**Inpatient Postpartum LARC Add-on Increase**

**Policy Summary:**

The Agency of Human Services (AHS) has modified the inpatient postpartum long-acting reversible contraceptive (LARC) add-on to be set at the cost of the highest cost device. The Vermont Medicaid LARC add-on rate was $800 prior to July 1, 2018. The add-on payment increased to $908.97 effective July 1, 2018, which matches the highest cost device as of June 1, 2018. This add-on payment will be reviewed every six months to ensure that the rate covers the cost of the highest cost LARC device. This change happened to align with current inpatient prospective payments and to comply with Act 138 of 2018.

**Effective Date:**

July 1, 2018

**Authority/Legal Basis:**

Global Commitment to Health Waiver: Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #29.

Act 138 of 2018, Sec. 1(b) (amends 33 V.S.A. §1901j)

**Population Affected:**

All Medicaid

**Fiscal Impact:**

The estimated annualized budget impact is $4,965.

**Public Comment Period:**

The public comment period ended on 7/25/18. No comments were received.