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# Global Commitment Register

September 20, 2017

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GCR 17-061  
FINAL

## **RBRVS Fee Schedule Update and Policy Changes**

### **Policy Summary:**

The Department of Vermont Health Access (DVHA) amended its Medicaid State Plan reimbursement methodologies for its Resource-Based Relative Value Scale (RBRVS) payments, including changes related to separate rates for eligible primary care providers.

This policy summary includes the following key provisions which are effective August 1, 2017:

1. DVHA increased the rate paid to eligible primary care providers and services to equal the Medicare calendar year (CY) 2017 payment rates. This conversion factor was formerly called an Enhanced Primary Care Payment, or EPCP. Specifically, the DVHA primary care conversion factor (CF) increased from \$32.58 to \$35.89, equal to 100% of Medicare's current CY 2017 CF. The total net increase in spending on eligible primary care providers is estimated to be approximately \$1.6 million.
2. DVHA did not change the standard CF (i.e., the non-primary care eligible CF) for services and providers at this time such that it will remain at \$28.71, or 80% of Medicare.
3. In keeping with its process of using the best available data and alignment with Medicare, DVHA adopted the CY 2017 Medicare relative value units (RVUs) which form the basis of RBRVS payments and reflects most recent data published by the Centers for Medicare and Medicaid Services (CMS). The impact of updates to the new RVUs to providers was a slight overall increase of 0.1%, weighted towards evaluation and management services.
4. DVHA updated the geographic practice cost indices (GPCIs) as well to reflect current CY2017 Medicare values and retain a floor of 1.0 for the physician work component. The practice expense GPCI is now 1.015 compared to 1.004 and the liability decreased from 0.682 to 0.595.
5. Program updates include the following:
  - 1) Updates to discounting policies for non-physician services. DVHA will discount all RBRVS services rendered by nurse practitioner and physician assistants consistent with Medicare policy and regardless of whether eligible for the primary care rate.

- Medicare's policy is that 100% RBRVS payment is based on care provided by a physician and thus, it discounts non-physician clinician services.
- 2) Updates to reflect site of care differentials in primary care rate. DVHA will pay the appropriate primary care rate based on the site of care on the claim in the same manner it would a non-primary care rate-eligible service.
  - 3) Updates to the list of services eligible for the primary care rate. DVHA will revise list of eligible primary care services to exclude those with little to no volume or identified as not directly in support of targeted primary care services as well as updates the process for providers to become eligible through attestation. Refer to [Table 1](#) for a summary of changes and list of included services.

This amendment to the Medicaid State Plan is being done through Global Commitment to Health waiver authority, where DVHA may establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved State Plan.

**Effective Date:**

August 1, 2017

**Authority/Legal Basis:**

[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #28.

**Population Affected:**

All Medicaid

**Fiscal Impact:**

The estimated net annual fiscal impact of this proposed policy net of program changes is \$926,752. The targeted estimated annual fiscal impact to services and providers eligible for the primary care conversion factor is \$1,569,892. Refer to [Table 2](#) for a comparison of the estimated payments under the August 1, 2017 changes compared to an estimated SFY2017 baseline.

**Public Comment Period:**

The public comment period was 7/19/17 – 8/19/17. [Comment/response](#) can be viewed here.

**Additional Information:**

Click here for the [updated State Plan](#) on the DVHA website.

The following State Plan page was amended:

- Attachment 4.19-B page 10 was amended