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

Global Commitment Register

August 27, 2021

GCR 21-042
FINAL

Adolescent Hospital Diversion Program – Reimbursement Update

Policy Summary:
The Vermont Medicaid program has updated its reimbursement methodology for adolescent hospital diversion services. Hospital diversion services are a cost-effective and less-restrictive alternative to inpatient psychiatric hospital services. The rate paid for hospital diversion services is tied to the Inpatient Prospective Payment System for hospitals such that providers of this service will receive reliable and predictable payments going forward. The rate has been increased from $787.84 to $984.37 per diem. This per diem rate was established by applying a 15 percent discount off the rate paid to a hospital that has similar case mix and length of stay factors as seen in a hospital diversion program. This per diem rate of $984.37 will be updated on the same schedule as the Inpatient Prospective Payment System. This all-inclusive methodology does not include payment for room and board or performance-based incentives.

Effective Date:
July 1, 2021

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 #29.

Population Affected:
Medicaid beneficiaries aged 10 through 17 years who meet clinical criteria.

Fiscal Impact:
The estimated gross annualized budget impact is $328,185.

Public Comment Period:
The comment period ended on July 30, 2021. No comments were received.

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