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**State of Vermont**  
**Agency of Human Services**  
280 State Drive  
Waterbury, VT 05671-1000  
[www.humanservices.vermont.gov](http://www.humanservices.vermont.gov)

*Martha Maksym, Acting Secretary*  
[phone] 802-241-0440  
[fax] 802-241-0450

**Date:** July 25, 2019

**RE:** Responses to Public Comments for GCR 19-034: RBRVS Fee Schedule Update

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A summary of comments received and the Department of Vermont Health Access (DVHA) response to those comments is included below. Comments were received from Vermont Medical Society, Vermont HealthFirst, the Vermont chapter of the American Academy of Pediatrics, and independent practice physicians.

**Comment:** All comments received focused on vaccine administration codes that are included as part of the RBRVS Fee Schedule Update. All who commented opposed the decrease in reimbursement for codes 90460, 90461, 90471, and 90472. A few commenters requested that the reimbursement rates for vaccine administration codes be restored to those of a previous year (2017).

**Response:** The Department of Vermont Health Access (DVHA) appreciates these comments and the opportunity to provide further information on this update to the Resource-Based Relative Value Scale (RBRVS) fee schedule. After review of the comments received, DVHA is moving forward with the RBRVS Fee Schedule Update as proposed and is not making any changes to the rates for vaccine administration codes.

The vaccine administration codes included in the comments received are part of the RBRVS fee schedule. This fee schedule is the same underlying system used by Medicare. It sets rates for nearly all medical services covered by Medicaid. The RBRVS fee schedule uses cost data to determine how much resources are needed to provide a particular service relative to all other services. It is maintained by the Centers for Medicare and Medicaid Services (CMS) for use in the federal Medicare program and is updated annually to reflect new data and other policy changes.

The codes specified in the comments are billed to Medicaid by health care providers who administer a vaccine to a patient. The costs of the vaccines themselves are not included and are reimbursed separately. Health care providers frequently bill an additional code for an office visit (Evaluation & Management or E&M code) the same day they bill for vaccine administration.<sup>1</sup> E&M codes are also included in the RBRVS fee schedule update, and the reimbursement rates for E&M codes have increased over the past few years.

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<sup>1</sup> DVHA estimates the amount of immunizations with E&M codes billed the same day is between 65-67% each year since calendar year 2015.

Each procedure in the RBRVS fee schedule is assigned a number of relative value units (RVUs). The number of units determines the payment level for the procedure. There are three geographically-adjusted components that comprise an RVU. These components are:

1. **Physician work**, including the time and clinical skill necessary to treat a patient during the encounter.
2. **Practice expense**, including labor costs as well as expenses for building space, equipment, and office supplies.
3. **Professional liability insurance expense**, including the cost of malpractice insurance premiums.

The total RVU is then multiplied by a Vermont Conversion Factor, which is a value that converts the RVU into a dollar amount.

$$\textit{Physician Work} + \textit{Practice Expense} + \textit{Liability Insurance Expense} = \text{Relative Value Unit (RVU)}$$

$$\text{RVU} \times \textit{Vermont Conversion Factor} = \text{Dollar amount paid for procedure}$$

Effective 7/1/2019, the RVUs for the vaccine administration codes decreased, while the VT Conversion Factor increased. In total, the dollar amount paid for these vaccine administration codes decreased. For E&M codes, the total dollar amount has increased.

Joseph Nasca M.D.  
P.O. Box 2049  
Georgia, VT 05468

6-25-2019

Medicaid Policy Unit

Dear Policy Unit Members:

I am a Pediatrician who has served on the DVHA, Drug Utilization Board for two years and watched DVHA approve new drugs at sometimes staggering prices, witness the approval last year of the medications to treat Hepatitis C. Somehow DVHA finds in the budget the funding to pay for many drugs, who's prices are sky rocketing. Yet in the same timeframe the funding for delivery of vaccines to children and adults are being slashed. How can one make sense of these financial decisions?

I am sure it is within the power of DVHA to adjust the payment for the delivery of vaccine codes 90460, 90461, 90471 and 90472 to the level they were funded in 2017 plus a three percent per year increase to keep pace with rising operations cost for the practices.

Additionally, we received a communication April 1, 2019 from Christine Finley, VDH Immunization Program Manager informing practices that " the Health Department District Offices will no longer offer free vaccination to insured children and adults who receive primary care from a practice eligible to enroll in the Vaccines for Children and/or the Vaccine for Adults programs. "

Effectively the State has shifted all the work onto the practices, and then cut the reimbursement to do the work! Is this strategy in line with the Health People 2020 goals of increasing immunization rates?

Very disappointed,

Joe Nasca M.D.

cc. Dr. Mark Levine, Vermont Commissioner of Health

# VERMONT MEDICAL SOCIETY

TO: AHS Medicaid Policy Unit - [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov)

FROM: Jessa Barnard, Executive Director, Vermont Medical Society

DATE: June 26, 2019

**Re: Comments on GCR Proposed Policy 19-034 – RBRVS Fee Schedule Update**

Thank you for accepting comments from the Vermont Medical Society regarding GCR Proposed Policy 19-034 – RBRVS Fee Schedule Update. The Vermont Medical Society is submitting these comments on behalf of our 2000 physician and physician assistant members.

VMS generally supports the changes DVHA has proposed for Resource Based Relative Value Scale payments. Specifically, VMS appreciates the work by DVHA to keep the primary care conversion factor in the RBRVS fee schedule aligned with Medicare, continuing the reimbursement of primary care services at 100% of Medicare rates. This provides critical support to Vermont's primary care practices and VMS applauds the administration's commitment to funding primary care services.

VMS similarly appreciates the work of DVHA to increase the payment rates for non-primary care codes. The resulting increase of 3.4% for all codes and moving specialty service rates from approximately 80% of Medicare rates to 83% is important to the sustainability of Vermont's physician practices.

VMS does have one area of concern regarding the 2019 fee schedule. We have heard from several independent pediatric practices that the decrease in vaccine administration fees from 2017 through 2019 is beginning to impact these practices' ability to support Vermont's commitment to vaccinating the children of our State. Of particular concern are CPT Code 90460 (Immunization administration through age 18, with counseling by a physician or other qualified health professional) and 90461 (each additional vaccine component administered), as well as codes 90471-90474 (immunization administration of any vaccine that is not accompanied by face-to-face physician or other qualified health care professional counseling, or for patients over 18 years of age). VMS appreciates that the decrease in rates paid for these services is driven by a decrease in Medicare RVU and DVHA has worked to increase the Vermont Medicaid Coefficient. However, these factors have still led to an approximately 18% decrease in reimbursement for 90460 and 35% decrease for 90471 since 2017. This threatens not only the financial health of these practices but their ability to provide vaccines to Vermont children covered by Medicaid. VMS asks that DVHA return to the 2017 funding level for these codes. VMS also requests that DVHA meet with pediatric practices through the American Academy of Pediatrics, Vermont Chapter to discuss longer term strategies to ensure Vermont's children have access to needed vaccines through their medical homes.

Again, VMS appreciates the time and effort that goes into developing the Medicaid Fee Schedule. Thank you for considering our comments and working with the physicians of Vermont on this important task. You can reach me at [jbarnard@vtmd.org](mailto:jbarnard@vtmd.org) or 802-223-7898 to discuss further.



AHS Medicaid Policy Unit  
 280 State Drive, Center Building  
 Waterbury, VT 05671-1000  
 AHS.MedicaidPolicy@vermont.gov

June 25, 2019

Dear AHS Medicaid Policy Unit,

We are writing in relation to Global Commitment Register (GCR) proposed policy 19-034: RBRVS Fee Schedule Update.

We have significant concerns about these changes, particularly in relation to reimbursement rates for vaccine administration (codes 90460, 90461, 90471 and 90472). Adoption of the CY 2019 Medicare relative value units (RVUs) will effectively decrease PCP reimbursement for vaccine administration by 19% compared to 2018, and almost 27% since 2016 (as shown in table). This is despite modest increases in the State’s primary care conversion factor (CF).

Impact to Rates Paid for Vaccine Administration (90471)										
	RVU	% Change in RVU from prior year	PCP Coefficient	% Change in PCP Coefficient from Prior Year	PCP Rate	Change in PCP Rate	Non-PCP Coefficient	Change in Non-PCP Coefficient from Prior Year	Non-PCP Rate	Change in Non-PCP Rate
Oct 2016	0.708940		\$32.59		\$23.10		\$28.71		\$20.35	
Aug 2017	0.724100	2.14%	\$35.89	10.13%	\$25.99	12.51%	\$28.71	0.00%	\$20.79	2.16%
July 2018	0.581950	-19.63%	\$35.99	0.28%	\$20.94	-19.43%	\$28.71	0.00%	\$16.71	-19.62%
July 2019	0.470300	-19.19%	\$36.04	0.14%	\$16.95	-19.05%	\$29.71	3.48%	\$13.97	-16.40%
Change since 2016		-33.66%		10.59%		-26.62%		3.48%		-31.35%

Doctors have enormous influence over their patients’ acceptance of vaccinations. It takes a lot of resources to order, store, administer and report vaccines. On top of patient education and actual administration of vaccines, practices must order needles, syringes, prep pads, bandages and vaccine information statements, and pay costly fees for sharps disposal. Practices must also keep records for VDH and participate in the immunization registry. Lowering the reimbursement for vaccine administration in this era of intense anti-vaccine sentiment seems counter to the goals of increasing vaccine rates in Vermont. We strongly urge you to reinstate to 2016 reimbursement rates for codes 90460, 90461, 90471 and 90472.

Thank you for the opportunity to comment.

Susan Ridzon, MS  
 Executive Director  
 Vermont HealthFirst



## Vermont Chapter

### Vermont Chapter

PO Box 1457  
Montpelier, VT 05601  
Phone: 802-223-7898  
Fax: 802-223-1201  
Web: [www.aapvt.org](http://www.aapvt.org)

### Chapter President

Rebecca Bell, MD, FAAP  
UVMMC  
111 Colchester Ave.  
Burlington, VT 05401  
802-847-2304  
[rebecca.bell@uvmhealth.org](mailto:rebecca.bell@uvmhealth.org)

### Chapter Vice President

Jill Rinehart, MD, FAAP  
Hagan & Rinehart Pediatrics  
410 Shelburne Road  
So. Burlington, VT 05403  
802-860-1928  
[jillrinehartmd@gmail.com](mailto:jillrinehartmd@gmail.com)

### Chapter Secretary-Treasurer

Michael Kilcullen, MD, FAAP  
32 Pleasant Street  
Woodstock, VT 05091  
802-457-5001  
[Michael.Kilcullen@mahhc.org](mailto:Michael.Kilcullen@mahhc.org)

### Chapter Executive Board

Kim Aakre, MD, FAAP  
Kristen Connolly, MD, FAAP  
Wendy S. Davis, MD, FAAP  
Louis DiNicola, M.D., FAAP  
Monica Fiorenza, MD, FAAP  
Lewis First, MD, FAAP  
Beth Forbes, M.D., FAAP  
Erica Gibson, MD, FAAP  
Breena Holmes, MD, FAAP  
Jerry Larrabee, M.D., FAAP  
Ashley Miller, MD, FAAP  
Laura Murphy, MD, FAAP  
Karyn Patno, MD, FAAP  
Keith Robinson, MD, FAAP  
Valerie Rooney, MD, FAAP  
Stanley Weinberger, MD, FAAP

### Immediate Past President

Jill Rinehart, MD, FAAP  
Hagan & Rinehart Pediatrics  
410 Shelburne Road  
So. Burlington, VT 05403  
802-860-1928  
[jillrinehartmd@gmail.com](mailto:jillrinehartmd@gmail.com)

### Executive Director

Stephanie Winters  
134 Main Street  
PO Box 1457  
Montpelier, VT 05601  
802-223-7898  
[swinters@vtmd.org](mailto:swinters@vtmd.org)

June 28, 2019

Thank you for accepting comments from the American Academy of Pediatrics Vermont Chapter regarding GCR Proposed Policy 19-034 – RBRVS Fee Schedule Update. The American Academy of Pediatrics Vermont Chapter (AAPVT) is submitting these comments on behalf of our over 200 pediatric members in the state.

AAPVT recognizes and applauds the work by DVHA to keep the primary care conversion factor in the RBRVS fee schedule aligned with Medicare, continuing the reimbursement of primary care services at 100% of Medicare rates. This provides critical support to Vermont's primary care practices.

The AAPVT Chapter has however heard from several independent pediatric practices that the decrease in vaccine administration fees from 2017 through 2019 is impacting these practices' ability to support Vermont's commitment to vaccinating the children of our State. Of particular concern are CPT Code 90460 (Immunization administration through age 18, with counseling by a physician or other qualified health professional) and 90461 (each additional vaccine component administered), as well as codes 90471-90474 (immunization administration of any vaccine that is not accompanied by face-to-face physician or other qualified health care professional counseling, or for patients over 18 years of age). AAPVT understands that the decrease in rates paid for these services is driven by a decrease in Medicare RVU and DVHA has worked to increase the Vermont Medicaid Coefficient, however, these factors have still led to an approximately 18% decrease in reimbursement for 90460 and 35% decrease for 90471 since 2017. This threatens not only the financial health of these practices but their ability to provide vaccines to Vermont children covered by Medicaid.

With the importance of immunization being unequivocal, and during a time of growing false claims about vaccines, it is doubly important for pediatricians and primary care practitioners to be doubling down on efforts to increase vaccination rates. Our Vermont pediatricians are addressing concerns regarding the current measles epidemic daily; ensuring that any at-risk infants are immunized even before their one-year appointment, reaching out to and recalling patients who are late or have chosen not to have a measles vaccine and answering questions that arise daily. This is no time to be decreasing payment for immunization. For these reasons, The American Academy of Pediatrics Vermont Chapter requests that DVHA return to the 2017 funding level for these codes. We also requests that DVHA meet with pediatric practices through the AAP Vermont Chapter to discuss longer term strategies to ensure Vermont's children have access to needed vaccines through their medical homes.

Thank you for considering our comments and working with the pediatricians of Vermont on this important task. You can reach me at [swinters@vtmd.org](mailto:swinters@vtmd.org) or 802-223-7898 to discuss further.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Winters".

Stephanie Winters  
Executive Director

June 30, 2019

Medicaid Policy Unit

To Whom It May Concern:

We have a small private primary care pediatrics practice in Burlington. We serve over 4000 patients at an NCQA level 3. We have one of the highest immunization rates in the state.

We wish to express our concern about the proposed decrease in Medicaid reimbursement for immunization administration set to take effect July 1, 2019. The proposed rate of \$16.95 per immunization administered is 20% less than the current level, and is 35% less than the 2017 level.

We believe that immunizations are the most important advance in all of healthcare history. We believe firmly that all children should be fully immunized according to the CDC's schedule. During the current measles outbreak, the government should be doing everything it can to promote immunizations. Decreasing reimbursement does the opposite.

The proposed decrease in reimbursement for immunization administration is a direct hit to primary care. Primary care is the foundation of our health care system. It is also the most economical, and lowest funded sector of all of health care. It is challenging to keep our practice afloat when reimbursements are so low. One source of income we can count on is that from administering immunizations.

Not supporting primary care practices becomes an issue of patient access to health care. Our margins are very thin. If we, like many other primary care practices in this state, are unable to stay afloat amidst decreasing reimbursements, it will cost our health care system more money. Patients will be forced to forego preventive care and end up utilizing urgent care centers and emergency rooms.

We are attempting to recruit a new physician. If we cannot attract a new physician to join us because we cannot offer a competitive salary, it will be a major hardship. We need the state to do a better job of supporting primary care. Please do not cut our reimbursement.

Sincerely,

Gregory J. Connolly, MD  
Joseph F. Hagan, MD  
Jill S. Rinehart, MD

Dear Policy Unit Members:

The reason for writing this letter is because this week I found out that there is a proposal to decrease the rate we will receive to administer vaccines to children. I have thought about what to say in regards to this news, news of yet another decrease in reimbursement that will disproportionately impact independent small practices in Vermont.

Disproportionately because we already break even or lose money on vaccine administration, we are underpaid to care for the neediest of our patients because Medicaid reimbursement is inadequate yet it continues to be expanded, we don't collect facility fees like the hospital which drives up the cost of their office charges, and because Blue Cross Blue Shield has not increased rates for practices like mine for years because – well they don't have to and we are not large enough to negotiate with them.

Independent doctors like myself enjoy seeing patients, we enjoy employing hard working Vermonters who are like family to us. It feels good to give raises to my staff or a bonus for going over the top to help out. We don't like to complain but sometimes we have to because what is happening in the state regarding health care spending is not right. It isn't right from a financial perspective – independent practices save money - as has been proven over and over again and it isn't right from a patient care standpoint. We are told that medicine is moving from fee for service to a more proactive model – what could be more proactive than vaccinating children – during a measles outbreak nonetheless? We are told that costs are skyrocketing and the emergency department is overwhelmed with patients – having independent practices open and seeing patients that we know makes sense and saves money and allows for the urgent patient issues to be addressed appropriately.

In conclusion, I simply would like those making the decision regarding a rate decrease in vaccine administration fees (and yes I did review your reply to Dr Nasca regarding your table of Medicare RVU values decreasing) to understand the larger impact that decision has on independent practices. Yes, I am still going to provide the vaccines to my patients often at a loss, yes I am going to stay open on the weekend for my patients and yes I will admit my patients in the middle of the night at the hospital instead of having a hospitalist admit them because its the right thing to do. I just have to take a moment to complain this time because I believe it is also the right thing to do.

Sincerely,

Bradley Friesen, MD