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

Global Commitment Register

June 7, 2019

GCR 19-031
PROPOSED

Outpatient Prospective Payment System Update

Policy Summary:

The Department of Vermont Health Access (DVHA) is conducting its annual review of 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.

The DVHA rates effective July 1, 2019 are the Medicare July 2019 Addendum B rates multiplied by the following percentages:

1) For in-state hospitals that have a Medicare classification of critical access hospital (CAH): 113%, an increase from 110%;
2) For in-state hospitals that do not have a Medicare classification of CAH and who are not considered an academic medical center: 89%, an increase from 88%;
3) For University of Vermont Medical Center and Dartmouth Hitchcock: 87%, an increase from 86%; and
4) For all other out-of-state hospitals: 82%, an increase from 81%.

Effective Date:
July 1, 2019

Authority/Legal Basis:
This change is being 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.

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:
All Medicaid

Fiscal Impact:
The estimated gross annualized budget impact is $2,339,907.

Public Comment Period:
June 6, 2019 – July 1, 2019

Send comments to:
AHS Medicaid Policy Unit
280 State Drive, Center Building
Waterbury, VT 05671-1000

Or submit via e-mail to AHS.MedicaidPolicy@vermont.gov.

There is no public meeting scheduled at this time. If one should be scheduled, that information can be found at: http://dvha.vermont.gov/ either through the calendar or listed under upcoming events.

Additional Information:

The draft Global Commitment Amended State Plan page provides additional details on the proposed changes; copies of the draft pages can be requested from local Department for Children and Families (DCF) offices or from DVHA at (802) 355-8843, or can be found on the DVHA website: http://dvha.vermont.gov/global-commitment-to-health/global-commitment-register-proposed-policy-changes.

The State Fiscal Year 2020 Impact Model can be found on the next page.

Total Primay-Payer Population

Baseline SFY19 Estimated	
Medicare APC Rates	CY 2018
Pct of APC Rates:	
Standard / Out-of-State	81.00%
Dartmouth Hitchcock/PPS-Academic	86.00%
In State PPS-Academic	86.00%
In State PPS	88.00%
In State CAH	110.00%
Fixed Outlier Threshold	$7,500

Proposed SFY20 Estimated	
Medicare APC Rates	CY 2019
Pct of APC Rates:	
Standard / Out-of-State	82.00%
Dartmouth Hitchcock/PPS-Academic	87.00%
In State PPS-Academic	87.00%
In State PPS	89.00%
In State CAH	113.00%
Fixed Outlier Threshold	$7,500

Hospital	New In-State OPPS Peer Group	Baseline SFY19 (CY2018 Utilization + SFY19 DVHA Rates)			Proposed SFY20 (CY2018 Utilization + SFY20 Proposed DVHA Rates)			% Change
		Regular Allowed	Outlier Allowed	Total Allowed	Regular Allowed	Outlier Allowed	Total Allowed	Compared to Baseline
Copley Hospital	CAH	$ 3,462,226	$ 1,528	$ 3,463,754	$ 3,586,132	$ 1,426	$ 3,587,558	4%
Gifford Medical Center	CAH	$ 2,155,171	$ 19,234	$ 2,173,627	$ 2,210,693	$ 18,786	$ 2,229,479	3%
Grace Cottage Hospital	CAH	$ 448,413	$ -	$ 448,413	$ 460,566	$ -	$ 460,566	3%
Mt. Ascutney Hospital	CAH	$ 851,172	$ 88,987	$ 939,564	$ 873,588	$ 92,426	$ 966,014	3%
North Country Hospital	CAH	$ 4,343,484	$ 5,124	$ 4,346,018	$ 4,509,254	$ 4,933	$ 4,514,187	4%
Northeastern VT Reg Hosp	CAH	$ 4,298,581	$ 82,626	$ 4,377,282	$ 4,444,331	$ 83,795	$ 4,528,126	3%
Porter Medical Center	CAH	$ 3,439,720	$ 5,379	$ 3,445,099	$ 3,563,477	$ 3,691	$ 3,567,168	4%
Springfield Hospital	CAH	$ 4,105,535	$ -	$ 4,105,535	$ 4,249,372	$ -	$ 4,249,372	4%
Brattleboro Memorial Hosp	PPS	$ 3,457,769	$ 23,682	$ 3,474,350	$ 3,507,335	$ 23,740	$ 3,531,075	2%
Central Vermont Med Ctr	PPS	$ 7,166,313	$ 14,528	$ 7,173,903	$ 7,255,885	$ 14,801	$ 7,270,686	1%
Northwestern Medical Ctr	PPS	$ 7,556,454	$ 432	$ 7,556,524	$ 7,613,532	$ -	$ 7,613,532	1%
Retreat Health Care	PPS	$ 20,642	$ -	$ 20,642	$ 19,951	$ -	$ 19,951	-3%
Rutland Regional Med Ctr	PPS	$ 9,965,777	$ 40,535	$ 9,999,900	$ 10,155,002	$ 57,037	$ 10,212,039	2%
Southwestern VT Health Care	PPS	$ 6,254,079	$ 6,284	$ 6,252,821	$ 6,390,469	$ 6,202	$ 6,396,671	2%
University of VT Medical Ctr	PPS-A	$ 25,684,155	$ 389,457	$ 25,977,567	$ 26,101,687	$ 392,205	$ 26,493,892	2%
All In State Hospitals		**$ 83,209,491**	**$ 677,796**	**$ 83,754,999**	**$ 84,941,275**	**$ 699,042**	**$ 85,640,317**	**2%**
CAH Hospitals		**$ 23,104,302**	**$ 202,878**	**$ 23,299,292**	**$ 23,897,413**	**$ 205,057**	**$ 24,102,470**	**3%**
PPS Hospitals		**$ 34,421,034**	**$ 85,461**	**$ 34,478,140**	**$ 34,942,175**	**$ 101,780**	**$ 35,043,955**	**2%**
PPS-Academic Hospital		**$ 25,684,155**	**$ 389,457**	**$ 25,977,567**	**$ 26,101,687**	**$ 392,205**	**$ 26,493,892**	**2%**
Dartmouth-Hitchcock Med Ctr	**PPS-A**	14,364,623	210,326	14,532,059	14,684,796	210,562	14,895,358	2%
All Other Out-of-State Hosp	**Standard**	4,195,633	124,996	4,315,481	4,278,841	127,931	4,406,772	2%
All Hospitals		**$ 101,769,747**	**$ 1,013,118**	**$ 102,602,539**	**$ 103,904,911**	**$ 1,037,535**	**$ 104,942,446**	**2%**

*net of exclusions