



State of Vermont
Agency of Human Services
280 State Drive
Waterbury, VT 05671-1000
www.humanservices.vermont.gov

Jenney Samuelson, Secretary
Todd Daloz, Deputy Secretary

[phone] 802-241-0440
[fax] 802-241-0450

Date: February 21, 2024

Re: Response to Public Comments for Global Commitment Register notice [GCR 23-155: RBRVS Fee Schedule Update](#)

Joint comments were received from the Vermont Medical Society, HealthFirst, Vermont Academy of Family Physicians, and American Academy of Pediatrics Vermont Chapter and are included in the pages following the response from the Agency of Human Services (AHS). No other comments were received.

State Response to Comments:

The Department of Vermont Health Access (DVHA) continues to ensure that the Vermont Medicaid fee schedule follows the most up-to-date relative value units (RVUs) and geographic practice cost indices (GPCIs) in Medicare's physician fee schedule according to Vermont's Medicaid State Plan reimbursement methodology for Resource-Based Relative Value Scale (RBRVS) payments. Consistent with DVHA's understanding of legislative intent, no changes were made to the conversion factors in this update to ensure that Vermont Medicaid rates as a percentage of Medicare rates are at least what they were directed to be in [Act 78 of 2023](#) (SFY2024 Appropriations Act).

DVHA is implementing effectively budget neutral rate updates for calendar year (CY) 2024.

To: Medicaid Policy Unit, AHS.MedicaidPolicy@Vermont.gov
From: Jessa Barnard, Vermont Medical Society, jbarnard@vtmd.org
Susan Ridzon, HealthFirst, sr@vermonthealthfirst.org
Date: January 8, 2024
RE: GCR 23-155, Proposed RBRVS Fee Schedule Update

The Vermont Medical Society, HealthFirst, Vermont Academy of Family Physicians and American Academy of Pediatrics Vermont Chapter submit these comments in response to GCR 23-155, Proposed RBRVS Fee Schedule Update, which the GCR notes went into effect on January 1, 2024.

We write with opposition to the proposed \$96,606 cut to the professional services fee schedule and ask DVHA pause implementation of any rate reductions until the legislature has finalized their SFY24 budget adjustment and SFY25 budget deliberations. We further ask DVHA to commit to ongoing positive inflationary adjustments in the Medicaid RBRVS fee schedule that at least equal the Medicare Economic Index - 4.6% in calendar year 2024.

A cut mid fiscal year is contrary to legislative intent. Last session, the legislature directed a 10% increase to the primary care conversion factor within the RBRVS fee schedule and a 3.8% inflationary increase to the specialty services conversion factor.¹ While these adjustments were made to the conversion factor, our understanding of the legislative intent behind this increase was to maintain these payment rates throughout the SFY24 year spanning July 2023-June 2024.

In this case, the \$96,606 cut derives from mirroring a January 1, 2024 decrease in the Medicare “Practice Expense CPCI” and “Malpractice GPCI,” while holding the conversion factors the same. As our organizations have noted in comments on the RBRVS fee schedule for several years in a row, there are drawbacks to Vermont’s Medicaid reimbursement rates being tied to the federal Medicare Physician Fee Schedule (PFS), over which Vermont has no control. We repeat our comments from last year and ask that DVHA not just adopt the Medicare PFS formula, but commit to long term sustainability of rates for medical services, which currently requires deviations from the PFS and positive annual inflationary adjustments – and at a minimum not making cuts in the middle of the current fiscal year.

Thank you for your consideration and please reach out for additional information.

¹https://lifo.vermont.gov/assets/Uploads/cb80a3266e/GENERAL-367707-v1A-FY24_Provider_Rate_Increases.pdf and https://humanservices.vermont.gov/sites/ahsnew/files/doc_library/23-078-P-GCR-RBRVS-Rates-SFY24.pdf