



State of Vermont
Agency of Human Services
280 State Drive, Center Building
Waterbury, VT 05671-1000

Global Commitment Register

December 7, 2021

GCR 21-077
PROPOSED

Medicaid Coordination of Benefit Changes

Policy Summary:

Vermont Medicaid is making changes to the coordination of benefits third-party liability practices in accordance with federal regulations.

Medicaid is generally the payer of last resort where all other sources of coverage must pay for services before Medicaid. Medicaid beneficiaries may have a third party payer (e.g. commercial insurance or Medicare) that is liable for covered health care costs. Vermont Medicaid's third-party liability functions primarily through cost avoidance unless prohibited by federal law. Providers must bill third parties prior to billing Medicaid.

Medicaid coordination of benefits practices will no longer pay and chase for the following services:

1. Prenatal Care:
 - Providers must bill any liable third party prior to billing Medicaid for prenatal care, including labor and delivery, following standard cost avoidance procedures.
2. Child Support Enforcement Services:
 - Providers must bill any liable third party prior to billing Medicaid when a child support enforcement order is in place. Providers may bill Medicaid 100 days from the date of service with documentation that they have not received payment from the third party.
3. Pediatric Preventive Services:
 - Providers must bill any liable third party prior to billing Medicaid for pediatric preventive services. The State has determined that cost-effectiveness and access to care warrants cost avoidance for 90 days. Medicaid will pay after 90 days if payment is not received from the third party.

Exemptions to billing liable third parties may be made when cooperation may result in physical or emotional harm to the individual or other person, or is deemed to be in the best interest of a child.

This change will be submitted to the Centers for Medicare and Medicaid Services as State Plan Amendment (SPA) #21-0017.

Effective Date:

December 31, 2021

Authority/Legal Basis:

Bipartisan Budget Act of 2018 & Medicaid Services Investment and Accountability Act of 2019

[Medicaid State Plan](#)

Population Affected:

All Medicaid

Fiscal Impact:

This change is expected to be budget neutral.

Public Comment Period:

December 7, 2021 – December 30, 2021

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.

To be added to the GCR email list, send an email to AHS.MedicaidPolicy@vermont.gov.

Additional Information:

The draft amended State Plan pages provide additional details on the proposed changes; copies of the draft SPA can be requested from local Department for Children and Families (DCF) offices or from DVHA at (802) 355-8843, or can be found on the [Agency of Human Services website](#).