



State of Vermont  
Agency of Human Services  
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Waterbury, VT 05671-1000

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# Global Commitment Register

October 26, 2017

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GCR 17-076  
FINAL

## **Outpatient Prospective Payment System**

### **Policy Summary:**

The Department of Vermont Health Access (DVHA) updated its reimbursement methodologies to change the rates paid for hospital outpatient services. DVHA sets rates based on the Medicare outpatient prospective payment system (OPPS) rates, except when otherwise specified in the State Plan. DVHA payment rates are equal to the Medicare rate multiplied by a peer group percentage adjustment. Hospital peer groups were adopted on July 1, 2016.

DVHA adopted a new peer group effective October 1, 2017. DVHA added a new designation for two academic medical centers, University of Vermont Medical Center and Dartmouth-Hitchcock Hospital. DVHA will update the system to reflect the Medicare calendar year (CY) 2017 policy and rates, including the outlier threshold.

The DVHA rates effective October 1, 2017 are the Medicare calendar year (CY) 2017 rates multiplied by the following percentages:

- 1) for in-state hospitals that have a Medicare classification of critical access hospital (CAH): 111.5%;
- 2) for in-state hospitals that do not have a Medicare classification of CAH: 96.5%;
- 3) for UVMHC and DH: 91%;
- 4) for all other out-of-state hospitals: 81%.

This change was done through Global Commitment to Health waiver authority, where DVHA may establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved State Plan.

### **Effective Date:**

October 1, 2017

### **Authority/Legal Basis:**

[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #28.

**Population Affected:**

All Medicaid

**Fiscal Impact:**

The annualized fiscal impact of these updates is estimated to be \$2,735,771, or 3% compared to a state fiscal year (SFY) 2016 baseline outpatient spending for services paid under the Vermont Medicaid outpatient prospective payment system (OPPS).

**Public Comment Period:**

The public comment period ended 10/13/17. No comments were received.

**Additional Information:**

Click here for the [updated State Plan](#) on the DVHA website.

The following State Plan pages were amended:

- Attachment 4.19-B pages 2a(1a), 2a(1b), 2a(1c), and 2a(1d)

[Annualized Fiscal Impact Proposed OPPS Payment Rates for SFY18](#)