



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

Global Commitment Register

June 28, 2024

GCR 24-004
PROPOSED

Medicaid Global Payment Program - Hospitals

Policy Summary:

The Vermont Medicaid program proposes to expand the Global Payment Program to hospitals. The Global Payment Program began in January 2024 for participating independent primary care practices ([see GCR 23-148](#)). This pilot program expansion would create a new voluntary payment model to issue separate “global” monthly prospective payments to current hospital participants in the Vermont Medicaid Next Generation (VMNG) Accountable Care Organization (ACO) program who opt into this program. Prospective payments for the GPP will be reconciled to actual fee-for-service (FFS) experience using Medicaid claims data at the end of the performance year. GPP payments would be for Vermont Medicaid members not attributed to the ACO through the VMNG program receiving services comparable to VMNG “Total Cost of Care” services from GPP-participating provider organizations. Though DVHA is proposing to leverage its current arrangement with OneCare Vermont (the ACO currently participating in the VMNG model) to issue GPP prospective payments to providers, these prospective payments would be separate and distinct from the prospective payments issued to OneCare Vermont (the ACO currently participating) for the Vermont Medicaid Next Generation (VMNG) ACO program.

The VMNG ACO’s attribution model is limiting Medicaid's ability to more broadly change financing, as attribution has plateaued, and providers have different financial incentives for attributed members (paid for through a capitated payment) and unattributed Medicaid members (paid for through FFS payments). This approach begins to separate the provider payment methodology from an attribution methodology. This is an incremental step toward a more global, budget-based payment model as envisioned by the goals outlined in Act 167 of 2022, and further articulated in the federal Center for Medicare & Medicaid Innovation (CMMI)’s newly-announced multi-state model (the AHEAD model), which could be a potential successor model to the current Vermont All-Payer ACO Model.

This payment arrangement is not expected to increase reimbursement for voluntarily participating providers; rather, it delivers funds in a monthly prospective payment mechanism that is ultimately reconciled to actual fee-for-service experience.

Effective Date:

July 1, 2024

Authority/Legal Basis:

[Medicaid State Plan](#)

[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #6.8.

Population Affected:

All Medicaid

Fiscal Impact:

This change is expected to be budget neutral.

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.

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

Additional Information:

[Current amendment to the Vermont Medicaid Next Generation ACO contract with OneCare, Vermont](#). Exhibit 4 to Attachment A and Exhibit 2 to Attachment B contain details on the Global Payment Program.