW	Brief Description
Aged, Blind, and Disabled (ABD) Non-Medicare Adult	Main	X		X	Expenditures for aged, blind, and disabled (ABD) adults without Medicare
ABD Non-Medicare Child	Main	X		X	Expenditures for ABD children without Medicare
ABD Dual	Main	X		X	Expenditures for ABD with Medicare
Non-ABD, Non-Medicare Adult	Main	X		X	Expenditures for non-ABD adults who are not in the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119
Non-ABD, Non-Medicare Child	Main	X		X	Expenditures for non-ABD children
New Adults	Hypo 1	X		X	Medical expenditures for the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119
Investments	Main			X	Expenditures for investments as described in STC 11.1, as well as HCBS Investments.
SUD IMD ABD	Hypo 2	X		X	Expenditures for costs of medical assistance that

Master MEG Chart					
MEG	To Which BN Test Does This Apply?	WOW Per Capita	WOW Aggregate	WW	Brief Description
					could be covered for ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SUD IMD ABD Duals	Hypo 2	X		X	Expenditures for costs of medical assistance that could be covered for ABD individuals with Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SUD IMD Non-ABD	Hypo 2	X		X	Expenditures for costs of medical assistance that could be covered for non-ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SUD IMD New Adult	Hypo 2	X		X	Expenditures for costs of medical assistance that could be covered for the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119, were it not for the IMD prohibition under the state plan, provided to otherwise eligible

Master MEG Chart					
MEG	To Which BN Test Does This Apply?	WOW Per Capita	WOW Aggregate	WW	Brief Description
					individuals during a month in an IMD.
SMI IMD ABD	Hypo 3	X		X	Expenditures for costs of medical assistance that could be covered for ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SMI IMD ABD Duals	Hypo 3	X		X	Expenditures for costs of medical assistance that could be covered for ABD individuals with Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SMI IMD non-ABD	Hypo 3	X		X	Expenditures for costs of medical assistance that could be covered for non-ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
SMI IMD New Adult	Hypo 3	X		X	Expenditures for costs of medical assistance that could be covered for the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119,

Master MEG Chart					
MEG	To Which BN Test Does This Apply?	WOW Per Capita	WOW Aggregate	WW	Brief Description
					were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.
Supportive Housing Assistance Pilot	Hypo 4	X		X	Expenditures for housing supportive services provided to enrollees in the state's Supportive Housing Assistance Pilot.
Maternal Health and Treatment Services	Hypo 5	X		X	Expenditures for otherwise covered services furnished to otherwise eligible individuals who are primarily receiving treatment and withdrawal management services for SUD or SMI and who are residents at the Lund Home facility.
CRT	Hypo 6	X		X	Expenditures for individuals receiving CRT services
SUD CIT	Hypo 7	X		X	Expenditures for individuals eligible as part of the SUD CIT group (Demonstration Population 9).
VT Global Rx	Hypo 8	X		X	Expenditures for individuals eligible for VPharm cost sharing assistance (Demonstration Populations 7 and 8).
Moderate Needs	Hypo 9	X		X	Expenditures for individuals eligible as part of the CFC Moderate Needs group (Demonstration Population 6)

Master MEG Chart					
MEG	To Which BN Test Does This Apply?	WOW Per Capita	WOW Aggregate	WW	Brief Description
Marketplace Subsidy	Hypo 10	X		X	Expenditures for the state-funded Marketplace Subsidy Program for individuals at or below 300 percent of the FPL who purchase health care in the Marketplace.
MDAAP	Main			X	Expenditures to conduct MDAAP activities in accordance with the requirements in STC 8.3.
IMD Investments	Main			X	Expenditures for IMD investments phasing down in accordance with STC 11.3.
ADM	N/A				Administrative costs that are directly attributable to the demonstration
Community Transition Services	Main			X	Expenditures for community transition services for enrollees in the state's Supportive Housing Assistance Pilot program who are moving to supportive housing from non-institutional, non-provider-operated living arrangements.
Ind Cost Eff Serv	Main			X	Individually cost-effective services as assessed by the state.

13.11. **Reporting Expenditures and Member Months.** The state must report all demonstration expenditures claimed under the authority of title XIX of the Act and subject to budget neutrality each quarter on separate forms CMS-64.9 WAIVER and/or 64.9P WAIVER, identified by the demonstration project number assigned by CMS (11-W-00194/1). Separate reports must be submitted by MEG (identified by Waiver Name) and Demonstration Year (identified by the two-digit project number extension). Unless specified otherwise, expenditures must be reported by DY according to the dates of payment associated with the expenditure. All MEGs identified in the Master MEG Chart as WW must be reported for expenditures, as further detailed in the MEG Detail for Expenditure and Member Month Reporting table below. To enable calculation of the

budget neutrality expenditure limits, the state also must report member months of eligibility for specified MEGs.

- a. **Cost Settlements.** The state will report any cost settlements attributable to the demonstration on the appropriate prior period adjustment schedules (form CMS-64.9P WAIVER) for the summary sheet line 10b, in lieu of lines 9 or 10c. For any cost settlement not attributable to this demonstration, the adjustments should be reported as otherwise instructed in the State Medicaid Manual. Cost settlements must be reported by DY consistent with how the original expenditures were reported.
- b. **Premiums and Cost Sharing Collected by the State.** The state will report any premium contributions collected by the state from demonstration enrollees quarterly on the form CMS-64 Summary Sheet line 9D, columns A and B. In order to assure that these collections are properly credited to the demonstration, quarterly premium collections (both total computable and federal share) should also be reported separately by DY on form CMS-64 Narrative, and on the Total Adjustments tab in the Budget Neutrality Monitoring Tool. In the annual calculation of expenditures subject to the budget neutrality expenditure limit, premiums collected in the demonstration year will be offset against expenditures incurred in the demonstration year for determination of the state's compliance with the budget neutrality limits.
- c. **Pharmacy Rebates.** Because pharmacy rebates are included in the base expenditures used to determine the budget neutrality expenditure limit, the state must report the portion of pharmacy rebates applicable to the demonstration on the appropriate forms CMS-64.9 WAIVER and 64.9P waiver for the demonstration, and not on any other CMS-64.9 form (to avoid double counting). The state must have a methodology for assigning a portion of pharmacy rebates to the demonstration in a way that reasonably reflects the actual rebate-eligible pharmacy utilization of the demonstration population, and which identifies pharmacy rebate amounts with DYs. Use of the methodology is subject to the approval in advance by the CMS Regional Office, and changes to the methodology must also be approved in advance by the Regional Office. Each rebate amount must be distributed as state and federal revenue consistent with the federal matching rates under which the claim was paid.
- d. **Administrative Costs.** The state will separately track and report additional administrative costs that are directly attributable to the demonstration. All administrative costs must be identified on the forms CMS-64.10 WAIVER and/or 64.10P WAIVER. Unless indicated otherwise on the Master MEG Chart table, administrative costs are not counted in the budget neutrality tests; however, these costs are subject to monitoring by CMS.
- e. **Member Months.** As part of the Quarterly and Annual Monitoring Reports described in section 12, the state must report the actual number of “eligible member months” for all demonstration enrollees for all MEGs identified as WOW Per Capita in the Master MEG Chart table above, and as also indicated in the MEG Detail for Expenditure and Member Month Reporting table below. The term “eligible member

months” refers to the number of months in which persons enrolled in the demonstration are eligible to receive services. For example, a person who is eligible for three months contributes three eligible member months to the total. Two individuals who are eligible for two months, each contribute two eligible member months, for a total of four eligible member months. The state must submit a statement accompanying the annual report certifying the accuracy of this information.

- f. **Budget Neutrality Specifications Manual.** The state will create and maintain a Budget Neutrality Specifications Manual that describes in detail how the state will compile data on actual expenditures related to budget neutrality, including methods used to extract and compile data from the state’s Medicaid Management Information System, eligibility system, and accounting systems for reporting on the CMS-64, consistent with the terms of the demonstration. The Budget Neutrality Specifications Manual will also describe how the state compiles counts of Medicaid member months. The Budget Neutrality Specifications Manual must be made available to CMS on request.

MEG Detail for Expenditure and Member Month Reporting								
MEG (Waiver Name)	Detailed Description	Exclusions	CMS-64.9 or 64.10 Line(s) To Use	How Expend. Are Assigned to DY	MAP or ADM	Report Member Months (Y/N)	MEG Start Date	MEG End Date
<b>ABD Non-Medicare Adult</b>	Report all medical assistance expenditures for non-Medicare adults eligible as ABD under the state plan	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>ABD Non-Medicare Child</b>	Report all medical assistance expenditures for non-Medicare children eligible as ABD under the state plan	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>ABD Dual</b>	Report all medical assistance expenditures for non-Medicare children eligible as ABD under the state plan	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>Non-ABD, Non-Medicare Adult</b>	Report all medical assistance expenditures for non-ABD adults who are not in the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>Non-ABD, Non-Medicare Child</b>	Report all medical assistance expenditures for non-ABD children		Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>New Adult Group</b>	Report all medical assistance expenditures for	N/A	Follow standard CMS-64.9 Category	Date of payment	MAP	Y	1/1/14	12/31/27

	the Affordable Care Act new adult group, described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119.		of Service Definitions					
<b>Moderate Needs</b>	Report for all expenditures for individuals eligible as part of the Moderate Needs Group.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>VT Global Rx</b>	Report for all expenditures for individuals eligible for VPharm cost sharing assistance (Demonstration Populations 7 and 8)	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>SUD CIT</b>	Report for all expenditures for individuals eligible as SUD Community Intervention and Treatment Group (Demonstration Population 9).	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	1/1/25	12/31/27
<b>Investments</b>	Report for all expenditures labeled investments as described in STC 11.1.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP or ADM	N	10/1/05	12/31/27
<b>Marketplace Subsidy</b>	Report expenditures for the state-funded Marketplace subsidy program for individuals at or below 300 percent of the FPL who purchase health care coverage in the Marketplace.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	N	1/1/14	12/31/27

<b>CRT</b>	Report expenditures for individuals receiving CRT services	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	10/1/05	12/31/27
<b>SUD IMD ABD</b>	Report expenditures for costs of medical assistance that could be covered for ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	7/1/18	12/31/27
<b>SUD IMD ABD Duals</b>	Report expenditures for costs of medical assistance that could be covered for ABD individuals with Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	7/1/18	12/31/27
<b>SUD IMD Non-ABD</b>	Report expenditures for costs of medical assistance that could be covered for non-ABD individuals without Medicare, were		Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	7/1/18	12/31/27

	it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.							
<b>SUD IMD New Adult</b>	Report expenditures for costs of medical assistance that could be covered for the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	7/1/18	12/31/27
<b>SMI IMD ABD</b>	Report expenditures for costs of medical assistance that could be covered for ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	1/1/20	12/31/27
<b>SMI IMD ABD Duals</b>	Report expenditures for costs of medical	N/A	Follow standard	Date of payment	MAP	Y	1/1/20	12/31/27

	assistance that could be covered for ABD individuals with Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.		CMS-64.9 Category of Service Definitions					
<b>SMI IMD Non-ABD</b>	Report expenditures for costs of medical assistance that could be covered for non-ABD individuals without Medicare, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	1/1/20	12/31/27
<b>SMI IMD New Adult</b>	Report expenditures for costs of medical assistance that could be covered for the Affordable Care Act adult group described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119, were it not for the IMD prohibition under the state plan, provided to otherwise eligible	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	1/1/20	12/31/27

	individuals during a month in an IMD.							
<b>Maternal Health and Treatment Services</b>	Report expenditures for otherwise covered services furnished to otherwise eligible individuals who are primarily receiving treatment and withdrawal management services for SUD or SMI and who are residents at the Lund Home facility.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	Y	7/1/22	12/31/27
<b>Medicaid Data Aggregation and Access Program (MDAAP)</b>	Report expenditures for MDAAP activities in accordance with the requirements in STC 8.3.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	ADM	N	Following approval of the protocol (STC 8.3)	12/31/27
<b>IMD Investments</b>	Report IMD expenditures as described in STC 11.3.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	N	7/1/22	12/31/27
<b>Supportive Housing Assistance Pilot</b>	Report expenditures for housing supportive services provided to enrollees in the state's Supportive Housing Assistance Pilot.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	N	1/1/23	12/31/27
<b>ADM</b>	Administrative costs that are directly attributable to the demonstration	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	ADM	N	7/1/22	12/31/27

<b>Community Transition Services</b>	Report expenditures for community transition services for enrollees in the state's Supportive Housing Assistance Pilot program who are moving to supportive housing from non-institutional, non-provider-operated living arrangements.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	N	1/1/24	12/31/27
<b>Ind Cost Eff Serv</b>	Report expenditures for individually assessed cost effective alternative services.	N/A	Follow standard CMS-64.9 Category of Service Definitions	Date of payment	MAP	N	1/1/23	12/31/27

13.12. **Demonstration Years.** Demonstration Years (DY) for this demonstration are defined in the Demonstration Years table below.

<b>Demonstration Years</b>		
Demonstration Year 18	July 1, 2022 to December 31, 2022	6 months
Demonstration Year 19	January 1, 2023 to December 31, 2023	12 months
Demonstration Year 20	January 1, 2024 to December 31, 2024	12 months
Demonstration Year 21	January 1, 2025 to December 31, 2025	12 months
Demonstration Year 22	January 1, 2026 to December 31, 2026	12 months
Demonstration Year 23	January 1, 2027 to December 31, 2027	12 months

13.13. **Budget Neutrality Monitoring Tool.** The state must provide CMS with quarterly budget neutrality status updates, including established baseline and member months data, using the Budget Neutrality Monitoring Tool provided through the Performance Metrics

Database and Analytics (PMDA) system. The tool incorporates the “Schedule C Report” for comparing demonstration’s actual expenditures to the budget neutrality expenditure limits described in Section 14. CMS will provide technical assistance, upon request.

- 13.14. **Claiming Period.** The state will report all claims for expenditures subject to the budget neutrality agreement (including any cost settlements) within two years after the calendar quarter in which the state made the expenditures. All claims for services during the demonstration period (including any cost settlements) must be made within two years after the conclusion or termination of the demonstration. During the latter two-year period, the state will continue to identify separately net expenditures related to dates of service during the operation of the demonstration on the CMS-64 waiver forms in order to properly account for these expenditures in determining budget neutrality.
- 13.15. **Future Adjustments to Budget Neutrality.** CMS reserves the right to adjust the budget neutrality expenditure limit:
- a. To be consistent with enforcement of laws and policy statements, including regulations and letters, regarding impermissible provider payments, health care related taxes, or other payments, CMS reserves the right to make adjustments to the budget neutrality limit if any health care related tax that was in effect during the base year, or provider-related donation that occurred during the base year, is determined by CMS to be in violation of the provider donation and health care related tax provisions of section 1903(w) of the Act. Adjustments to annual budget targets will reflect the phase out of impermissible provider payments by law or regulation, where applicable.
  - b. To the extent that a change in federal law, regulation, or policy requires either a reduction or an increase in FFP for expenditures made under this demonstration. In this circumstance, the state must adopt, subject to CMS approval, a modified budget neutrality agreement as necessary to comply with such change. The modified agreement will be effective upon the implementation of the change. The trend rates for the budget neutrality agreement are not subject to change under this STC. The state agrees that if mandated changes in the federal law require state legislation, the changes shall take effect on the day such state legislation becomes effective, or on the last day such legislation was required to be in effect under the federal law.
- 13.16. **Budget Neutrality Adjustments.** To the extent that there are any changes to the federal Section 1115 demonstration budget neutrality approach during the demonstration period, the state has the opportunity to submit an adjustment aligning with these changes, along with detailed data to justify this, for CMS review without submitting an amendment pursuant to STC 3.7. All changes in budget neutrality would apply retroactively to the date of the federal policy changes.
- 13.17. **Budget Neutrality Adjustments for Increased Provider Rates.** The state may submit an adjustment to its budget neutrality for CMS review, upon receiving an appropriation for provider rate increases, without submitting an amendment pursuant to STC 3.7. All changes to budget neutrality would apply on the state’s effective date for the increase.

- 13.18. The state certifies that the data it provided to establish the budget neutrality expenditure limit are accurate based on the state's accounting of recorded historical expenditures or the next best available data, that the data are allowable in accordance with applicable federal, state, and local statutes, regulations, and policies, and that the data are correct to the best of the state's knowledge and belief. The data supplied by the state to set the budget neutrality expenditure limit are subject to review and audit, and if found to be inaccurate, will result in a modified budget neutrality expenditure limit.

#### **14. MONITORING BUDGET NEUTRALITY FOR THE DEMONSTRATION**

- 14.1. **Limit on Title XIX Funding.** The state will be subject to limits on the amount of federal Medicaid funding the state may receive over the course of the demonstration approval. The limit may consist of a Main Budget Neutrality Test, and one or more Hypothetical Budget Neutrality Tests, as described below. CMS' assessment of the state's compliance with these tests will be based on the Schedule C CMS-64 Waiver Expenditure Report, which summarizes the expenditures reported by the state on the CMS-64 that pertain to the demonstration.
- 14.2. **Risk.** The budget neutrality expenditure limits are determined on either a per capita or aggregate basis. If the per capita method is used, the state is at risk for the per capita cost of state plan and hypothetical populations, but not for the number of participants in the demonstration population. By providing FFP without regard to enrollment in the demonstration for all demonstration populations, CMS will not place the state at risk for changing economic conditions; however, by placing the state at risk for the per capita costs of the demonstration populations, CMS assures that the demonstration expenditures do not exceed the levels that would have been realized had there been no demonstration. If an aggregate method is used, the state accepts risk for both enrollment and per capita costs.
- 14.3. **Calculation of the Budget Neutrality Limits and How They Are Applied.** To calculate the budget neutrality limits for the demonstration, separate annual budget limits are determined for each DY on a total computable basis. Each annual budget limit is the sum of one or more components: per capita components, which are calculated as a projected without-waiver PMPM cost times the corresponding actual number of member months, and aggregate components, which project fixed total computable dollar expenditure amounts. The annual limits for all DYs are then added together to obtain a budget neutrality limit for the entire demonstration period. The federal share of this limit will represent the maximum amount of FFP that the state may receive during the demonstration period for the types of demonstration expenditures described below. The federal share will be calculated by multiplying the total computable budget neutrality expenditure limit by the appropriate Composite Federal Share.
- 14.4. **Main Budget Neutrality Test.** The Main Budget Neutrality Test allows the state to show that demonstration waivers granted have not resulted in increased costs to Medicaid, and that federal Medicaid "savings" have been achieved sufficient to offset the additional projected federal costs resulting from expenditure authority. The table below identifies the MEGs that are used for the Main Budget Neutrality Test. MEGs designated as "WOW

Only” or “Both” are components used to calculate the budget neutrality expenditure limit. MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against the budget neutrality expenditure limit. In addition, any expenditures in excess of limit from Hypothetical Budget Neutrality Tests count as expenditures under the Main Budget Neutrality Test. The Composite Federal Share for this test is calculated based on all MEGs indicated as “Both.”

Main Budget Neutrality Test										
MEG	PC or Agg*	WOW Only, WW Only, or BOTH	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
ABD Non-Medicare Adult	PC	Both	2019	4.7%	\$2,404.76	\$2,489.04	\$2,606.02	\$2,728.51	\$2,856.75	\$2,991.01
ABD Non-Medicare Child	PC	Both	2019	2.8%	\$2,668.61	\$2,724.65	\$2,801.21	\$2,879.93	\$2,960.85	\$3,044.05
ABD Dual	PC	Both	2019	3.8%	\$2,119.20	\$2,178.84	\$2,260.98	\$2,346.22	\$2,434.68	\$2,526.46
Non-ABD, Non-Medicare Adult	PC	Both	2019	6.3%	\$787.20	\$824.11	\$876.03	\$931.22	\$989.88	\$1,052.24
Non-ABD, Non-Medicare Child	PC	Both	2019	5.8%	\$598.55	\$624.40	\$660.62	\$698.93	\$739.47	\$782.36
Investments	Agg	WW Only	2019	5%	N/A	N/A	N/A	N/A	N/A	N/A
MDAAP	Agg	WW Only	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Main Budget Neutrality Test										
MEG	PC or Agg*	WOW Only, WW Only, or BOTH	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
Community Transition Services	Agg	WW Only	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Individually Assessed Cost Effective Alternative Services	Agg	WW Only	2020	N/A						

\*PC = Per Capita, Agg = Aggregate

14.5. **Hypothetical Budget Neutrality.** When expenditure authority is provided for coverage of populations or services that the state could have otherwise provided through its Medicaid state plan or other title XIX authority (such as a waiver under section 1915 of the Act), CMS considers these expenditures to be “hypothetical;” that is, the expenditures would have been eligible to receive FFP elsewhere in the Medicaid program. For these hypothetical expenditures, CMS makes adjustments to the budget neutrality test which effectively treats these expenditures as if they were for approved Medicaid state plan services. Hypothetical expenditures, therefore, do not necessitate savings to offset the otherwise allowable services. This approach reflects CMS’s current view that states should not have to “pay for,” with demonstration savings, costs that could have been otherwise eligible for FFP under a Medicaid state plan or other title XIX authority; however, when evaluating budget neutrality, CMS does not offset non-hypothetical expenditures with projected or accrued savings from hypothetical expenditures. That is, savings are not generated from a hypothetical population or service. To allow for hypothetical expenditures, while preventing them from resulting in savings, CMS currently applies a separate, independent Hypothetical Budget Neutrality Tests, which subject hypothetical expenditures to pre-determined limits to which the state and CMS agree, and that CMS approves, as a part of this demonstration approval. If the state’s WW hypothetical spending exceeds the supplemental test’s expenditure limit, the state agrees (as a condition of CMS approval) to offset that excess spending through savings elsewhere in the demonstration or to refund the FFP to CMS.

14.6. **Hypothetical Budget Neutrality Test 1: New Adult Group Spending.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 1. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 1										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
New Adult Group	PC	Both	2019	5.7%	\$575.03	\$599.44	\$633.61	\$669.72	\$707.90	\$748.25

14.7. **Hypothetical Budget Neutrality Test 2: SUD Expenditures.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 2. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 2										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM

SUD IMD ABD	PC	Both	2021	4.3%	\$3,064.94	\$3,163.27	\$3,299.29	\$3,441.16	\$3,589.13	\$3,743.46
SUD IMD ABD Duals	PC	Both	2021	4.0%	\$1,856.56	\$1,911.98	\$1,988.46	\$2,068.00	\$2,150.72	\$2,236.75
SUD IMD Non- ABD	PC	Both	2021	4.5%	\$2,833.69	\$2,928.80	\$3,060.59	\$3,198.32	\$3,342.24	\$3,492.64
SUD IMD New Adult	PC	Both	2021	5.7%	\$3,116.58	\$3,248.89	\$3,434.07	\$3,629.81	\$3,836.71	\$4,055.41

14.8. **Hypothetical Budget Neutrality Test 3: SMI/SED Services.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 3. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 3										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
SMI IMD ABD	PC	Both	2021	4.3%	\$55,828.51	\$57,619.47	\$60,097.11	\$62,681.28	\$65,376.58	\$68,187.77

SMI IMD ABD Duals	PC	Both	2021	4.0%	\$35,743.20	\$36,810.22	\$38,282.63	\$39,813.93	\$41,406.49	\$43,062.75
SMI IMD Non-ABD	PC	Both	2021	4.5%	\$36,335.77	\$37,555.33	\$39,245.32	\$41,011.36	\$42,856.87	\$44,785.43
SMI IMD New Adult	PC	Both	2021	5.7%	\$40,968.11	\$42,707.31	\$45,141.62	\$47,714.69	\$50,434.43	\$53,309.19

14.9. **Hypothetical Budget Neutrality Test 4: Supportive Housing Assistance.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 4. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 4										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
Supportive Housing Assistance	PC	Both	2024	4.8%	N/A	N/A	\$424.95	\$445.35	\$466.72	\$489.13

14.10. **Hypothetical Budget Neutrality Test 5: Maternal Health and Treatment Services.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 5. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality

Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 5										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
Maternal Health and Treatment Services	PC	Both	2019	1.4%	\$9,700.76	\$9,801.72	\$9,937.96	\$10,076.10	\$10,216.16	\$10,358.16

14.11. **Hypothetical Budget Neutrality Test 6: CRT Services.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 6. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 6										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM

CRT Services	PC	Both	2019	4.7%	\$5,069.88	\$5,247.56	\$5,494.19	\$5,752.42	\$6,022.79	\$6,305.86
--------------	----	------	------	------	------------	------------	------------	------------	------------	------------

14.12. **Hypothetical Budget Neutrality Test 7: SUD CIT.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 7. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 7										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
SUD CIT	PC	Both	2025	4.8%	N/A	N/A	N/A	\$757.51	\$793.11	\$830.39

14.13. **Hypothetical Budget Neutrality Test 8: VT Global Rx.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 8. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 8										
---------------------------------------	--	--	--	--	--	--	--	--	--	--

MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
VT Global Rx	PC	Both	2019	0%	\$89.32	\$89.32	\$89.32	\$89.32	\$89.32	\$89.32

14.14. **Hypothetical Test Budget Neutrality Test 9: Moderate Needs Group.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 9. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 9										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
Moderate Needs Group	PC	Both	2019	4.7%	\$833.78	\$863.00	\$903.56	\$946.03	\$990.49	\$1,037.05

14.15. **Hypothetical Test Budget Neutrality Test 10: Marketplace Subsidy.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 10. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are

counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test are counted as WW expenditures under the Main Budget Neutrality Test.

Hypothetical Budget Neutrality Test 10										
MEG	PC or Agg	WOW Only, WW Only, or Both	Base Year	Trend Rate	DY 18 PMPM	DY 19 PMPM	DY 20 PMPM	DY 21 PMPM	DY 22 PMPM	DY 23 PMPM
Marketplace Subsidy	PC	Both	2019	3.9%	\$33.33	\$34.29	\$35.63	\$37.01	\$38.45	\$39.94

- 14.16. **Composite Federal Share Ratios.** The Composite Federal Share is the ratio that will be used to convert the total computable budget neutrality limit to federal share. The Composite Federal Share is the ratio calculated by dividing the sum total of FFP received by the state on actual demonstration expenditures during the approval period by total computable demonstration expenditures for the same period, as reported through the MBES/CBES and summarized on Schedule C. Since the actual final Composite Federal Share will not be known until the end of the demonstration’s approval period, for the purpose of interim monitoring of budget neutrality, a reasonable estimate of Composite Federal Share may be developed and used through the same process or through an alternative mutually agreed to method. Each Hypothetical Budget Neutrality Test has its own Composite Federal Share, as defined in the paragraph pertaining to each particular test.
- 14.17. **Exceeding Budget Neutrality.** CMS will enforce budget neutrality agreement over the life of the demonstration, which extends from July 1, 2022 to December 31, 2027. If at the end of the demonstration approval period the budget neutrality limit has been exceeded, the excess federal funds will be returned to CMS. If the demonstration is eliminated prior to the end of the demonstration period, the budget neutrality test will be based on the time period through the termination date.
- 14.18. **Mid-Course Correction** If at any time during the demonstration approval period CMS determines that the demonstration is on course to exceed its budget neutrality expenditure limit, CMS will require the state to submit a corrective action plan (CAP) for

CMS review and approval. CMS will use the threshold levels in the tables below as a guide for determining when corrective action is required.

<b>Budget Neutrality Test Mid-Course Correction Calculation</b>		
<b>Demonstration Year</b>	<b>Cumulative Target Definition</b>	<b>Percentage</b>
DY 18	Cumulative budget neutrality limit plus:	2.0 percent
DY 18 through DY 19	Cumulative budget neutrality limit plus:	1.5 percent
DY 18 through DY 20	Cumulative budget neutrality limit plus:	1.0 percent
DY 18 through DY 21	Cumulative budget neutrality limit plus:	0.5 percent
DY 18 through DY 22	Cumulative budget neutrality limit plus:	0.0 percent
DY 18 through DY 23	Cumulative budget neutrality limit plus:	0.0 percent

## 15. EVALUATION OF THE DEMONSTRATION

- 15.1. **Independent Evaluator.** Upon approval of the demonstration, the state must arrange with an independent party to conduct an evaluation of the demonstration to ensure that the necessary data is collected at the level of detail needed to research the approved hypotheses. The independent party must sign an agreement to conduct the demonstration evaluation in an independent manner in accord with the CMS-approved, draft Evaluation Design. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances.
- 15.2. **Evaluation Budget.** A budget for the evaluation shall be provided with the draft Evaluation Design. It will include the total estimated cost, as well as a breakdown of estimated staff, administrative and other costs for all aspects of the evaluation, such as any survey and measurement development, quantitative and qualitative data collection and cleaning, analyses, and report generation. A justification of the costs may be required by CMS if the estimates provided do not appear to sufficiently cover the costs of the design or if CMS finds that the design is not sufficiently developed, or if the estimates appear to be excessive.
- 15.3. **Draft Evaluation Design.** The state must submit, for CMS comment and approval, a draft Evaluation Design no later than one hundred eighty (180) days after the approval date of the demonstration. Any modifications to an existing approved Evaluation Design will not affect previously established requirements and timelines for report submission for the demonstration, if applicable. The draft Evaluation Design must be developed in accordance with the following CMS guidance (including but not limited to): (1) Attachment A (Preparing the Evaluation Design) of these STCs, and all applicable technical assistance on applying robust evaluation approaches, including using comparison groups and beneficiary surveys to develop a draft Evaluation Design; and (2) All applicable evaluation design guidance, including guidance about substance use disorder, serious mental illness, premiums, and overall demonstration sustainability.
- a. **Evaluation Design of PHE flexibilities for Medicaid beneficiaries.** The state has submitted an Evaluation Design to CMS to reflect the December 3, 2020 amendment approval that allows flexibilities during public health emergencies. CMS approved this Evaluation Design on March 29, 2021. CMS provided guidance on an Evaluation Design specifically for the flexibilities approved for the public health emergency. The state posted its Evaluation Design to the state's website within thirty (30) days of CMS approval of the Evaluation Design, per 42 CFR 431.424(e). The state will test whether and how the approved flexibilities affect the state's response to the public health emergency. To that end, the state will use research questions that pertain to the approved flexibilities. The evaluation will also assess cost-effectiveness by tracking administrative costs and health services expenditures for demonstration beneficiaries and assessing how these outlays affected the state's response to the public health emergency.

15.4. **Evaluation Design Approval and Updates.** The state must submit a revised draft Evaluation Design within sixty (60) calendar days after receipt of CMS’s comments. Upon CMS approval of the draft Evaluation Design, the document will be included as Attachment O of these STCs. Per 42 CFR 431.424(c), the state will publish the approved Evaluation Design to the state’s website within thirty (30) days of CMS approval. The state must implement the Evaluation Design and submit a description of its evaluation implementation progress in each of the Monitoring Reports. Hypotheses must cover all components of demonstration. Hypotheses for the SUD program must include an assessment of the objectives of the SUD component of this section 1115 demonstration. Examples include (but are not limited to): initiation and compliance with treatment, utilization of health services (emergency department and inpatient hospital settings), and a reduction in key outcomes such as deaths due to overdose. Hypotheses for the SMI program must include an assessment of the objectives of the SMI component of this 1115 demonstration. Examples include (but are not limited to): utilization and length of stay in emergency departments, reductions in preventable readmissions to acute care hospitals and residential settings, availability of crisis stabilization services, and care coordination. Hypotheses related to the Maternal Health and Treatment Services should not only address the appropriate SUD and SMI treatment and quality of care goals but should also address the specific maternal health outcomes and goals of this program. For example, they should address how the extended residential component and family-centered model contributes to achieving the goals of improved retention in treatment, lower child custody rates, and improved psychosocial outcomes for the family. Hypotheses for premiums include an assessment of the outcomes of the premium component of this 1115 demonstration. Examples include (but are not limited to) the following outcomes: beneficiary familiarity with premiums as a feature of commercial coverage and likelihood of enrollment and enrollment continuity. Hypotheses for the waiver of retroactive eligibility must include an assessment of the outcomes of the retroactive eligibility component of this section 1115 demonstration. Examples include (but are not limited to) the following outcomes: likelihood of enrollment and enrollment continuity, enrollment when people are healthy, and health status (as a result of greater enrollment continuity). Hypotheses for investments must reflect appropriate goals for each area of investments as described in STC 11.1 and broadly assess whether they collectively contribute to the goals of the demonstration, such as the reduction of disparities in health outcomes. Once CMS approves the Evaluation Design, if the state wishes to make changes, the state must submit a revised Evaluation Design to CMS for approval if the changes are substantial in scope; otherwise, in consultation with CMS, the state may include updates to the Evaluation Design in Monitoring Reports.

15.5. **Interim Evaluation Report.** The state must submit an Interim Evaluation Report for the completed years of the demonstration, and for each subsequent extension of the demonstration, as outlined in 42 CFR 431.412(c)(2)(vi). When submitting an application for extension, the Evaluation Report should be posted to the state’s website with the application for public comment.

- a. The interim evaluation report will discuss evaluation progress and present findings to date as per the approved Evaluation Design.

- b. For demonstration authority that expires prior to the overall demonstration’s expiration date, the Interim Evaluation Report must include an evaluation of the authority as approved by CMS.
- c. If the state is seeking to extend the demonstration, the draft Interim Evaluation Report is due when the application for extension is submitted. If the state made changes to the demonstration in its application for extension, the research questions and hypotheses, and how the design was adapted should be included. If the state is not requesting an extension for a demonstration, an Interim Evaluation report is due one (1) year prior to the end of the demonstration. For demonstration phase-outs prior to the expiration of the approval period, the draft Interim Evaluation Report is due to CMS on the date that will be specified in the notice of termination or suspension.
- d. The state must submit a revised Interim Evaluation Report sixty (60) calendar days after receiving CMS comments on the draft Interim Evaluation Report. Once approved by CMS, the state must post the final Interim Evaluation Report to the state’s website.

15.6. **Summative Evaluation Report.** The draft Summative Evaluation Report must be developed in accordance with Attachment B (Preparing the Interim and Summative Evaluation Reports) of these STCs. The state must submit a draft Summative Evaluation Report for the demonstration’s approval period within eighteen (18) months of the end of the approval period represented by these STCs. The Summative Evaluation Report must include the information in the approved Evaluation Design.

- a. Unless otherwise agreed upon in writing by CMS, the state must submit a revised Summative Evaluation Report within sixty (60) calendar days of receiving comments from CMS on the draft.
- b. The final Summative Evaluation Report must be posted to the state’s Medicaid website within thirty (30) calendar days of approval by CMS.
- c. Final Report, PHE flexibilities for Medicaid beneficiaries. The final report will consolidate Monitoring and Evaluation reporting requirements for flexibilities during public health emergencies approved in STC 6.3(c). The state must submit this final report no later than one year after the end of the public health emergency flexibilities. The final report will capture data on the demonstration implementation, lessons learned, and best practices for similar situations. The state will be required to track separately all expenditures associated with these flexibilities, including but not limited to, administrative costs and program expenditures. CMS will provide additional guidance on the structure and content of the final report.

Should the approval period of this flexibility exceed one year, for each year of the demonstration that the state is required to complete per the annual report required under 42 CFR 431.428(a), the state may submit that information in the Final Report.

- 15.7. **State Presentations for CMS.** CMS reserves the right to request that the state present and participate in a discussion with CMS on the Evaluation Design, the Interim Evaluation reports, and/or the Summative Evaluation Report. Presentations may be conducted remotely.
- 15.8. **Public Access.** The state shall post the final documents (e.g., Monitoring Reports, Close Out Report, approved Evaluation Design, Interim Evaluation Report, and Summative Evaluation Report) on the state’s Medicaid website within thirty (30) calendar days of approval by CMS.
- 15.9. **Additional Publications and Presentations.** For a period of twelve (12) months following CMS approval of the final reports, CMS will be notified prior to presentation of these reports or their findings, including in related publications (including, for example, journal articles), by the state, contractor, or any other third party directly connected to the demonstration. Prior to release of these reports, articles or other publications, CMS will be provided a copy including any associated press materials. CMS will be given ten (10) business days to review and comment on publications before they are released. CMS may choose to decline to comment or review some or all of these notifications and reviews. This requirement does not apply to the release or presentation of these materials to state or local government officials.
- 15.10. **Cooperation with Federal Evaluators.** As required under 42 CFR 431.420(f), the state shall cooperate fully and timely with CMS and its contractors’ in any federal evaluation of the demonstration or any component of the demonstration. This includes, but is not limited to, commenting on design and other federal evaluation documents and providing data and analytic files to CMS, including entering into a data use agreement that explains how the data and data files will be exchanged, and providing a technical point of contact to support specification of the data and files to be disclosed, as well as relevant data dictionaries and record layouts. The state shall include in its contracts with entities who collect, produce or maintain data and files for the demonstration, that they shall make such data available for the federal evaluation as is required under 42 CFR 431.420(f) to support federal evaluation. The state may claim administrative match for these activities. Failure to comply with this STC may result in a deferral being issued as outlined in STC 12.5.

## 16. SCHEDULE OF STATE DELIVERABLES FOR THE DEMONSTRATION PERIOD

Due Date	Deliverable	STC Reference
30 calendar days after approval date <sup>5</sup>	Written acknowledgement of the award letter and acceptance of the STCs	N/A; see Approval letter
150 calendar days after approval date	SUD Monitoring Protocol	STC 9.3
150 calendar days after approval date	SMI/SED Monitoring Protocol	STC 10.5
180 calendar days after the demonstration's implementation and annually thereafter	Post Award Forum	STC 12.2
180 days after demonstration approval	Draft Evaluation Design	STC 15.3
90 days after approval of demonstration extension	HCBS Quality Measures	STC 6.14(a)(vii)
June 30, 2025	SUD Mid-Point Assessment	STC 9.4
June 30, 2024	SMI/SED Mid-Point Assessment	STC 10.8
One year prior to current expiration date (December 31, 2026), or with extension application	Draft Interim Evaluation Report	STC 15.5

<sup>5</sup> Approval date refers to the date marked on the approval letter for this demonstration.

<b>Due Date</b>	<b>Deliverable</b>	<b>STC Reference</b>
Within 18 months of the end of the demonstration period	Draft Summative Evaluation Report	STC 15.6
30 calendar days after CMS approval	Approved Final Summative Evaluation Report published to state's website	STC 15.6
Within 30 days of CMS written request	State Data Collection	STC 12.9
21 months before the end of the demonstration period, in accordance with the March 12, 2014, CMS Informational Bulletin, Modifications to Quality Measures and Reporting in §1915(c) Home and Community-Based Waivers	HCBS Quality Improvement Strategy Evidentiary Report	STC 6.14(a)(viii)

<b>Recurring Date</b>	<b>Deliverable</b>	<b>STC Reference</b>
No later than 60 days after the end of the quarter (except Q4)	Quarterly Monitoring Reports	STC 12.7
No later than 90 days after the end of the Demonstration Year	Annual Monitoring Reports	STC 12.7

Updated every three years in accordance with 42 CFR 438.340 (c)	State Quality Strategy	STC 6.14
Not later than 90 days prior to the effective date	Interagency Agreement and Rate Certification	STC 6.2
No later than 30 days after the end of the quarter	CMS-64 Expenditure Reports	STCs 13.11 & 13.13

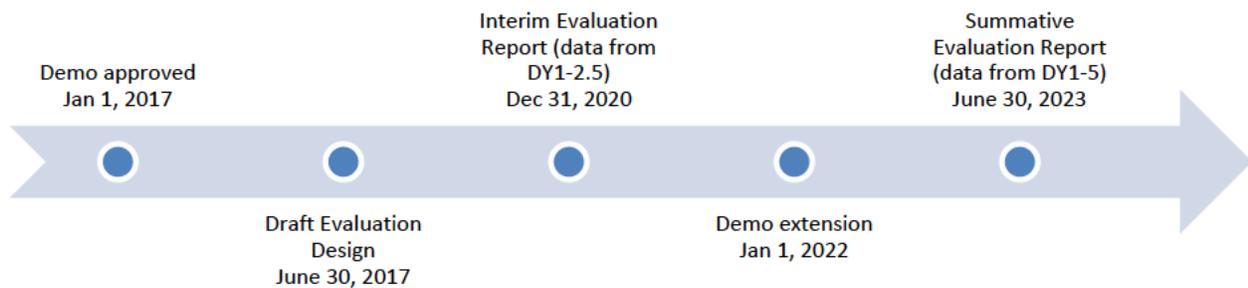
## ATTACHMENT A Preparing the Evaluation Design

### Introduction

Both state and federal governments need rigorous quantitative and qualitative evidence to inform policy decisions. To that end, for states that are testing new approaches and flexibilities in their Medicaid programs through section 1115 demonstrations, evaluations are crucial to understand and disseminate information about these policies. The evaluations of new initiatives seek to produce new knowledge and direction for programs and inform Medicaid policy for the future. While a narrative about what happened during a demonstration provides important information, the principal focus of the evaluation of a section 1115 demonstration should be obtaining and analyzing data. Evaluations should include findings about the process (e.g., whether the demonstration is being implemented as intended), outcomes (e.g., whether the demonstration is having the intended effects on the target population), and impacts of the demonstration (e.g., whether the outcomes observed in the targeted population differ from outcomes in similar populations not affected by the demonstration).

### Submission Timelines

There is a specified timeline for the state’s submission of its draft Evaluation Design and subsequent evaluation reports. The graphic below depicts an example of this timeline for a 5-year demonstration. In addition, the state should be aware that section 1115 evaluation documents are public records. The state is required to publish the Evaluation Design to the state’s website within thirty (30) calendar days of CMS approval, as per 42 CFR 431.424(e). CMS will also publish a copy to the Medicaid.gov website.



### Expectations for Evaluation Designs

CMS expects Evaluation Designs to be rigorous, incorporate baseline and comparison group assessments, as well as statistical significance testing. Technical assistance resources for constructing comparison groups and identifying causal inferences are available on Medicaid.gov: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/1115-demonstration-monitoring-evaluation/1115-demonstration-state-monitoring-evaluation-resources/index.html>. If the state needs technical assistance using this outline or developing the Evaluation Design, the

[state should contact its demonstration team.](#)

All states with section 1115 demonstrations are required to conduct Interim and Summative Evaluation Reports, and the Evaluation Design is the roadmap for conducting these evaluations. The roadmap begins with the stated goals for the demonstration, followed by the measurable evaluation questions and quantifiable hypotheses, all to support a determination of the extent to which the demonstration has achieved its goals. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances.

The format for the Evaluation Design is as follows:

- A. General Background Information;
- B. Evaluation Questions and Hypotheses;
- C. Methodology;
- D. Methodological Limitations;
- E. Attachments.

**A. General Background Information** – In this section, the state should include basic information about the demonstration, such as:

1. The issue/s that the state is trying to address with its section 1115 demonstration and/or expenditure authorities, the potential magnitude of the issue/s, and why the state selected this course of action to address the issue/s (e.g., a narrative on why the state submitted an 1115 demonstration proposal).
2. The name of the demonstration, approval date of the demonstration, and period of time covered by the evaluation.
3. A description of the population groups impacted by the demonstration.
4. A brief description of the demonstration and history of its implementation, and whether the draft Evaluation Design applies to an amendment, extension, renewal, or expansion of, the demonstration.
5. For renewals, amendments, and major operational changes: a description of any changes to the demonstration during the approval period; the primary reason or reasons for the change; and how the Evaluation Design was altered or augmented to address these changes.

**B. Evaluation Questions and Hypotheses** – In this section, the state should:

1. Identify the state's hypotheses about the outcomes of the demonstration, and discuss how the evaluation questions align with the hypotheses and the goals of the demonstration.
2. Address how the hypotheses and research questions promote the objectives of Titles XIX and/or XXI.

3. Describe how the state’s demonstration goals are translated into quantifiable targets for improvement, so that the performance of the demonstration in achieving these targets can be measured.
4. Include a Driver Diagram to visually aid readers in understanding the rationale behind the cause and effect of the variants behind the demonstration features and intended outcomes. A driver diagram, which includes information about the goals and features of the demonstration, is a particularly effective modeling tool when working to improve health and health care through specific interventions. A driver diagram depicts the relationship between the aim, the primary drivers that contribute directly to achieving the aim, and the secondary drivers that are necessary to achieve the primary drivers for the demonstration. For an example and more information on driver diagrams:  
<https://innovation.cms.gov/files/x/hciatwoaimsdrvrs.pdf>.

1. **Methodology** – In this section, the state is to describe in detail the proposed research methodology. The focus is on showing that the evaluation meets the prevailing standards of scientific and academic rigor, that the results are statistically valid and reliable, and that it builds upon other published research, using references where appropriate.

This section also provides evidence that the demonstration evaluation will use the best available data. The state should report on, control for, and make appropriate adjustments for the limitations of the data and their effects on results, and discuss the generalizability of results. This section should provide enough transparency to explain what will be measured and how, in sufficient detail so that another party could replicate the results. Table A below is an example of how the state might want to articulate the analytic methods for each research question and measure.

Specifically, this section establishes:

1. *Methodological Design* – Provide information on how the evaluation will be designed. For example, whether the evaluation will utilize pre/post data comparisons, pre-test or post-test only assessments. If qualitative analysis methods will be used, they must be described in detail.
2. *Target and Comparison Populations* – Describe the characteristics of the target and comparison populations, incorporating the inclusion and exclusion criteria. Include information about the level of analysis (beneficiary, provider, or program level), and if populations will be stratified into subgroups. Additionally, discuss the sampling methodology for the populations, as well as support that a statistically reliable sample size is available.
3. *Evaluation Period* – Describe the time periods for which data will be included.
4. *Evaluation Measures* – List all measures that will be calculated to evaluate the demonstration. The state also should include information about how it will define the numerators and denominators. Furthermore, the state should ensure the measures contain assessments of both process and outcomes to evaluate the effects of the demonstration during the period of approval. When selecting metrics, the state shall identify opportunities for improving quality of care and health outcomes, and controlling cost of care. The state also should incorporate benchmarking and comparisons to national and

state standards, where appropriate.

The state also should include the measure stewards (i.e., the organization(s) responsible for the evaluation data elements/sets by “owning”, defining, validating, securing, and submitting for endorsement, etc.) Proposed health measures could include CMS’s Core Set of Health Care Quality Measures for Children in Medicaid and CHIP, Consumer Assessment of Health Care Providers and Systems (CAHPS), the Initial Core Set of Health Care Quality Measures for Medicaid-Eligible Adults and/or measures endorsed by National Quality Forum. Proposed performance metrics can be selected from nationally recognized metrics, for example from sets developed by the Center for Medicare and Medicaid Innovation or for meaningful use under Health Information Technology.

5. *Data Sources* – Explain from where the data will be obtained, describe any efforts to validate and clean the data, and discuss the quality and limitations of the data sources. If the state plans to collect primary data (i.e., data collected specifically for the evaluation), include the methods by which the data will be collected, the source of the proposed questions and responses, and the frequency and timing of data collection. Additionally, copies of any proposed surveys must be provided to CMS for approval before implementation.
6. *Analytic Methods* – This section includes the details of the selected quantitative and/or qualitative analysis measures that will adequately assess the effectiveness of the demonstration. This section should:
  - a. Identify the specific statistical testing which will be undertaken for each measure (e.g., t-tests, chi-square, odds ratio, ANOVA, regression).
  - b. Explain how the state will isolate the effects of the demonstration from other initiatives occurring in the state at the same time (e.g., through the use of comparison groups).
  - c. Include a discussion of how propensity score matching and difference-in-differences designs may be used to adjust for differences in comparison populations over time, if applicable.
  - d. Consider the application of sensitivity analyses, as appropriate.
7. *Other Additions* – The state may provide any other information pertinent to the Evaluation Design for the demonstration.

**Table A. Example Design Table for the Evaluation of the Demonstration**

Research Question	Outcome measures used to address the research question	Sample or population subgroups to be compared	Data Sources	Analytic Methods
<b>Hypothesis 1</b>				
Research question 1a	-Measure 1 -Measure 2 -Measure 3	-Sample, e.g., All attributed Medicaid beneficiaries -Beneficiaries with diabetes diagnosis	-Medicaid fee-for-service and encounter claims records	-Interrupted time series
Research question 1b	-Measure 1 -Measure 2 -Measure 3 -Measure 4	-Sample, e.g., PPS patients who meet survey selection requirements (used services within the last 6 months)	-Patient survey	Descriptive statistics
<b>Hypothesis 2</b>				
Research question 2a	-Measure 1 -Measure 2	-Sample, e.g., PPS administrators	-Key informants	Qualitative analysis of interview material

**D. Methodological Limitations** – This section provides more detailed information about the limitations of the evaluation. This could include limitations about the design, the data sources or collection process, or analytic methods. The state should also identify any efforts to minimize these limitations. Additionally, this section should include any information about features of the demonstration that effectively present methodological constraints that the state would like CMS to take into consideration in its review.

CMS also recognizes that there may be certain instances where a state cannot meet the rigor of an evaluation as expected by CMS. In these instances, the state should document for CMS why it is not able to incorporate key components of a rigorous evaluation, including comparison groups and baseline data analyses. For example, if a demonstration is long-standing, it may be difficult for the state to include baseline data because any pre-test data points may not be relevant or comparable. Other examples of considerations include:

1. When the demonstration is:
  - a. Non-complex, unchanged, or has previously been rigorously evaluated and found to be successful; or
  - b. Could now be considered standard Medicaid policy (CMS published regulations or guidance).
2. When the demonstration is also considered successful without issues or concerns that would require more regular reporting, such as:
  - a. Operating smoothly without administrative changes;

- b. No or minimal appeals and grievances;
- c. No state issues with CMS-64 reporting or budget neutrality; and
- d. No Corrective Action Plans for the demonstration.

#### **E. Attachments**

- 1) **Independent Evaluator.** This includes a discussion of the state’s process for obtaining an independent entity to conduct the evaluation, including a description of the qualifications that the selected entity must possess, and how the state will assure no conflict of interest. Explain how the state will assure that the Independent Evaluator will conduct a fair and impartial evaluation and prepare objective Evaluation Reports. The Evaluation Design should include a “No Conflict of Interest” statement signed by the independent evaluator.
- 2) **Evaluation Budget.** A budget for implementing the evaluation shall be provided with the draft Evaluation Design. It will include the total estimated costs, as well as a breakdown of estimated staff, administrative, and other costs for all aspects of the evaluation. Examples include, but are not limited to: the development of all survey and measurement instruments; quantitative and qualitative data collection; data cleaning and analyses; and reports generation. A justification of the costs may be required by CMS if the estimates provided do not appear to sufficiently cover the costs of the draft Evaluation Design, if CMS finds that the draft Evaluation Design is not sufficiently developed, or if the estimates appear to be excessive.
- 3) **Timeline and Major Milestones.** Describe the timeline for conducting the various evaluation activities, including dates for evaluation-related milestones, including those related to procurement of an outside contractor, if applicable, and deliverables. The final Evaluation Design shall incorporate milestones for the development and submission of the Interim and Summative Evaluation Reports. Pursuant to 42 CFR 431.424(c)(v), this timeline should also include the date by which the Final Summative Evaluation Report is due.

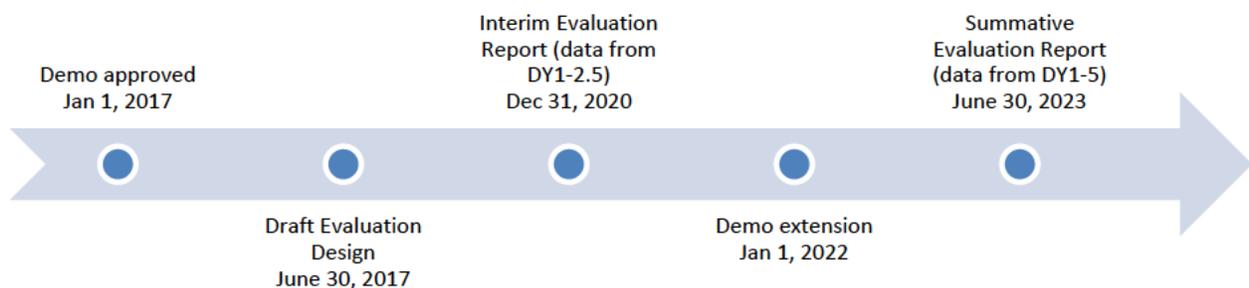
## **ATTACHMENT B: Preparing the Interim and Summative Evaluation Reports**

### **Introduction**

Both state and federal governments need rigorous quantitative and qualitative evidence to inform policy decisions. To that end, for states that are testing new approaches and flexibilities in their Medicaid programs through section 1115 demonstrations, evaluations are crucial to understand and disseminate information about these policies. The evaluations of new initiatives seek to produce new knowledge and direction for programs and inform Medicaid policy for the future. While a narrative about what happened during a demonstration provides important information, the principal focus of the evaluation of a section 1115 demonstration should be obtaining and analyzing data. Evaluations should include findings about the process (e.g., whether the demonstration is being implemented as intended), outcomes (e.g., whether the demonstration is having the intended effects on the target population), and impacts of the demonstration (e.g., whether the outcomes observed in the targeted population differ from outcomes in similar populations not affected by the demonstration).

### **Submission Timelines**

There is a specified timeline for the state’s submission of Evaluation Designs and Evaluation Reports. These dates are specified in the demonstration Special Terms and Conditions (STCs). The graphic below depicts an example of a deliverable’s timeline for a 5-year demonstration. In addition, the state should be aware that section 1115 evaluation documents are public records. In order to assure the dissemination of the evaluation findings, lessons learned, and recommendations, the state is required to publish the Interim and Summative Evaluation Reports to the state’s website within thirty (30) calendar days of CMS approval, as per 42 CFR 431.424(d). CMS will also publish a copy to the Medicaid.gov website.



### **Expectations for Evaluation Reports**

All states with Medicaid section 1115 demonstrations are required to conduct evaluations that are valid (the extent to which the evaluation measures what it is intended to measure), and reliable (the extent to which the evaluation could produce the same results when used repeatedly). The already-approved Evaluation Design is a map that begins with the demonstration goals, then transitions to the evaluation questions, and to the specific hypotheses, which will be used to investigate whether the demonstration has achieved its goals. When

conducting analyses and developing the evaluation reports, every effort should be made to follow the methodology outlined in the approved Evaluation Design. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances.

When submitting an application for renewal, the Interim Evaluation Report should be posted on the state's website with the application for public comment. Additionally, the Interim Evaluation Report must be included in its entirety with the application submitted to CMS.

CMS expects Interim and Summative Evaluation Reports to be rigorous, incorporate baseline and comparison group assessments, as well as statistical significance testing. Technical assistance resources for constructing comparison groups and identifying causal inferences are available on Medicaid.gov: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/1115-demonstration-monitoring-evaluation/1115-demonstration-state-monitoring-evaluation-resources/index.html>. If the state needs technical assistance using this outline or developing the evaluation reports, the state should contact its demonstration team.

### **Intent of this Attachment**

Title XIX of the Social Security Act (the Act) requires an evaluation of every section 1115 demonstration. In order to fulfill this requirement, the state's evaluation report submissions must provide comprehensive written presentations of all key components of the demonstration, and include all required elements specified in the approved Evaluation Design. This Attachment is intended to assist states with organizing the required information in a standardized format and understanding the criteria that CMS will use in reviewing the submitted Interim and Summative Evaluation Reports.

### **Required Core Components of Interim and Summative Evaluation Reports**

The Interim and Summative Evaluation Reports present research and findings about the section 1115 demonstration. It is important that the reports incorporate a discussion about the structure of the Evaluation Design to explain the goals and objectives of the demonstration, the hypotheses related to the demonstration, and the methodology for the evaluation. The evaluation reports should present the relevant data and an interpretation of the findings; assess the outcomes (what worked and what did not work); explain the limitations of the design, data, and analyses; offer recommendations regarding what (in hindsight) the state would further advance, or do differently, and why; and discuss the implications on future Medicaid policy.

- A. The format for the Interim and Summative Evaluation reports is as follows: Executive Summary;
- B. General Background Information;
- C. Evaluation Questions and Hypotheses;
- D. Methodology;
- E. Methodological Limitations;
- F. Results;
- G. Conclusions;
- H. Interpretations, and Policy Implications and Interactions with Other State Initiatives;
- I. Lessons Learned and Recommendations; and

J. Attachment(s).

**A. Executive Summary** – A summary of the demonstration, the principal results, interpretations, and recommendations of the evaluation.

**B. General Background Information about the Demonstration** – In this section, the state should include basic information about the demonstration, such as:

1. The issue/s that the state is trying to address with its section 1115 demonstration and/or expenditure authorities, how the state became aware of the issue, the potential magnitude of the issue, and why the state selected this course of action to address the issues.
2. The name of the demonstration, approval date of the demonstration, and period of time covered by the evaluation.
3. A description of the population groups impacted by the demonstration.
4. A brief description of the demonstration and history of the implementation, and if the evaluation is for an amendment, extension, renewal, or expansion of, the demonstration.
5. For renewals, amendments, and major operational changes: A description of any changes to the demonstration during the approval period; whether the motivation for change was due to political, economic, and fiscal factors at the state and/or federal level; whether the programmatic changes were implemented to improve beneficiary health, provider/health plan performance, or administrative efficiency; and how the Evaluation Design was altered or augmented to address these changes. Additionally, the state should explain how this Evaluation Report builds upon and expands earlier demonstration evaluation findings (if applicable).

**C. Evaluation Questions and Hypotheses** – In this section, the state should:

1. Identify the state's hypotheses about the outcomes of the demonstration, and discuss how the goals of the demonstration align with the evaluation questions and hypotheses.
2. Address how the research questions / hypotheses of this demonstration promote the objectives of Titles XIX and XXI.
3. Describe how the state's demonstration goals were translated into quantifiable targets for improvement, so that the performance of the demonstration in achieving these targets could be measured.
4. The inclusion of a Driver Diagram in the Evaluation Report is highly encouraged, as the visual can aid readers in understanding the rationale behind the demonstration features and intended outcomes.

**D. Methodology** – In this section, the state is to provide an overview of the research that was

conducted to evaluate the section 1115 demonstration, consistent with the approved Evaluation Design. The Evaluation Design should also be included as an attachment to the report. The focus is on showing that the evaluation builds upon other published research, (using references), meets the prevailing standards of scientific and academic rigor, and the results are statistically valid and reliable.

An Interim Evaluation Report should provide any available data to date, including both quantitative and qualitative assessments. The Evaluation Design should assure there is appropriate data development and collection in a timely manner to support developing an Interim Evaluation Report.

This section provides the evidence that the demonstration evaluation used the best available data and describes why potential alternative data sources were not used. The state also should report on, control for, and make appropriate adjustments for the limitations of the data and their effects on results, and discusses the generalizability of results. This section should provide enough transparency to explain what was measured and how, in sufficient detail so that another party could replicate the results. Specifically, this section establishes that the approved Evaluation Design was followed by describing:

- 1) *Methodological Design* – Whether the evaluation included an assessment of pre/post or post-only data, with or without comparison groups, etc.
- 2) *Target and Comparison Populations* – Describe the target and comparison populations, describing inclusion and exclusion criteria.
- 3) *Evaluation Period* – Describe the time periods for which data will be collected.
- 4) *Evaluation Measures* – List the measures used to evaluate the demonstration and their respective measure stewards.
- 5) *Data Sources* – Explain from where the data were obtained, and efforts to validate and clean the data.
- 6) *Analytic Methods* – Identify specific statistical testing which was undertaken for each measure (t-tests, chi-square, odds ratio, ANOVA, regression, etc.).
- 7) *Other Additions* – The state may provide any other information pertinent to the evaluation of the demonstration.

**E. Methodological Limitations** – This section provides sufficient information for discerning the strengths and weaknesses of the study design, data sources/collection, and analyses.

**F. Results** – In this section, the state presents and uses the quantitative and qualitative data to demonstrate whether and to what degree the evaluation questions and hypotheses of the demonstration were addressed. The findings should visually depict the demonstration results, using tables, charts, and graphs, where appropriate. This section should include findings from the statistical tests conducted.

**G. Conclusions** – In this section, the state will present the conclusions about the evaluation results. Based on the findings, discuss the outcomes and impacts of the demonstration and

identify the opportunities for improvements. Specifically, the state should answer the following questions:

1. In general, did the results show that the demonstration was/was not effective in achieving the goals and objectives established at the beginning of the demonstration?
  - a. If the state did not fully achieve its intended goals, why not?
  - b. What could be done in the future that would better enable such an effort to more fully achieve those purposes, aims, objectives, and goals?

**H. Interpretations, Policy Implications and Interactions with Other State Initiatives** – In this section, the state will discuss the section 1115 demonstration within an overall Medicaid context and long-range planning. This should include interrelations of the demonstration with other aspects of the state’s Medicaid program, interactions with other Medicaid demonstrations, and other federal awards affecting service delivery, health outcomes and the cost of care under Medicaid. This section provides the state with an opportunity to provide interpretations of the data using evaluative reasoning to make judgments about the demonstration. This section should also include a discussion of the implications of the findings at both the state and national levels.

**I. Lessons Learned and Recommendations** – This section of the evaluation report involves the transfer of knowledge. Specifically, it should include potential “opportunities” for future or revised demonstrations to inform Medicaid policymakers, advocates, and stakeholders. Recommendations for improvement can be just as significant as identifying current successful strategies. Based on the evaluation results, the state should address the following questions:

1. What lessons were learned as a result of the demonstration?
2. What would you recommend to other states which may be interested in implementing a similar approach?

a. **Attachment(s)**

- 1) Evaluation Design: Provide the CMS-approved Evaluation Design

**ATTACHMENT C**  
**Summary of Choices for Care Eligibility Criteria**

Choices for Care Eligibility Group	Choices for Care Clinical Eligibility Categories*			
	Need for Assistance with Activities of Daily Living	Physical Health Needs	Behavioral Health Needs/Needs Due to Impaired Decision Making	Unique Circumstances
<b>Highest</b>	Extensive or total assistance daily with eating, toileting, bed mobility or transfer and limited assistance with any other activity of daily living (ADL).	Skilled nursing care on a daily basis for a specific condition/ treatment or unstable medical condition.	Severe impairment with decision making or moderate impairment with behavioral symptoms (e.g., wandering, aggression, resistance to care) that occur frequently and are not easily altered.	Loss of primary caregiver; loss of living situation; health and welfare at imminent risk without services; health condition would be at imminent risk or worsen if services are not provided or if services are discontinued.
<b>High</b>	Extensive or total assistance daily with bathing, dressing, eating, toileting, and mobility.	Skilled nursing care, assessment and monitoring of care on less than daily basis but require an aggregate of personal care, nursing care, therapies and/or medical treatments on a daily basis; skilled teaching to regain or maintain certain skills/control.	Impaired judgment or loss of decision making that: <ul style="list-style-type: none"> <li>• Requires controlled environment to maintain safety due to behavioral conditions (e.g., wandering, aggression), or</li> <li>• Requires constant or frequent direction to perform certain ADLs.</li> </ul>	Health and welfare at imminent risk without services; health condition would worsen without services.

Choices for Care Eligibility Group	Choices for Care Clinical Eligibility Categories*			
	Need for Assistance with Activities of Daily Living	Physical Health Needs	Behavioral Health Needs/Needs Due to Impaired Decision Making	Unique Circumstances
<b>Moderate</b>	Supervision or assistance 3 or more times in 7 days with one ADL or combination of ADL and IADLs.	Chronic condition that requires monitoring at least monthly.	Impaired judgment or decision making that requires general supervision on a daily basis.	Worsening health condition without services.

\*Persons must meet both clinical and financial eligibility requirements detailed in Vermont rule and policy.

The following Moderate Needs Group clinical eligibility criteria will be effective upon the expiration of the American Rescue Plan Act Section 9817 maintenance of effort (MOE) requirements:

Choices for Care Eligibility Group	Choices for Care Clinical Eligibility Categories*			
	Need for Assistance with Activities of Daily Living	Physical Health Needs	Behavioral Health Needs/Needs Due to Impaired Decision Making	Unique Circumstances
<b>Moderate</b>	Supervision or assistance 3 or more times in 7 days with one ADL or combination of ADL and IADLs.	See Unique Circumstances column.	Impaired judgment or decision making that requires general supervision on a daily basis.	Health and welfare at imminent risk without services or health condition would worsen without services

\*Persons must meet both clinical and financial eligibility requirements detailed in Vermont rule and policy.

**ATTACHMENT D**  
**Choices for Care Services by Demonstration Group**

All covered services are subject to medical necessity review, level of care, or needs-based criteria as applicable based on the population receiving the services. A complete description of covered services and limitations is contained in the Vermont approved title XIX State plan, Attachment E: Choices for Care Long-Term Services and Supports Definitions and Provider Qualifications, Vermont statutes, regulations, and policies and procedures.

Definitions of each service may be found in Attachment E.

Type of HCBS Service	Highest Need	High Need	Moderate Need	Limitations
Adult Day Services	X	X	X	Any limitation on this service are defined by Vermont rules and policies.
Assistive Devices and Home Modifications	X	X		
Case Management	X	X	X	
Companion	X	X		Limited in combination with Respite Service.
Homemaker	X	X	X	Excluded if participant receives Personal Care services since homemaker activities are included among Personal Care services.
Incidental purchases paid out of cash allotments to participants who are self-directing their services	X	X		Limited to Flexible Choices participants who are self-directing their services.
Habilitation	X	X		Limited to a life skills aide service
Nursing Overview	X	X		Limited to participants residing in Enhanced Residential Care.
Personal Care	X	X		Includes assistance with ADLs and limited IADLs; laundry, meal preparation; medication management and non-medical

Attachment D

Type of HCBS Service	Highest Need	High Need	Moderate Need	Limitations
Personal Emergency Response System	X	X		
Respite Care	X	X		Limited in combination with Companion Service for individuals residing at home.
Social and Recreational Activities	X	X		Limited to participants residing in Enhanced Residential Care.
Supervision	X	X		Limited to participants residing in Enhanced Residential Care.
Transportation Services	X	X		Non-medical transportation. Limited to participants residing in Enhanced Residential Care. Included in Personal Care for individuals residing at home.
Flexible Funds			X	Limited to self-directed services

**ATTACHMENT E**  
**Choices for Care Long-Term Services and Supports Definitions and Provider Qualifications**

Comprehensive descriptions and coverage policies, prior authorization, applicant rules and limitations are defined by the Medicaid State Plan, Vermont statutes and rules and program policies.

<b>Choices for Care</b>
<b>Adult Day Services:</b> Community-based non-residential services that provide a range of professional health, social and therapeutic services delivered in a safe, supportive environment.
<b>Assistive Devices and Home Modifications:</b> An “Assistive Device” is defined as an item which is used to increase, maintain, or improve functional capabilities. Such devices are intended to replace functional abilities lost to the individual because of his or her disability and must be used in performing Activities of Daily Living (ADL) or Instrumental Activities of Daily Living (IADL). A “Home Modification” is defined as a physical adaptation to the home which is necessary to allow safe access to and use of the individual’s primary living space, bathroom, kitchen, or main exit/entrance to the home. Adaptations that add to the total square footage of the home are excluded from this service except when necessary to complete an adaptation (e.g., in order to improve entrance/egress to a residence or to configure a bathroom to accommodate a wheelchair).
<b>Case Management:</b> Assistance to enrollees in gaining access to needed waiver, medical, social, educational and other services. Case management includes comprehensive assessment; treatment planning and plan of care development; service coordination; monitoring; and collateral contacts with persons involved and/or designated by the enrollee.
<b>Enhanced Residential Care Home Services:</b> A package of services provided by an approved Level III Residential Care Home (RCH) or an Assisted Living Residence (ALR). In addition to services provided to all RCH/ALR residents, these residential settings also provide a Registered Nurse on-site, personal care services and daily social and recreational activity opportunities.
<b>Adult Family Care:</b> 24-hour care and support option in which participants live in and receive services from an Adult Family Care Home that is contracted by an Authorized Agency.
<b>Companion Care:</b> Non-medical supervision and socialization for participants who are unable to care for themselves.
<b>Homemaker Services:</b> Assistance with activities that help to maintain a safe, healthy environment for individuals residing in their homes. Such services contribute to the prevention, delay, or reduction of risk of harm or hospital, nursing home, or other institutional care.
<b>Personal Care:</b> Assistance with Activities of Daily Living (ADLs) like eating, dressing, walking, transferring, toileting and bathing and Instrumental Activities of Daily Living (IADLs) such as cooking, cleaning and shopping.
<b>Personal Emergency Systems:</b> Electronic devices which enable individuals at high risk to secure help in an emergency.

<p><b>Respite Care:</b> Alternate caregiving arrangements to facilitate planned short-term and time-limited breaks for caregivers.</p>
<p><b>Flexible Choices (Self -Directed Care):</b> Participant- or surrogate-directed home and community-based option, which converts a participant’s Home-Based Service Plan into a cash allowance.</p> <p>Working with a consultant, the participant develops a budget that details expenditure of the allowance and guides the participant’s acquisition of services to meet their needs.</p>
<p><b>Nursing Facility:</b> Health-related services (above the level of room and board) not available in the community, needed regularly due to a mental or physical condition that includes provision of or arranging nursing or related services and specialized rehabilitative services to attain or maintain the highest practicable physical, mental, and psychosocial wellbeing of each resident.</p>
<p><b>Habilitation:</b> Comprehensive and integrated one-to-one training and support by authorized Life Skills Aides (LSA) to provide training in specific Activities of Daily Living (ADLs) identified in the treatment plan designed to promote independent living and community re-integration.</p>
<p><b>Flexible Funds:</b> Flexible use of funds for self-directed services that contribute to the prevention, delay, or reduction of risk of harm or hospital, nursing home, or other institutional care. Eligible services may include:</p> <ul style="list-style-type: none"> <li>• <b>Self-Hired Attendant:</b> Participants (or their surrogate) who are able and willing to hire their own attendant may self-hire an employee to provide homemaker, personal care, respite or companion services. The case manager works together with the participant to determine how much assistance they require and the rate at which they will pay their workers.</li> <li>• <b>Intermediary Services Organization (ISO):</b> Participants who choose to self-hire attendant services must do so through the state contracted ISO. The ISO manages all payroll services including background checks.</li> <li>• <b>Goods and Services:</b> Personal Emergency Response Services, assistive devices, home modifications, home goods or appliances that support the individual’s performance of Activities of Daily Living (ADLs) or Instrumental Activities of Daily Living (IADLs), transportation for non-State Plan eligible participants, interpreter services for non-State Plan eligible participants, personal care, respite, and companion services.</li> </ul> <p><b>Agency Administrative Fees:</b> Case management agencies are responsible for receiving vendor invoices, processing payments to vendors based on the participant’s flexible funding budget and reporting these payments to DAIL. The administrative fee must be included in the participants’ flexible funding budget and comes directly from the case management agencies Moderate Needs allocation cap.</p>

**Provider Qualifications:**

All CFC providers must comply with all Department of Disabilities, Aging and Independent Living (DAIL) certification procedures that are applicable to their respective positions.

Providers offering **Adult Day Center services** must meet the following position-specific education requirements outlined below. Additionally, direct service staff and dual-role staff must have a minimum of 12 hours of training per year.

- Administrators must have:
  - A master's degree with 1-year supervisory experience and preferable with 1-year fiscal management experience; OR
  - A bachelor's degree with 3 years supervisory experience in a social or health service settings and preferable with 1-year fiscal management experience; OR
  - Comparable technical and human service experience, fiscal management experience, and demonstrated competence as a manager, preferable in a health or human service setting.
  
- Program Coordinators must have:
  - A bachelor's degree in health or social services or a related field, with 1-year supervisory experience in a social or health service setting; OR
  - Comparable technical and human service training with demonstrated competence and experience as a manager in a health or human service setting.
  
- Registered Nurses (RN) must have:
  - A Vermont RN license; AND
  - Minimum of 1-year applicable experience, preferably with elders and/or persons with chronic impairments
  
- Social Workers/Care Managers must have:
  - A masters of social work degree (MSW) AND at least one year of professional work experience; OR
  - A bachelor's degree in social work (BSW) AND 2 years of experience; OR
  - A current Vermont RN license AND 1 year of experience; OR
  - Two years of experience in a human service field.
  
- Activities Coordinators must:
  - Be Activity Consultant Certified (ACC) by the National Certification Council of Activities Professionals (NCCAP); OR
  - Be Activity Director Certified (ADC) by NCCAP; OR
  - Have a bachelor's degree in a related field AND one year of experience in developing and conducting activities for the population to be served at the center; OR

## Attachment E

- Have comparable technical and human service training with demonstrated competence and experience in developing and conducting activities for the population to be served at the center.

Provider staff offering **Personal Care and Homemaker services** must meet the following requirements outlined below.

- Be authorized by the home health agency as competent, trained to perform specific tasks for specific patients, and supervised by qualified supervisors (as outlined in the home health agency's policies); AND
- Meet the home health agency's policies and procedures related to qualifications, credential verification, staff orientation, training and evaluation, and, as applicable, policies pertaining to students and volunteers.

Provider staff offering **Case Management** must meet the following requirements outlined below.

- Comply with Vermont's Department of Disabilities, Aging and Independent Living Adult Services Division (ASD) Case Management Standards and Certification Procedures and related case management agency policies; AND
- Continue ongoing case management training designed to ensure that case managers will have the necessary range of knowledge, skills and abilities to provide high quality case management services.

**ATTACHMENT F**  
**Global Commitment Special Program Service Definitions and Provider Qualifications**

Vermont’s special programs rely on person-centered planning to develop individualized plans of care. Special programs support a continuum of care from short-term crisis or family support to intensive 24/7 home and community-based wraparound services. These programs include both State Plan-recognized and specialized non-State Plan services and providers to support enrollees in home and/or community settings. The state may require: additional provider agreements, certifications or training not found in the State Plan; specific assessment tools, level of care or other planning processes; and/or prior authorizations to support these programs. This attachment is for summary purposes only. Complete service definitions, approved provider types, applicant rules, prior authorizations, limitations and exclusions can be found in Vermont statute, rule and policy.

<b>Brain Injury Program Services</b>
<b>Crisis Support:</b> Time-limited services and supports that assist an individual to resolve a severe behavioral, psychological or emotional crisis safely in their community. This includes 24/7 availability, crisis assessment, support and referral, one-to-one support and case management, hospital diversion programs, mobile outreach, community crisis placements and/or intensive in-home support.
<b>Psychological and Counseling Supports:</b> Services provided by or under the direction of licensed practitioners that include, but may not be limited to: clinical assessment; medication and psychiatric consultation; individual, family and group therapy; or specialized behavioral or health services.
<b>Case Management:</b> Assistance to enrollees in gaining access to needed waiver, medical, social, educational and other services. Case management includes comprehensive assessment; treatment planning and plan of care development; service coordination; monitoring; and collateral contacts with persons involved and/or designated by the enrollee.
<b>Community Supports:</b> Individualized support services that may be provided in a family setting, group home, supervised apartment, other community residential setting or in the individual's own apartment/home. Support may include 24-hour care and supervision as part of authorized treatment plan goals and objectives.
<b>Habilitation:</b> Comprehensive and integrated one-to-one training and support by authorized Life Skills Aides (LSA) to provide training in specific Activities of Daily Living (ADLs) identified in the treatment plan designed to promote independent living and community re-integration.
<b>Respite Care:</b> Alternative caregiving arrangements to facilitate planned short-term and time-limited breaks for caregivers.

<p><b>Supported Employment:</b> Job placement assistance, job coaching, on- and off-site support, and consultation with employers to support competitive employment in integrated community work settings.</p>
<p><b>Environmental and Assistive Adaptations:</b> Physical adaptations, devices or technology in the home necessary to ensure health and safety or to enable greater independence. Eligible items may include, but are not limited to: durable medical equipment; safety devices; physical endurance equipment prescribed by a licensed health professional; and accessibility devices and equipment. This may include services/supports, deposits, rentals or other items which are determined to be necessary to improve functional independence.</p>
<p><b>Self-Directed Care:</b> When an individual, their family or surrogate meets requirements and chooses to manage some or all of their Brain Injury (BI) services, the person has the responsibility of hiring his or her own staff and overseeing the administrative responsibilities associated with receiving BI funding, including contracting for services, developing a service plan, fulfilling the responsibilities of the employer, and planning for back-up support or respite in the case of an emergency.</p>

<p><b>Mental Health Under 22 Program Services</b></p>
<p><b>Case Management:</b> Case management and assistance to individuals and families in planning, developing, choosing, gaining access to, coordinating and monitoring the provision of medical, social, educational and other services and supports, including discharge planning, advocacy, monitoring and supporting them to make and assess their own decisions.</p>
<p><b>Community Supports (Individual or Group):</b> Specific, individualized, and goal-oriented services that assist individuals in developing skills and social supports necessary to promote growth.</p>
<p><b>Skilled Therapy Services:</b> Services provided by or under the direction of licensed practitioners that include, but may not be limited to: clinical assessment; medication evaluation, management, and consultation with Primary Care; psychiatric consultation; individual, family and group therapy or diagnosis-specific practices; and specialized behavioral and health services.</p>
<p><b>Residential Treatment:</b> Out-of-home treatment services that include:</p> <ul style="list-style-type: none"> <li>• <u>Transitional Living:</u> Short-term, out-of-home care for adolescents requiring intensive supports in order to transition to independent living.</li> <li>• <u>Therapeutic Foster Care:</u> Short-term, out-of-home care to assist in skill development and remediation of intensive mental health issues to support a return to the family.</li> <li>• <u>Residential Treatment:</u> Intensive out-of-home care for mental health treatment, skill building, family reintegration and/or specialized assessment services to assist recovery and skill building that supports return to the family home.</li> </ul>

<b>Mental Health Under 22 Program Services</b>
<p><b>Flexible Support:</b></p> <ul style="list-style-type: none"> <li>• <i>Family Education</i>: In-home support and treatment for the purpose of enhancing the family's ability to meet their child's emotional needs.</li> <li>• <i>Specialized Rehabilitation or Treatment Plan Services</i>: Services, supports or devices used to increase, maintain, or improve functional capabilities or health outcomes identified as the result of an approved assessment, treatment plan and/or prior approval.</li> </ul>
<p><b>Counseling:</b> Services directed toward the development and restoration of skills or the elimination of psychosocial barriers that impede the development or modification of skills necessary for independent functioning in the community. Services may include approved peer-supported and recovery services.</p>
<p><b>Respite:</b> Alternative caregiving arrangements to facilitate planned short-term and time-limited breaks for caregivers.</p>
<p><b>Supported Employment:</b> Job placement assistance, job coaching, on- and off-site support, and consultation with employers to support competitive employment in integrated community work settings.</p>
<p><b>Crisis Support:</b> Time-limited services and supports that assist an individual to resolve a severe behavioral, psychological or emotional crisis safely in their community. This includes 24/7 availability, crisis assessment, support and referral, one-to-one support, and case management, hospital diversion programs, mobile outreach, community crisis placements and/or intensive in-home support.</p>
<p><b>Environmental Safety Devices:</b> Devices or technology necessary to ensure health and safety or to enable independence. This does not include structurally permanent modifications.</p>

<b>Community Rehabilitation and Treatment</b>
<p><b>Case Management:</b> Case management and assistance to individuals and families in planning, developing, choosing, gaining access to, coordinating and monitoring the provision of medical, social, educational and other services and supports, including discharge planning, advocacy, monitoring and supporting them to make and assess their own decisions.</p>
<p><b>Community Supports:</b> (Individual or Group): Specific, individualized and goal-oriented services which assist individuals in developing skills and social supports necessary to promote growth.</p>

<b>Community Rehabilitation and Treatment</b>
<p><b>Flexible Support:</b></p> <ul style="list-style-type: none"> <li>• <u>Day Recovery/Psychoeducation, Including Recovery Education:</u> Group recovery activities in a milieu that promotes wellness, empowerment, a sense of community, personal responsibility, self-esteem and hope. These activities are consumer-centered; they provide socialization, daily skills development, crisis support, and promotion of self-advocacy.</li> <li>• <u>Family Psychoeducation and Support for Families and Significant Others:</u> To support recovery and assist individual in managing their symptoms.</li> </ul>
<p><b>Skilled Therapy Services:</b> Services provided by or under the direction of licensed practitioners that include, but may not be limited to: clinical assessment; individual, group, and family therapy or diagnosis-specific practices; medication evaluation, management and consultation with Primary Care; inpatient behavioral health services; partial hospitalization.</p>
<p><b>Residential Treatment</b></p> <ul style="list-style-type: none"> <li>• <u>Residential Treatment:</u> Intensive mental health treatment, skill building, community reintegration and/or specialized assessment services to assist recovery and skill building to support community living, but not provided in institutions for mental disease (IMD). Treatment may include the use of approved peer-supported and peer-run alternatives.</li> <li>• <u>Housing and Home Supports:</u> Mental Health services and supports based on the clinical needs of individuals in and around their residences. This may include support to a person in his or her own home; a family home; sharing a home with others (e.g., in an apartment, group home, shared living arrangement).</li> </ul>
<p><b>Crisis Support:</b> Time-limited services and supports that assist an individual to resolve a severe behavioral, psychological or emotional crisis safely in their community. This includes 24/7 availability, crisis assessment, support and referral, one-to-one support, case management, hospital diversion programs, mobile outreach, community crisis placements and/or intensive in-home support.</p>
<p><b>Environmental Safety Devices:</b> Devices or technology necessary to ensure health and safety or to enable independence. This does not include structurally permanent modifications.</p>
<p><b>Counseling:</b> Services directed toward the development and restoration of skills or the elimination of psychosocial barriers that impede the development or modification of skills necessary for independent functioning in the community. Services may include approved peer-supported and peer-run recovery services.</p>
<p><b>Respite:</b> Alternative caregiving arrangements to facilitate planned short-term and time-limited breaks for caregivers.</p>
<p><b>Supported Employment:</b> Job placement assistance, job coaching, on- and off-site support, and consultation with employers to support competitive employment in integrated community work settings.</p>

<b>Community Rehabilitation and Treatment</b>
<p><b>Enhanced Dental:</b> An enhanced dental benefit in excess of the limitations set forth in the State Plan to reflect that individuals enrolled in CRT may have more significant dental needs than other Medicaid enrollees. Complete coverage, limitations, and exclusions can be found in Vermont administrative rule.</p>
<p><b>Peer Supports:</b> Peer specialists will provide peer support services. Peer specialists use lived experience to help individuals and their families understand and develop the skills to address mental illness, SUD, and other health conditions. Core functions include providing recovery, health, and wellness supports; supporting individuals in accessing community-based resources and navigating state and local systems; providing employment supports, including educating individuals regarding services and benefits available to assist in transitioning into and staying in the workforce; and promoting empowerment and a sense of hope through self-advocacy. This benefit will be effective upon approval of a State Plan amendment and promulgation of necessary Vermont administrative rules.</p>

<b>Developmental Disabilities Services (DS)</b>
<p><b>Case Management:</b> Case management and assistance to individuals and families in planning, developing, choosing, gaining access to, coordinating and monitoring the provision of medical, social, educational and other services and supports, including planning, advocacy, monitoring and supporting them to make and assess their own decisions.</p>
<p><b>Residential Habilitation:</b> Home supports, services and supervision to an individual in and around their residence up to 24 hours a day. This may include support to a person in his or her own home; sharing a home with others (e.g., in an apartment, group home, shared living arrangement); or who lives with his or her family.</p>
<p><b>Day Habilitation:</b> Community supports that are specific individualized and goal-oriented services which assist individuals in developing skills and social supports necessary to promote positive growth. This may also include support for persons to prevent them from entering more restrictive levels of care such as:</p> <ul style="list-style-type: none"> <li>• <i>Flexible Family Funding:</i> One-time support to assist a family not receiving other specialized services in maintaining their family member in home and diverting the use of more costly home and community-based services or restrictive levels of care.</li> <li>• <i>Specialized Treatment Plan Services:</i> Services, supports or devices used to increase, maintain, or improve functional capabilities or health outcomes identified as the result of an approved assessment, plan of care and/or prior approval.</li> </ul>

<p><b>Supported Employment:</b> Job placement assistance, job coaching, on- and off-site support, and consultation with employers to support competitive employment in integrated community work settings.</p>
<p><b>Crisis Support:</b> Time-limited services and supports that assist an individual to resolve a severe behavioral, psychological or emotional crisis safely in their community. This includes 24/7 availability, crisis assessment, support and referral, one-to-one support and case management, hospital diversion programs, mobile outreach, community crisis placements and/or intensive in-home support.</p>
<p><b>Clinical Interventions:</b> Assessment, therapeutic, medication or medical, or other clinical services provided by clinical or medical staff.</p>
<p><b>Respite:</b> Alternative caregiving arrangements to facilitate planned short-term and time-limited breaks for caregivers.</p>
<p><b>Self-Directed Care:</b> When an individual, their family or surrogate meets requirements and chooses to manage some or all of their developmental disabilities services, the person has the responsibility of hiring his or her own staff and overseeing the administrative responsibilities associated with receiving developmental disabilities services funding, including contracting for services, developing a service plan, fulfilling the responsibilities of the employer, and planning for back-up support or respite in the case of an emergency.</p>
<p><b>Enhanced Dental:</b> An enhanced dental benefit in excess of the limitations set forth in the State Plan to reflect that individuals enrolled in DS may have more significant dental needs than other Medicaid enrollees. Complete coverage, limitations, and exclusions can be found in Vermont administrative rule.</p>

**Provider Qualifications:**

<b>Brain Injury Program Services</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
Case managers offering <b>crisis support and case management services</b>	<ul style="list-style-type: none"> <li>• BA or BS in a relevant discipline OR licensing as a RN; AND</li> <li>• Minimum of 2 years of experience working in a relevant community service setting; AND</li> <li>• Experience, knowledge and skills specific to working with individuals with traumatic brain injury</li> </ul>
Life skills aides offering <b>crisis support, habilitation, and supported employment services</b>	<ul style="list-style-type: none"> <li>• Minimum of a high school diploma OR GED; AND</li> <li>• 2 years in human services, education, or job service work involving direct client contact OR experience as a full-time homemaker including household management and care of family may be substituted for up to one year of the non-trainee work experience. College training may be substituted for the work experience on a semester for six months basis</li> </ul>
Providers offering <b>psychology and counseling supports</b>	<ul style="list-style-type: none"> <li>• Be licensed in Vermont as a psychiatrist, psychologist AND/OR have a Masters in psychotherapy or counseling; OR</li> <li>• Be working under the direction and supervision of a licensed practitioner</li> </ul>
Caregivers and respite caregivers offering <b>community support services and respite care</b>	<ul style="list-style-type: none"> <li>• 2 years in human services, education, or job service work involving direct client contact OR experience as a full-time homemaker including household management and care of family may be substituted for up to one year of the non-trainee work experience. College training may be substituted for the work experience on a semester for six months basis; AND</li> <li>• 1-2 years prior experience working with individuals with disabilities in the community</li> </ul>

<b>Mental Health Under 22 Program Services</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
Providers offering <b>case management, community supports,</b>	<ul style="list-style-type: none"> <li>• Authorized by the Designated Agency's (DA's)/Specialized Services Agency (SSA's) Medical Director as competent to provide the</li> </ul>

<b>Mental Health Under 22 Program Services</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
<b>supported employment, and crisis support</b>	service based on their education, training, or experience
Providers offering <b>flexible support services (family education/consultation)</b>	<ul style="list-style-type: none"> <li>• Licensed, working within their professional scope of practice, and have appropriate credentialing OR evidence of successfully completing a nationally recognized training program in the specialty area; AND</li> <li>• Authorized by the DA's/SSA's Medical Director as competent to provide the service based on their education, training, or experience</li> </ul>
Providers offering <b>clinical assessments and individual/family/group therapy</b> as part of <b>skilled therapy services</b> must meet one of the minimum qualifications	<ul style="list-style-type: none"> <li>• Licensed physician certified in psychiatry by the American Board of Medical Specialties directly affiliated with the DA/SSA; OR</li> <li>• Licensed psychiatric nurse practitioner directly affiliated with the DA/SSA; OR</li> <li>• Non-licensed psychiatric nurse practitioners must fulfill 24 months and 2,400 hours of supervised practice; OR</li> <li>• DA/SSA staff must hold one of the following:                             <ul style="list-style-type: none"> <li>○ Licensed psychologist; OR</li> <li>○ Licensed marriage and family therapist. OR</li> <li>○ Licensed clinical mental health counselor; OR</li> <li>○ Licensed independent clinical social worker; OR</li> <li>○ Licensed alcohol and drug counselor; OR</li> <li>○ Be working under the direction and supervision of a licensed practitioner</li> </ul> </li> <li>• Subcontractors must meet both requirements:                             <ul style="list-style-type: none"> <li>○ Meet staff qualifications described above; AND</li> <li>○ Authorized by the DA's/ SSA's Medical Director as competent to provide the service based on their education, training, or experience</li> </ul> </li> </ul>
Providers offering <b>medication and medical support</b> as part of <b>skilled therapy services</b> must meet the minimum qualifications	<ul style="list-style-type: none"> <li>• Physicians who are board-eligible in psychiatry, APRN, or PA operating within the scope of their respective professions</li> </ul>

<b>Mental Health Under 22 Program Services</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
Licensed home providers who offer <b>residential treatment services</b>	<ul style="list-style-type: none"> <li>Licensed by Department for Children and Families (DCF) or child placing agency</li> </ul>
Staffed living providers who offer <b>residential treatment services</b>	<ul style="list-style-type: none"> <li>Individuals who, based on their education, training, or experience, are determined competent to provide the service by the Medical Director of the DA/SSA</li> </ul>

<b>Community Rehabilitation and Treatment (CRT)</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
Providers offering <b>case management, community supports, flexible support (day services), crisis support, and supported employment</b>	<ul style="list-style-type: none"> <li>Authorized by the DA's/SSA's Medical Director as competent to provide the service based on their education, training, or experience.</li> </ul>
Providers offering <b>clinical assessments and individual/family/group therapy</b> as part of <b>skilled therapy services</b> must meet one of the minimum qualifications.	<ul style="list-style-type: none"> <li>Licensed physician certified in psychiatry by the American Board of Medical Specialties directly affiliated with the DA/SSA; OR</li> <li>Licensed psychiatric nurse practitioner directly affiliated with the DA/SSA; OR</li> <li>Non-licensed psychiatric nurse practitioners must fulfill 24 months and 2,400 hours of supervised practice; OR</li> <li>DA/SSA staff must hold one of the following:                             <ul style="list-style-type: none"> <li>Licensed psychologist; OR</li> <li>Licensed marriage and family therapist; OR</li> <li>Licensed clinical mental health counselor; OR</li> <li>Licensed independent clinical social worker; OR</li> <li>Licensed alcohol and drug counselor; OR</li> </ul> </li> <li>Be working under the direction and supervision of a licensed practitioner. Subcontractors must meet both requirements:                             <ul style="list-style-type: none"> <li>Meet staff qualifications described above; AND</li> </ul> </li> </ul>

<b>Community Rehabilitation and Treatment (CRT)</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
	<ul style="list-style-type: none"> <li>○ Authorized by the DA's/SSA's Medical Director as competent to provide the service based on their education, training, or experience</li> </ul>
Providers offering medication <b>and medical support</b> as part of <b>skilled therapy services must</b> meet one of the minimum qualifications	<ul style="list-style-type: none"> <li>● Physicians who are board-eligible in psychiatry, APRN, or PA operating within the scope of their respective professions</li> </ul>
Staffed living providers offering <b>residential treatment services</b> .	<ul style="list-style-type: none"> <li>● Individuals who, based on their education, training, or experience, are determined competent to provide the service by the Medical Director of the DA/SSA</li> </ul>
Group living providers offering <b>residential treatment services</b> .	<ul style="list-style-type: none"> <li>● Vermont Medicaid-enrolled providers consistent with their licensed scope of practice; OR</li> <li>● DA/SSA staff members who, based on their education, training, or experience, are determined competent to provide the covered service by the Medical Director of the DA/SSA and whose work is directly supervised by a qualifying provider</li> </ul>

<b>Developmental Disabilities Services (DS)</b>	
<b>Provider</b>	<b>Minimum Qualifications</b>
All DS providers	<ul style="list-style-type: none"> <li>● Be at least 18 years of age; AND</li> <li>● Possess a high school education or equivalent; AND</li> <li>● Must be monitored by appropriate agency staff or employers of record; AND</li> <li>● Must complete state-defined trainings within required timeframes</li> </ul>
Staff who perform assessment, care planning, and quality assurance as part of <b>case management services</b>	<ul style="list-style-type: none"> <li>● Must meet the federal or state definition of a <a href="#"><u>Qualified Developmental Disability Professional (QDDP)</u></a></li> </ul>
Providers offering <b>residential habilitation services</b>	<ul style="list-style-type: none"> <li>● Be at least 21 years of age</li> </ul>
Providers offering <b>crisis support</b>	<ul style="list-style-type: none"> <li>● Have a Master's degree in a related human services field</li> </ul>

**ATTACHMENT G**

**Premiums and Co-Payments for Demonstration Populations**

Premiums for children age 0 through age 18 in Population 1 may be charged up to the amounts in the following chart:

<b>Group</b>	<b>Premiums</b>
Children with income > 195% percent through 237% of the FPL	\$15/month/family
Underinsured Children with income > 237% through 312% FPL	\$20/month/family
Uninsured Children with income > 237% through 312% of the FPL	\$60/month/family

<b>Population</b>	<b>Premiums</b>	<b>Co-Payments</b>	<b>State Program Name</b>
<b>Demonstration Population 7:</b> Medicare beneficiaries with income at or below 150 percent of the FPL, who may be enrolled in the Medicare Savings Program (MSP) but are not otherwise categorically eligible for full benefits.	Premiums not to exceed the following:  0-150% FPL: \$15/month/person	Not to exceed the nominal co-payments specified in the Medicaid State plan.	VPharm1
<b>Demonstration Population 8:</b> Medicare beneficiaries with income above 150 percent and up to and including 225 percent of the FPL, who may be enrolled in the Medicare Savings Program (MSP), but are not otherwise categorically eligible.	Premiums not to exceed the following:  151-175% FPL: \$20/month/person  176-225% FPL: \$50/month/person	Not to exceed the nominal co-payments specified in the Medicaid State plan.	VPharm2 or VPharm3

**ATTACHMENT H**  
**Medicaid Data Aggregation and Access Program Incentive Payment Protocol**  
**[RESERVED]**

**ATTACHMENT I**  
**Supportive Housing Assistance Pilot Eligibility Criteria, Services, and Provider Qualifications**

<b>Eligibility Criteria</b>	
<p>This benefit is targeted to Medicaid enrollees age 18 and older eligible for full Medicaid state plan benefits, and the individual is assessed to meet at least one of the following needs-based criteria and at least one of the following risk factors:</p>	
<b>Needs-Based Criteria</b>	<b>Risk Factors</b>
<ul style="list-style-type: none"> <li>• A mental health or substance use need which is defined as one or more of the following criteria:                             <ul style="list-style-type: none"> <li>○ A mental health need, where there is a need for improvement, stabilization, or prevention of deterioration of functioning (including ability to live independently without support) resulting from the presence of a serious mental illness; and/or</li> <li>○ A substance use need, where an assessment using the American Social of Addiction Medicine (ASAM) criteria indicates that the individual meets at least an ASAM level 1.0, indicating the need for outpatient Substance Use Disorder (SUD) treatment</li> </ul> </li> <li>• Assistance with one or more activities of daily living (ADLs), instrumental activities of daily living (IADLs), or other daily life skills, resulting from the presence of an acquired brain injury</li> <li>• Individual assessed to have a need for assistance, demonstrated by the need for assistance with two or more ADLs; or hands-on assistance with one or more ADLs</li> <li>• Individual assessed to have a complex physical health need, where there is a need for improvement, stabilization, or prevention of deterioration of functioning</li> </ul>	<ul style="list-style-type: none"> <li>• At risk of homelessness, as defined by AHS/HUD</li> <li>• History of homelessness, as defined by AHS Housing Policy</li> <li>• History of frequent or lengthy stays in an institutional or residential setting                             <ul style="list-style-type: none"> <li>○ Frequent is defined as one or more stays in the past 12 months.</li> <li>○ Lengthy is defined as 28 or more consecutive days.</li> </ul> </li> <li>• History of frequent ED visits and/or hospitalizations                             <ul style="list-style-type: none"> <li>○ Frequent is defined as two or more visits within the past six months or four or more visits within a year.</li> </ul> </li> <li>• History of involvement with the criminal justice system over the past 12 months</li> <li>• History of frequent moves or loss of housing as a result of mental health or SUD symptoms                             <ul style="list-style-type: none"> <li>○ Frequent is defined as one or more moves/loss of housing due to a mental health or SUD symptoms in the past six months.</li> </ul> </li> <li>• At serious risk of institutionalization due to the lack of available community supports</li> </ul>

<b>Eligibility Criteria</b>	
<p>This benefit is targeted to Medicaid enrollees age 18 and older eligible for full Medicaid state plan benefits, and the individual is assessed to meet at least one of the following needs-based criteria and at least one of the following risk factors:</p>	
<b>Needs-Based Criteria</b>	<b>Risk Factors</b>
<p>(including the ability to live independently without support), resulting from the presence of a continuing, progressive, or indefinite physical condition, development or cognitive disability, or an emotional medical condition</p> <ul style="list-style-type: none"> <li>• Individual assessed to have measurable delays in cognitive development and significant observable and measurable delays in at least two of the following areas of adaptive behavior: communication, social/emotional development, motor development, daily living skills</li> </ul>	

<b>Service Descriptions</b>	
<b>Benefit Categories</b>	<b>Description of Services</b>
Pre-Tenancy Supports	<ul style="list-style-type: none"> <li>• Housing needs and preferences assessment</li> <li>• Assistance with locating and applying for housing</li> <li>• Housing support plan development</li> <li>• Assistance in securing resources and benefits, such as TANF, Section 8 housing vouchers, Shelter Plus, or other rental assistance</li> </ul>
Tenancy Sustaining Services	<ul style="list-style-type: none"> <li>• Assistance with maintaining benefits, such as TANF, Section 8 housing vouchers, Shelter Plus, or other rental assistance</li> <li>• Connections to community resources</li> <li>• Supports to develop independent living skills</li> <li>• Eviction prevention services</li> <li>•</li> </ul>
Community transition services for all enrollees moving to supportive housing, regardless of the setting they	<ul style="list-style-type: none"> <li>• Home modifications to improve accessibility</li> <li>• Security deposits</li> <li>• Utility deposits</li> </ul>

Service Descriptions	
Benefit Categories	Description of Services
are moving from. These services are furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan and the enrollee is unable to meet such expense or when the services cannot be obtained from other sources.	<ul style="list-style-type: none"> <li>• Moving expenses</li> <li>• Essential household furnishings</li> <li>• Pest eradication</li> </ul>

Provider Qualifications	
Provider	Minimum Qualifications
Staff providing pre-tenancy supports, tenancy sustaining services, and community transition services.	<ul style="list-style-type: none"> <li>• Bachelor's degree or associate degree in a human/social services field or a relevant field; and/or</li> <li>• At least one year of relevant experience and/or training in the field of service.</li> </ul>
Case management staff	<ul style="list-style-type: none"> <li>• Bachelor's Degree in Education, Human Services, Counseling or a related field; and</li> <li>• At least one year of relevant experience and/or training in the field of service.</li> </ul>

**ATTACHMENT J  
SUD Implementation Plan**

**Introduction**

The overall goal of this amendment request is to maintain and enhance the flexibility and availability of opioid use disorder (OUD), substance use disorder (SUD), and mental health treatment supports under the Global Commitment to Health Demonstration, and to promote a comprehensive and integrated continuum of mental and physical health, OUD/SUD treatment, and long-term services and supports for all Vermonters receiving Medicaid services.

Vermont recognizes that a continuum of services and evidence-based practices include attention to co-occurring mental health disorders and to the physical health impacts of OUD/SUD for persons seeking treatment and recovery services. Vermont intends to build a fully integrated physical health, mental health, OUD/SUD and recovery support continuum. To support this goal, Vermont seeks continued flexible federal funding for residential treatment programs, and in how the American Society of Addiction Medicine (ASAM) and other evidence-based criteria are applied to triage plans of care for persons struggling with addictions and co-occurring mental health and physical health conditions. This triage includes identifying the settings best suited to serve those enrollees with OUD/SUD and co-occurring conditions. For example, in some cases immediate access and treatment in a residential setting is the best course of treatment, while for others immediate stabilization of a psychiatric crisis or medically managed withdrawal, in a general hospital or specialized inpatient facility, followed by intensive addiction treatment may be clinically warranted. Under the SUD demonstration opportunity, only stays in IMDs for which SUD treatment is the primary purpose of treatment are allowed.

The goals of Vermont’s section 1115 demonstration are fully aligned with CMS OUD/SUD demonstration goals, as illustrated in Exhibit A below.

***Exhibit A – Shared Demonstration Goals***

<b>Global Commitment to Health Goals</b>	<b>OUD/SUD Amendment Goals</b>
<b>To increase access to care</b>	<ul style="list-style-type: none"> <li>● Increase rates of identification, initiation, and engagement in treatment</li> </ul>
	<ul style="list-style-type: none"> <li>● Improve access to care for physical health conditions among beneficiaries</li> </ul>
<b>To improve the quality of care</b>	<ul style="list-style-type: none"> <li>● Increase adherence to and retention in treatment</li> </ul>

	<ul style="list-style-type: none"> <li>• Reduce overdose deaths, particularly those due to opioids</li> </ul>
<b>To contain health care cost</b>	<ul style="list-style-type: none"> <li>• Reduce utilization of emergency departments and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services</li> </ul>
<b>To eliminate institutional bias</b>	<ul style="list-style-type: none"> <li>• Reduce readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate</li> </ul>

### Milestones

Vermont has initiated programs or met many of the milestones identified by CMS through innovation under the Medicaid State Plan and the Global Commitment to Health Demonstration, however, the State intends to enhance its efforts to include new initiatives and delivery system reforms. Specifically, new initiatives under development include:

- Implementation of value-based purchasing in alignment with the All-Payer Model Agreement to support access.
- Development of a centralized triage, intake, and call center for persons seeking OUD/SUD services.
- Improvement of discharge planning and transitions between care settings.

#### 1. Access to Critical Levels of Care for OUD and Other SUDs

Vermont's OUD/SUD system follows the ASAM Level of Care guidelines and consists of the full spectrum of services, as outlined in Exhibit B beginning below. All OUD/SUD providers must be licensed and enrolled Medicaid Providers, including meeting additional State certification standards for OUD/SUD treatment.

#### *Exhibit B – ASAM Treatment Levels, Providers and Medicaid Availability*

<b>ASAM Level of Care</b>	<b>Brief Description</b>	<b>Provider</b>	<b>Existing Medicaid Service (Y/N)</b>
<b>0.5 Early Intervention</b>	<ul style="list-style-type: none"> <li>• Screening, Brief Intervention and Referral for Treatment (SBIRT)</li> </ul>	ER, PCP, Health Clinics, Student Health Center	Y
<b>1 Outpatient Services</b>	<ul style="list-style-type: none"> <li>• Adult: Less than 9 hours of services per week</li> </ul>	Outpatient Clinics	Y

ASAM Level of Care	Brief Description	Provider	Existing Medicaid Service (Y/N)
	<ul style="list-style-type: none"> <li>• Youth: Less than 6 hours of services per week</li> <li>• Individual, Family, and Group Counseling Case Management</li> </ul>		
<b>2.1 Intensive Outpatient Services</b>	<ul style="list-style-type: none"> <li>• Adult: 9 or more hours of services per week</li> <li>• Youth: 6 or more hours of services per week to treat multi-dimensional instability</li> <li>• Bundled rate includes case management</li> </ul>	Outpatient Clinics	Y
<b>2.5 Partial Hospitalization Day Treatment Psychosocial Rehabilitation Services</b>	<ul style="list-style-type: none"> <li>• 20 hours or more per week</li> <li>• Clinically intensive programming</li> <li>• Direct access to psychiatric, medical and lab services</li> </ul>	Outpatient Clinics	Y (co-occurring only, MH diagnosis)
<b>3.1 Clinically Managed Low-Intensity Residential Services</b>	<ul style="list-style-type: none"> <li>• 24-hour structure, at least 5 hours of clinical service/week</li> </ul>	Residential Providers	Y
<b>3.3 Clinically Managed Population-Specific, High-Intensity Residential Services</b>	<ul style="list-style-type: none"> <li>• 24-hour structure, high-intensity clinical services</li> <li>• Less intense milieu</li> <li>• Group treatment for those with cognitive or other impairments</li> </ul>	Residential Providers (IMD)	Continued 1115 Authority
<b>3.5 Clinically Managed High-Intensity Residential Services</b>	<ul style="list-style-type: none"> <li>• 24-hour care, high-intensity services for persons who cannot be treated in less intensive levels</li> <li>• To stabilize multi-dimensional needs and/or safety issues</li> </ul>	Residential Providers (IMD)	Continued 1115 Authority
<b>3.7 Medically Monitored Intensive</b>	<ul style="list-style-type: none"> <li>• 24-hour nursing care with physician availability for</li> </ul>	Residential Providers (IMD)	Y

ASAM Level of Care	Brief Description	Provider	Existing Medicaid Service  (Y/N)
<b>Inpatient Services</b>	<ul style="list-style-type: none"> <li>significant problems in Dimensions 1, 2 or 3</li> <li>16 hour/day counselor availability</li> </ul>		
<b>4 Medically Managed Intensive Inpatient</b>	<ul style="list-style-type: none"> <li>24-hour nursing care and daily physician care for severe unstable problems in Dimensions 1, 2 or 3</li> <li>Counseling available to engage patient in treatment (detox only)</li> </ul>	Psychiatric Hospital (IMD)	Continued 1115 Authority
<b>Opioid Treatment Program</b>	<ul style="list-style-type: none"> <li>Daily or several times weekly opioid agonist medication and counseling to maintain multidimensional stability for those with severe opioid use</li> </ul>	Specialized Health Homes (Hub & Spoke)	Y
<b>Withdrawal Management (WM)</b>	<ul style="list-style-type: none"> <li>Levels 1 – 4</li> </ul>	Specialized Health Homes (Hub & Spoke), Hospitals, Residential providers (IMD)	Y, Continued 1115 Authority for Higher Levels

Level of Care: 0.5 Early Intervention

**Current State:**

Screening Brief Intervention and Referral for Treatment: Vermont is in year five of a SAMHSA grant to promulgate Screening, Brief Intervention and Referral for Treatment (SBIRT) throughout Vermont. SBIRT services are intended to identify individuals with risky alcohol and drug behavior and provide a brief intervention or a referral to treatment, if necessary. Throughout the life of the grant, SBIRT has provided services to emergency rooms, free health clinics, primary care offices and a student health clinic across the State. ADAP is working with providers and other State partners to sustain and expand the availability of SBIRT services under the Global Commitment to Health Demonstration.

Public Inebriate/Crisis Intervention: The Public Inebriate (PI) Program is a crisis intervention program for individuals under the influence. The Vermont Public Inebriate Program screens and

## Attachment J

determines appropriate placement for individuals meeting criteria for incapacitation, due to either intoxication or withdrawal from alcohol or other drugs. Presently there is screening capacity in all counties with one provider covering two counties. In addition to this screening capacity, there are 19-20 “diversion” beds located in several areas across the state designed as alternatives to confined placements. ADAP continues to work to assure a safe and effective response to address the need for additional community inebriate services and coordinated community-level collaborations between public inebriate programs, emergency departments, law enforcement and the Department of Corrections.

### **Future State:**

No changes are expected at this ASAM level of care.

### **Summary of Actions Needed:**

- None

### Level of Care: 1.0 Outpatient Services

### **Current State:**

*Outpatient Treatment:* Medicaid-enrolled providers currently provide outpatient services to Vermonters throughout each region of the State. Outpatient programs include individual, group and family counseling and provide services specific to elders, adolescents, youth, men and women.

### **Future State:**

No changes are expected at this ASAM level of care.

### **Summary of Actions Needed:**

- None

### Level of Care: 2.1 Intensive Outpatient Services

### **Current State:**

*Intensive Outpatient Treatment:* ADAP-Certified, Medicaid-enrolled providers offer intensive outpatient (IOP) services to Vermonters throughout each region the State. IOP programs offer nine to 19 hours of treatment activities per week. These activities consist of a combination of case management, individual, group, and/or family therapy sessions.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: 2.5 Partial Hospitalization

**Current State:**

*Partial Hospitalization:* Partial hospitalization is provided to individuals with co-occurring mental health and substance use disorder diagnoses, with the primary diagnosis being mental health.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: 3.1 Clinically Managed Low-Intensity Residential Services

**Current State:**

*Clinically Managed Low-Intensity Residential Care:* Vermont funds a 10-bed, low-intensity 3.1 ASAM level residential program in the central part of the state. This program is a step down from a 3.5 ASAM-level program in the same county. Individuals with higher needs can attend the treatment programming and receive MAT at the 3.5-level program. Transportation is

Attachment J

provided to individuals between the two facilities.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: 3.3 Clinically Managed, Population-Specific High-Intensity Residential Services

Level of Care: 3.5 Clinically Managed, High-Intensity Residential Services

**Current State:**

*Clinically Managed, High-Intensity Residential Care:* Vermont supports several residential programs to provide clinically managed, high-intensity residential services as well as withdrawal management services. This includes women-only, co-ed and specialized programs for adolescents and one for pregnant women and mothers with children under the age of five. These programs have access to psychiatric and mental health professionals for consultation and can provide care for individuals with co-occurring needs. All of Vermont's residential programs are required to provide access to medication-assisted treatment (MAT) services as clinically necessary.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: 3.7 Medically Monitored Intensive Inpatient Services

**Current State:**

Attachment J

Medically Monitored Intensive Inpatient Care: Vermont offers residential programming for adults that provides medically monitored intensive inpatient services. This program has on-site psychiatric services and provides care to individuals with a wide range of co-occurring conditions, including MAT.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: 4.0 Medically Managed Intensive Inpatient

**Current State:**

Medically Managed Intensive Inpatient Care: Vermont funds inpatient services at a specialized psychiatric facility for detoxification. This program is also available to treat persons with co-occurring mental health and psychiatric conditions. Once an individual has completed the detoxification they are transferred to an appropriate level of care, typically a community residential program or Specialized Health Home (Hub).

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

Level of Care: Opiate Treatment Program

**Current State:**

*Opioid Treatment (Hub and Spoke Program):* Vermont developed the first-in-the-nation Specialized Health Home focused on expanding evidence-based MAT for OUD, known as the Hub and Spoke Program. Vermont's Hub and Spoke Program has garnered national attention for its effective, responsive, and comprehensive approach to providing MAT. Vermont accomplishes this through the integration of opioid treatment programs (OTPs), providing higher levels of care (Hubs) with primary care, obstetrics-gynecology, outpatient addiction treatment, and pain management practices (spokes) providing office-based opioid treatment (OBOTs). Regional Hubs offer medication, counseling, case management and health home services to complex patients. Spokes provide care to individuals who have less complex needs and they provide medication, counseling, case management and health home services.

Hubs offer medication, counseling, case management, and health home services to complex patients. Spokes provide care to individuals who have either been stabilized at a Regional Hub or whose needs do not require the intensity of services offered by the Regional Hubs. Spoke staff, supported by enhanced care coordination through the Blueprint for Health Community Health Teams and local Recovery Support services, assure essential clinical and counseling support services are provided.

Vermont uses a 21-item checklist (Treatment Needs Questionnaire) to help determine whether a Hub or Spoke setting would be most appropriate for new beneficiaries seeking MAT. In order to determine the need for additional hub and/or spoke services, ADAP, in partnership with the Department of Vermont Health Access (DVHA), monitors the regional utilization of Hub services of Medicaid eligible individuals utilizing the Medicaid transportation benefit as well as capacity and wait time reports from Hubs.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed**

- None

Level of Care: Withdrawal Management

**Current State:**

Withdrawal Management: Withdrawal management is available at several settings throughout Vermont depending on the medical needs of the individual. ADAP certifies two residential programs in three locations and a social detoxification program to provide higher-intensity withdrawal management services. In addition, hospitals throughout Vermont provide withdrawal management services for individuals who need the full services of a hospital. For individuals whose needs are less intense, withdrawal management services are available through the Hub and Spoke system, which includes health home services.

**Future State:**

No changes are expected at this ASAM level of care.

**Summary of Actions Needed:**

- None

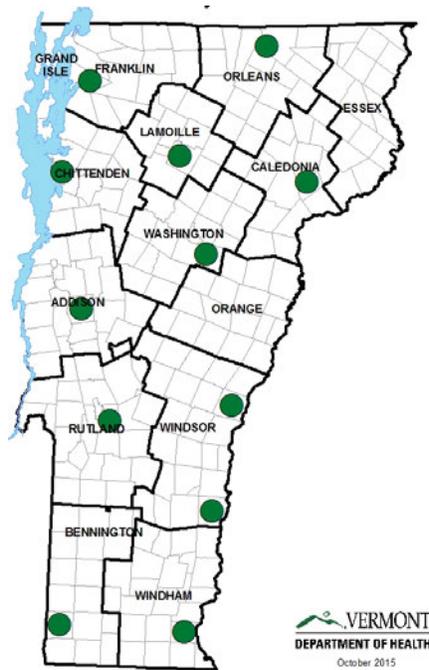
Recovery Support Services

Recovery Support services in Vermont focus on the following: helping people find, maintain, and enhance their recovery experience through peer support, sober recreation, and educational opportunities. This includes both 12 Recovery Centers located throughout Vermont and the centralized Vermont Recovery Network.

Recovery Centers provide non-clinical services that assist with establishing community connections that lead to employment, housing, and other social supports in a safe, drug- and alcohol-free environment. Recovery Centers are committed to supporting a person's efforts in preventing relapse and, should relapse occur, in quickly returning to recovery. Individual services revolve around the support from the Peer Recovery Coach, an individual in active recovery from substance use disorder who has received Peer Recovery Coach training. The Recovery Centers also offer several groups to support recovery, such as:

- Evidence-Based Practice (EBP) groups
  - Making Recovery Easier
  - Seeking Safety
  - Wellness Recovery Action Planning (WRAP)
- Community Groups
  - Yoga, Meditation, Acupuncture
  - Age-specific recovery groups
  - Ongoing 12 Step meetings

*Exhibit C – Recovery Center Locations (2015)*



Recovery Housing

Recovery Housing is provided to Vermonters through several transitional housing providers, some connected to a Recovery Center and some independent organizations. ADAP has recently begun a new partnership with the Vermont Foundations of Recovery to add new sober transitional housing beds. These programs offer supports to connect individuals to appropriate community social services and ongoing treatment and recovery resources such as individualized planning and general case management.

**2. Use of Evidence-Based SUD-Specific Patient Placement Criteria**

Patient Assessment

**Current State:**

Vermont relies on evidence-based practices and clinical practice guidelines for all aspects of provider development, treatment authorization and recovery. The need for treatment often starts with a screening at one of the specialized providers, community partners, or primary care practices. Vermont promotes integrated screening for co-occurring substance use disorders and for co-occurring mental health issues.

All of Vermont's certified OUD/SUD providers (Preferred Providers) are required to use evidence-based screening tools, perform a comprehensive assessment which includes elements specified by the State, and utilize ASAM criteria to determine level of care. All State requirements are outlined in *Vermont's Preferred Provider Substance Use Disorder Treatment Standards*. All Preferred Providers have grant agreements with the State outlining their expectations including compliance with the *Preferred Provider Substance Use Disorder Treatment Standards* (Standards). Assessments include age appropriate elements, such as, but not limited to: mental health status; OUD/SUD history; physical health status; medications; allergies; living arrangements; family and interpersonal history; social support needs; criminal justice involvement; school history; cultural and spiritual preferences; trauma history; participant strengths, goals and priorities; caregiver status; education; and employment. The Standards require that the assessment process results in a written and dated document that includes diagnosis, co-occurring disorders, treatment recommendations, and the risk ratings across the ASAM Criteria.

For Preferred Providers to maintain specialty OUD/SUD provider certification in Vermont, they must pass compliance and quality audits conducted by ADAP. These audits are performed every one to three years on all Preferred Providers and are focused on compliance with standardized screening tools, comprehensive assessments, ASAM Levels of Care and evidence-based treatment standards which are verified through client record reviews and agency documentation. The period between audits is determined by the audit results.

Vermont inpatient detoxification and residential levels of care are designated as short-term acute care for the purpose of stabilizing an individual, so they can successfully transition to clinically appropriate lower levels of care.

ADAP has organized its oversight and management of the Preferred Providers into regions of the State where an individual on the Clinical Services Team is responsible for oversight of all of the Preferred Providers, including residential levels of care, in each region. These individuals, known as Regional Managers, participate in the provider certification process with the compliance team and are included in the compliance and quality audits.

The Regional Managers also provide oversight and technical assistance throughout each certification period, between audits, with at least yearly on-site visits and ongoing communication regarding the areas of opportunity identified by audits as well as Statewide and regionally identified areas for performance or practice improvement.

#### **Future State:**

ADAP has developed a new scoring tool to determine a Preferred Provider's compliance and certification status. The Compliance Assessment Tool (Tool) is a weighted scoring tool to align with the Preferred Provider Standards. The Tool includes separate sections according to the program's ASAM Level of Care and is currently being piloted, with one provider audit completed using the Tool. Accompanying this Tool will be a compliance guide which will outline the scoring of the Tool. The score will determine the provider's compliance status ("full" or "provisional") and will help inform the length of the time before the subsequent review. The implementation of this Tool is more transparent and objective than the auditing process used in the past, which was subject to error and bias, and was not flexible to address the ASAM Levels of Care.

### Summary of Actions Needed:

The Standards are under internal review and will be finalized by the ADAP Quality Unit for implementation by May 1, 2018. ADAP's Clinical Unit and Quality Unit will certify four residential providers using the Compliance Assessment Tool through January 2019.

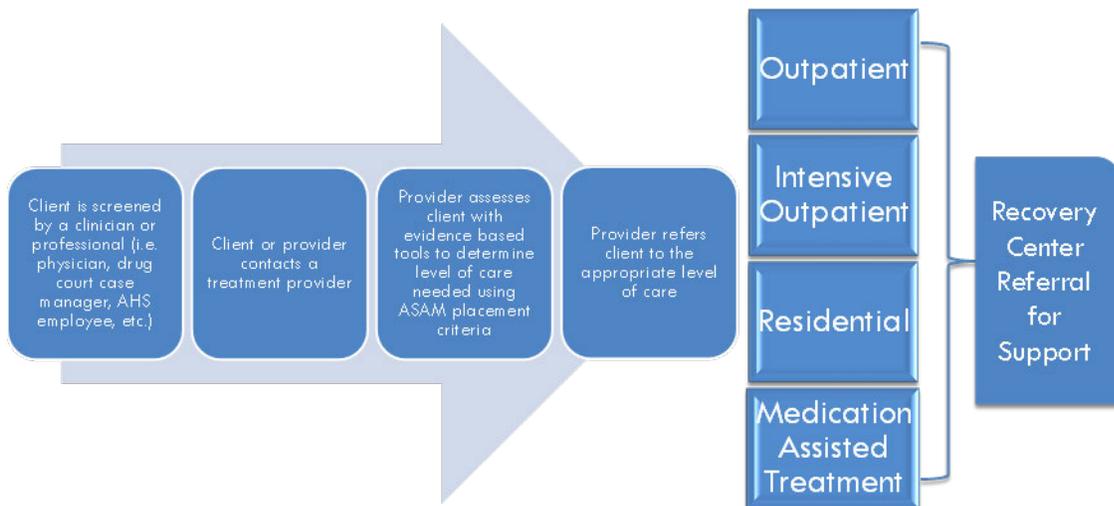
<b>Action</b>	<b>Date</b>	<b>Responsible</b>
Finalize Substance Use Disorder Treatment Standards	May 1, 2018	Director of Quality Management and Compliance
Update Compliance Assessment Tool with Revised Substance Use Disorder Treatment Standards and all Residential ASAM Criteria	May 15, 2018	Director of Quality Management and Compliance
Use the Compliance Assessment Tool to Certify ASAM Level 3.5 Level of Care Provider (Valley Vista Vergennes)	June 30, 2018	Director of Clinical Services; Director of Quality Management and Compliance
Use the Compliance Assessment Tool to Certify ASAM Level 3.5 Level of Care Provider (Valley Vista Bradford)	September 30, 2018	Director of Clinical Services; Director of Quality Management and Compliance
Implement the Compliance Assessment Tool with Seven Providers	Monthly - December 2018	Director of Clinical Services; Director of Quality Management and Compliance
Use of the Compliance Assessment Tool to Certify ASAM Level 3.3 Level of Care Provider (Recovery House)	December 2018	Director of Clinical Services; Director of Quality Management and Compliance

Use of the Compliance Assessment Tool to Certify ASAM Level 3.2-WM Level of Care Provider (Act 1/Bridge)	January 31, 2019	Director of Clinical Services; Director of Quality Management and Compliance
--	------------------	---

Utilization Management

**Current State:**

Vermont currently ensures that individuals are appropriately placed in residential programs and inpatient detoxification through the process of concurrent review and prior authorization. Residential programs are required to screen and assess appropriateness of admission. All programs utilize the Addiction Severity Index (ASI) multi-dimensional assessment tool. Within 24 hours or next business day of admission the Medicaid Utilization Management (UM) unit is notified. By the end of the fifth day the residential programs send the ASI results and other clinical information to the UM team for concurrent review and authorization. The UM team use the nationally recognized McKesson Interqual® decision support tool to determine continued authorization. Exhibit II-8 provides an overview of Vermont’s process for accessing treatment services.



**Future State:**

Vermont is developing a value-based payment model for residential programs to align with its All-Payer Model Agreement with CMS. The goal of this value-based design is to incentivize successful transitions of care, improve outcomes, and reduce costs. The value-based payment and enhanced support model is targeted for implementation in 2018.

The value-based payment model Vermont is pursuing is a case rate-like payment methodology. This methodology will reimburse residential care providers a specific per-admission rate for an individual's care for the entire length of the residential stay, as opposed to a per-day rate, as in the current fee for service per diem, per-person payment model. Paying a per-admission case-like rate instead of a per-day rate will disincentivize residential providers from keeping individuals longer than is clinically appropriate as there is no additional reimbursement based on the increase in number of days the individual is in care.

The new case rate-like methodology will result in a differential case rate such that admissions for individuals with more complex care needs will be reimbursed at a higher rate than an admission for an individual with less complex care needs. The methodology considers a number of clinical and social determinates of health (such as withdrawal potential, medical and mental health comorbidities) that incentivize providers to admit individuals who most closely match the dimensional criteria for admission to the residential level of care based on the ASAM Criteria (i.e. those with higher care needs). The methodology further disincentivizes the admission of individuals who are less aligned with the dimensional criteria for admission to residential level of care (i.e. those with lesser care needs), thereby helping to ensure only those individuals who clinically need access to residential care are served there.

The methodology will complement the already existing expectations that residential providers utilize the ASAM criteria to determine level of care needs and recommended treatment placement by aligning the reimbursement methodology's inherent (dis)incentives with the dimensional assessment of ASAM. The providers' compliance with the utilization of ASAM criteria will be monitored through the compliance and quality audits as well as the ADAP Regional Management Approach described in the next paragraph.

ADAP has organized their oversight and management of the Preferred Providers into regions of the State where an individual on the Clinical Services Team is responsible for oversight of all the Preferred Providers, including residential levels of care, in each region. These individuals, known as Regional Managers, participate in the provider certification process with the compliance team and are included in the compliance and quality audits and, as a part of this process, complete chart reviews.

Regional Managers also provide oversight and technical assistance throughout each certification period, between audits, with at least yearly on-site visits and ongoing communication regarding the areas of opportunity identified by audits as well as Statewide and regionally identified areas for performance or practice improvement. These Regional Managers will perform periodic chart reviews, outside the audit cycles, to review for and provide any needed technical assistance regarding the clinically appropriate utilization of residential level of care. To further ensure the appropriate utilization of residential care services, the State will explore performance measures such as readmission rates to the same or higher levels of care, initiation and engagement in

treatment, and treatment length of stay. These performance metrics will be shared with the providers by the Regional Managers and technical assistance will be provided if indicated.

### Summary of Actions Needed:

Vermont is currently working collaboratively with the Payment Reform Team at the Department of Vermont Health Access to develop the case rate-like methodology.

Action	Date	Responsible
Develop the criteria for the differential case rate	Completed April 2018	ADAP Director of Clinical Services
Model the methodology using the identified criteria for the Vermont team to review	April 25, 2018	Payment Reform Team
Work with financial colleagues to finalize budget and rate decisions for the model	May 9, 2018	Payment Reform Team, ADAP Director of Clinical Services, VDH Business Office
Residential providers to provide feedback	May 16, 2018	ADAP Director of Clinical Services
Work with the Medicaid fiscal agent to identify and complete the necessary systems changes required for the Medicaid billing system	October 1, 2018	ADAP Director of Clinical Services, Payment Reform Team, DXC (Fiscal Agent)
Work with the residential providers to provide technical assistance and education around the necessary billing changes	October 1, 2018	ADAP Clinical Team
Regional Managers will partner with the compliance and quality team to determine the appropriate frequency with which the Regional Managers will perform the between audit chart reviews	October 1, 2018	ADAP Clinical Team and ADAP Quality Team

### 3. Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities

### **Current State:**

Vermont's new certification process, as indicated above, also includes the certification of residential programs to be designated at an ASAM level of care. Residential providers can receive reimbursement from Vermont Medicaid through grant agreements with the Vermont Department of Health's Division of Alcohol and Drug Abuse Programs (ADAP). These grant agreements outline the expectations including compliance with the *Preferred Provider Substance Use Disorder Treatment Standards* (Standards). The Standards outline the specific requirements for a provider to receive certification at an ASAM level 3.1, 3.3, 3.5 or 3.7. These requirements include performance expectations, operations (including hours of operations), staffing, human resources, quality improvement, policies and procedures, intensity of services, discharge planning and billing.

Each provider is audited by the State on a regular schedule to ensure compliance with these requirements. The State utilizes an [audit tool](#) with a score for each element along with weighted elements. Final scores determine a full certification or limited certification with corrective action plan. The amount of time between audits is determined by the final score.

### **Future State:**

ADAP has developed a new scoring tool to determine a Preferred Provider's compliance and certification status. The Compliance Assessment Tool (Tool) is a weighted scoring tool to align with the Standards. The Tool includes separate sections according to the program's ASAM Level of Care and is currently being piloted, with one provider audit completed using the Tool. Accompanying this Tool will be a compliance guide which will outline the scoring of the Tool. The score will determine the provider's compliance status ("full" or "provisional") and will help inform the length of the time before the subsequent review. The implementation of this Tool is more transparent and objective than the auditing process used in the past, which was subject to error and bias, and was not flexible to address the ASAM Levels of Care. (Note tabs at bottom of spreadsheet) The Tool will include separate sections according to the program's ASAM Level of Care.

All of Vermont's residential programs at ASAM level 3.3 or higher offer medication-assisted treatment (MAT) on site. The current grant agreements, expiring June 30, 2018 do not specifically require the residential programs to offer MAT. The new grant agreements beginning July 1, 2018 will clearly require the residential programs to offer MAT in order to receive certification as a Preferred Provider thus allowing them to be reimbursed by Vermont Medicaid.

**Summary of Actions Needed:**

The *Preferred Provider Substance Use Disorder Treatment Standards* are under internal review and will be finalized by the ADAP Quality Unit for implementation by May 1, 2018. ADAP's Clinical Unit and Quality Unit will certify four residential providers using the Compliance Assessment Tool through January 2019.

<b>Action</b>	<b>Date</b>	<b>Responsible</b>
Finalize Substance Use Disorder Treatment Standards	May 1, 2018	Director of Quality Management and Compliance
Update Compliance Assessment Tool with revised Substance Use Disorder Treatment Standards and all residential ASAM criteria	May 15, 2018	Director of Quality Management and Compliance
Use the Compliance Assessment Tool to certify ASAM Level 3.5 Level of Care provider (Valley Vista Vergennes)	June 30, 2018	Director of Clinical Services; Director of Quality Management and Compliance
Use the Compliance Assessment Tool to certify ASAM Level 3.5 Level of Care provider (Valley Vista Bradford)	September 30, 2018	Director of Clinical Services; Director of Quality Management and Compliance
Implement the Compliance Assessment Tool with seven providers	Monthly through December 2018	Director of Clinical Services; Director of Quality Management and Compliance
Use of the Compliance Assessment Tool to certify ASAM Level 3.3 Level of Care Provider (Recovery House)	December 2018	Director of Clinical Services; Director of Quality Management and Compliance
Use of the Compliance Assessment Tool to certify ASAM Level 3.2-WM Level of Care Provider (Act 1/Bridge)	January 31, 2019	Director of Clinical Services; Director of Quality Management and Compliance

#### **4. Sufficient Provider Capacity at Critical Levels of Care including for Medication-Assisted Treatment for OUD**

**Current State:**

Vermont adheres to all Medicaid Manage Care requirements regarding network adequacy and access standards. ADAP collaborates with DVHA to use Medicaid utilization data and non-Medicaid services provider encounter data to explore the patterns of utilization for residential care and care at Specialized Health Homes throughout the State.

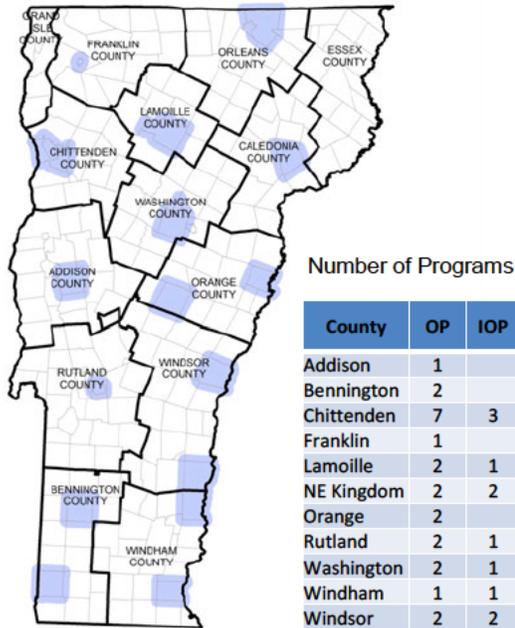
ADAP has several reporting requirements as a part of the granting process with the Preferred Providers in order to monitor and ensure that the State has sufficient provider capacity for critical levels of care, including access to MAT. Specialized Health Homes “Hubs” are required to report within seven days of reaching 90 percent capacity for serving individuals who are intravenous drug users, and provide immediate notice if a pregnant woman is unable to be served. In addition, “Hubs” are required to submit monthly summaries of wait times for service and service requests, and census reports with numbers of individuals at each phase of treatment (induction, stabilization, maintenance) and numbers of individuals who have been transferred to office-based “Spokes”. ADAP collaborates with DVHA on Medicaid medical transportation utilization data (e.g., distance to services) to monitor the need for MAT providers statewide.

Residential programs are also required to submit monthly summaries of wait times for services and daily information to an electronic bed-board, which tracks utilization of and availability of beds across residential programs statewide.

Occupancy in Vermont’s OUD/SUD residential programs remains under 100 percent, suggesting capacity is at adequate levels. With the addition of a new Specialized Health Home “Hub” in 2017, wait time reports from across the Specialized Health Home “Hubs” demonstrate timely access across the State.

**Exhibit J – Maps of Treatment Locations**

**Outpatient/Intensive Outpatient Facilities**



**Hub and Residential Facilities**



Because all specialty SUD programs are certified by ADAP, Vermont is able to maintain an inventory of the number of providers at all levels of care. To determine adequacy of access, ADAP reviews the monthly wait list reports to identify areas of increasing or sustained long waiting lists. The State team assesses data points on the wait list such as place of residence, distance of travel, length of time on the wait list and any special needs. By using these data points, in the past year Vermont identified the need for an additional Hub in the northern part of the state and successfully opened a new Hub in 2018 resulting in elimination of the wait list for Hub services.

**Future State:**

Vermont will be enhancing its access and evidence-based placement process in 2018 and beyond. To improve timely access to care and placement at the appropriate level of care, the State is in the process of developing a Centralized Intake and Call Center (Center) for all Vermonters. The Center is under development and start-up is funded through the Opioid State’s Targeted Response (STR) SAMHSA grant. The Center will perform an initial screening of individuals to determine the most appropriate referral. The Center will have current information

on provider availability and be able to schedule appointment times, across all levels of care, for comprehensive assessments. Individuals having longer wait times will receive regular calls from the center to maintain engagement and facilitate initiation into treatment.

The Center will maintain data on access to care and manage wait lists for services. The Center will determine availability of treatment at each level of care as well as availability of MAT and medically supervised withdrawal management throughout the state. The Center will provide monthly reports to the State with data elements that will allow the State to monitor access to care and to identify the largest areas of need. The Center will be self-collecting the data within their own system.

**Summary of Actions Needed:**

The below activities are the responsibility of the ADAP Division within the Department of Health.

Action	Date
CALL CENTER RFP ISSUE DATE	March 30, 2018
BIDDERS CONFERENCE	April 9, 2018– 1:00PM EST – 2:00PM EST
QUESTIONS DUE	April 13, 2018 – 3:00PM EST
RFP RESPONSES DUE BY	April 30, 2018 – 3:00PM EST
FINALIST DEMONSTRATIONS	Week of May 21, 2018
SELECTION NOTIFICATION	On or before June 15, 2018
<p>INDEPENDENT REVIEW</p> <p>Following the selection of a proposal for contract award, the selected proposal will be the subject of an independent review before a contract can be completed. The time required for this process is approximately ten weeks.</p>	To be completed on or before August 24, 2018
ANTICIPATED PROJECT START DATE	October 1, 2018
Anticipated Go-Live	On or before 4/1/2019

The State is in the process of hiring an IT Project Manager and Substance Abuse Program Manager who will be the primary managers of the program and the contract(s).

## **5. Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD**

### **Current State:**

Through the Medicaid State Plan and the Global Commitment to Health Demonstration, Vermont has developed a continuum of services and supports that provide the foundation to successfully address opioid and other substance use disorders in Vermont.

Vermont's efforts to expand treatment for Vermonters with OUD are broad-based and benefit enormously from the commitment of community leaders, partners, and members to support and speak about the importance of this issue. The dedication and commitment of these individuals has resulted in increased treatment capacity in critically needed areas, increased coordination amongst community partners, and focus on treating the factors that contribute to the complexity of OUD.

- Opioid Prescribing Guidelines  
Vermont implemented “Rules Governing the Prescribing of Opioids for Pain” effective July 1, 2017 (see [Opioid Prescribing Rule](#)). This rule provides legal requirements for the appropriate use of opioids in treating pain to minimize opportunities for misuse, abuse, and diversion, and optimize prevention of addiction and overdose and is consistent with CDC guidelines.
- Expanded Coverage of, and Access to, Naloxone for Overdose Reversal  
Vermont began distribution of Naloxone with a pilot in 2013 and has since expanded Statewide. Naloxone is provided free of charge at 27 distribution sites including syringe services programs, substance use treatment providers, recovery centers, and medical facilities. Naloxone is available to persons taking opioids, family members, and other community members who may come in contact with people at risk for overdose. In 2016, pursuant to legislation, all Vermont EMS agencies receive naloxone at no charge. Emergency use kits also are offered to individuals being released from a correctional facility who have identified previous opioid use or dependency.

In August 2016, the Commissioner of Health issued a standing order for naloxone, allowing any pharmacy to dispense the lifesaving drug and bill medical insurance, if available. New prescribing rules effective July 1, 2017 require an accompanying naloxone prescription for

opioid prescriptions >90 MME, as well as when there are concurrent benzodiazepines prescriptions.

- Implementation of Strategies to Increase Utilization and Improve Functionality of Prescription Drug Monitoring Programs

The rules implemented July 1, 2017 require that prescribers query the Vermont Prescription Drug Monitoring System (VPMS) prior to the first prescription of an extended release hydrocodone or oxycodone that is not an Abuse-deterrent Opioid; no less frequently than once every 120 days for any patient prescribed 40 mg or greater of hydrocodone or 30 mg or greater of oxycodone per day of an extended release hydrocodone or oxycodone that is not an Abuse-deterrent Opioid as long as the patient possesses a valid prescription for that amount; and no less frequently than as described in the Vermont Prescription Monitoring System rule (see [VPMS rule](#)).

All prescribers and pharmacists dispensing Schedule II-IV drugs must register and use the VPMS. Vermont also has been improving functionality of the VPMS through the development of Prescriber Insight Reports, which compare a prescriber's opioid prescribing patterns to similar prescribers and Clinical Alerts to notify prescribers when patients' prescription history may be of concern. There has been extensive outreach, technical assistance, and training for prescribers on opioid prescribing and the use of the VPMS.

Vermont Medicaid has several strategies to address the opioid epidemic through the clinical management of opioids and drugs used to treat substance use disorder. DVHA employs prior authorization, quantity limits, days' supply limits, and maximum dosages to reduce inappropriate use of these drugs.

### **Management of Short-Acting Opiates**

Vermont Medicaid has implemented prescription limits for opiates used in treating acute pain to align with rule changes made by the Vermont Department of Health effective July 5, 2017. Initial prescriptions for opioids for patients 18 years of age and older are limited to 50 Morphine Milligram Equivalents (MME) per day and a maximum of 7 days' supply. Patients 17 years of age and younger are limited to 24 MME per day and a maximum of 3 days' supply. The prescription limits apply only to the first prescription filled in an outpatient setting for a given course of treatment and do not apply to renewals or refills. The limits do not apply to long-acting opioids, as they are not indicated for acute pain. Supply limits can be exceeded with prior authorization. Limits are enforced at point of sale. If no prior opiate prescription is found in the member profile within the past 45 days, the claim will reject if MME or days' supply is

exceeded.

### **Management of Long-Acting (LA) Opioids**

Vermont Medicaid requires prior authorization for most long-acting (LA) opioids. Prescribers are notified on Medicaid's Preferred Drug List (PDL) of precautions around prescribing LA opioids. The following statements appear in Medicaid's PDL: *“Long-acting opioid dosage forms are intended for use in opioid-tolerant patients only. These tablet/capsule/topical medications may cause fatal respiratory depression when administered to patients not previously exposed to opioids. LA opioids should be prescribed for patients with a diagnosis or condition that requires a continuous, around-the-clock analgesic. LA opioids should be reserved for use in patients for whom alternative treatment options (such as non-opioid analgesics or immediate-release opioids) are ineffective, not tolerated, or would be otherwise inadequate to provide sufficient management of pain. LA opioids are NOT intended for use as 'prn' analgesic. LA opioids are NOT indicated for pain in the immediate post-operative period (the first 12-24 hours following surgery) or if the pain is mild, or not expected to persist for an extended period. LA opioids are not intended to be used in a dosage frequency other than FDA approved regimens. Patients should not be using other extended release opioids prescribed by another physician. Prescribers must consult the VPMS (Vermont Prescription Monitoring System) to review a patient's Schedule II - IV medication use before prescribing long-acting opioids.”*

Drug-specific criteria is applied to prior authorization requests. In addition, DVHA has applied system edits for quantity limits and maximum dosages.

### **Abuse-Deterrent Formulations (ADF)**

Medicaid covers one long-acting, abuse-deterrent opiate formulation on its PDL without prior authorization. Currently, this formulation is Embeda (morphine sulfate/naltrexone) and is limited to two tablets per day. DVHA continues to monitor the clinical and cost benefits of covering additional ADFs.

### **Management of Drugs used to Treat Substance Use Disorder (SUD)**

Medicaid covers all buprenorphine-containing drugs and naltrexone to treat opiate dependency. Vermont Medicaid manages outpatient Suboxone and buprenorphine utilization to ensure these highly utilized, high-cost medications are used appropriately. All buprenorphine and Suboxone products require prior authorization and have quantity and dose limits. All patients receiving

buprenorphine and Suboxone products must have one “pharmacy home” for all prescriptions. Oral naltrexone is available without restriction, and injectable naltrexone is available with a diagnosis of SUD and if oral tolerability of naltrexone has been established. In addition to methadone, Medicaid also covers buprenorphine products for use in our OTP programs.

### **Retrospective Drug Utilization Review**

Medicaid routinely performs retrospective DUR regarding controlled-substance topics such as methadone use, Long-Acting Stimulant Use, etc. In these initiatives, both medical and pharmacy data is used to identify trends. An upcoming initiative will analyze buprenorphine use with benzodiazepines and/or opiates.

### **Overdose Prevention**

Medicaid has developed a statewide opioid antagonist pilot program that emphasizes access to opioid antagonists to and for the benefit of individuals with a history of opioid use. Along with the pilot program, a policy was generated for “Standing Order for Distribution of Naloxone Prescription for Overdose Prevention” which allows Naloxone Hydrochloride (Narcan ®) to be covered without a prescription. This policy can be found at:

<http://www.vtpharmacists.com/resources/RESPNaloxonestandingorder.pdf>

This policy is in accordance to Standing Order issued pursuant to 18 V.S.A. § 4240 (c) (1) and ensures that residents of the State of Vermont who are at risk of opioid-related overdose, along with other persons such as family members and friends, can obtain Naloxone without a prescription. The statute can be found at:

<http://legislature.vermont.gov/statutes/section/18/084/04240>.

In support of this program and the standing order, Medicaid has available two Naloxone products preferred on the Preferred Drug List (PDL) without any prior authorization requirement:

- Narcan® (naloxone HCL) Nasal Spray with a quantity limit of 4 single-use sprays every 28 days.
- Naloxone HCL Prefilled leur-locked needleless syringe plus intranasal mucosal atomizing device

### **Future State:**

Vermont currently has two provider and stakeholder groups through which the Vermont Department of Health (VDH) receives feedback and recommendations. These groups are the Controlled Substances and Pain Management Advisory Council and the Prescription Drug Overdose Prevention Stakeholder Workgroup. VDH utilizes these groups to receive feedback on the Prescribing Rules and identify any changes that may be needed. Vermont is currently in process of finalizing updates to the Rule based on feedback from stakeholders. The ADAP Policy Director's responsibility is to keep current on changes at the national level related to the field of SUD. The Policy Director will identify areas that may impact the prescribing rules and work with the VDH Senior Policy and Legal Advisor to make changes to Vermont's rules when necessary.

On January 5, 2017 Vermont's Governor Phil Scott created the position of Director of Drug Prevention Policy and the Vermont Opioid Coordination Council in his second Executive Order. In the executive order, Governor Scott charged the Council *"to lead and strengthen Vermont's response to the opiate crisis by ensuring full interagency and intra-agency coordination between state and local governments in the areas of prevention, treatment, recovery and law enforcement activities."* The Council's first meeting was on May 8, 2017.

The Council's first report to Governor Scott includes 22 recommendations for next steps to continue Vermont's progress in addressing the opioid crisis. These recommendations are designed to empower local communities, align the delivery of services within state government, and between government and private services, to ensure effective results in:

- **Prevention:** Addressing the drivers of demand for opioids, including prescribing practices, education at all levels, and social and community engagement.
- **Treatment:** Ensuring timely, affordable and effective treatment is available to all in need.
- **Recovery:** Making recovery from addiction sustainable through support systems, with emphasis on employment, housing, social supports, and engagement.
- **Law Enforcement:** Reducing supply through investigation and prosecution; policy changes to address the rising presence of fentanyl, and continued work against the diversion of prescription opioids.

The following list includes all recommendations:

- A. Implement a statewide comprehensive system to deliver school-based primary prevention programs.
- B. Expand health care education, monitoring and screening for providers and patients, including provider participation in the *Vermont Prescription Monitoring System (VPMS)*; *provider training, and patient education*, in alternatives to opioids for pain management including *non-pharmacological options*; and expansion of *Screening, Brief Intervention and Referral to Treatment (SBIRT)* in primary care, emergency departments, corrections and schools.

- C. Build, replicate and support strong community-based models through multi-sector partnerships, innovation, and research resulting in outcomes that exceed previous, less collaborative efforts.
- D. Create a comprehensive drug prevention messaging campaign designed to raise public awareness, reduce stigma, provide hope for families, and strengthen resilience in Vermont's communities.

### **Intervention**

- E. Expand Vermont's syringe exchange programs and services to increase geographic reach and hours of operation. Support access to increased case management services for all participants.
- F. Supply naloxone and provide training to all Vermont law enforcement, emergency medical services (EMS) and people likely to be near a person who may overdose.

### **Harm Reduction**

- G. Expand drug disposal options and events, and increase public participation across the state.
- H. Improve sharps collection and disposal with a statewide strategy and community toolkit.

**Treatment:** These strategies build on Vermont's nationally recognized treatment system and call for assessment and new strategies to make treatment and recovery possible for more Vermonters.

- A. Support, evaluate and improve Vermont's Hub and Spoke system for opioid treatment to sustain, and expand where needed, Hub and Spoke treatment services across the state.
- B. Expand access to medication-assisted treatment (MAT) in all Vermont correctional facilities.
- C. Maximize the use of non-pharmacological approaches (integrative health care professions) for pain management, and for addiction treatment and recovery.
- D. Support the Vermont Judiciary's plan to explore expanded access to treatment docket techniques.
- E. Support efforts to expand Medicare and Medicaid coverage for opioid treatment.

**Recovery:** Vermont's investment in delivering treatment must be reinforced with strong recovery strategies that help Vermonters sustain their recovery. Housing, employment, health care and social supports are essential.

- A. Ensure Vermont has a strong statewide network of recovery centers, recovery coaches, and supports.
- B. Expand the availability of and equal access to recovery housing; explore expansion of the Department for Children and Families' (DCF) Family Supportive Housing Program to ensure individuals and families throughout Vermont have access to a stable home environment.

C. Expand Employment in Recovery. (See “Overarching/Systemic.”)

**Enforcement:** Enforcement strategies focus on keeping Vermont’s roadways safe, interrupting drug trafficking, and ensuring Vermont’s law enforcement and first responders have training they need.

- A. Support research and development of an accurate, cost-effective roadside drugged driving test.
- B. Increase Vermont’s resources for drug trafficking investigations.
- C. Provide drug recognition training for law enforcement and first responders and increase the number of drug recognition experts (DREs).

## 6. Improved Care Coordination and Transitions between Levels of Care

### Current State:

ADAP continues to improve coordination between the Hub and Spoke providers and specialty substance use disorder treatment providers (residential) through referral protocols, care coordination, covered benefits, information sharing, etc. These and other collaborations are contributing to stronger relationships between primary care practices and specialty substance use disorder service providers, leading to more effective recovery management of physical and behavioral health services.

Through Vermont’s health reform initiatives, physicians are educated and trained on enhancing their own screening and referral services, so that more clients are screened and directed to OUD/SUD specialists from primary care practices.

Vermont’s *Preferred Provider Substance Use Disorder Treatment Standards* (Standards) include discharge planning expectations for all levels of care. Aftercare planning starts as early as possible in the person-centered treatment planning and service delivery process. The aftercare plan is to ensure a seamless transition when a person served is transferred to another level of care or prepares for a planned discharge to recovery support.

The aftercare plan identifies the person’s need for a recovery support system or other types of service that will assist in continuing the recovery and community integration. The plan also includes referral information made for additional services such as appointment dates, times, contact name, telephone number, and location. The referring provider must provide the receiving provider with the most recent assessment upon receipt of a signed release of information. Upon discharge, the provider, when prescribing medications, will document coordination of care with the primary care provider and/or external prescribing professional

regarding, at a minimum, what medications are being prescribed and for what diagnoses. These standards are audited during the annual site review through the medical record audit. Should any provider be out of compliance with these standards, a corrective action plan will be required. State staff also are available to provide technical assistance to the provider on improving in this area. With the development of the Centralized Intake and Call Center in 2018, providers will have enhanced support for ensuring continuity of care during transitions.

### **Future State:**

#### *Recovery Coach in the Emergency Department (ED)*

Utilizing funding through the Opioid State's Targeted Response (STR) SAMHSA grant to cover start-up costs, Vermont is implementing a Recovery Coach in the Emergency Department (ED) program modeled after Rhode Island's Anchor ED program. This program is currently being implemented in three counties and expanding to two additional counties in 2018.

Vermont's Recovery Coach in the Emergency Department (ED) initiative connects individuals presenting in the ED or other parts of the hospital with peer-to-peer support provided by Recovery Coaches. Recovery Coaches are on-call to the ED 24 hours a day, 7 days a week. The purpose of the interaction is for the Recovery Coaches to offer support, guidance and information on topics such as overdose, treatment and recovery, to both the individual and their family/support system. The Recovery Coach will assist in connecting the individual to treatment and other community resources, in securing transportation and other supports in order for the individual to engage in SUD treatment as well as necessary medical appointments, and to assist in navigating the system of care. The connection initiated in the ED is supplemented by extensive post-ED follow-up by Recovery Coaches such as in-person meetings and phone calls.

#### *Centralized Intake and Call Center*

Vermont will be enhancing its access and evidence-based placement process in 2018 and beyond. To improve timely access to care (including transitions of care), and placement at the appropriate level of care, the State is in the process of developing a Centralized Intake and Call Center for all Vermonters. The Center is under development and start-up is funded through the Opioid State's Targeted Response (STR) SAMHSA grant. The Center will perform an initial screening of individuals to determine the most appropriate referral. The Center will have current information on provider availability and be able to schedule appointments times, across all levels of care, for comprehensive assessments. Individuals having longer wait times will receive regular calls from the center to maintain engagement and facilitate initiation into treatment. The Center will also be the mechanism for providers to access appointments for individuals transitioning between levels of care. The Center staff will contact individuals who have discharged to remind them of their follow-up appointments and make regular contact with individuals who are waiting for services. The Center staff will ensure individuals have

information on community supports and other resources such as recovery centers and will assist individuals in making those contacts.

**Summary of Actions Needed:**

*Recovery Coach in the Emergency Department (ED)*

<b>Action</b>	<b>Date</b>	<b>Responsible</b>
Executed memorandums of understanding (MOUs) with each of the recovery centers defining roles and responsibilities are in place.	Completed	Project Manager
Recovery centers are in the process of developing MOUs with the hospitals to define roles and responsibilities.	June 1, 2018	Recovery Center, Hospitals, Project Manager
Once the MOUs are executed with the hospitals, recovery coaches will begin formal deployment.	June 1, 2018	Recovery Centers
All three recovery centers are staffed and initial training has been conducted, including the first phase of ED-specific training.	June 1, 2018	Recovery Centers and Project Manager

*Centralized Intake and Call Center*

The below activities are the responsibility of the ADAP Division within the Department of Health.

<b>Action</b>	<b>Date</b>
CALL CENTER RFP ISSUE DATE	March 30, 2018
BIDDERS CONFERENCE	April 9, 2018– 1:00PM EST – 2:00PM EST
QUESTIONS DUE	April 13, 2018 – 3:00PM EST
RFP RESPONSES DUE BY	April 30, 2018 – 3:00PM EST

FINALIST DEMONSTRATIONS	Week of May 21, 2018
SELECTION NOTIFICATION	On or before June 15, 2018
INDEPENDENT REVIEW Following the selection of a proposal for contract award, the selected proposal will be the subject of an independent review before a contract can be completed. The time required for this process is approximately ten weeks.	To be completed on or before August 24, 2018
ANTICIPATED PROJECT START DATE	October 1, 2018
Anticipated Go-Live	On or before 4/1/2019

**Section II – Implementation Administration**

Name and title: Cindy Thomas, Director of Vermont’s Alcohol and Drug Abuse Program

Telephone Number: 802-951-5730

Email Address: [Cynthia.thomas@vermont.gov](mailto:Cynthia.thomas@vermont.gov)

Name and title: Ashley Berliner, Director of Medicaid Policy

Telephone Number: 802-578-9305

Email Address: [Ashley.berliner@vermont.gov](mailto:Ashley.berliner@vermont.gov)

**Section III – Relevant Documents**

1. [Preferred Providers: Substance Use Disorder Treatment Standards](#)
2. [Preferred Providers Compliance Assessment Tool](#)

**Attachment A – Template for SUD Health Information Technology (IT) Plan**

Vermont’s PDMP, known as the Vermont Prescription Monitoring System (VPMS), was implemented as a result of legislation passed in 2006 with data collection beginning in 2009. Vermont uses the VPMS as a clinical tool to address the epidemic of prescription drug misuse and dependence by tracking the dispensing of controlled substances that are most likely to lead to misuse, addiction, or patient harm. Law enforcement do not have access to this system.

The VPMS is overseen by the Vermont Department of Health (VDH) Division of Alcohol and Drug Abuse Programs (ADAP). There is a dedicated program manager and in-house analytic

capacity. It is administered through a contract and has changed platforms twice in the past two years, first as a result of a routine State bid process followed by a second change a year later when the chosen vendor was purchased, and all clients were moved to a newly developed platform. Due to these changes, many of Vermont's in-state resources were engaged in planning, transition, and user acceptance testing activities to ensure that the data in the system is accurate and usable by prescribers and pharmacists.

All Vermont-licensed pharmacies, including mail-order pharmacies, are required to provide prescription information on all Schedule II – IV drugs dispensed within 24 hours or one business day of dispensing. In 2017, the upload frequency increased from weekly to daily and the Vermont overall pharmacy upload compliance rate is over 95%.

In 2014, Vermont-licensed prescribers of controlled substances were mandated to register for VPMS and query the system under specific circumstances. In 2017, new Administrative Rules were implemented which increased the circumstances under which prescribers were required to query VPMS and added requirements for querying by pharmacists. Prescribers and pharmacists may appoint delegates to query the system on their behalf.

[http://www.healthvermont.gov/sites/default/files/documents/pdf/REG\\_vpms-20170701.pdf](http://www.healthvermont.gov/sites/default/files/documents/pdf/REG_vpms-20170701.pdf)

Through the use of VPMS, prescriber education programs, Rule changes, and messaging, Vermont has seen a 26 percent decrease in total MME opioid analgesics prescribed in Vermont between 2015 and 2017.

**Please note that the PDMP measures that Vermont currently uses to monitor the dispensing of Schedule II-IV drugs are as follows:**

1. Average daily morphine milligram equivalents (MME) per opioid analgesic prescription
2. Average days supply per opioid analgesic prescription
3. Portion of opioid analgesic prescriptions:
  - a. < 50 MME
  - b. 50-90 MME
  - c. >90 MME
4. Total MME dispensed
5. Percent of the Vermont population receiving at least one prescription for:
  - a. Opioid analgesics
  - b. Medication-Assisted Treatment drug
  - c. Benzodiazepine
  - d. Stimulants
6. Pharmacy uploading compliance rates
7. Prescribers registered with PDMP

8. Pharmacists registered with PDMP
9. Number of PDMP linkages to other states/health systems
10. Number of system queries
11. Multiple provider episodes for prescription opioids (five or more prescribers and five or more pharmacies in a six-month period) per 100,000 residents
12. Patients prescribed long-acting/extended-release (LA/ER) opioids who were opioid-naive (i.e., patients who have not taken opioid analgesics in 30 days).
13. Patient prescription days with overlapping opioid prescriptions (percentage)
14. Patient prescription days with overlapping opioid and benzodiazepine prescriptions (percentage)

## **Prescription Drug Monitoring (PDMP) Functionalities**

### **Current State:**

- Vermont currently shares prescription data with CT, MA, ME, NH, NJ, NY, and RI.
- Prescriber and pharmacy delegates are allowed. Delegates are linked to their providers account and can query on their behalf. This helps to streamline use of VPMS in busy medical settings.
- Quarterly and annual reports showing state- and county-level prescribing patterns are available on our website for needs assessment and monitoring purposes:  
<http://www.healthvermont.gov/alcohol-drugs/reports/data-and-reports>
- Vermont has evaluated integrating PDMP data into electronic medical records and the health information technology platform and has determined that it may be feasible through the currently available tool through PMP Gateway. This has not yet been tested by the State for compliance to state security and audit requirements and there is a cost to the end user that some VT health systems may not be willing to pay.
- Prescriber Insight Reports, which allow prescribers to compare their prescribing to similar prescriber types and specialties, were implemented March 28, 2018. ADAP, through a grant from the Centers for Disease Control and Prevention, has capacity to provide quality improvement activities to prescribers and as part of the dissemination Prescriber Insight Report process, has highlighted the availability of these services.

### **Future State:**

- Under the guidance of a recently established Health Information Exchange (HIE) Steering Committee, the Department of Vermont Health Access is currently working to develop a statewide Health Information Exchange/Health-IT strategic plan. The plan will address the state's health-IT network and needs, which includes SUD efforts overall, including VPMS. By November 2018, the Steering Committee will produce a final plan

for submission to the Green Mountain Care Board, the State's health system regulatory body. The Board is statutorily obligated to review the plan for approval.

- Vermont's current contract with the PDMP provider includes funding to build connectivity between the VMPS and the RxCheck hub. This hub is a state PDMP-owned and governed solution to data sharing between states or health systems. RxCheck is building the capacity for audit trails of PDMP use, which will address concerns which are preventing current connectivity. Vermont is ready to pursue this, however the VPMS vendor is still working on meeting Vermont's contract-required system functionality. This is the top VPMS priority after the project is fully implemented. The program manager participates in the RxCheck governing group.
- PMP Gateway claims to be able to fulfill all safety and security audits for connectivity to health systems/EHRs although there are several outstanding concerns.
  - When querying within the VPMS, close matches of patient names are returned as a "pick list" to the provider to ensure the most complete and accurate prescription histories. This functionality does not exist within a Gateway connection, as results for only exact matches of records are populated into the connected health system. This increases the possibility that incorrect prescription records could be populated into the report or that incomplete prescription histories would be returned.
  - Registration within VPMS is required to access the system and is only allowed for certain specific roles and provider types. Gateway must be able to validate that no unregistered users are able to access VPMS system data through their health system and be able to respond immediately to deactivate or discontinue any access that a deactivated VPMS user may have.
  - The ability to obtain VPMS records through court order is a separate process from that required to obtain medical records. Gateway must validate that no record of the VPMS data will be stored within the connected health system.
  - Audit trails from the system must include records of patients queried, by whom, what results were returned, and when. Currently, the accuracy of the records of which patient data was viewed has yet to be validated.
  - This system also comes at a cost to the health care systems. VT statute requires there be a no-cost option to prescribers, thus the interest in RxCheck hub. Ideally, both options will be available.
- Connectivity with other states is based on the likelihood of people traveling to or from those states. As a tourist destination, Vermont pulls tourists primarily from the New England area, so these areas were connected first. The next priority is Florida, due to Vermonters who live there in the winter. After that, states with highest rates of opioid prescribing, closest proximity, and the result of Vermont's assessment of the sharing states' data controls will be prioritized. Timing is based largely on availability of internal resources.

### **Summary of Actions Needed:**

- ADAP to negotiate data sharing with FL after July 1, 2018 when FL statute allows for sharing. By year end, connect a total of at least three new states.
- ADAP to work with vendor to complete contract deliverables and develop the linkage to RxCheck hub by October 31, 2018.
- VDH to test PMP Gateway connectivity for compliance with VT safety and security audits by December 31, 2018.

### **Current and Future PDMP Query Capabilities**

#### **Current State:**

- Vermont contracts for the PDMP and because of this, use the vendor's algorithm for patient grouping. The vendor has an automated matching algorithm. However, some groupings are tagged for manual review, which is done routinely by VPMS program staff. System users also notify the program when they find improperly matched records, and these are also manually corrected.
- Interstate data sharing queries require an exact or a manually grouped match to pull records. This increases the possibility that incorrect prescription records could be populated into the interstate reports or that incomplete prescription histories could be returned.
- There is a master patient index developed by the State for patient grouping for analytical and reporting purposes.

#### **Future State:**

- In an ideal future state, it would be possible to integrate the VT master patient index with the vendor system.

### **Summary of Actions Needed:**

- VDH will explore feasibility of integrating the VT MPI with the vendor system through discussions with the vendor. If deemed possible, determine timing, cost, and process. Discussions to begin by December 31, 2018.

- As discussions continue around EHR integration, interstate data sharing, RxCheck and PMP Gateway, be cognizant of the need for an MPI.

## **Use of PDMP – Supporting Clinicians with Changing Office Workflows/Business Processes**

### **Current State:**

- VT statute and rule dictates limits on prescribing that are consistent with CDC prescribing guidelines and went into effect July 1, 2017.  
[http://www.healthvermont.gov/sites/default/files/documents/pdf/REG\\_opioids-prescribing-for-pain.pdf](http://www.healthvermont.gov/sites/default/files/documents/pdf/REG_opioids-prescribing-for-pain.pdf)
- VT has a prescribing toolkit and has provided associated training on workflow. The toolkit has been updated to reflect VT rules and the CDC prescribing guidelines.  
[https://www.med.uvm.edu/ahec/workforceresearchdevelopment/toolkits-and-workbooks/opioid\\_prescribing](https://www.med.uvm.edu/ahec/workforceresearchdevelopment/toolkits-and-workbooks/opioid_prescribing)
- The PDMP allows querying by delegates as well as batch processing of queries to increase the efficiency of use of the system.
- VT has held learning collaboratives with prescribers around prescribing practices and on alternatives to opioids in treating chronic pain.
- Technical assistance in office workflow and best prescribing practice is available to any prescriber.
- VDH has provided prescribers with tools and materials to assist them in working with pain patients. <http://www.healthvermont.gov/alcohol-drugs/professionals/resources-patients-and-providers>
- Focus groups and interviews have been conducted to determine the best ways of communicating with prescribers.

### **Future State:**

- See integration into EHR discussion above.
- Beginning in April 2018, VDH is implementing Project ECHO which is a mechanism to build pain management expertise among primary care physicians through mentorship with experts in the field. Due to high demand, additional sessions will be added.
- Additional learning collaboratives are scheduled in 2018.
- VDH is revamping the website to make all prescriber and patient resources easier to find.
- Ongoing technical assistance is available.
- Clinical Alerts will be implemented in the system. These alerts provide proactive reporting within VPMS to prescribers to highlight prescribing patterns or concerns of which to be aware. Alerts are available for multiple situations that may indicate an increased risk of overdose, dependence, or misuse.

### **Summary of Actions Needed:**

- VDH is promoting the availability of technical assistance at the prescriber level. Promotion has been integrated into the March 2018 implementation of prescriber insight reports listed above and the impact of implementation of the insight reports is being evaluated.
- VDH is conducting an impact evaluation of the July 1, 2017 pain prescribing rule change. Planned completion is expected by December 31, 2018.
- VDH began user acceptance testing of the clinical alerts February 2018 and has a target implementation date of July 1, 2018.

### **Master Patient Index / Identity Management**

#### **Current State:**

- See discussion of Master Patient index above as it pertains to the PDMP.
- Improved patient grouping in VPMS allows more accurate identification of patients meeting multiple prescriber episodes. Prescribers are notified of patients with potentially risky opioid use (through a letter or within the system) with instructions to review with patients and refer to external SUD treatment, if needed.
- The State of Vermont has an established health IT infrastructure that supports the provision of care and measurement of the health care system and reform initiatives. The State's health-IT infrastructure includes, but is not limited to, a PDMP, public health registries (immunization, births/deaths, and cancer), a statewide health information exchange with supporting data extraction capabilities, behavioral health registry, an All-Payer Claims Database, and a clinical registry within the Medicaid Agency that is operated by the Blueprint for Health program. Additionally, a care coordination platform supports providers participating in Vermont's All-Payer Model and all of Vermont's hospitals and a considerable number of eligible providers have taken advantage of the Meaningful Use program to adopt electronic health record systems. Incorporation of substance use treatment information will require compliance with 42 CFR Part 2.
- Some systems are integrated, others are not. There are a variety of mechanisms for addressing identity management.

#### **Future State:**

- Greater interoperability between existing systems, with appropriate identity management.

- Increased use of existing and updated systems.
- VPMS threshold letters will be system generated.

**Summary of Actions Needed:**

- Under the guidance of a recently established Health Information Exchange (HIE) Steering Committee, the Department of Vermont Health Access is currently working to develop a statewide Health Information Exchange/Health-IT strategic plan. The Plan will address the state’s health-IT network and needs, including SUD efforts. By November 2018, the Steering Committee will produce a final plan for submission to the Green Mountain Care Board, the State’s health system regulatory body. The Board is statutorily obligated to review the plan for approval. Actions, responsibilities, and timelines will be guided by the strategic plan.
- VDH is currently working with the VPMS vendor on threshold reporting. This is a contract deliverable and should be available by 12/31/18.

**Overall Objective for Enhancing PDMP Functionality & Interoperability**

**Current State:**

- VT rules require use of the PDMP by prescribers and pharmacists to prevent overprescribing and identify potentially risky opioid use. VT is also providing training to prescribers and pharmacists on both appropriate prescribing and use of the PDMP.
- Pharmacists are required to query the PDMP if an individual presents a prescription and does not pay for it with the insurance on file.
- VT Medicaid has a pharmacy lock in program for Medicaid recipients who may be doctor or pharmacy shopping.
- Prescriber Insight Reports, listed above, were implemented March 2018.

**Future State:**

- Vermont has a fully integrated VPMS with proactive reporting to prescribers and pharmacists to decrease initiation and misuse of prescription drugs.
- Those Vermonters with opioid use disorders, identified through this and other avenues, are referred to and receive treatment.

**Summary of Actions Needed:**

- Implement actions outlined in the “future” sections throughout Attachment A.

ATTACHMENT K  
(Previously Attachment R)

**Attachment K: Emergency Preparedness and Response and COVID-19 Addendum**

**Background:**

*This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.<sup>i</sup> This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.*

**General Information:**

A. State: Vermont

B. Waiver Title(s):

Global Commitment to Health Section 1115 Demonstration; Choices for Care (CFC) and Special Programs, as indicated in STC 20(c): Traumatic Brain Injury, Mental Illness Under 22, Community Rehabilitation and Treatment, and Developmental Disability Services

C. Control Number(s):

11-W-00194/1

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

**E. Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state’s mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 pandemic. This amendment will apply across Vermont’s 1115 waiver for CFC and Special Programs, as indicated in Section B, to all individuals impacted by the virus or the response to the virus (e.g. closure of day programs, etc.)

This Attachment R was originally approved with an end date of 1/26/2021. The flexibilities below that do not have an explicit end date will be extended until no later than six months after the expiration of the Public Health Emergency.

**F. Proposed Effective Date: Start Date:** January 27, 2020 **Anticipated End Date:** No later than six months after the expiration of the Public Health Emergency.

**G. Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

**H. Geographic Areas Affected:**

These actions will apply across CFC and Special Programs, as indicated in Section B, to all individuals impacted by the COVID-19 virus.

**I. Description of State Disaster Plan (if available)** *Reference to external documents is acceptable:*

N/A

**Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver**

**Temporary or Emergency-Specific Amendment to Approved Waiver:**

Attachment K

*These are changes that, while directly related to the state’s response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.*

a.    Access and Eligibility:

i.    Temporarily increase the cost limits for entry into the waiver.

[Provide explanation of changes and specify the temporary cost limit.]

ii.    Temporarily modify additional targeting criteria.

[Explanation of changes]

b.   X   Services

i.    Temporarily modify service scope or coverage.

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii.    Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.

[Explanation of changes]

iii.    Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).

[Complete Section A-Services to be Added/Modified During an Emergency]

**iv. X Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches). Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:**

[Explanation of modification, and advisement if room and board is included in the respite rate]:

\*Please note that this flexibility was never implemented because it was found to be not necessary.

Residential Habilitation, including Adult Family Care (also known as Shared Living) and Enhanced Residential Care Home services, Residential Treatment Facilities, and other licensed residential programs (also known as group home or staffed living) may be provided in alternative settings when the participant is displaced from their home because of quarantine or hospitalization or when providers are unavailable due to illness or business closure during the COVID-19 emergency, at the State's discretion. Examples of alternative settings where services may be provided include hotels, shelters, churches, vacant settings (e.g. school, day care, senior center, adult day program) or alternative facility-based settings or the home of a direct care worker.

**v. \_\_\_ Temporarily provide services in out of state settings (if not already permitted in the state's approved waiver). [Explanation of changes]**

**c. X Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver. Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.**

Temporarily permit payment for services rendered by family caregivers or legally responsible individuals in lieu of care that would have been provided by paid caregivers, within the limits of the existing plan of care, as the State determines necessary. Applicable services by program include:

Choices for Care: personal care, companion, respite

Developmental Disability Services: respite, residential habilitation, and day habilitation

Traumatic Brain Injury Program: respite, life skills aid, community supports

Case management monitoring and oversight of care plans and service delivery will remain in effect during the emergency.

**d. \_\_\_ Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).**

**i. \_\_\_ Temporarily modify provider qualifications.**

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

**ii. \_\_\_ Temporarily modify provider types.**

[Provide explanation of changes, list each service affected, and the changes in the provider type for each service].

**iii. \_\_\_ Temporarily modify licensure or other requirements for settings where waiver services are furnished.**

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

**e. X Temporarily modify processes for level of care evaluations or re-evaluations (within**

**regulatory requirements).** [Describe]

Suspend or extend requirements for level of care re-evaluation and/or annual review of continued clinical eligibility, as the State determines necessary.

This flexibility ended on 1/1/2021 for the following programs: Community Rehabilitation and Treatment, and Mental Illness Under 22.

This flexibility ended in August 2020 for the following programs: Choices for Care and Traumatic Brain Injury.

**f. \_\_\_ Temporarily increase payment rates.**

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider.]

**g. X Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.**

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

The State may modify timeframes for completing or revising individual service plans and may allow retroactive approval for service needs identified to mitigate harm or risk directly related to COVID-19 impacts, as the State determines necessary. The State will ensure the service plan is modified to allow for additional supports and/or services to respond to the COVID-19 pandemic. The specificity of such services including amount, duration and scope will be appended in as soon as possible but no later than sixty (60) days from the date the service was initiated to ensure that the specific service is delineated according to the date it began to be received.

This flexibility ended on 1/1/2021 for the following programs: Community Rehabilitation and Treatment, and Mental Illness Under 22.

This flexibility ended in August 2020 for the following programs: Choices for Care and Traumatic Brain Injury.

**h. \_\_ Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances.** [Explanation of changes]

**i. \_\_ Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports (including communication and intensive personal care) are not available in that setting, or when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.**

[Specify the services.]

**j. \_\_ Temporarily include retainer payments to address emergency related issues.**

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

**k. \_\_\_ Temporarily institute or expand opportunities for self-direction.**

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards.]

**l. \_\_\_ Increase Factor C.**

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

**m. \_\_\_ Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program].** [Explanation of changes]

**Appendix K Addendum: COVID-19 Pandemic Response**

**1. HCBS Regulations**

- a.  Not comply with the HCBS settings requirement at 42 CFR 441.301(c)(4)(vi)(D) that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize the spread of infection during the COVID-19 pandemic.

**2. Services**

- a.  Add an electronic method of service delivery (e.g., telephonic) allowing services to continue to be provided remotely in the home setting for:
  - i.  Case management
  - ii.  Personal care services that only require verbal cueing
  - iii.  In-home habilitation
  - iv.  Monthly monitoring (i.e., in order to meet the reasonable indication of need for services requirement in 1915(c) waivers).
  - v.  Other *[Describe]*:

GC Specialized Program Services as indicated in Attachment D and Attachment E of the Global Commitment to Health Demonstration Waiver: service coordination, community supports (less than 24-hour), skilled therapy services, flexible supports, counseling, respite\*, supported employment, crisis supports\*\*, and clinical interventions\*\*\*.

Only those services deemed as non-essential and clinically appropriate may be provided via telehealth, which includes audio-only service delivery. Essential services are required to be delivered in-person to assure the health and safety of a person. Non-essential services are permitted to continue if alternative, remote methods of delivery were available and clinically appropriate to provide via telehealth. The determination of delivery via telehealth must be made by the provider of services and is based on individual need and level of risk.

Health Care Administrative Rule 3.101 on telehealth indicates that HIPAA compliance is one of the conditions for coverage. Provider communications reference both this telehealth rule and the 3/17/2020 announcement from the Office for Civil Rights regarding its enforcement discretion.

Providers are expected to take appropriate steps to establish the provider-patient relationship and conduct all appropriate evaluations and history of the beneficiary consistent with traditional standards of care. Providers are expected to meet or exceed state and federal requirements for medical and health information privacy, including compliance with HIPAA. As part of an individual's informed consent, provided in a language that the beneficiary understands, the case management provider must establish that: conditions are appropriate for a telehealth encounter, including that the patient is not in need of alternative care given the patient's current status; security measures have been taken with the use of telemedicine technologies to ensure patient safety and privacy; and an emergency protocol exists for when care indicates that acute or emergency treatment is necessary for the safety of the patient.

Through quality oversight such chart reviews and ongoing monitoring meetings with agency directors, providers are monitored to ensure that they were taking steps to confirm the health and safety of individuals being served, which could include observations like the room/home is clean and safe and the individual has no injuries/bruising, through video chat and/or a phone conversation.

b.

\*Respite: The Department of Mental Health established protections regarding informed consent, assurance of the health and safety of the person being served, and appropriate documentation in the clinical record. Additionally, respite for children may only be provided via telehealth when there is a family member in the home. Mandated reporting requirements have remained in place during the public health emergency.

As with all services, respite providers are acting within the scope of their practice and are not endangering patients in delivering services to them. In the midst of the COVID-19 crisis, respite has been provided as an activity break and as an effort maintain a connection and engagement with the child; not as a child care activity.

\*\*Crisis supports: Some crisis support services have been deemed to be essential, including crisis stabilization, hospital diversion programs, and intensive supports. Other crisis supports, to the extent they could be provided in a clinically appropriate way without compromising the health and safety of the individual being served, could be provided via telehealth to reduce the possible spread of COVID-19.

\*\*\*Clinical interventions: clinical interventions are considered to be non-essential services that could be provided via telehealth when clinically appropriate, such as health risk assessments, brief emotional/behavioral risk assessments, medication therapy management assessments, and non-acute therapy. These services must meet clinically accepted standards of medical practice and delivery methods that are considered effective in providing health care services to patients, including for purposes of evaluation, diagnosis, consultation, or treatment.

Add home-

delivered meals

- c.  Add medical supplies, equipment and appliances (over and above that which is in the state plan)
- d.  Add Assistive Technology

**3. Conflict of Interest: The state is responding to the COVID-19 pandemic personnel crisis by authorizing case management entities to provide direct services. Therefore, the case management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.**

- a.  Current safeguards authorized in the approved waiver will apply to these entities.
- b.  Additional safeguards listed below will apply to these entities.

N/A

**4. Provider Qualifications**

- a.  Allow spouses and parents of minor children to provide personal care services
- b.  Allow a family member to be paid to render services to an individual.
- c.  Allow other practitioners in lieu of approved providers within the waiver. *[Indicate the providers and their qualifications]*

- d.  Modify service providers for home-delivered meals to allow for additional providers, including non-traditional providers.

**5. Processes**

- a.  Allow an extension for reassessments and reevaluations for up to one year past the due date.
- b.  Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings.
- c.  Adjust prior approval/authorization elements approved in waiver.
- d.  Adjust assessment requirements
- e.  Add an electronic method of signing off on required documents such as the person-centered service plan.

**Contact Person(s)**

**A. The Medicaid agency representative with whom CMS should communicate regarding the request:**

Attachment K

**First Name:** Wendy  
**Last Name:** Trafton  
**Title:** Deputy Director of Health Reform  
**Agency:** Agency of Human Services  
**Address 1:** 280 State Drive  
**Address 2:** Click or tap here to enter text.  
**City:** Waterbury  
**State:** Vermont  
**Zip Code:** 05671  
**Telephone:** 802-585-4723  
**E-mail:** Wendy.trafton@vermont.gov  
**Fax Number:** Click or tap here to enter text.

**B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:**

**First Name:** Ashley  
**Last Name:** Berliner  
**Title:** Director of Medicaid Policy  
**Agency:** Department of Vermont Health Access  
**Address 1:** 280 State Drive  
**Address 2:** Click or tap here to enter text.  
**City:** Waterbury  
**State:** Vermont  
**Zip Code:** 05671  
**Telephone:** 802-578-9305  
**E-mail:** Ashley.berliner@vermont.gov  
**Fax Number:** Click or tap here to enter text.

## 8. Authorizing Signature

**Signature:**

**Date:** 1/26/2021



---

State Medicaid Director or Designee

**First Name:** Cory  
**Last Name:** Gustafson  
**Title:** Commissioner  
**Agency:** Department of Vermont Health Access  
**Address 1:** 280 State Drive  
**Address 2:** Click or tap here to enter text.  
**City:** Waterbury  
**State:** VT  
**Zip Code:** 05671  
**Telephone:** 802-585-0041  
**E-mail:** Cory.gustafson@vermont.gov  
**Fax Number:** Click or tap here to enter text.

### Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver that the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification should be readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

#### Service Specification

Attachment K

Service Title:			
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>			
Service Definition (Scope):			
Specify applicable (if any) limits on the amount, frequency, or duration of this service:			
Provider Specifications			
Provider Category(s) (check one or both):	<input type="checkbox"/>	Individual. List types:	<input type="checkbox"/>
			Agency. List the types of agencies:
Specify whether the service may be provided by (check each that applies):	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/>
			Relative/Legal Guardian
<b>Provider Qualifications</b> (provide the following information for each type of provider):			
Provider Type:	License (specify)	Certificate (specify)	Other Standard (specify)
Verification of Provider Qualifications			
Provider Type:	Entity Responsible for Verification:		Frequency of Verification
Service Delivery Method			
Service Delivery Method (check each that applies):	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/>
			Provider managed

<sup>i</sup> Numerous changes that the state may want to make may necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or

## Attachment K

changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; or (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.

## Attachment L

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

---

## ATTACHMENT L SMI/SED Implementation Plan

**Overview:** The implementation plan documents the state’s approach to implementing SMI/SED demonstrations. It also helps establish what **information** the state will report in its quarterly and annual monitoring reports. The implementation plan does not usurp or replace standard CMS approval processes, such as advance planning documents, verification plans, or state plan amendments.

This template only covers SMI/SED demonstrations. The template has three sections. Section 1 is the uniform title page. Section 2 contains implementation questions that states should answer. The questions are organized around six SMI/SED reporting topics:

1. Milestone 1: Ensuring Quality of Care in Psychiatric Hospitals and Residential Settings
2. Milestone 2: Improving Care Coordination and Transitioning to Community-Based Care
3. Milestone 3: Increasing Access to Continuum of Care, Including Crisis Stabilization Services
4. Milestone 4: Earlier Identification and Engagement in Treatment, Including Through Increased Integration
5. Financing Plan
6. Health IT Plan

State may submit additional supporting documents in Section 3.

**Implementation Plan Instructions:** This implementation plan should contain information detailing state strategies for meeting the specific expectations for each of the milestones included in the State Medicaid Director Letter (SMDL) on “Opportunities to Design Innovative Service Delivery Systems for Adults with [SMI] or Children with [SED]” over the course of the demonstration. Specifically, this implementation plan should:

1. Include summaries of how the state already meets any expectation/specific activities related to each milestone and any actions needed to be completed by the state to meet all of the expectations for each milestone, including the persons or entities responsible for completing these actions; and
2. Describe the timelines and activities the state will undertake to achieve the milestones.

The tables below are intended to help states organize the information needed to demonstrate they are addressing the milestones described in the SMDL. States are encouraged to consider the evidence-based models of care and best practice activities described in the first part of the SMDL in developing their demonstrations.

The state may not claim FFP for services provided to Medicaid beneficiaries residing in IMDs, including residential treatment facilities, until CMS has approved a state’s implementation plan.

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

---

**Memorandum of Understanding:**

The Vermont State Mental Health Authority, the Vermont Department of Mental Health (DMH), is a department under the Vermont Agency of Human Services (AHS). AHS serves as Vermont's Single State Medicaid Agency, of which DMH is a part. Therefore, no formal agreement is needed to delineate how these organizations will work together to design, deliver, and monitor services for beneficiaries with SMI or SED.

**State Point of Contact:**

Name and Title: Ashley Berliner, Director of Medicaid Policy

Telephone Number: 802-578-9305

Email Address: [ashley.berliner@vermont.gov](mailto:ashley.berliner@vermont.gov)

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

---

***1. Title page for the state's SMI/SED demonstration or SMI/SED components of the broader demonstration***

*The state should complete this transmittal title page as a cover page when submitting its implementation plan.*

<b>STATE</b>	Vermont
<b>DEMONSTRATION NAME</b>	Global Commitment to Health 11-W-00194/1
<b>APPROVAL DATE</b>	<i>December 5, 2019</i>
<b>APPROVAL PERIOD</b>	<i>January 1, 2017 – December 31, 2027</i>
<b>IMPLEMENTATION DATE</b>	<i>January 1, 2020</i>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

---

**2. Required implementation information, by SMI/SED milestone**

*Answer the following questions about implementation of the state’s SMI/SED demonstration. States should respond to each prompt listed in the tables. Note any actions that involve coordination or input from other organizations (government or non-government entities). Place “NA” in the summary cell if a prompt does not pertain to the state’s demonstration. Answers are meant to provide details beyond the information provided in the state’s special terms and conditions. Answers should be concise, but provide enough information to fully answer the question.*

*This template only includes SMI/SED policies.*

Prompts	Summary
<b>SMI/SED. Topic_1. Milestone 1: Ensuring Quality of Care in Psychiatric Hospitals and Residential Settings</b>	
<p><i>To ensure that beneficiaries receive high quality care in hospitals and residential settings, it is important to establish and maintain appropriate standards for these treatment settings through licensure and accreditation, monitoring and oversight processes, and program integrity requirements and processes. Individuals with SMI often have co-morbid physical health conditions and substance use disorders (SUDs) and should be screened and receive treatment for commonly co-occurring conditions particularly while residing in a treatment setting. Commonly co-occurring conditions can be very serious, including hypertension, diabetes, and substance use disorders, and can also interfere with effective treatment for their mental health condition. They should also be screened for suicidal risk.</i></p> <p><i>To meet this milestone, state Medicaid programs should take the following actions to ensure good quality of care in psychiatric hospitals and residential treatment settings.</i></p>	
<b>Ensuring Quality of Care in Psychiatric Hospitals and Residential Treatment Settings</b>	

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<p>1.a Assurance that participating hospitals and residential settings are licensed or otherwise authorized by the state primarily to provide mental health treatment; and that residential treatment facilities are accredited by a nationally recognized accreditation entity prior to participating in Medicaid</p>	<p><b>Current Status:</b></p> <p>Milestone achieved.</p> <p>Participating IMD facilities are licensed by the State and are accredited by the Joint Commission.</p> <p>The Vermont Department of Health’s <a href="#">Hospital Licensing Rule</a> requires that, “No organization or individual may establish, conduct, or maintain operation of a Hospital in Vermont without being granted a license by the State Licensing Agency.” Additionally, this rule requires that hospitals comply with all CMS Conditions of Participation, and incorporates 42 CFR 482.60-482.66 specific to psychiatric hospitals and units:</p> <p><i>5.1 Compliance with CMS Conditions of Participation</i></p> <p><i>5.1.1 To be licensed and retain licensure in Vermont, each Hospital shall comply with all applicable CMS Conditions of Participation referenced in Section 3.4 of this rule or be operating under a Plan of Correction as described in Section 7.0 of this rule.</i></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><i>5.1.2 To demonstrate compliance with CoPs, each Vermont Hospital shall make themselves available for a comprehensive, on-site and unannounced survey by the State Survey Agency:</i></p> <p><i>5.1.2.1 Occurring on average once every three years or at a frequency determined by CMS. 5.1.2.2 Whenever CMS requires a Validation Survey for an accredited Hospital with Deemed Status.</i></p> <p><i>5.1.2.3 Whenever the Department or its designee determines that a survey is required as referenced in Section 5.3 of this rule.</i></p> <p><i>5.1.3 As part of the annual Hospital licensing process, each Hospital shall provide to the Department any documents necessary to verify that the applicant Hospital has met the requirements of the CoPs. 5.1.4 A Hospital license is not transferable or assignable and shall be issued only for the premises and persons named in the application. A licensed Hospital contemplating a change of ownership or the elimination or significant reduction of clinical services shall provide at least ninety (90) days advance notice to the Licensing Agency.</i></p> <p><i>5.1.5 The Hospital license shall be posted in a conspicuous place on the licensed facility's premises.</i></p> <p><b>Future Status:</b> No changes are expected.</p> <p><b>Summary of Actions Needed:</b> None.</p>
1.b Oversight process (including unannounced visits) to ensure participating hospital and residential	<p><b>Current Status:</b> Milestone achieved.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
settings meet state’s licensing or certification and accreditation requirements	<p>The Vermont Department of Health’s <a href="#">Hospital Licensing Rule</a> requires that hospitals comply with all CMS Conditions of Participation, including:</p> <p><i>5.1 Compliance with CMS Conditions of Participation 5.1.1. To be licensed and retain licensure in Vermont, each Hospital shall comply with all applicable CMS Conditions of Participation referenced in Section 3.4 of this rule or be operating under a Plan of Correction as described in Section 7.0 of this rule.</i></p> <p><i>5.1.2 To demonstrate compliance with CoPs, each Vermont Hospital shall make themselves available for a comprehensive, on-site and unannounced survey by the State Survey Agency:</i></p> <p><i>5.1.2.1 Occurring on average once every three years or at a frequency determined by CMS.</i></p> <p><i>5.1.2.2 Whenever CMS requires a Validation Survey for an accredited Hospital with Deemed Status.</i></p> <p><i>5.1.2.3 Whenever the Department or its designee determines that a survey is required as referenced in Section 5.3 of this rule.</i></p> <p><i>5.1.3 As part of the annual Hospital licensing process, each Hospital shall provide to the Department any documents necessary to verify that the applicant Hospital has met the requirements of the CoPs.</i></p> <p>The Vermont Division of Licensing and Protection performs the survey and certification hospital oversight functions on behalf of CMS. These functions include unannounced visits to ensure that the participating IMD facilities are meeting licensure and accreditation requirements.</p> <p><b>Future Status:</b></p> <p>No changes are expected.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><b>Summary of Actions Needed:</b></p> <p>None.</p>
<p>1.c Utilization review process to ensure beneficiaries have access to the appropriate levels and types of care and to provide oversight on lengths of stay</p>	<p><b>Current Status:</b></p> <p>Milestone achieved.</p> <p>The Vermont Department of Health’s <a href="#">Hospital Licensing Rule</a> adopts the federal standards in 42 C.F.R. 482.30, which details requirements for utilization review.</p> <p>The Department of Vermont Health Access (DVHA) conducts numerous utilization management and review activities to ensure that quality services, those which increase the likelihood of desired health outcomes and are consistent with prevailing professionally recognized standards of medical practice, are provided to members and that providers are using the program appropriately, effectively and efficiently. DVHA and DMH staff utilize clinical criteria for making utilization review decisions that are objective and based on sound medical evidence.</p> <p>In 2012, DMH and DVHA collaborated to create a unified, consistent utilization management system for all Vermont Medicaid-funded inpatient psychiatric and detoxification services. In addition to the joint DMH/DVHA Utilization Review Team, DMH formed an expanded Care Management Unit to actively support the system of care in Vermont and facilitate flow throughout the highest levels of care.</p> <p>Additionally, Medicaid holds utilization review calls weekly with the Brattleboro Retreat, the only inpatient mental health facility for children and adolescents in Vermont, to help coordinate inpatient care.</p> <p>The goals for the utilization management system are as follows:</p> <ul style="list-style-type: none"><li>• Inpatient care is provided only as long as necessary for safety and/or other acute needs;</li><li>• There are standardized criteria for admission, continued stay, and discharge throughout the system of care;</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>• Care is continuous between the ongoing community treatment teams and episodes of inpatient care. The hospital or residential facility and community teams develop and share a common treatment plan developed in partnership with the individual and his/her family, beginning within 24 hours of admission;</li> <li>• Resources of the public system are effectively and efficiently used; and</li> <li>• The care management system will ensure access to effective, appropriate, recovery-based services that promote health, wellness, resiliency, and successful integration into the community.</li> </ul> <p><b>Future Status:</b> No changes are expected.</p> <p><b>Summary of Actions Needed:</b> None.</p>
<p>1.d Compliance with program integrity requirements and state compliance assurance process</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>All Medicaid-enrolled providers, including the participating IMD facilities, are required to comply with all applicable state and federal laws. The terms of the <a href="#">Medicaid Provider Contract</a> state:</p> <p><i>5.1 The parties to this Agreement acknowledge and expect that over the term of this Agreement laws may change. Specifically, the parties acknowledge and expect (i) federal Medicaid statutes and regulations, (ii) state Medicaid statutes and rules, (iii) state statutes and rules governing practice of health care professions, and (iv) any other laws cited in the Agreement may change. The parties shall be mutually bound by such changes.</i></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Additionally, Article VI. Audit Inspection of the Medicaid Provider Contract outlines Medicaid program integrity requirements, which incorporates applicable federal program integrity regulation.</p> <p>The participating IMD facilities are signatories to the Medicaid Provider Contract and are in compliance with its terms.</p> <p><b>Future Status:</b> No changes are expected.</p> <p><b>Summary of Actions Needed:</b> None.</p>
<p>I.e State requirement that psychiatric hospitals and residential settings screen beneficiaries for co-morbid physical health conditions, SUDs, and suicidal ideation, and facilitate access to treatment for those conditions</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>The Vermont Department of Health’s <a href="#">Hospital Licensing Rule</a> requires that hospitals comply with all CMS Conditions of Participation, including 42 CFR 482.60-482.66 specific to psychiatric hospitals and units.</p> <p>The following Federal Conditions of Participation required for State Hospital licensure are related to this milestone:</p> <p><b>§482.61 Condition of participation: Special medical record requirements for psychiatric hospitals.</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><b>The medical records maintained by a psychiatric hospital must permit determination of the degree and intensity of the treatment provided to individuals who are furnished services in the institution.</b></p> <p><i>(a) Standard: Development of assessment/diagnostic data. Medical records must stress the psychiatric components of the record, including history of findings and treatment provided for the psychiatric condition for which the patient is hospitalized.</i></p> <p><i>(1) The identification data must include the patient's legal status.</i></p> <p><i>(2) A provisional or admitting diagnosis must be made on every patient at the time of admission, and must include the diagnoses of intercurrent diseases as well as the psychiatric diagnoses.</i></p> <p><b>§482.62 Condition of participation: Special staff requirements for psychiatric hospitals.</b></p> <p><b><i>The hospital must have adequate numbers of qualified professional and supportive staff to evaluate patients, formulate written, individualized comprehensive treatment plans, provide active treatment measures, and engage in discharge planning.</i></b></p> <p><i>(a) Standard: Personnel. The hospital must employ or undertake to provide adequate numbers of qualified professional, technical, and consultative personnel to:</i></p> <p><i>(1) Evaluate patients;</i></p> <p><i>(2) Formulate written individualized, comprehensive treatment plans;</i></p> <p><i>(3) Provide active treatment measures; and</i></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p data-bbox="835 334 1241 367"><i>(4) Engage in discharge planning.</i></p> <p data-bbox="741 402 1940 532"><i>(b) Standard: Director of inpatient psychiatric services; medical staff. Inpatient psychiatric services must be under the supervision of a clinical director, service chief, or equivalent who is qualified to provide the leadership required for an intensive treatment program. The number and qualifications of doctors of medicine and osteopathy must be adequate to provide essential psychiatric services.</i></p> <p data-bbox="835 573 1906 670"><i>(1) The clinical director, service chief, or equivalent must meet the training and experience requirements for examination by the American Board of Psychiatry and Neurology or the American Osteopathic Board of Neurology and Psychiatry.</i></p> <p data-bbox="835 711 1906 776"><i>(2) The director must monitor and evaluate the quality and appropriateness of services and treatment provided by the medical staff.</i></p> <p data-bbox="741 816 1940 1011"><i>(c) Standard: Availability of medical personnel. Doctors of medicine or osteopathy and other appropriate professional personnel must be available to provide necessary medical and surgical diagnostic and treatment services. If medical and surgical diagnostic and treatment services are not available within the institution, the institution must have an agreement with an outside source of these services to ensure that they are immediately available or a satisfactory agreement must be established for transferring patients to a general hospital that participates in the Medicare program.</i></p> <p data-bbox="552 1114 1465 1146">All participating IMD facilities are currently engaged in these activities.</p> <p data-bbox="552 1174 751 1206"><b>Future Status:</b></p> <p data-bbox="552 1230 877 1263">No changes are expected.</p> <p data-bbox="552 1287 919 1320"><b>Summary of Actions Needed:</b></p> <p data-bbox="552 1328 636 1360">None.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<p>1.f Other state requirements/policies to ensure good quality of care in inpatient and residential treatment settings.</p>	<p><b>Current Status:</b></p> <p>DMH uses the Results Based Accountability (RBA) framework to evaluate the performance of programs and initiatives. RBA is a framework that helps programs improve the lives of children, families, and communities and their performance.</p> <p>Hospital Inpatient Units:</p> <ul style="list-style-type: none"><li>• As discussed above, for a hospital to be licensed to operate in Vermont it must abide by the Vermont Hospital Licensing Rule. This rule requires a hospital to meet CMS regulations, which are tied to Joint Commission requirements.</li><li>• DMH also must designate hospital inpatient psychiatric units in order for involuntary patients to be treated there. This is governed by DMH’s <a href="#">Designated Hospitals Manual and Standards</a>.<ul style="list-style-type: none"><li>○ It is the Designated Hospital’s responsibility to provide DMH with copies of specific documentation demonstrating compliance with each requirement. The Commissioner requires re-designation of Designated Hospitals every two years. To enable adequate oversight by the Department, Departmental staff arrange for a visit in advance of the designation expiration date. This visit includes interviews with key staff, a review of outcomes, and a review of policies and procedures. A written decision letter and feedback is provided to the Designated Hospital following the visit. The review may require the Designated Hospital to address any missing information or provide a corrective action plan.</li></ul></li></ul> <p>Residential Treatment Settings:</p> <ul style="list-style-type: none"><li>• Adult residential treatment centers must be licensed by the Vermont Department of Aging and Independent Living (DAIL) (<a href="https://dail.vermont.gov/resources/regulations">https://dail.vermont.gov/resources/regulations</a>).</li><li>• Child residential treatment centers must be licensed by the Vermont Department for Children and Families (DCF) (<a href="https://dcf.vermont.gov/sites/dcf/files/FSD/pubs/RTP-Regs.pdf">https://dcf.vermont.gov/sites/dcf/files/FSD/pubs/RTP-Regs.pdf</a>)</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><b>Future Status:</b> No changes are expected.</p> <p><b>Summary of Actions Needed:</b> None.</p>
<b>SMI/SED. Topic_2. Milestone 2: Improving Care Coordination and Transitioning to Community-Based Care</b>	
<i>Understanding the services needed to transition to and be successful in community-based mental health care requires partnerships between hospitals, residential providers, and community-based care providers. To meet this milestone, state Medicaid programs, must focus on improving care coordination and transitions to community-based care by taking the following actions.</i>	
<b>Improving Care Coordination and Transitions to Community-based Care</b>	
2.a Actions to ensure psychiatric hospitals and residential settings carry out intensive pre-discharge planning, and include community-based providers in care transitions.	<p><b>Current Status:</b> Milestone achieved.</p> <p>The Vermont Department of Health’s <a href="#">Hospital Licensing Rule</a> requires that hospitals comply with all CMS Conditions of Participation and adopts 42 CFR 482.43, which details discharge planning requirements that align with this milestone.</p> <p>Additionally, DMH contracts with Community Mental Health Clinic providers, called Designated Agencies, to participate in transition efforts and discharge planning. Designated Agencies are private, non-profit service providers that are responsible for ensuring needed services are available through program delivery, local planning, service coordination, and monitoring outcomes within their region. Requirements for Designated Agencies are specified in the <a href="#">Mental Health Provider Manual</a>:</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><i>Transition planning is critical for the support of the individual’s ongoing treatment, recovery or wellbeing. If for any reason a transition or discharge plan cannot be developed in the timelines below, the circumstances prohibiting the planning will be documented.</i></p> <p><i>A transition plan must be developed for any individual who requires treatment intervention and/or family support who is transitioning to other services or providers outside the local network or moving to another region including but not limited to a transition from one level of care to another or a transition from one programming area to another. A transition plan must be developed with the individual and/or family/guardian prior to transition date.</i></p> <p><i>A discharge plan must be developed anytime an individual or child and family have completed services, chosen to discontinue services, or for whom services have been terminated. A discharge plan must be developed with the individual and/or family/guardian prior to discharge date for all individuals where the discharge is planned.</i></p> <p><i>Plans should include the following components and be developed with the individual and other appropriate participants, such as the family, whenever possible:</i></p> <ul style="list-style-type: none"><li><i>• progress towards goals during program participation,</i></li><li><i>• reason for discharge or transition,</i></li><li><i>• condition at last contact, and</i></li><li><i>• referrals made, if clinically indicated.</i></li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><i>For a child or adult who is in an out-of-home treatment setting, the local team supports the facility or out of home treatment provider for discharge planning.</i></p> <p><i>This includes settings such as</i></p> <ul style="list-style-type: none"><li><i>• out-of-home community home provider placements,</i></li><li><i>• private non-medical institutions/residential programs (in and out of state),</i></li><li><i>• hospital diversion/emergency beds,</i></li><li><i>• inpatient psychiatric hospitalization, and</i></li><li><i>• arrangements with other providers.</i></li></ul> <p>All participating IMD facilities are currently engaged in intensive discharge planning and care coordination services.</p> <hr/> <p><b>Future Status:</b></p> <p>Maintain and enhance current discharge planning and care coordination with improved strategies for connection with local community-based services.</p> <p>DMH is working on the following strategies to improve connection with local community-based services:</p> <ul style="list-style-type: none"><li>• Collaborative Network Approach - Vermont’s version of “Open Dialogue” practice, to better inform transition to community with the patients’ and their families’ direct involvement;</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>• Increase awareness of available community work supports for staff and individuals in psychiatric hospital care (e.g. offer short training on Evidence Based Practices for Supported Employment (EBP SE), Specialized Service Agency (SSA) work incentive;</li> <li>• Host employment-related in-house groups based on individuals’ lead (employing a Recovery-Orientated Cognitive Therapy approach); and</li> <li>• Develop ways for the local community employment specialist or Vocational Rehabilitation counselor to meet with patients and staff prior to discharge, whenever possible.</li> </ul> <p><b>Summary of Actions Needed:</b> None.</p>
<p>2.b Actions to ensure psychiatric hospitals and residential settings assess beneficiaries’ housing situations and coordinate with housing services providers when needed and available.</p>	<p><b>Current Status:</b></p> <p>Participating IMD Facilities Current Practice:</p> <ul style="list-style-type: none"> <li>• Assessment of the beneficiaries housing situation and community supports and clinical needs begins at the time of the referral, continues in assessment and evaluation and on units with Treatment Planning.</li> <li>• Active discharge planning takes place with Social Work staff working with each of the state’s Designated Agencies to coordinate after care planning, which includes housing and residential step-down services.</li> </ul> <p>DMH has a housing coordinator that works with Vermont landlords to aid in securing and financing stable housing for those who are homeless or have unsuitable or unstable housing.</p> <p><b>Future Status:</b></p> <p>Establish State policy to maintain current efforts around housing coordination and services that ensure alignment across participating IMD facilities. This policy effort will require changes to the Vermont Department of Health (VDH) hospital licensing rule and anticipate this will take 18 months.</p> <p><b>Summary of Actions Needed:</b> None.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<p>2.c State requirement to ensure psychiatric hospitals and residential settings contact beneficiaries and community-based providers through most effective means possible, e.g., email, text, or phone call within 72 hours post discharge</p>	<p><b>Current Status:</b> Vermont does not currently meet these requirements.</p>
	<p><b>Future Status:</b> Promulgate administrative rule that requires facilities to develop protocol for meeting this expectation. The VDH licenses IMDs through their <a href="#">Hospital Licensing Rule</a>. VDH will begin rulemaking in 2020 to assure psychiatric hospitals and residential settings contact beneficiaries and community-based providers through most effective means possible. Vermont administrative rulemaking requires a robust process, likely to take up to 12 months to go into effect. The State will establish a process to ensure facilities adhere to the requirements of the future administrative rule.</p>
	<p><b>Summary of Actions Needed:</b> Establish state policy to ensure that facilities are providing high quality follow-up care that aligns with this milestone.</p>
<p>2.d Strategies to prevent or decrease lengths of stay in EDs among beneficiaries with SMI or SED prior to admission</p>	<p><b>Current Status:</b> Strategies include:</p> <ul style="list-style-type: none"> <li>• Analyze and adjust (if warranted) bed capacity:               <ul style="list-style-type: none"> <li>○ Vermont is in the process of adding additional inpatient and residential capacity to better meet the growth in numbers of people in need of inpatient services.</li> </ul> </li> <li>• Telepsychiatry:               <ul style="list-style-type: none"> <li>○ Using telepsychiatry, Vermont Medicaid is able to fund consultation to Emergency Department (ED) staff regarding medication needs for patients to help facilitate them moving to the next appropriate level of care. In addition, telepsychiatry helps to determine the level of care that is needed for an individual in the ED. Telepsychiatry is also being increasingly used to reach people in the more remote areas of the state. With this capability, Vermont is better able to provide</li> </ul> </li> </ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>psychiatric supports for individuals who have traditionally only reached these supports by presenting at an ED.</p> <ul style="list-style-type: none"><li>● Peer-to-peer support services:<ul style="list-style-type: none"><li>○ Peer supports in EDs help provide a safe and stabilizing environment for the patient, which has an impact on the current psychiatric crisis and can help a patient access the appropriate level of care from the ED. Vermont already has one peer run crisis stabilization facility and a peer run intensive residential program. Vermont is considering the expansion of peer run crisis and stabilization units to help further prevent unnecessary ED visits.</li></ul></li><li>● SBINS - Screening, Brief Intervention, and Navigation to Services:<ul style="list-style-type: none"><li>○ SBINS is an approach that helps health care providers identify risks to their patients' health and wellbeing, from a wide range of sources including drug and alcohol use, housing and food insecurity, inter-partner violence, and more. When risks are present, trained counselors offer patients support and help them access the services they need to address risk factors and maintain or improve their health. Through this process, risk factors can be addressed prior to rising to the level that requires an ED visit. SBINS is not a statewide strategy at this time, but the program is active in some EDs.</li></ul></li><li>● Vermont Psychiatric Survivors (VPS) peers in EDs:<ul style="list-style-type: none"><li>○ VPS has a 1.0 FTE peer support staff as part of the Rutland County Community Links Program; of which one of the roles of the position is to provide support for people in crisis in emergency rooms or other places where it may be needed. Vermont anticipates additional discussion regarding a more comprehensive peer-outreach program statewide. VPS peers in EDs help provide a safe and stabilizing environment which often results in patients stabilizing and being safely discharged from the ED with supports from the VPS peer.</li></ul></li></ul> <p><b>Future Status:</b></p> <ul style="list-style-type: none"><li>● Maintain and enhance efforts to prevent and decrease lengths of ED stays by continuing to pursue the strategies outlined above. In addition:</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>○ DMH is currently drafting a report to review and analyze residential capacity across the system of care, identifying the priority areas as well as the geographic areas that are in need of additional capacity. This report will be provided to the legislature in January of 2020. There is a current proposal to expand intensive residential capacity in Rutland County, Vermont;</li> <li>○ DMH is currently issuing a Request for Proposal (RFP) for peer workforce development that includes review of other state workforce certification standards and funding methodologies to inform strategies for expansion of peer supports; and</li> <li>○ DMH is concluding a major stakeholder engagement effort this CY19, resulting in the creation of a 10-year plan for a holistic and integrated system of care (2020-2030). This plan will include action areas for the system of care that will be supported by short, mid and long-term strategies. The plan will be provided to the legislature in January of 2020 and used to inform future policy and financial priorities of the system.</li> </ul> <p><b>Summary of Actions Needed:</b> DMH will work within required processes for the state’s executive branch and must defer to the state’s legislative process for any future decisions on investments that may be possible.</p>
<p>2.e Other State requirements/policies to improve care coordination and connections to community-based care</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>Vermont currently has technical assistance grants through the National Governor’s Association and Actionable Intelligence for Social Policy. The State’s goals are to develop and enhance interoperability and data sharing on a variety of different issues, including physical health, SUD, and mental health providers.</p> <p>Vermont is also investing in care coordination through the All-Payer Accountable Care Organization (ACO) Model. OneCare Vermont makes payments to community providers for complex care coordination.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>This care coordination includes:</p> <ul style="list-style-type: none"><li>• Outreach to engage/maintain patients in care coordination,</li><li>• Provide care coordination services for patient panels,</li><li>• Create shared care plans and community among care team members,</li><li>• Participate in shared care planning and care conferences to facilitate the patient’s goals of care,</li><li>• Support effective transitions of care (e.g. ED follow-up calls, post hospital discharge visits),</li><li>• Partner with continuum of care and human services organizations, and</li><li>• Attend care coordination skills trainings.</li></ul> <p>Complex care coordination payments to primary care, Home Health Agencies, Designated Mental Health Agencies, and Area Agencies on Aging were approximately \$ 9.1M in CY18.</p> <p>Children Specific:</p> <p>Medicaid holds utilization review calls weekly with the Brattleboro Retreat, the only inpatient mental health facility for children and adolescents in Vermont, to help coordinate inpatient care. In addition, the <a href="#">Vermont Department of Mental Health’s Provider Manual</a> and <a href="#">Minimum Standards Guidelines</a> for children’s mental health requires coordination of designated agencies (local providers of community mental health care) with inpatient and residential providers to transition children/youth to community-based care.</p> <p><b>Future Status:</b> Maintain and enhance current efforts around care coordination.</p> <p><b>Summary of Actions Needed:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	None.
<p><b>SMI/SED. Topic_3. Milestone 3: Increasing Access to Continuum of Care, Including Crisis Stabilization Services</b></p>	
<p><i>Adults with SMI and children with SED need access to a continuum of care as these conditions are often episodic and the severity of symptoms can vary over time. Increased availability of crisis stabilization programs can help to divert Medicaid beneficiaries from unnecessary visits to EDs and admissions to inpatient facilities as well as criminal justice involvement. On-going treatment in outpatient settings can help address less acute symptoms and help beneficiaries with SMI or SED thrive in their communities. Strategies are also needed to help connect individuals who need inpatient or residential treatment with that level of care as soon as possible. To meet this milestone, state Medicaid programs should focus on improving access to a continuum of care by taking the following actions.</i></p>	
<p><b>Access to Continuum of Care Including Crisis Stabilization</b></p>	
<p>3.a The state’s strategy to conduct annual assessments of the availability of mental health providers including psychiatrists, other practitioners, outpatient, community mental health centers, intensive outpatient/partial hospitalization, residential, inpatient, crisis stabilization services, and FQHCs offering mental health services across the state, updating the initial assessment of the availability of mental health services submitted with the state’s</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>DMH provides this information in the form of an annual report to the Vermont State Legislature, pursuant to <a href="#">Vermont Act 79, An act relating to reforming Vermont’s mental health system.</a></p> <p><b>Future Status:</b> Continue to conduct an annual assessment of mental health services throughout Vermont. The state will include the contents of this assessment in its annual demonstration report to CMS.</p> <p><b>Summary of Actions Needed:</b> None.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
demonstration application. The content of annual assessments should be reported in the state’s annual demonstration monitoring reports.	
3.b Financing plan	<p><b>Current Status:</b> Vermont funds a peer-run warm line that operates 18 hours per day/seven days a week. Vermont recently received a grant from the National Suicide Prevention Lifeline (NSPL) to support training and accreditation in suicide risk assessment and intervention for the warm line program. This grant has not yet been approved by Vermont’s Joint Fiscal Office (JFO) but is in process.</p> <p>Two additional crisis call centers are also slated to be recipients of the NSPL grant pending JFO approval in Vermont, which would expand coverage to 22 hours a day for in-state call response to the Lifeline. A decision on approval is expected by January 2020 and if approved, full expansion of the Lifeline call response is planned for the end of FY21.</p> <p>All ten Designated Agencies have 24-hour crisis call centers and mobile crisis units, and many Designated Agencies have embedded mental health professionals within local and state law enforcement.</p> <p>DMH continues to sponsor the Team Two training that is building working relationships between local law enforcement and local mental health crisis teams.</p> <p><b>Future Status:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Continue to explore strategy to enhance availability of community-based SMI services in Vermont through the following approaches:</p> <ul style="list-style-type: none"> <li>• Continued annual reporting to the legislature required by Act 79 (2012) on the current status of community-based and facility-based care and the balance between these programming areas including recommendations for change;</li> <li>• Payment reform caseload and rate analysis. Payment reform efforts implemented in 2019 seek to provide Vermont with new tools for analyzing needs, strengths, volume and caseloads in community-based mental health programs. DMH will be phasing in use of these tools from CY2020 through CY2023; and</li> <li>• 10-Year Plan for a holistic and integrated system of care. DMH is concluding a major stakeholder engagement effort this CY2019, resulting in the creation of a 10-year plan for the system of care (2020-2030). This plan will include action areas for the system of care that will be supported by short, mid and long-term strategies. The plan will be provided to the legislature and used to inform future policy and financial priorities of the system.</li> </ul> <p><b>Summary of Actions Needed:</b> None.</p>
<p>3.c Strategies to improve state tracking of availability of inpatient and crisis stabilization beds</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>Medicaid maintains a bed board of all hospitals and residential placements funded by Medicaid.</p> <p><b>Future Status:</b> Enhancements are planned to update the bed board data to include SUD placements.</p> <p><b>Summary of Actions Needed:</b> None.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<p>3.d State requirement that providers use a widely recognized, publicly available patient assessment tool to determine appropriate level of care and length of stay</p>	<p><b>Current Status:</b> All participating IMD facilities currently use InterQual/McKesson to help determine appropriate level of care and length of stay.</p>
	<p><b>Future Status:</b> The state will establish a policy to require the use of evidence-based, publicly-available patient assessment tool(s) in order to achieve this milestone. The implementation of this policy will need to go through the rulemaking process in Vermont and it is anticipated that this will take 18 months.</p>
	<p><b>Summary of Actions Needed:</b> Establish state policy to require the use of evidence-based, publicly-available patient assessment tool(s) in order to achieve this milestone.</p>
<p>3.e Other state requirements/policies to improve access to a full continuum of care including crisis stabilization</p>	<p><b>Current Status:</b> Vermont has an array of community-based systems of supports:</p> <ul style="list-style-type: none"> <li>• There are local crisis bed alternative programs in all Designated Agency catchment areas, as well as regional Intensive Residential Recovery Programs, to provide transitional treatment and recovery-oriented support environments. Peer supported crisis bed and medication-alternative residential programs exist around the state. Additionally, Middlesex Therapeutic Community Residential Program also supports step-down opportunities for individuals from more restrictive hospital-based care.</li> <li>• Emergency Services are provided by Designated Agencies and include mobile crisis teams to respond to needs in the community, as well as phone support and prevention services.             <ul style="list-style-type: none"> <li>○ When needed, clients are referred to crisis beds, which are part of a community-based hospital diversion program that offers emergency, short-term, 24-hour residential supports in a setting other than the person’s home. They are operated by the Designated Agencies and Specialized Services Agencies.</li> <li>○ DMH supports a peer-run crisis bed program, called Alyssum.</li> </ul> </li> </ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"><li>○ The total crisis bed count in Vermont is 38 for adult mental health and 18 for children and youth.</li></ul> <p>For children and youth:</p> <ul style="list-style-type: none"><li>● Expansion of Hospital Diversion Program<ul style="list-style-type: none"><li>○ An additional six new beds have been created in the southern part of VT.</li></ul></li><li>● Utilization Review of continued stay requests in children’s crisis programs (including community-based hospital diversion and crisis stabilization programs)</li></ul> <p><b>Future Status:</b></p> <p>Mobile Response and Stabilization Services (MRSS):</p> <p>Vermont is evaluating the possibility of adding more resources for MRSS, which is a face-to-face response provided during a family-defined crisis to provide support and intervention for a child/youth and their family before emotional and behavioral difficulties escalate. MRSS has been shown in other states to be responsive to child, youth and family needs, clinically and cost effective in “averting unnecessary” higher levels of care in settings such as EDs, inpatient psychiatric care, residential treatment or other placement disruptions, and is often the first point of contact with families (NASMHPD 2018). MRSS takes a “just go” approach to responding to a family-defined crisis. These situations may not rise to the level of warranting screening for inpatient admission like danger to self or others, but nonetheless are a crisis situation for the family. Without stabilization, these situations could escalate to a more significant crisis over time.</p> <p>Other states have shown positive outcomes for children and families following successful implementation of MRSS, including reductions in the use (utilization and lengths of stay) of higher levels of care such as EDs, inpatient psychiatric care, and residential treatment, as well as reduced foster placement disruptions.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Evaluation efforts related to implementing the MRSS model in Vermont have included:</p> <ul style="list-style-type: none"> <li>• The creation of a cross-agency and stakeholder learning community;</li> <li>• Learning opportunities both in-person and by webinar to learn from other states’ models of implementation;</li> <li>• Publication of a white paper that explores the model and implementation in Vermont; and</li> <li>• Review of baseline needs and utilization data which could be tracked over time to evaluate the impact of MRSS.</li> </ul> <p><b>Summary of Actions Needed:</b></p> <p>DMH will work within required processes for the state’s executive branch and must defer to the state’s legislative process for any future decisions on investments that may be possible.</p>
<p><b>SMI/SED. Topic_4. Milestone 4: Earlier Identification and Engagement in Treatment, Including Through Increased Integration</b></p>	
<p><i>Critical strategies for improving care for individuals with SMI or SED include earlier identification of serious mental health conditions and focused efforts to engage individuals with these conditions in treatment sooner. To meet this milestone, state Medicaid programs must focus on improving mental health care by taking the following actions.</i></p>	
<p><b>Earlier Identification and Engagement in Treatment</b></p>	
<p>4.a Strategies for identifying and engaging beneficiaries with or at risk of SMI or SED in treatment sooner, e.g., with supported education and employment</p>	<p><b>Current Status:</b> Milestone achieved.</p> <p>The State continues to employ a number of strategies to better identify and engage individuals in treatment earlier including:</p> <ul style="list-style-type: none"> <li>• Developing strategies to expand Intentional Peer Support (IPS) services to all Designated Agencies for young adults (16-22 yrs) with SED and adults with serious and persistent mental illness (SPMI);</li> </ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>● Implementing Collaborative Network Approach (CNA) as a tool for better engaging transition-age young adults (early episode psychosis for adults) and SPMI adults;</li> <li>● Regularly conducting training on Dialectical Behavior Therapy (DBT) specifically for transition age youth and adults and sustaining availability of adult DBT consultation team to DAs;</li> <li>● Funding Jump On Board for Success (JOBS) programs in every Vermont region, with the objective of young adults with SED or SMI developing employment/education goals;</li> <li>● Impacting employment by maintaining funding support for Supported Employment for adults with SPMI and, within Designated Agency capacity, the adult population with mental health needs;</li> <li>● Funding Mental Health First Aid, an 8-hour public education program which introduces participants to the unique risk factors and warning signs of mental health conditions in youth or adults, builds understanding of the importance of early intervention, and teaches individuals how to help when a person is in crisis or experiencing a mental health challenge; and</li> <li>● Funding of peer-run Community Centers to engage young adults experiencing mental health issues and adults with SPMI, who may be reluctant to engage traditional mental health services in a variety of ways and offering IPS supported employment and educational supports.</li> </ul> <p><b>Future Status:</b> Maintain and build upon existing strategies for identifying and engaging beneficiaries with or at risk of SMI or SED in treatment sooner.</p> <p><b>Summary of Actions Needed:</b> None.</p>
<p>4.b Plan for increasing integration of behavioral health care in non-specialty settings to improve early</p>	<p><b>Current Status:</b> Milestone achieved.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
identification of SED/SMI and linkages to treatment	<p>Vermont Medicaid supports a number of programs, initiatives, and practices that support the goal of increased integration. These include, but are not limited to:</p> <ul style="list-style-type: none"><li>• <b>Advancing Wellness and Resilience in Education (AWARE):</b> Medicaid has partnered with the Vermont Agency of Education in a five-year SAMHSA grant to promote on-going collaboration at the state and local level regarding best practices to increase awareness of mental health issues, enhance wellness and resiliency skills for school age youth, and support system improvements for school-based mental health services;</li><li>• <b>Children’s Health Integration Linkage and Detection (CHILD):</b> Five-year SAMHSA-funded grant to promote the integration and collaboration in clinical practice between primary and behavioral healthcare with the goal to improve the health and wellness of children with, or at-risk for, SED and their families;</li><li>• <b>DULCE (Developmental Understanding and Legal Collaboration for Everyone):</b> DULCE’s purpose is to ensure that newborns and their families receive quality medical care as well as all the social services and community support they need during the first six months of the newborn’s life. A social worker is embedded in a pediatrician’s office as a way to increase access and support to new parents;</li><li>• <b>Early Childhood and Family Mental Health (ECFMH):</b> The Early Childhood and Family Mental Health system of care for children under the age of six and their families in Vermont provides a comprehensive cross-system, cross-agency infrastructure that sustains services and supports;</li><li>• <b>Psychiatric consult for primary care:</b> DMH contracts with child psychiatrists to provide psychiatric consultation to pediatric and family medicine primary care providers to support their management of psychiatric needs in children. This consultation supports the PCP’s mental health assessments, intervention planning and implementation;</li><li>• <b>School Mental Health: Success Beyond Six</b> supports the provision of mental health services by a Designated Agency in a school to address the mental health needs of identified students and provide mental health consultation for the school’s multi-tiered systems of supports;</li><li>• <b>Vermont’s Screening Treatment, &amp; Access for Mothers and Perinatal Partners (STAMPP) Grant:</b> Five-year cooperative agreement with HRSA that works to improve the mental health and well-being of pregnant and postpartum women and their children and families by developing and sustaining a</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>coordinated system of mental health supports (screening, referral, access to treatment and community supports) for pregnant and postpartum women; and</p> <ul style="list-style-type: none"> <li>• JOBS programs: Community and school-based program focused on keeping youth in school who are at risk of dropping out, or re-engaging youth who have stopped attending.</li> </ul> <p><b>Future Status:</b></p> <p>Maintain and build upon existing strategies for increasing integration of behavioral health care in non-specialty care settings.</p> <p><b>Summary of Actions Needed:</b></p> <p>None.</p>
<p>4.c Establishment of specialized settings and services, including crisis stabilization, for young people experiencing SED/SMI</p>	<p><b>Current Status:</b></p> <p>Milestone achieved.</p> <p>Vermont Medicaid continues to foster specialized settings and services for youth with SED or SMI, including through:</p> <ul style="list-style-type: none"> <li>• Crisis respite services for youth,</li> <li>• The Early Episode Psychosis Initiative to improve access and early interventions to individuals first experiencing symptoms of serious mental illness, and</li> <li>• Intensive residential programs specializing in working with youth SED/SMI populations.</li> </ul> <p><b>Future Status:</b></p> <p>Maintain and expand Vermont’s capacity and access for specialized settings and services for young people experiencing SED or SMI.</p> <p><b>Summary of Actions Needed:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	None.
4.d Other state strategies to increase earlier identification/engagement, integration, and specialized programs for young people	<p><b>Current Status:</b> <a href="#">Vermont Act 264 of 1989</a> requires that Human Services and Public Education work together, involve parents and coordinate services for better outcomes for children and families. The Act developed a coordinated system of care so that children and adolescents with emotional issues and their families receive appropriate educational, mental health, child welfare, juvenile justice, residential, and other treatment and support services in accordance with an individual plan.</p> <p>The Vermont Children’s Health Improvement Program (VCHIP) administered through the University of Vermont: DMH partners with the Vermont Department of Health Maternal Child Health and <a href="#">VCHIP</a> to improve screening for child developmental and mental health, as well as perinatal mood disorders during well-child visits. VCHIP also leads an annual quality improvement project with specific Pediatric and Family Practices, called Child Health Advances Measured in Practice (<a href="#">CHAMP</a>), in which DMH partners in the planning and year-long project as it relates to mental health and behavioral topics.</p> <p>Payment Reform expanded the use of the Child and Adolescent Needs and Strengths (CANS) nationally recognized tool for standardized measurement of child and caregiver needs and strengths.</p> <p><b>Future Status:</b> Maintain and expand Vermont’s strategies to increase earlier identification/engagement, integration, and specialized programs for young people.</p> <p>Work with Agency of Education (AOE), AHS staff and stakeholders to provide technical assistance in using the coordination mechanisms supported by Act 264 (Coordinated Services Plans, Local and State Interagency Teams) to improve community collaboration on a case basis and system basis. This work is underway and will continue over the next year.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Focus on pivotal transition points in the System of Care for children, youth and families such as moving from Early Care and Learning to school-based services and youth transitioning to the adult system of care. This work is underway and will continue over the next year, facilitated by the Director of Interagency Coordination that works with DMH, DCF and DAIL.</p> <p><b>Summary of Actions Needed:</b> None.</p>
<p><b>SMI/SED.Topic_5. Financing Plan</b></p>	
<p><i>State Medicaid programs should detail plans to support improved availability of non-hospital, non-residential mental health services including crisis stabilization and on-going community-based care. The financing plan should describe state efforts to increase access to community-based mental health providers for Medicaid beneficiaries throughout the state, including through changes to reimbursement and financing policies that address gaps in access to community-based providers identified in the state’s assessment of current availability of mental health services included in the state’s application.</i></p>	
<p>5.a Increase availability of non-hospital, non-residential crisis stabilization services, including services made available through crisis call centers, mobile crisis units, observation/assessment centers, with a coordinated community crisis response that involves collaboration</p>	<p><b>Current Status:</b> In CY19, Vermont Medicaid implemented payment reform for community mental health services.</p> <p>Mental Health Payment Reform represents a large operational and cultural shift towards focusing on how well Vermont is doing rather than simply how much it is doing. The shift gives communities more flexibility with funding to meet the needs of the children, youth, adults, and families they serve. By simplifying the baseline payment structures and adding Value-Based payments that reward outcomes and incentivize best practice, the state aims to make it easier for Medicaid providers to meet the goal of providing efficient and effective care for Vermonters with mental health needs. DMH and the Department of Public Safety continue to support Team Two Training around the state that brings together mental health providers, law enforcement and emergency responders in a learning collaborative to produce more effective mental health response tools to community crises. DMH funding and local community funding has provided for the expansion of mobile outreach in its most urban area that now encompasses six communities. Some Designated Agencies have</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
with trained law enforcement and other first responders.	<p>also dedicated funding to support local police and mental health services coordination initiatives to deter escalation of incidents that can be addressed through treatment response rather than law enforcement intervention.</p> <p>In addition to the above,</p> <ul style="list-style-type: none"><li>• Vermont already has one peer run crisis stabilization facility and a peer run intensive residential program; Vermont is looking to expand peer run crisis and stabilization units to help further prevent unnecessary ED visits;</li><li>• Vermont is evaluating the possibility of adding more resources for Mobile Response and Stabilization Services (MRSS), which is a face-to-face response provided to a family-defined crisis to provide support and intervention for a child/youth and their family before emotional and behavioral difficulties escalate; and</li><li>• Vermont is establishing state policy to maintain and enhance current efforts around housing coordination and services that ensure alignment across participating IMD facilities.</li></ul> <hr/> <p><b>Future Status:</b></p> <p>Payment reform efforts aim to streamline payment structures and break down silos that can sometimes be barriers to individuals and families receiving services. The first phase of payment reform, which started in CY19, combined many different funding streams into a single funding stream in order to meet this aim. However, additional siloed funding streams continue to exist that were not included in this first phase (Alcohol and Drug Abuse Programs, Elder care, etc). Future efforts will examine the potential for incorporating more programs and services into the case rate bundle, and aligning quality and outcome goals. Process steps include:</p> <ul style="list-style-type: none"><li>• CY19 (first year of implementation): A workgroup was created to explore the potential addition of two funding streams through DCF;</li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>• CY20: AHS is required to submit a plan for the potential inclusion of behavioral health services into the financial target services of the All-Payer Model Agreement by the end of CY20. This opportunity will help to solidify the existing alignment between the State’s payment reform models and will build off of that alignment for future possible enhancements through the ACO-based payment reform model.</li> <li>• CY19-CY23: The state has a multi-year phase-in plan for measures and targets for the newly implemented mental health alternative payment model for community-based mental health services that were carved out of the All-Payer Model Agreement. By CY23, the state expects to have fully implemented all value-based payment measures and will be able to more fully evaluate progress on the state’s primary goal of improving access to care in the community.</li> </ul> <p><b>Summary of Actions Needed:</b> Continue to implement required elements of current payment reform models as documented for and approved by CMS.</p>
<p>6.b Increase availability of on-going community-based services, e.g., outpatient, community mental health centers, partial hospitalization/day treatment, assertive community treatment, and services in integrated care settings such as the Certified Community Behavioral Health Clinic model.</p>	<p><b>Current Status:</b> Mental Health Payment Reform represents a large operational and cultural shift towards focusing on quality over quantity. The shift gives communities more flexibility with funding to meet the needs of the children, youth, adults, and families they serve. By simplifying the baseline payment structures and adding value-based payments that reward outcomes and incentivize best practice, Medicaid aims to make it easier for providers to meet the goal of efficient and effective care for Vermonter with mental health needs.</p> <p><b>Future Status:</b> Payment reform efforts aim to streamline payment structures and break down silos that can sometimes be barriers to individuals and families receiving services. The first phase of payment reform combined many different funding streams into a single funding stream in order to meet this aim. However, additional siloed funding streams continue to exist that were not included in this first phase (Alcohol and Drug Abuse Programs, Elder care, etc). Future efforts will examine the potential for incorporating more programs and services into the case rate bundle, and aligning quality and outcome goals. Process steps include:</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"><li>• CY19 (first year of implementation): A workgroup was created to explore the potential addition of two funding streams through DCF.</li><li>• CY20: AHS is required to submit a plan for the potential inclusion of behavioral health services into the financial target services of the All-Payer Model Agreement by the end of CY20. This opportunity will help to solidify the existing alignment between the state’s payment reform models and will build off of that alignment for future possible enhancements through the ACO-based payment reform model.</li><li>• CY19-CY23: The state has a multi-year phase-in plan for measures and targets of the newly implemented mental health alternative payment model for community-based mental health services that were carved out of the All-Payer Model Agreement. By CY23, the state expects to have fully implemented all value-based payment measures and will be able to more fully evaluate progress on the state’s primary goal of improving access to care in the community.</li></ul> <p><b>Summary of Actions Needed:</b> Continue to implement required elements of current payment reform models as documented for and approved by CMS.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<b>SMI/SED. Topic_6. Health IT Plan</b>	
<p><i>As outlined in State Medicaid Director Letter (SMDL) #18-011, “[s]tates seeking approval of an SMI/SED demonstration ... will be expected to submit a Health IT Plan (“HIT Plan”) that describes the state’s ability to leverage health IT, advance health information exchange(s), and ensure health IT interoperability in support of the demonstration’s goals.”<sup>6</sup> The HIT Plan should also describe, among other items, the:</i></p> <ul style="list-style-type: none"> <li>• <i>Role of providers in cultivating referral networks and engaging with patients, families and caregivers as early as possible in treatment; and</i></li> <li>• <i>Coordination of services among treatment team members, clinical supervision, medication and medication management, psychotherapy, case management, coordination with primary care, family/caregiver support and education, and supported employment and supported education.</i></li> </ul> <p><i>Please complete all Statements of Assurance below—and the sections of the Health IT Planning Template that are relevant to your state’s demonstration proposal.</i></p>	
<b>Statements of Assurance</b>	
<p>Statement 1: Please provide an assurance that the state has a sufficient health IT infrastructure/ecosystem at every appropriate level (i.e. state, delivery system, health plan/MCO and individual provider) to achieve the goals of the demonstration. If this is not yet the case, please describe how this will be</p>	<p>The State of Vermont has an established health IT infrastructure that supports the provision of care and measurement of the health care system and reform initiatives. The state’s health-IT infrastructure includes, but is not limited to, a PDMP, public health registries (immunization, births/deaths, and cancer), a state-wide health information exchange with supporting data extraction capabilities, behavioral health registry, and an All-Payer Claims Database. A care coordination platform supports providers participating in Vermont’s All-Payer Model and all of Vermont’s hospitals and a considerable number of eligible providers have taken advantage of the Meaningful Use program to adopt electronic health record systems. Additionally, the state legislature has decided to support the purchase and roll-out of integrated Electronic Health Record systems for the state’s Designated Agencies and Specialized Service Agencies which is a move to further electronically integrate otherwise outlying sectors of the health care system.</p>

– <sup>6</sup> See SMDL #18-011, “Opportunities to Design Innovative Service Delivery Systems for Adults with a Serious Mental Illness or Children with a Serious Emotional Disturbance.” Available at <https://www.medicaid.gov/federal-policy-guidance/downloads/smd18011.pdf>.

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
achieved and over what time period	
Statement 2: Please confirm that your state’s SUD Health IT Plan is aligned with the state’s broader State Medicaid Health IT Plan and, if applicable, the state’s Behavioral Health IT Plan. If this is not yet the case, please describe how this will be achieved and over what time period.	<p>Vermont’s SUD Health IT efforts are aligned with the state’s broader Health IT Plan.</p> <p>In 2017, DVHA convened the Health Information Exchange Steering Committee, which is now statutorily obligated to support DVHA in the annual development of a statewide health-IT/exchange strategic plan. This plan is referred to as the HIE Plan. The purpose of the plan is to provide a strategy for the implementation of an integrated electronic health information infrastructure for the sharing of electronic health information among health care facilities, health care professionals, public and private payers, and patients. Per state statute, the plan must be approved by the Green Mountain Care Board annually. The latest HIE Plan is available here: <a href="https://healthdata.vermont.gov/sites/healthdata/files/HIE%20Strategic%20Plan.pdf">https://healthdata.vermont.gov/sites/healthdata/files/HIE%20Strategic%20Plan.pdf</a>. Full membership details and meeting information is available here: <a href="https://healthdata.vermont.gov/HIESteeringCommittee">https://healthdata.vermont.gov/HIESteeringCommittee</a>.</p> <p>The 2019 Health Information Exchange Steering Committee is heavily focused on the development of a 3-5 year health-IT/exchange investment strategy. An essential component of this strategy is bolstering public health and general data infrastructure to enable clinical decision support across the continuum, including treatment of SUD. The investment strategy will envelope work currently being done (CMS-funded via HITECH) to develop an informatics strategy at VDH. Additionally, the Vermont General Assembly appropriated \$1.5M to the State’s Designated Agency network to offset the cost of purchasing electronic medical records for the behavioral health system. As part of this appropriation, the Vermont Care Partners, the contracted not-for-profit agency that connects the Designated and Specialized Service Agencies that function on behalf of AHS, was asked to demonstrate how the implementation of these new systems would</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>work to further the HIT goals set forth in the state-wide strategic plan and how they are to advance the state’s “Connectivity Criteria” (specific standards to guarantee quality data transmissions across the network) with a targeted look at the exchange of SUD and mental health data. The state’s recently approved HIT Implementation Advanced Planning Document (IAPD) includes funding to assess and plan the integration of the Prescription Drug Monitoring Program (PDMP) into the HIE (See a more detailed description in statement 3 below). The State Medicaid HIT Plan (SMHP) is currently being updated and the state is ensuring that there is alignment among the HIE Plan, the SMHP, and this waiver application. The State Medicaid Health IT Plan was submitted 12/18/2019.</p>
<p>Statement 3: Please confirm that the state intends to assess the applicability of standards referenced in the <a href="#">Interoperability Standards Advisory (ISA)</a><sup>7</sup> and 45 CFR 170 Subpart B and, based on that assessment, intends to include them as appropriate in subsequent iterations of the state’s Medicaid Managed Care contracts. The ISA outlines relevant standards including but not limited to</p>	<p>All of Vermont’s interoperability efforts adhere to and/or are in direct alignment with federal guidance. As illustrated in the state-wide strategic HIE Plan, Vermont continues to demonstrate success in implementing the federal Promoting Interoperability Program and has based all strategic planning on architecture and standards set forth by CMS and the Office of the National Coordinator.</p> <p>Vermont has received approved HITECH funds to support an assessment to determine the best, most cost-effective strategy to integrate the PDMP and Health Information Exchange data. It is anticipated that a vendor would help the state to understand steps required to develop Vermont's PDMP into a “qualified PDMP”<sup>8</sup>; assess how best to connect the HIE and the PDMP; determine the best strategy to facilitate integration through a PDMP hub; identify use cases and roles-based access requirements as it relates to PDMP data access; develop an auditing process that meets the needs of the PMDP manager (VDH), state law, federal</p>

- <sup>7</sup> Available at <https://www.healthit.gov/isa/>.

- <sup>8</sup> Under section 1944 of the Social Security Act, beginning October 1, 2021, states must have a qualified PDMP and must require that certain Medicaid providers check information about certain Medicaid beneficiaries’ prescription drug history in the qualified PDMP before prescribing controlled substances to the beneficiary.

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
the following areas: referrals, care plans, consent, privacy and security, data transport and encryption, notification, analytics and identity management.	law, and aligns with processes at the HIE; and support implementation of strategic design to achieve PDMP integration and interoperability.  The HIE Plan, currently being updated, sustains a commitment to standards and tracks current activity at the federal level including recent advancement of the Trusted Exchange Framework and Common Agreement (TEFCA) and the ongoing advancement of the Fast Healthcare Interoperability Resource (FHIR) standard.
<i>To assist states in their health IT efforts, CMS released <a href="#">SMDL #16-003</a> which outlines enhanced federal funding opportunities available to states “for state expenditures on activities to promote health information exchange (HIE) and encourage the adoption of certified Electronic Health Record (EHR) technology by certain Medicaid providers.” For more on the availability of this “HITECH funding,” please contact your CMS Regional Operations Group contact. <sup>9</sup>  Enhanced administrative match may also be available under MITA 3.0 to help states establish crisis call centers to connect beneficiaries with mental health treatment and to develop technologies to link mobile crisis units to beneficiaries coping with serious mental health conditions. States may also coordinate access to outreach, referral, and assessment services—for behavioral health care--through an established “No Wrong Door System.”<sup>10</sup></i>	
<b>Closed Loop Referrals and e-Referrals (Section 1)</b>	

- 
- <sup>9</sup> See SMDL #16-003, “Availability of HITECH Administrative Matching Funds to Help Professionals and Hospitals Eligible for Medicaid EHR Incentive Payments Connect to Other Medicaid Providers.” Available at <https://www.medicaid.gov/federal-policy-guidance/downloads/smd16003.pdf>.
  - <sup>10</sup> Guidance for Administrative Claiming through the “No Wrong Door System” is available at <https://www.medicaid.gov/medicaid/finance/admin-claiming/no-wrong-door/index.html>.

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
1.1 Closed loop referrals and e-referrals from physician/mental health provider to physician/mental health provider	<p><b>Current State:</b></p> <p>Closed loop referrals are not currently supported. However, there are current initiatives underway which relate to closed loop referrals and which will support such referrals when additional work (see “Summary of Actions Needed” below) is completed, including:</p> <ul style="list-style-type: none"><li>• Implementation of a care navigation tool to support care coordination for patients in the OneCare Vermont ACO (see discussion in 2.1 below). All entities involved in a patient’s care will have access to this tool which will serve as the mechanism for documenting referrals and the subsequent encounters from those referrals. In addition, near term tactics identified in a draft HIE Strategic Plan update include determining care coordination requirements, assessing current tools, and expanding adoption of the care coordination platform. Near term is considered to be the next 12-18 months;</li><li>• Vermont has a new opt-out consent policy for the sharing of electronic health information in the Vermont HIE (VHIE). Implementation planning for that policy is underway and the policy will become effective on March 1, 2020. Vermont anticipates that the percentage of people with records in the VHIE whose information can be shared with their providers will increase to approximately 95% once the consent policy is in place. Although e-referrals are not currently supported in the VHIE (see next bullet), having the data in the VHIE for most Vermonters will improve the effectiveness of e-referral functionality when it becomes available.</li></ul> <p>Vermont Care Partners is a statewide network of 16 State-designated, community-based agencies providing a comprehensive array of services and supports to people living with mental health conditions, substance use disorders, and intellectual and developmental disabilities. The network has approximately 32,000 clients and serves nearly 50,000 Vermonters. Nine agencies are in the process of undergoing a very robust process to implement electronic medical record (EMR)/care coordination platforms that will enable data driven practices and empower full participation in an integrated health care delivery system.</p> <p><b>Future State:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Expand existing Vermont HIT road map to include closed loop referrals and e-referral functionality.</p> <p><b>Summary of Actions Needed:</b></p> <p>An update to the Vermont HIE Strategic Plan includes a technology roadmap. The roadmap identifies care coordination and support for e-referrals as a near term tactic. Near term is considered the next 12-18 months.</p> <p>Closed loop referrals are components that will eventually be covered as part of the Collaborative Services project which encompasses Master Patient Index, Terminology Services, and a data integration engine designed to support sensitive data management to further establish the functionality of closed loop referrals. The work of collaborative services is represented in the technology roadmap for completion in the 3-5 year timeframe, though some components will be available in January 2021.</p> <p>Additional information:</p> <p>The HIT Roadmap (section 3.2.1.6, Care Coordination Tools) recommends tactical plan steps for the near term (12 -18 months). The State’s HIE Steering Committee will utilize a sub-committee or task force to assess, and potentially execute the following:</p> <ul style="list-style-type: none"> <li>• Define care coordination tool requirements,</li> <li>• Assess current tools in use against the requirements, and</li> <li>• Expand the adoption of care coordination tools.</li> </ul>
<p>1.2 Closed loop referrals and e-referrals from institution/hospital/clinic to physician/mental health provider</p>	<p><b>Current State:</b></p> <p>Vermont does not currently have closed loop referrals or e-referrals occurring between hospitals/clinics/intuitions and physician and mental health providers.</p> <p><b>Future State:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Expand existing Vermont HIT roadmap to include closed loop referrals and e-referral functionality.</p> <p><b>Summary of Actions Needed:</b></p> <p>See responses to 1.1 above. Within the OneCare Vermont ACO, providers and hospitals have access to the CareNavigator tool (see discussion in 2.1 below). The adoption of new EHR technology by Designated Agencies (as described above) will facilitate their participation in the Care Coordination platform. Completion dates for new EHR systems in the Designated Agencies are tentatively scheduled for August 2020.</p> <p>The foundational elements necessary for closed loop referrals are part of the State’s Collaborative Services project which includes the deployment of a centralized Master Patient Index, Terminology Services, and a data integration engine, designed to support sensitive data management. These elements coupled with the Designated Agency EMR project will further establish the technical functionalities necessary for closed loop referrals. The work of collaborative services is represented in the technical roadmap for 3-5 year investment.</p> <p>See the Summary of Actions needed in section 1.1 above for a description of the tactical plan steps that will be undertaken by the HIE Steering Committee in the near term (12-18 month) period.</p>
1.3 Closed loop referrals and e-referrals from physician/mental health provider to community based supports	<p><b>Current State:</b></p> <p>Vermont does not currently have closed loop referrals or e-referrals occurring between and physician and mental health providers to community-based supports.</p> <p><b>Future State:</b></p> <p>Expand existing Vermont HIT road map to include closed loop referrals and e-referral functionality.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p><b>Summary of Actions Needed:</b></p> <p>See responses to 1.1 and 1.2 above. In addition, the HIE Technology Roadmap portion of the HIE Strategic Plan update identifies the importance of social determinants of health (SDOH), which are typically in the domain of community-based supports. A key objective in the roadmap is to develop tools and methods to collect, aggregate, and share SDOH data. Workflows associated with such tools and methods would involve community-based organizations and achieving this key objective would be the basis for supporting closed loop referrals to community-based supports. The Roadmap identifies SDOH-related tactics to be pursued in the near term, with a time frame of 12-18 months.</p>
<b>Electronic Care Plans and Medical Records (Section 2)</b>	
2.1 The state and its providers can create and use an electronic care plan	<p><b>Current State:</b></p> <p>To achieve the vision of a Complex Care Coordination model, in 2017-2018, OneCare Vermont deployed Care Navigator as a tool for organizations implementing community-based care coordination. The tool acts as a collaboration, communication, and engagement solution designed to deliver scalable care coordination recognizing ACO attribution, geography, and accessibility. A major component of Care Navigator is an electronic shared care plan which is used to facilitate communication among cross-organizational multi-disciplinary care teams for high and very high risk individuals.</p> <p>In addition, Care Navigator and WorkBench One work in concert to support clinical care and enable patient engagement and care coordination. For example, care coordination data, such as goals and barriers to care, are fed from OneCare’s Care Navigator software tool into WorkBenchOne where the data are combined with utilization, cost, and quality data to create a comprehensive view of the impact of the complex care coordination program across care-settings. These outputs are then used to identify care gaps, drive clinical insights, and identify variations in engagement and care across organizations and communities. The advanced analytics tools can be accessed by care team members, providers, and clinical governance committees to</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>drive reform efforts, including refinements to advance the ACO’s clinical model, quality foci, and payment models designed to drive clinical improvements (e.g. complex care coordination payment model).</p> <p>Under HITECH IAPD version 3.3, approved February 21, 2019, funding was distributed to OneCare Vermont to support the development and use of the care coordination tool for Medicaid providers participating in Vermont’s All-Payer Model. As originally planned, the development and implementation of these tools continued in CY19.</p> <p><b>Future State:</b></p> <p>In the current annual IAPD update submitted to CMS, DVHA is seeking continued and expanded HITECH funding to support Vermont Medicaid Next Generation ACO-participating providers in exchanging health information, coordinating care, and utilizing trusted data sources to support clinical decision making related to priority health areas. The developments of OneCare’s systems are also aimed at engaging patients in their care</p> <p><b>Summary of Actions Needed:</b></p> <p>Work to expand support to Vermont Medicaid Next Generation ACO -participating providers in exchanging health information, coordinating care, and utilizing trusted data sources to support clinical decision making related to priority health areas. The state’s contracts with the ACO run on a calendar year and there is an anticipated funding need for HIT activities in CY20 and CY21.</p> <p>Additional information:</p> <p>In the HIT Roadmap, leveraging SDOH Data is a key objective with the intent to develop tools and methods to collect, aggregate, and share SDOH data. To accomplish this, the exchange service of data extraction and</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>aggregation must be further developed. Eight planning tactical steps, responsible entities and timelines have been identified:</p> <ul style="list-style-type: none"><li>• Review state data on SDOH: Review state data repositories (from AHS, AOE, others) to determine potential reuse as SDOH data.<ul style="list-style-type: none"><li>○ HIE Steering Committee</li><li>○ Agency of Digital Services</li><li>○ Agency of Human Services</li><li>○ Near term (12-18 months)</li></ul></li><li>• Review VHIE SDOH data: Review and identify where SDOH information is captured in the VHIE today.<ul style="list-style-type: none"><li>○ HIE Steering Committee</li><li>○ VITL(Vermont Information Technology Leaders)</li><li>○ Near term (12-18 months)</li></ul></li><li>• Align VHIE SDOH with national standards: Assess the alignment of VHIE SDOH information with emerging standards including an HL7 FHIR SDOH implementation guide and the ICD-10 Z-codes.<ul style="list-style-type: none"><li>○ HIE Steering Committee</li><li>○ VITL</li><li>○ Near term (12-18 months)</li></ul></li><li>• Map and align state agency data to data standards: Explore mapping state agency data to healthcare standards and promoting alignment where mapping is problematic.<ul style="list-style-type: none"><li>○ HIE Steering Committee</li><li>○ Agency of Digital Services</li><li>○ Agency of Human Services</li><li>○ Mid-term (18-36 months)</li></ul></li><li>• Monitor standards for capture of SDOH at point of care: Stay current with studies/pilots on capture of SDOH at point of care.<ul style="list-style-type: none"><li>○ VITL</li><li>○ Near term (12-18 months)</li></ul></li></ul>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<ul style="list-style-type: none"> <li>• Pilot integration of AHS data into VHIE and Care Management Tools: Design pilot to study the impact of integration of state repository data into ACO Care Management Tools.               <ul style="list-style-type: none"> <li>○ VITL</li> <li>○ VHIE Participants</li> <li>○ Agency of Digital Services</li> <li>○ Agency of Human Services</li> <li>○ Mid-term (18-36 months)</li> </ul> </li> <li>• Explore document management services: Explore options and value propositions for increasing access to provider-generated notes, including existing capabilities to share, store and reference documents.               <ul style="list-style-type: none"> <li>○ HIE Steering Committee</li> <li>○ VITL</li> <li>○ VHIE Stakeholders</li> <li>○ Near term (12-18 months)</li> </ul> </li> <li>• Develop RFP for statewide clinical repository: Work with engaged repository stakeholders to develop an RFP targeting statewide repository solutions.               <ul style="list-style-type: none"> <li>○ HIE Steering Committee</li> <li>○ Department of Vermont Health Access</li> <li>○ Agency of Digital Services</li> <li>○ VITL</li> <li>○ Near term (12-18 months)</li> </ul> </li> </ul>
<p>2.2 E-plans of care are interoperable and accessible by all relevant members of the care team, including mental health providers</p>	<p><b>Current State:</b></p> <p>Participating IMD facility treatment plans are interoperable and accessible by all relevant members of the care team because they are accessed and contributed to by multiple clinical staff members while in draft form in the shared drive. Plans are then refined, printed, signed and scanned into the patient’s electronic medical record. Hard copies remain on the units. Care plans in the patient’s electronic medical record can be shared with other providers outside the IMD via fax or Direct Secure Messaging.</p> <p><b>Future State:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>See responses to item 1 topics above for additional background. The HIT Roadmap provides an analysis of current functionality and future needs across multiple provider types, including mental health providers. Multiple tactics for achieving interoperability and the sharing of health information, including care plans, are identified across Vermont’s three-tier architecture of foundational services, exchange services, and end-user services. Sharing care plans is considered an end-user service supported by foundational services such as identity management and provider directory and exchange services such as interoperability. The HIT Roadmap includes a commitment to standards that support interoperability and alignment with federal initiatives such as TEFCA and the expansion of the FHIR data exchange standard. Enabling this architecture through standards supporting interoperability will ultimately expand the capacity to share care plans across disparate systems.</p> <p>Additionally, the new opt-out consent policy (see response to section 1.1 above) will support the sharing of care plan information in the VHIE. Vermont anticipates that once the opt-out policy is implemented in March of 2020 that 95% of Vermonters’ health information will be available for treating providers to access via Vermont’s HIE.</p> <p><b>Summary of Actions Needed:</b></p> <ul style="list-style-type: none"> <li>• Implement the new opt-out consent policy March 1, 2020 (Owner: HIE Steering Committee and Consent Implementation Team)</li> <li>• Continue consent planning for sensitive information and information related to 42CFR Part 2 providers – near term 12-18 months (Owner: HIE Steering Committee and Consent Implementation Team)</li> </ul>
<p>2.3 Medical records transition from youth-oriented systems of care to the adult behavioral health system through electronic communications</p>	<p><b>Current State:</b></p> <p>Vermont does not currently meet this HIT milestone.</p> <hr/> <p><b>Future State:</b></p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Expand existing Vermont HIT Roadmap to include functionality that provides for medical records to transition from youth-oriented systems of care to the adult behavioral health system through electronic communications.</p> <p><b>Summary of Actions Needed:</b></p> <p>Medical records transition from one setting to another can be accommodated through the VHIE if the two settings have such a connection. Alternatively, Direct Secure Messaging can be employed, but Direct Secure Messaging may not satisfy a need to transition structured data into the target medical record system. It is important to note that Vermont’s HIE strategies are focused on connecting the entire system of care and ensuring that appropriate, treating providers have access to a patient’s health data to support the provision of high-quality care. While the state is dedicated to addressing specific data exchange issues, such as sharing of SUD and mental health data, it also understands that sharing across the health care system is essential as patients are people with changing lives and needs, who are not necessarily defined by the type of care or the institution that serves them at one point in time.</p> <p>Additional information:</p> <p>Several elements of the HIT Roadmap address different aspects of the solution called for in 2.3, including notification services, EHR integration, care coordination tools (see discussion in 1.1 above), data extraction and aggregation, interoperability, identity management, and consent management. The HIE Steering Committee has overall responsibility for the planning work associated with each of these topics, with other entities sharing responsibility in different combinations depending on the topic. In all instances the planning work is near term (12-18 months).</p>
2.4 Electronic care plans transition from youth-oriented systems of care to the adult	<p><b>Current State:</b></p> <p>Vermont does not currently meet this HIT milestone.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
behavioral health system through electronic communications	<b>Future State:</b> Expand existing Vermont HIT Roadmap to include functionality that provides for the transitioning of electronic care plans from youth-oriented systems of care to the adult behavioral health system through electronic communications.
	<b>Summary of Actions Needed:</b> See summary of action needed in item 2.5 below. These comments also apply to planning for the transitioning of electronic care plans from youth-oriented systems of care to the adult behavioral health system through electronic communication.
2.5 Transitions of care and other community supports are accessed and supported through electronic communications	<b>Current State:</b> For electronic communications for transitions of care to community providers, Medical records departments scan and fax clinical information to community providers. Direct access to the electronic medical record is restricted almost exclusively to internal employees at each facilities. Prescribers have the ability to prescribe electronically to remote pharmacies during the patient discharge process.
	<b>Future State:</b> Expand HIT Roadmap to ensure alignment across facilities. The HIE Technical Roadmap supports further development of notifications, and the utilization of notification services throughout the HIE network in Vermont. The HIE received IAPD funds to support this work through 2021.
	<b>Summary of Actions Needed:</b> The HIE Technical Roadmap includes planning for improvements in notification services. In particular, transitions of care can be supported by ADT (Admit, Discharge, Transfer) notifications and care summaries and medication lists can be made available in the VITL Access portal. There are financial barriers to accessing the provider portal and this may be a burden to community support organizations. Vermont's HIE

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>has traditionally offered services through Patient Ping, an event notification system. Planning to expand technical solutions for notifications is a near term (12-18 month) activity in the roadmap.</p> <p>Additional information:</p> <p>See the additional comments in the Summary of Actions Needed in item 2.3 above, including comments on responsibility and time frames. Those comments apply to item 2.5 as well.</p>
<b>Consent - E-Consent (42 CFR Part 2/HIPAA) (Section 3)</b>	
<p>3.1 Individual consent is electronically captured and accessible to patients and all members of the care team, as applicable, to ensure seamless sharing of sensitive health care information to all relevant parties consistent with applicable law and regulations (e.g., HIPAA, 42 CFR part 2 and state laws)</p>	<p><b>Current State:</b></p> <p>The VHIE currently captures health information regulated under HIPAA. Several existing workflows provided by VITL for HIPAA covered health care data are:</p> <ul style="list-style-type: none"><li>• NVRH HL7 Consent Process,</li><li>• UVMMC HL7 Consent Process,</li><li>• All HL7 General Consent Setting Process,</li><li>• All VHIE for patient search, including “breaking the glass”,</li><li>• Meditech Expanse – External Application,</li><li>• VCCI Query Process,</li><li>• Setting VITLAccess Consent Process, and</li><li>• Changing Existing VITLAccess Consent Process.</li></ul> <p>VITL currently cannot segregate 42 CFR Part 2 data and thus restricts data flow so that it does not include 42 CFR Part 2 provider data into the VHIE. VITL does not currently receive information or collect consent from designated 42 CFR Part 2 programs. Note: the Collaborative Services Project is on track to put in place the foundational tools necessary to segregate SUD data from the broader health care data set in 2020.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Further, the current consent policy in Vermont is opt-in, but will change on March 1, 2020 to opt-out. The understanding is that 42 CFR Part 2 consent will remain opt-in and granular consent will be necessary. In CY20, VITL will develop procedures, use cases and workflows to protect and allow access to this sensitive data. See additional comments in the “Summary of Actions Needed” section below.</p> <p>Pilot projects conducted under the ONC’s Data Segmentation for Privacy Initiative (DS4P) have illustrated ways that the 42 CFR Part 2 prohibition on re-disclosure notice can be transmitted, along with health information, when a patient has consented to its disclosure. For an example, an individual may view a 5-minute video Web Site Disclaimers or 14-minute video Web Site Disclaimers of the U.S. Department of Veterans Affairs (VA)/Substance Abuse and Mental Health Services Administration (SAMHSA) demonstration project.</p> <p><b>Future State:</b></p> <p>Utilize above workflows to inform the future state process. Additional activities include:</p> <ul style="list-style-type: none"><li>• Aggregating steps in HL7 ALL and facility specific HL7 diagrams,</li><li>• Utilizing and restructuring the VHIE internal process after policy options are made; and</li><li>• Utilizing Vermont Chronic Care Initiative (VCCI)<sup>11</sup> diagrams to create a template that will inform other parties of a patient’s consent choice.</li></ul> <p><b>Summary of Actions Needed:</b></p>

---

– <sup>11</sup> VCCI is an integrated model of case management supports and services provided by a staff of nurses, licensed and unlicensed social workers and substance abuse professionals with clinical, mental health, and substance abuse experience and education. A major objective of the case managers is to help a member stabilize.

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Begin to build future state use case/workflow diagrams based on process options. Also consider developing and providing guidance materials to providers/health care facilities on best practice workflows. Additional activities include:</p> <ul style="list-style-type: none"><li>• A new opt-out consent policy goes into effect in March 2020 and there will be mechanisms established in the VHIE to ensure that a patient’s consent to share information in the VHIE is known and maintained. When a query is made for sensitive data, and the provider has a treating relationship with the patient, consent will still be verified before any information is shared.</li><li>• The opt-out consent policy will initially be implemented as an all-in or all-out choice. The HIE Technology Roadmap identifies an activity to determine how to manage sensitive information, including information associated with 42 CFR Part 2 providers, so that selective consent choices can be made for sensitive information. This is a near term planning activity with a 12-18 month timeline.</li><li>• The HIE Steering Committee and the Consent Implementation Team are responsible for planning and implementing the consent policy in the time frames identified here.</li></ul>
<b>Interoperability in Assessment Data (Section 4)</b>	
4.1 Intake, assessment and screening tools are part of a structured data capture process so that this information is interoperable with the rest of the HIT ecosystem	<p><b>Current State:</b></p> <p>Intake: The Electronic Health Record (EHR) software application “Evident” or “Thrive” by CPSI includes a registration module where patient intake information is input by admissions staff. Any information known about the patient, such as name, personal information, address, condition, family, and insurance is entered into the system.</p> <p>Intake/assessment: The admitting doctor fills out an admissions template in the physicians’ side of the EHR software (“Thrive UX”). The medical director requests changes to the admissions template as needed, such as compliance with Joint Commission requirements. Point of care (POC, nursing) also has their own documentation for an initial assessment via a flowsheet.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>All clinical staff have ways to continue documenting their patient assessments in the EHR during the patients’ stays and upon discharge. Doctors and social workers have a selection of templates to guide their input into patient care issues in the Thrive UX application. This can include progress notes, medical consults, certificates of need for involuntary procedures, discharge, etc. Nursing staff, dietary staff, and recovery staff may document in the Thrive POC application via flowsheets (nursing) and e-forms (nursing, dietary, recovery). However, while doctors/social workers in Thrive UX may view Thrive POC documentation and nursing/dietary/recovery staff in Thrive POC may view the Thrive UX documentation, there is no cross-platform interactivity.</p> <p><b>Future State:</b></p> <p>Integrate tools into part of a structured data capture process so that this information is interoperable with the rest of the HIT ecosystem.</p> <p><b>Summary of Actions Needed:</b></p> <p>This is currently under assessment. Implementation would follow based on the assessment study and analysis.</p>
<b>Electronic Office Visits – Telehealth (Section 5)</b>	
5.1 Telehealth technologies support collaborative care by facilitating broader availability of integrated mental health care and primary care	<p><b>Current State:</b></p> <p>The mental health care system in Vermont is a public-private collaboration between DMH and regional Designated Agencies. A unified electronic health record or case/care management system between state and private partners has not been established. Each entity of the system of care uses proprietary applications to coordinate and manage a client/patient’s care.</p> <p>The EHR for DMH has telehealth capability. Therapeutic and counselling services for individuals in the custody of DMH are provided on-site. Psychiatric specialists (DMH and Designated Agencies) also interview</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>and assess their patients on-site. If a patient is to be discharged and referred to a Designated Agency, coordination and transition is done by telephone. Telehealth services are used through an independent application to consult non-psychiatric specialists (internal medicine, neurology, endocrinology, podiatry, etc.) and interact with the legal/justice system.</p> <p><b>Future State:</b></p> <p>Broader use of telehealth technologies leading to improved statewide mental health and primary care access.</p> <p><b>Summary of Actions Needed:</b></p> <p>VITL provides HIE services to the State. Those services include data extraction and access to/from providers for continuity of care, and data aggregation for population health and analytics. Currently, no sensitive data (including mental health data) is part of VITL’s scope of work due to technical limitations. However, the state &amp; VITL are currently planning to expand VT HIE services to include 42 CFR part 2 data that will cover mental health data exchange and aggregation allowing care coordination and collaboration. Planning and policy creation for this effort will start in 2020.</p> <p>A new identity management solution currently in development will ensure the correct association of sensitive data to a patient, and will help to ensure the proper patient match when a patient’s provider seeks to access the information – part of services being implemented in January 2021.</p> <p>A new opt-out consent policy goes into effect in March 2020 and there will be mechanisms established in the VHIE to ensure that a patient’s consent to share information in the VHIE is known and maintained. When a query is made for sensitive data, and the provider has a treating relationship with the patient, consent will still be verified before any information is shared. The opt-out consent policy will initially be implemented as an all-in or all-out choice. The HIE Technology Roadmap identifies an activity to determine how to manage</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>sensitive information, including information associated with 42 CFR Part 2 providers, so that selective consent choices can be made for sensitive information.</p> <p>The consent policy implementation is the responsibility of the HIE Steering Committee and the consent policy implementation team. The identity management solution is being implemented by VITL.</p>
<b>Alerting/Analytics (Section 6)</b>	
6.1 The state can identify patients that are at risk for discontinuing engagement in their treatment, or have stopped engagement in their treatment, and can notify their care teams in order to ensure treatment continues or resumes (Note: research shows that 50% of patients stop engaging after 6 months of treatment <sup>12</sup> )	<b>Current State:</b> Vermont does not currently meet this HIT milestone.
	<b>Future State:</b> Expand existing Vermont HIT Roadmap to include functionality that identifies patients that are at risk for discontinuing engagement in their treatment, or have stopped engagement in their treatment, and can notify their care teams in order to ensure treatment continues or resumes. OneCare Vermont is working with AHS to obtain SDOH data to inform risk stratification for patients identified as potentially at-risk. SDOH data will inform care teams of related risk factors..
	<b>Summary of Actions Needed:</b> A key objective in the HIT Roadmap is to share appropriate information with a patient’s care team to support care management and care coordination. Related to this objective is a near term activity of identifying and evaluating care coordination tools. Functionality described here in section 6.1 requires analysis of data in care

---

- <sup>12</sup> Interdepartmental Serious Mental Illness Coordinating Committee. (2017). *The Way Forward: Federal Action for a System That Works for All People Living With SMI and SED and Their Families and Caregivers*. Retrieved from [https://www.samhsa.gov/sites/default/files/programs\\_campaigns/ismicc\\_2017\\_report\\_to\\_congress.pdf](https://www.samhsa.gov/sites/default/files/programs_campaigns/ismicc_2017_report_to_congress.pdf)

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>coordination tools to determine when to generate a notification of a patient at risk, based on rules that may have to be added to the tools.</p> <p>For Designated Agencies who may be acquiring new EHRs or adding functions to existing EHRs there may be an opportunity to include a notification solution as indicated here in section 6.1. VCCI, a component of Vermont Medicaid, has recently launched a new initiative whereby staff reach out to new Medicaid beneficiaries to ensure they understand their benefits and link them with a primary care home.</p> <p>In summary, the possible steps described here are planning considerations to be determined in the near-term timeframe of 12-18 months.</p> <p>The HIE Steering Committee is responsible for ensuring near term planning activities.</p>
6.2 Health IT is being used to advance the care coordination workflow for patients experiencing their first episode of psychosis	<p><b>Current State:</b></p> <p>Vermont does not currently meet this HIT milestone.</p>
	<p><b>Future State:</b></p> <p>Expand existing Vermont HIT Roadmap to ensure that Health IT is being used to advance the care coordination workflow for patients experiencing their first episode of psychosis. The primary barrier to be addressed is access to necessary health information to ensure timely and appropriate care coordination actions. Access to the information requires a technical solution to query and view the necessary information and obtaining consent to view the information across all providers involved in the patient’s care.</p>
	<p><b>Summary of Actions Needed:</b></p> <p>See response to item 6.1 above. The same planning activities that will consider care coordination in the context of notifications can include planning for advancing care coordination workflow for patients experiencing their first episode of psychosis. This is an identified near term, 12-18-month, activity.</p>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
<b>Identity Management (Section 7)</b>	
7.1 As appropriate and needed, the care team has the ability to tag or link a child's electronic medical records with their respective parent/caretaker medical records	<b>Current State:</b> Vermont does not currently meet this HIT milestone.
	<b>Future State:</b> Expand existing Vermont HIT Roadmap to include functionality for the care team to tag or link a child's electronic medical records with their respective parent/caretaker medical records.
	<b>Summary of Actions Needed:</b> The VHIE has an active project to implement a new identity management system which will establish a universal identity key for each person with records in the VHIE. That functionality will be active in January 2021. However, relating one individual's universal identity key with another's introduces another level of complexity, which is not currently anticipated. Records can be tagged by adding parental or caretaker relationship information as demographic data in the health record, which can then be queried by field name. In addition to implementing new identity management tools, the state will determine the feasibility of using existing fields in EHR records to tag relationships. This can be incorporated into current planning activities for identity management (including a patient relationship directory) in the roadmap's tactical plan, as a near term action (12-18 months).
7.2 Electronic medical records capture all episodes of care, and are linked to the correct patient	<b>Current State:</b> All participating SMI IMD facilities maintain electronic records that capture all episodes of care at their facilities and are linked to the correct patient. Other providers who have seen or will see the patient capture episodes of care in their own systems. EHR systems have functionality to identify the patients with records in individual EHR systems.
	<b>Future State:</b>

**Attachment L**

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

Prompts	Summary
	<p>Maintain current EMR functionality as described in the current state. As new identity management tools become available through the VHIE, match patients to ensure that patient records in different EHR systems are correctly associated with the same individual. Until such time as sensitive data is captured in a repository and consent to share sensitive information is resolved by both policy and technology, the sharing of information will occur through requests from facility to facility. Information requests can be satisfied through fax or attachments to Direct Secure Messages.</p> <p><b>Summary of Actions Needed:</b></p> <p>Participate in requirements and planning for the new identity management solution. Begin utilizing the new identity management functionality to match patients when the tools are available in January 2021.</p>

Attachment L

Medicaid Section 1115 SMI/SED Demonstration Implementation Plan

Vermont 11-W-00194/1

December 5, 2019

Submitted on 11-22-2019

---

### **Section 3: Relevant documents**

***Please provide any additional documentation or information that the state deems relevant to successful execution of the implementation plan. This information is not meant as a substitute for the information provided in response to the prompts outlined in Section 2. Instead, material submitted as attachments should support those responses.***

**ATTACHMENT M**  
**SUD Monitoring Protocol**  
**[RESERVED]**

**ATTACHMENT N**  
**SMI/SED Monitoring Protocol**  
**[RESERVED]**

**ATTACHMENT O**  
**Approved Evaluation Design**  
**[RESERVED]**

**ATTACHMENT P**  
**Caregiver Reimbursement Protocol**  
**[RESERVED]**

Attachment Q  
Submitted: December 17, 2021  
Approval: Pending

**ATTACHMENT Q**  
**HCBS Conflict of Interest Corrective Action Plan**  
**[RESERVED]**

**ATTACHMENT R  
Investment Framework**

The demonstration provides authority for expenditures within the annual limits specified in STC 11.4 for public health, health care, and health-related investments. Advancing health equity and addressing health disparities is a core principle of these investments. Consistent with STC 11.1, the Investment Framework below outlines the investment categories, examples of the types of investments that will be allowed in each category, example metrics to assess improvements in health outcomes and equity, and any specific constraints beyond those identified in STC 11.5. The state may spend up to the amounts listed in STC 11.4 on approved investments during each DY, and investment amounts may be rolled over from DY to DY during this demonstration period. The state must also meet the monitoring and evaluation requirements in STC 11.8

<b>Investment Goals/Purpose</b>	<b>Example Investment Types</b>	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
Reduce the rate of uninsured and/or underinsured in Vermont	<ol style="list-style-type: none"> <li>1. The delivery of 1905(a) benefits to underinsured and uninsured Vermonters, such as dental services, case management, or family planning services.</li> <li>2. Programs to promote enrollment in health care plans by Vermonters, such as development of enrollment toolkits for community partners, plan comparison tools, enrollment assister support, and health insurance literacy, so long as demonstration funding does not supplant other federal or state funding available for this purpose.</li> <li>3. Specialized wraparound benefits for uninsured or underinsured populations with significant needs, comparable to benefits available through the Community Rehabilitation and Treatment (CRT)</li> </ol>	<ul style="list-style-type: none"> <li>• Number of new Medicaid enrollees by race, ethnicity, and county</li> <li>• Number of community partners hosting enrollment events</li> <li>• Metrics will vary based on benefits delivered, but examples may include:                         <ul style="list-style-type: none"> <li>○ Number of adults served in designated agency adult outpatient programs</li> <li>○ Percentage of individuals receiving non-emergency services within seven days of emergency services</li> <li>○ Number of children receiving dental services</li> </ul> </li> </ul>

Investment Goals/Purpose	Example Investment Types	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
	and Community Intervention and Treatment (CIT) programs.	
<p>Increase the access to quality health care by low income, uninsured, underinsured individuals and Medicaid beneficiaries in Vermont</p>	<ol style="list-style-type: none"> <li>1. Workforce development trainings to promote linguistically and culturally appropriate, trauma-informed and disability-competent care.</li> <li>2. Initiatives to improve the integration of physical and mental health and SUD treatment needs at the provider level, such as technical assistance to providers implementing the Collaborative Care model or capacity building funds for providers establishing co-located practice settings.</li> <li>3. Mobile health care clinics or home visitations by health care providers.</li> <li>4. Non-emergency health-related transportation.</li> <li>5. Care management and care transitions programs for low-income, underinsured, and uninsured Vermonters.</li> <li>6. Support services to address the root causes of homelessness, such as interpersonal violence support resources and linkage to legal assistance, consistent with 1915(c) and 1915 (i) services.</li> <li>7. Alternative pain management treatments, such as massage, yoga, or acupuncture.</li> <li>8. Health care workforce capacity building initiatives, including recruitment and retention incentives and initiatives targeted toward increasing representation</li> </ol>	<ul style="list-style-type: none"> <li>• Number of workforce development trainings conducted that promote linguistically and culturally appropriate, trauma-informed and disability-competent care</li> <li>• Number of providers implementing integrated care models</li> <li>• Number of individuals receiving care through integrated care models</li> <li>• Number of adults provided case management services by adult outpatient programs</li> <li>• Percentage of individuals readmitted to hospitals</li> <li>• Percentage of individuals who report an improved quality of life</li> <li>• Percentage of individuals who are followed up with after discharge from emergency department for mental health</li> <li>• Percentage of individuals who are followed up with after discharge from emergency department for alcohol and other drug dependence</li> </ul>

Investment Goals/Purpose	Example Investment Types	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
	of members of historically marginalized populations in the workforce.	
Provide public health approaches, investments in social determinants of health, and other innovative programs that benefit low-income, uninsured, underinsured individuals and Medicaid beneficiaries in Vermont	9. Initiatives to promote awareness of maternal health-related care needs in the community and improved outcomes in maternal/child health, such as implementing the Parents as Teachers program. 10. Nurse-partnership programs, such as visiting nurse programs. 11. Initiatives to promote vaccinations, e.g. vaccination drives. 12. Self-management and tobacco cessation initiatives. 13. Building capacity in community-based organizations to interface with traditional health care providers, such as by providing training to community-based organizations on Vermont’s health care system and providing technical assistance to community-based organizations on facilitating data sharing with traditional health care providers. 14. Repairs or remediation for issues such as mold or pest infestation. 15. Assistance with connecting the enrollee to expert community resources to address legal issues impacting housing or interpersonal violence related issues. 16. Targeted nutritious food or meal delivery services for individuals with medical or medically-related special dietary needs.	<ul style="list-style-type: none"> <li>● Percentage of children with high blood lead levels who have received either a phone call or a home visit</li> <li>● Percentage of deliveries that received a prenatal care visit in the first trimester or within 42 days of enrollment in the organization</li> <li>● Percentage of Vermonters who have optimal levels of fluoride in their drinking water</li> <li>● Percentage of children in Vermont who are up to date on childhood immunizations</li> <li>● Percentage of Vermonters who were screened for health-related social needs</li> <li>● Among those screened for health-related social needs, percentage of positive screens by health-related social need (e.g., food insecurity, housing insecurity, etc.)</li> <li>● Improvement in social risk factors (e.g., food insecurity, housing insecurity, etc.)</li> <li>● Percentage of Vermonters who have received tobacco screening</li> </ul>

Investment Goals/Purpose	Example Investment Types	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
	17. Contingency management 18. Innovative care models and care transitions initiatives for justice-involved populations and initiatives to prevent recidivism. 19. Community crisis support and capacity, including, but not limited to, hotlines, mobile crisis, and psychiatric urgent care. 20. Lead and other environmental health remediation. 21. Water fluoridization 22. Early detection and screening programs for mental health conditions and substance use disorders. 23. Screening for unmet social needs. 24. Parenting support programs and health-related services and supports to promote family togetherness, such as the Parents as Teachers program, the Nurse-Family Partnership, or Maternal Early Childhood Sustained Home-Visiting program. 25. Weatherization activities that remediate the hazardous environmental conditions that cause or are associated with negative health outcomes, including low indoor air quality, poor movement of heat and moisture, radon, and other environmental toxins.	<ul style="list-style-type: none"> <li>• Number of Vermonters screened using the SBIRT, PQ-2, and other mental health or substance use screening tools</li> <li>• Percentage of justice-involved individuals remaining crime-free while in a program</li> </ul>
Implement initiatives to increase transformation to value-based and integrated models of care	26. Technical assistance to select providers to prepare them for alternative payment methodologies (APM) following the Healthcare Partnership Learning Action Network (HCP-LAN) criteria.	<ul style="list-style-type: none"> <li>• Number of providers implementing alternative care delivery models</li> <li>• Number of providers that pilot new APMs</li> </ul>

Investment Goals/Purpose	Example Investment Types	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
	<p>27. Technical assistance to select providers for designing and implementing alternative care delivery models.</p> <p>28. Incentives to providers that engage in delivery system reform, value-based payment, and/or APM</p> <p>29. Systems enhancement for APM readiness, such as for providers to upgrade their population health management and analytics tools, where not duplicating other federal/state/private funding.</p> <p>30. Technical assistance for select providers for organization-wide adoption of financial models and business practices, such as identifying challenges and opportunities of transitioning to value-based purchasing models, developing models for financial forecasting and developing workflows and data systems to collect quality measures.</p> <p>31. Technical assistance for select providers for performance evaluation and management, including technical assistance on improving data quality and reporting performance measures.</p> <p>32. Support for the following Blueprint for Health initiatives: practice participation in the State’s patient-centered medical home (PCMH) initiative; implementation of local community health teams; implementation of Vermont’s care coordination models; quality improvement for PCMHs; and self-management programming.</p>	<ul style="list-style-type: none"> <li>● Number of providers receiving technical assistance on designing and implementing alternative care delivery models or performance evaluation and management</li> <li>● Number of providers earning quality incentives for delivery system reform initiatives</li> <li>● Percentage of children and adolescents ages 3-21 with a well-care visit</li> <li>● Percentage of individuals with hypertension whose blood pressure is under control</li> <li>● Percentage of children with a developmental screening in the first three years of life</li> <li>● Percentage of individuals with diabetes whose HbA1c is poorly controlled</li> <li>● Percentage of individuals who have been screened for chlamydia</li> </ul>

Investment Goals/Purpose	Example Investment Types	<b>Example Measures of Health Outcomes and Equity</b> <i>Measures will be stratified by race, ethnicity, disability, and rural status to the extent feasible and relevant</i>
<p>Provide home and community-based services and supports necessary to increase community living for individuals in Vermont at risk of needing facility-based care</p>	<p>33. The delivery of 1915(c) and 1915(i) services to vulnerable Vermonters who meet the 1915(c) or 1915(i) criteria.</p> <p>34. The delivery of innovative care models to vulnerable Vermonters who need or are at risk of needing institutional care who are not currently eligible for Medicaid to prevent their condition from worsening to the extent that they become Medicaid eligible.</p> <p>35. Programs that support family caregivers, such as training for caregivers (e.g., topics may include treatment regimens, use of equipment, stress management, coping strategies).</p> <p>36. Programs that promote health and wellness such as preventive healthcare and chronic disease self-management programs designed for people with HCBS, mental health and SUD treatment needs (e.g., HealthMatters program, <a href="#">nutrition and exercise programs for people with intellectual disabilities</a>, and the <a href="#">Living Well with a Disability program</a>).</p>	<ul style="list-style-type: none"> <li>• Employment rate among people participating in an investment</li> <li>• Percentage of people who report they are able to stay safely at home because of an investment</li> <li>• Number of people with improved functional ability through assistive technology or training in daily living skills</li> <li>• Number of family caregivers participating in training programs</li> <li>• Percentage of long-term institutional facility stays that result in successful transitions to the community</li> <li>• Number of hours per week of physical activity among people participating in health and wellness programs</li> </ul>

**ATTACHMENT S**  
**New Investment Application Template**

For each new investment, the state must submit the following information to CMS as described in STC 11.6.

<b>Date</b>	
<b>Investment Title</b>	
<b>Estimated Amount</b>	
<b>Time Period</b>	
<b>Department</b>	
<b>Category</b>	
<b>Project Objective, Targeted Outcomes, and Impact to Health Equity</b>	
<b>Project Description</b>	
This must include descriptions of specific terms associated with eligibility, benefits and services, and how the state intends to operationalize the program (e.g., population served, provider types, provider qualifications, methodology for incentive payments)	
<b>How does the state ensure there is no duplication of federal funding?</b>	
<b>Source of non-federal share</b>	
<b>How does the state ensure that the investment does not include any activities listed in STC 11.6 (Investment Approval Process)?</b>	
The state assures that in reporting cost, the state and providers must adhere to 45 CFR §75 Uniform Administration Requirements, Cost Principles, and Audit Requirements for Health and Human Services (HHS) Awards and 42 CFR §413 Principles of Reasonable Cost Reimbursement. Pursuant to 45 CFR §75.302(a) the state must have proper fiscal control and accounting procedures in place to permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of applicable statutes. Costs must be supported by adequate source documentation.	

## **ATTACHMENT T**

### **Community Rehabilitation and Treatment Needs and Risk-Based Eligibility Criteria**

Attachment T includes the Community Rehabilitation and Treatment (CRT) program needs and risk-based eligibility criteria. CRT service descriptions and provider qualifications are available in Attachment F.

#### **CRT Eligibility:**

CRT eligibility requires significant functional limitations, resulting from a severe, persistent mental illness that has not responded to less intensive treatment. The minimum criteria for entry into CRT is less stringent than institutional level of care.

#### **Target Criteria:**

CRT eligibility targets adults age 18 or over with a primary DSM-V diagnosis of at least one of the following:

- Schizophrenia
- Schizophreniform disorder
- Schizoaffective disorder
- Delusional disorder
- Unspecified schizophrenia spectrum and other psychotic disorders
- Major depressive disorder
- Bipolar I disorder
- Bipolar II disorder, and other specified bipolar and related disorders
- Panic disorder
- Agoraphobia
- Obsessive-compulsive disorder, including hoarding disorder, other specified obsessive-compulsive and related disorders, and unspecified obsessive-compulsive and related disorders.
- Borderline personality disorder.

#### **CRT Needs-Based Criteria:**

In addition to meeting the targeting criteria, individuals must meet both the following needs-based criteria and risk factor for CRT enrollment:

Individuals must require assistance with social, occupational or self-care skills as a result of the DSM-V diagnosis, including demonstrated evidence of two of the following during the last twelve months, with a duration of at least six months:

- Assistance with money management
- Assistance managing maladaptive, dangerous, and impulsive behaviors
- Assistance developing supportive social systems in the community
- Assistance with life skills, such as hygiene, food preparation, and household cleanliness, to support independent living

Individuals must also have a history of treatment and also meet at least one of the following risk factors:

- A history of continuous inpatient psychiatric treatment with a duration of at least sixty days
- A history of three or more episodes of inpatient psychiatric treatment and/or a community-based hospital diversionary program (e.g. crisis bed program) during the last twelve months
- A history of six months of continuous residence or three or more episodes of residence in one or more of the following during the last twelve months:
  - Residential program
  - Community care home
  - Living situation with paid person providing primary supervision and care
- Participation in a mental health program or treatment modality for a six-month period during the last twelve months with no evidence of improvement
- The individual is on a court Order of Non-Hospitalization.<sup>13</sup>

---

<sup>13</sup> An Order of Non- Hospitalization (ONH) is a court order that contains conditions by which the person named must abide or face the possibility of hospitalization or re-hospitalization. An ONH places an individual in the custody of the Commissioner of the Department of Mental Health. It names a designated agency/specialized service agency that has been delegated by the Commissioner to provide the necessary supports and treatment to the individual and to monitor adherence to the ONH conditions. The goal of an ONH is provide structure around treatment engagement.

**ATTACHMENT U**

**SUD Community Intervention and Treatment Services Target and Needs-Based Criteria**

The eligibility for entry into Substance Use Disorder Community Intervention and Treatment Services (SUD CIT) is less stringent than inpatient hospital level of care.

**SUD CIT Target and Needs-Based Criteria:**

SUD CIT is targeted to individuals with substance use disorders. Individuals must be assessed to have substance use disorder needs, where an assessment using the American Society of Addiction Medicine (ASAM) Criteria indicates that the client meets at least ASAM 1.0 Level of Care. A score of ASAM 1.0 indicates that an individual requires ongoing monitoring and assistance with managing and engaging in SUD treatments.

**Provider Qualifications:**

Provider	Minimum Qualifications
Providers offering <b>case management, flexible support</b>	<ul style="list-style-type: none"> <li>• Authorized by the Preferred Provider agency as competent to provide the service based on their education, training, or experience</li> </ul>
Providers offering <b>clinical assessments and individual/family/group therapy</b> as part of <b>skilled therapy services</b> must meet one of the minimum qualifications	<ul style="list-style-type: none"> <li>• Licensed physician certified in Addiction Medicine by the American Board of Medical Specialties directly affiliated with the Preferred Provider; OR</li> <li>• Licensed nurse directly affiliated with the Preferred Provider; OR</li> <li>• Preferred Provider staff must hold one of the following:                             <ul style="list-style-type: none"> <li>○ Licensed psychologist; OR</li> <li>○ Licensed marriage and family therapist; OR</li> <li>○ Licensed clinical mental health counselor; OR</li> <li>○ Licensed independent clinical social worker; OR</li> <li>○ Licensed alcohol and drug counselor</li> </ul> </li> <li>• Subcontractors must meet both requirements:                             <ul style="list-style-type: none"> <li>○ Meet staff qualifications described above; AND</li> <li>○ Authorized by the Preferred Provider to provide the service based on their education, training and experience</li> </ul> </li> </ul>
Providers offering <b>medication and medical support</b> as part of <b>skilled</b>	<ul style="list-style-type: none"> <li>• Physicians who are board-eligible in Addiction Medicine or psychiatry, APRN, PA, or RN operating within the scope of their respective professions</li> </ul>

Provider	Minimum Qualifications
<p><b>therapy services</b> must meet one of the minimum qualifications</p>	
<p>Providers offering <b>residential treatment services</b></p>	<ul style="list-style-type: none"> <li>• Individuals who, based on their education, training, or experience, are determined competent to provide the service by the Preferred Provider residential program</li> </ul>
<p>Providers offering <b>withdrawal management services</b></p>	<ul style="list-style-type: none"> <li>• Vermont Medicaid-enrolled providers consistent with their licensed scope of practice; OR</li> <li>• Preferred Provider staff members who, based on their education, training, or experience, are determined competent to provide the covered service by the Preferred Provider agency and whose work is directly supervised by a qualifying provider</li> </ul>
<p>Providers offering <b>counseling services</b></p>	<ul style="list-style-type: none"> <li>• Vermont Medicaid-enrolled providers consistent with their licensed scope of practice; OR</li> <li>• Preferred Provider staff members who, based on their education, training, or experience, are determined competent to provide the covered service by the Preferred Provider agency and whose work is directly supervised by a qualifying provider</li> </ul>