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Jenney Samuelson, *Secretary*
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Date: August 5, 2022

Re: Response to Public Comments for Global Commitment Resister (GCR) 21-036: RBRVS Fee Schedule Update

The Department of Vermont Health Access's (DVHA) response to a public comment on this policy change is below. The comment received is enclosed in the following page.

State Response:

DVHA appreciates the support from Vermont Medical Society, the Vermont Academy of Family Physicians, and the Vermont Chapter of the American Academy of Pediatrics on [Proposed GCR 21-036: RBRVS Fee Schedule Update](#).

DVHA strives to be a predictable and reliable payer of health care services. DVHA demonstrates these attributes standardizing fee schedules, including aligning the Resource-Based Relative Value Scale (RBRVS) fee schedule with Medicare, and updating rates at regular intervals. DVHA's annual rate adjustments align with Medicare's most up-to-date adjustments. The RBRVS fee schedule is the same underlying system used by Medicare to reimburse for professional services. It sets rates for nearly all medical services covered by Medicaid. The RBRVS fee schedule relies on national cost data to determine what resources are needed to provide a particular service relative to all other services. It is maintained by the Centers for Medicare and Medicaid Services (CMS) for use in the federal Medicare program and is updated annually to reflect new data and other policy changes. From year to year, changes in Medicare's methodology results in changes to payment rates and these changes are then reflected in Vermont Medicaid's payment rates.

It is not preferable to pull a single service or select services from the RBRVS fee schedule for the following reasons:

- It requires amending the Medicaid State Plan and would require justification and supporting data on the need for deviation from the methods for rate setting.
- It requires procedures that deviate from standard operating procedures and are at high risk for errors in implementation or updates.
- It results in arbitrary rates for specific services that are not set based on recent cost and utilization data.



Vermont Chapter

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American Academy of Pediatrics
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To: Medicaid Policy Unit, AHS.MedicaidPolicy@Vermont.gov
From: Jessa Barnard, Vermont Medical Society, jbarnard@vtmd.org
Date: January 17, 2022
RE: GCR 21-036, Proposed RBRVS Fee Schedule Update

The Vermont Medical Society, Vermont Academy of Family Physicians and American Academy of Pediatrics Vermont Chapter submit these comments in response to GCR 21-036, Proposed RBRVS Fee Schedule Update, which went into effect on January 1, 2022. We write to support the proposed fee schedule update and the commitment of DVHA to fund the Medicaid fee schedule at 100% of the Medicare fee schedule, however to also ask the DVHA continue to increase its commitment to the primary care fee schedule.

Our organizations appreciate the work of DVHA to professionalize and standardize DVHA's fee schedules and to align the RBRVS fee schedule with Medicare. We also appreciate the commitment of DVHA to achieve primary care rates of 100% of Medicare rates. However, we also recognize that aligning the fee schedule with the Medicare fee schedule can have its drawbacks for specific services. For example, over the past several years this has led to decreases in primary care payments, specifically to reductions in vaccination administration rates (2017- 2019) and to primary care visit rates (2020-21). Medicare undertook major revisions to its fee schedule in 2021 to revalue primary care services, especially Evaluation and Management office visit codes. Implementing these updates within Medicaid's RVRVS fee schedule for 2022 results in a long-needed increase to Medicaid payments for primary care. Unfortunately, in seeing the breakdown of the amount of the overall RBRVS fee schedule, which just became available to our organizations on January 11, only \$3,417,256 or 36% of the fee schedule increase is directed to primary care physicians and nurses:

Total increase: \$9,309,448
Primary care Physicians: \$2,481,630
Primary care Nurses: \$935,626

This rises to 44% if you include all psychiatry and OBGYN services. At a time when primary care practices are yet again inundated with patient needs, ranging from COVID-19 testing to catching up on preventive services delayed due to the pandemic, to workforce shortages, this update comes at a critical time for the survival of many primary care practices in Vermont but may not be enough in the long term to support practices on the edge of financial viability.

In summary, VMS, AAFP and AAPVT are in support of the proposed RBRVS Fee Schedule Update. At the same time, we ask that DVHA be open to conversations regarding long term sustainability and commitment to primary care and when deviation may be needed from the CMS fee schedule, for example to maintain adequate reimbursement for specific services such as pediatric vaccine administration.

Thank you for your consideration and please reach out to any of us for additional information.