



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

Global Commitment Register

December 22, 2023

GCR 23-147
CLARIFICATION

Medicare Coverage Change

Policy Summary:

Starting on January 1, 2024, Medicare will begin covering and making payment for the services of marriage and family therapists (MFT) and mental health counselors (MHC), and intensive outpatient program (IOP) services as authorized by the Consolidated Appropriations Act, of 2023.

These provisions were implemented as part of the Calendar Year (CY) [2024 Physician Fee Schedule final rule](#), and the CY 2024 [Hospital Outpatient Prospective Payment System \(OPPS\)](#) and [Ambulatory Surgical Center \(ASC\) final rule](#).

Medicare will become the primary payer for mental health services provided by MFTs, and MHCs, and for IOP services furnished by hospital outpatient departments, community mental health centers (CMHC), rural health clinics (RHC), federally qualified health centers (FQHC), or opioid treatment programs (OTP).

All eligible providers should enroll in the Medicare Program, as soon as possible. Medicaid enrolled MFTs and MHCs, and IOP service providers interested in becoming Medicare-enrolled should follow the enrollment instructions found [here](#).

Medicaid is the payer of last resort for all services provided by Medicare eligible providers. Providers who are not eligible to enroll with Medicare can continue to provide Medicaid services.

Claims for services for dually eligible individuals provided on or after January 1, 2024, should be billed to Medicare, as the primary payer. Vermont Medicaid will continue to pay for services delivered to dually eligible beneficiaries on January 1, 2024. All MFT, MHC and IOP claims for dually eligible individuals paid by Medicaid as primary on and after January 1, 2024, will be subject to the recoupment process. Providers may choose to hold claims and bill Medicare once they become a Medicare-enrolled provider. This will allow Medicare to review the claims and the claims will crossover electronically to Medicaid for payment.

Effective Date:

January 1, 2024

Authority/Legal Basis:

[Medicaid State Plan](#)

[Consolidated Appropriations Act, of 2023](#)

Population Affected:

Medicare enrolled.

Fiscal Impact: The change will result in savings to the Medicaid program. The amount of savings cannot be determined until sufficient claims are received.

Additional Information:

This [Medicare fact sheet](#) includes additional information about this Medicare change for providers.

Follow [Vermont Medicaid Banners](#) on the Medicaid Vermont Medicaid Portal for additional information.