

Title: Long-Acting Reversible Contraception (LARC) Payment Methodology

Issuance Date: June 1, 2023

(Must be reviewed annually)

Applicable Regulations, Guidelines, and AHS Policy:

Vermont statute or rule:

House Bill 404

Other:

Provider Manual

Purpose:

Conduct bi-annual reviews to update reimbursement rates for the Long-Acting Reversible Contraception (LARC) fee schedule that is aligned with Agency budgetary appropriations. Updating fee schedules at regular intervals enables DVHA to be a reliable and predictable payer of health care services.

Procedure:

1. DVHA Reimbursement Unit (RU) requests the current wholesale acquisition cost (WAC) for the LARC fee schedule codes from the DVHA Pharmacy Unit biannually.
2. If reimbursement changes are identified, DVHA RU creates a rate model incorporating the new rates to determine the fiscal impact associated with the change.
3. DVHA RU performs a quality assurance review to ensure the rate model is accurate.
4. DVHA Director of Managed Care Operations reviews the rate model to determine alignment with the Agency's budgetary appropriations and approves the final rate model.
5. DVHA RU initiates the Policy, Budget and Reimbursement (PBR) process outlining the fiscal impact associated with the change and any changes to reimbursement methodologies or policies.
6. Once the PBR has been approved, DVHA RU assists in drafting updates to the State Plan and the Global Commitment Register (GCR) notification which is used for provider review and feedback.

7. DVHA RU prepares the final rate update file and performs a quality assurance review to ensure the file is without error.
8. DVHA RU sends the final LARC fee schedule update to our fiscal agent to implement the rate changes in the MMIS.
9. Once the rate updates have been entered in the MMIS, DVHA RU performs a quality assurance review to ensure the rate information in the MMIS is accurate.

Revision History:

Date	Summary of Revisions
12/11/19	Draft
12/16/19	Review for rule clarification, new template.
12/18/19	Second draft, director approval.
2/14/2022	No changes.
3/11/2022	OMU review, updated to ADA template.
05/19/2023	Updated Purpose and Procedure sections.

Table 1 Revision History