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Date: November 6, 2020

RE: GCR 20-108, Proposed RBRVS Fee Schedule Update

The Vermont Medical Society, HealthFirst, Vermont Academy of Family Physicians, American Academy of Pediatrics Vermont Chapter, Vermont Association of Naturopathic Physicians and Vermont Association of Nurse Anesthetists submit these comments in response to GCR 20-108, Proposed RBRVS Fee Schedule Update, which went into effect on November 1, 2020. Our organizations collectively represent hundreds of independent clinicians who see Medicaid patients daily and rely on the RBRVS fee schedule. We write to request that the fee schedule be modified to be budget neutral.

Our organizations appreciate the work of DVHA to professionalize and standardize DVHA’s fee schedules and to align the RBRVS fee schedule with Medicare. We also appreciate the commitment of DVHA to achieve primary care rates of 100% of Medicare rates and to support and implement the Provider Relief Fund to meet the unprecedented need created by the COVID-19 pandemic. That said, we oppose the $246,170 reductions in the fee schedule, and in particular the .6% or $128,076 decrease to primary care E&M codes that are a result of the combined effect of the primary care CF, Medicare RVUs and GPCIs.

While this appears as a small number, this comes at a time when primary care practices cannot absorb additional cuts. As DVHA is well aware, primary care and particularly independent primary care, is stressed in a number of ways – financially, administratively, and subject to severe workforce shortages. While this is not new to the COVID-19 pandemic, the pandemic has exacerbated the extreme challenges facing independent primary care practices. Recent survey data from the American Medical Association shows that almost 70% of physicians were still providing fewer total visits (in-person plus telehealth) at the time of the survey than pre-pandemic. Further, 64% of practice owners said that spending on PPE was up from pre-pandemic; the average increase in PPE spending was 57%.[[1]](#footnote-1)

The Provider Relief Fund has been instrumental in addressing practice losses through the end of 2020. However, that funding will end on December 31st. Paycheck Protection Program funds - also relied on by many independent practices – have come to an end. This will leave practices with limited ability to cover additional costs, which are likely to extend into 2021. There is no indication that the need for PPE, need to adjust workflow and patient volume due to social distancing and increased patient requests for screening for COVID symptoms or ordering COVID tests will change during the time period this fee schedule will be in place – from November 1, 2020 through June 30, 2021. Further, this decrease in fee schedule is coming on the heels of a gradual erosion in a number of other payments for primary care – such as the decrease to the DVHA vaccine administration fees from 2017 to 2019, cuts to the Primary Care Case Management Program in 2018, and the recent reduction of up front primary care payments from OneCare Vermont. It is also at a time when DVHA has a healthy budget due to increased matching funds from the federal government.

The above organizations respectfully request, at a minimum, a budget neutral RBRVS fee schedule. The combined in-patient and out-patient prospective payment system updates will lead to a budget neutral fee schedule for hospital-based practices. Independent practices request the same level funding at a time that COVID-19 has revealed just how critical it is for every Vermonter to have a medical home to care for their health needs.

Thank you for your consideration and please reach out to any of us for additional information.

1. <https://www.ama-assn.org/system/files/2020-10/covid-19-physician-practice-financial-impact-survey-results.pdf> [↑](#footnote-ref-1)