



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

# Global Commitment Register

December 31, 2024

GCR 24-099  
 PROPOSED

## Vermont Medicaid Next Generation Accountable Care Organization Program

### Policy Summary:

The Department of Vermont Health Access (DVHA) is entering the ninth year of the Vermont Medicaid Next Generation Accountable Care Organization (VMNG ACO) program, which is a program for a risk-bearing ACO to receive a prospective payment and to assume accountability for the costs and quality of care for prospectively attributed Medicaid members. The VMNG model is structured similarly to the Medicare Next Generation ACO Model but has been modified to address the needs of the Medicaid population in Vermont.

In the VMNG ACO arrangement, Medicaid issues a prospective payment to the ACO on a Per-Member-Per-Month (PMPM) basis according to a member’s Medicaid Eligibility Group; the ACO distributes funds to providers participating in the program according to contractual arrangements. This is a monthly fixed payment made in advance of services being performed for a prospectively attributed group of Medicaid members and a defined set of Medicaid services comparable to services provided under Medicare Parts A and B. Payments for services for which the ACO is not accountable are still paid fee-for-service, as are payments made to non-ACO providers for attributed members and payments made to providers in the ACO network that elect to be reimbursed fee-for-service.

The ninth year of the ACO program will have the following updates:

- 1) The Value-Based Incentive Fund (the value-based component of the program) will increase by \$120,000 to \$2,100,000 for the 2025 Performance Year.

The PMPM rates for the combined traditional and expanded attribution cohort is outlined in the table below:

*Table 1. Traditional & Expanded Attribution Cohorts*

	<b>A=B+C</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E = C + D</b>
<b>MEG</b>	<b>ETCOC</b>	<b>Allocation for FFS</b>	<b>Allocation for FPP</b>	<b>Provider Reform Support Payment</b>	<b>Monthly Value-Based Care Payment to Contractor</b>

ABD	\$713.65	\$335.33	\$378.32	\$4.75	\$383.07
New Adult	\$330.63	\$132.22	\$198.41	\$4.75	\$203.16
Non-ABD Adult	\$436.08	\$148.39	\$287.69	\$4.75	\$292.44
Consolidated Child	\$141.77	\$80.08	\$61.69	\$4.75	\$66.44
SCHIP Child	\$121.27	\$70.78	\$50.49	\$4.75	\$55.24

**Table Acronyms:**

ABD: Aged, Blind, or Disabled  
ETCOC: Expected Total Cost of Care  
FFS: Fee-For-Service  
FPP: Fixed Prospective Payment  
MEG: Medicaid Eligibility Group  
SCHIP: State Children’s Health Insurance Program

The risk arrangement between DVHA and participating ACOs is outlined in the tables below:

*Table 2. Combined Traditional and Expanded Attribution Cohort Risk Arrangement:*

Expenditures over/under expected Total Cost of Care target	ACO share	DVHA share
-3% to 3%	100%	0%
<-3% or >3%	0	100%

Additional information regarding this program can be found below.

**Effective Date:**

January 1, 2025

**Authority/Legal Basis:**

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

[Medicaid State Plan](#)

**Population Affected:**

Attributed Medicaid beneficiaries.

**Fiscal Impact:**

This change is expected to be budget neutral.

**Public Comment Period:**

December 31, 2024 – January 31, 2025

**Additional Information:**

Documents describing the Vermont Medicaid Next Generation ACO Program:

- [ACO Coverage Document](#)
- [ACO Reimbursement Document](#)

A Payment Arrangement Provider Performance Measures table can be found on the following page.

**Payment Arrangement Provider Performance Measures**

	<b>Measure Name and NQF # (if applicable)</b>	<b>Measure Steward/Developer</b>	<b>Baseline Year</b>	<b>Baseline Statistic</b>	<b>Performance Measurement Period</b>	<b>Performance Target</b>
a.	Follow-Up after ED Visit for Substance Use Disorder (30-Day Rate) (NQF #2605)	NCQA	CY 2017	30.6%	CY2025	Increase
b.	Follow-Up after ED Visit for Mental Illness (30-Day Rate) (NQF #2605)	NCQA	CY 2017	80.9%	CY2025	Increase
c.	Child and Adolescent Well Care Visits (3-21 Years of Age)	CMS	CY 2017	57.5%	CY2025	Increase
d.	Risk Standardized Hospital Admission Rate for Patients with Multiple Chronic Conditions (18 and over) (CMS ACO #38)	CMS	CY 2023	0.01%	CY2025	Decrease
e.	Developmental Screening in First 3 Years of Life (NQF #1448)	NCQA	CY 2017	59.7%	CY2025	Increase
f.	Hemoglobin A1c Control for Patients with Diabetes (HbA1c>9%) (NQF #0059)	NCQA	CY 2017	31.5%	CY2025	Decrease
g.	Hypertension: Controlling High Blood Pressure (NQF #0018)	NCQA	CY 2017	64.6%	CY2025	Increase
h.	Initiation of Substance Use Disorder Treatment (NQF #0004)	NCQA	CY 2017	35.4%	CY2025	Increase
i.	Engagement of Substance Use Disorder Treatment (NQF #0004)	NCQA	CY 2017	17.6%	CY2025	Increase
j.	Screening for Clinical Depression and Follow-Up Plan (NQF #0418)	CMS	CY 2017	47.4%	CY2025	Increase
k.	Follow-Up After Hospitalization for Mental Illness (7-Day Rate) (NQF #0576)	NCQA	CY 2017	37.0%	CY2025	Increase