

# Title: Physician Payment Methodology (RBRVS)

**Issuance Date: June 2, 2023**

(Must be reviewed annually)

## Applicable Regulations, Guidelines, and AHS Policy:

### Federal statute or rule:

CMS Federal Rule

### State Plan:

State Plan

## Purpose:

Conduct an annual review to update reimbursement rates for the RBRVS Physician 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 (RU) initiates the annual RBRVS Physician fee schedule update by completing the following tasks:
  - a) Review the CMS Final RBRVS Rule (federal register) to identify if there are any significant changes to the policies or methodologies used for physician pricing.
  - b) Review the most recent CMS RVU files to determine if rates are available for VT Medicaid covered codes that previously did not have a Medicare rate.
  - c) Identify modeling scenarios.
- 2) Work with outside consultants, as needed, to incorporate identified changes into their rate model for the annual Physician fee schedule update.
- 3) Outside consultant will model Physician payments and RVUs based on the new changes and adhering to the RBRVS Physician fee schedule budget.
- 4) DVHA Director of Managed Care Operations reviews the rate model scenarios to determine which option is best aligned with the Agency's budgetary appropriations. The proposed rate model is presented to external stakeholders for review and feedback.

- 5) DVHA Director of Managed Care Operations approves final rate model, incorporating any changes based on feedback.
- 6) 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.
- 7) Once the PBR is 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.
- 8) DVHA RU prepares the final rate update file and performs a quality assurance review to ensure the file is without error.
- 9) DVHA RU sends the final RBRVS Physician fee schedule update to DVHA's fiscal agent to implement the rate changes in MMIS.
- 10) 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
8/14/18	First draft
11/13/18	Accepted by OMU
11/21/18	Approved final draft
2/6/19	COO approval
2/10/21	No update in 2020 - changed approval date to one year from last approval.
3/11/2022	OMU review, updated to ADA template.
05/25/2023	Updated Purpose and Procedure

Table 1 Revision History