



# Global Commitment Register

June 28, 2024

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GCR 24-085  
PROPOSED

## Mental Health Case Rate Increase

### **Policy Summary:**

The Vermont Medicaid program proposes to implement the second year of the Department of Mental Health's rate valuation model described in [GCR 23-092](#). The details specific to State Fiscal Year 2025 are found below.

**Step 1:** This step implements a state-wide base per-member-per-month (PMPM) reimbursement rate for children's and adult's core mental health services. As of July 1, 2024, a state-wide floor of \$750 will be established for both Children and Adult core mental health services. No provider will earn less PMPM than the state-wide floor. Providers who had case rates lower than \$850 will receive a 3% increase to begin to move providers incrementally towards standardization.

**Step 2:** This step will distribute 2% of existing funds under the mental health case rates. The amount of funds to redistribute in the step is \$1,127,169. These funds will be allocated based on three key domains (1) number of individuals served (herein referred to as caseload), (2) intensity of service delivery for individuals served (herein referred to as service intensity) and (3) quality of services delivered as identified using the value-based payment measures. Each of the three domains will impact the potential additional PMPM payments for each participating provider. Beginning July 1, 2024, caseload will impact 46%, service intensity will impact 50%, and quality of services will impact 4% of the overall funds' providers can earn in this step.

In each of these three domains individual provider performance is compared to average performance across all providers to determine their relative performance (in State Fiscal Year 2025, performance will be capped at no lower than 85% and no higher than 110% of the average). Payment will be distributed on a sliding scale with the highest scoring providers earning the most and the lowest scoring providers earning the least. Calendar year 2023 expectations and data will be used to determine the caseload and quality of service domains. Fiscal year 2023 claims data will be used to determine the service intensity.

After the valuation process above is completed, the Department of Mental Health will increase its Mental Health Case Rate payment by 3%. This increase is a result of funds appropriated by the legislature in Bill H.883.

The Additional Information section below includes a provider rate table with estimates of the rates to begin on July 1, 2024.

See [GCR:23-164](#) for current Payment Arrangement Provider Performance Measures.

**Effective Date:**

July 1, 2024

[Medicaid State Plan](#)[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #6.8.[H.883 of the 2024 Legislative Session](#)**Population Affected:**

All Medicaid

**Fiscal Impact:**

The estimated gross annualized budget impact is \$3,690,774

**Public Comment Period:**

June 28, 2024 – July 28, 2024

Send comments to:

Medicaid Policy Unit

280 State Drive, Center Building

Waterbury, VT 05671-1000

Or submit via e-mail to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov).To be added to the GCR email list, send an email to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov).**Additional Information:**

Provider	Projected Monthly Case Rate*	
	Adult	Child
Clara Martin Center	Adult	1,049.03
	Child	807.66
Counseling Service of Addison County	Adult	1,988.17
	Child	1,540.13
Howard Center	Adult	1,702.30
	Child	1,059.84
Health Care and Rehabilitation Services	Adult	2,077.51
	Child	1,469.10
Lamoille County Mental Health Services	Adult	2,827.91
	Child	1,120.68
Northwestern Counseling and Support Services	Adult	1,655.43
	Child	1,106.80
Northeast Kingdom Human Services	Adult	1,116.15
	Child	1,316.64

Rutland Mental Health Services	Adult	1,620.79
	Child	791.41
United Counseling Services	Adult	1,066.15
	Child	994.90
Washington County Mental Health	Adult	1,577.41
	Child	2,440.00
Pathways	Adult	887.61

\* Providers must meet their agreed upon targets to receive these rates.

\*Rates listed in this chart are inclusive of residential rates and other unique programing and are not the rates used to determine the statewide standardization of core mental health services as described in Step 2 above