



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

Global Commitment Register

December 29, 2017

GCR 17-087
PROPOSED

Vermont Medicaid Next Generation ACO Program

Policy Summary:

The Agency of Human Services is entering the second year of the Vermont Medicaid Next Generation Accountable Care Organization (VMNG ACO) program, which is a pilot 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 All-Inclusive Population Based Payment (AIPBP) to the ACO on a Per-Member-Per-Month (PMPM) basis according to a members' 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 second year of the ACO program will have the following updates:

- 1) Physician administered drugs will be included in the Total Cost of Care.
- 2) Prior authorization requirements will be waived for all providers for the above defined set of Medicaid services provided to attributed members for which the ACO is accountable.
- 3) Changes to the quality withhold and quality measure set (see coverage document in the Additional Information section below).

Additional information regarding this program can be found below.

Effective Date:

January 1, 2018

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:

Attributed Medicaid beneficiaries.

Fiscal Impact:

The estimated annualized gross budget impact of this program is budget neutral.

Public Comment Period:

December 29, 2017 – January 29, 2018

Send comments to:

Agency of Human Services
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 is scheduled, an updated Global Commitment Register notice will be issued.

Additional Information:

Draft documents describing the Vermont Medicaid Next Generation ACO Program:

- [Coverage document](#)
- [Reimbursement document](#)