WHEREAS, the Vermont Medicaid Program is the largest payer of health care services to Vermont residents, in 2002 accounting for 25.4% of total Vermont Health Care Expenditures; and

WHEREAS, Vermont’s Medicaid program is more comprehensive in terms of its eligibility and benefits that other state Medicaid Programs and provides coverage to some Vermonters with above-median income; and

WHEREAS, Vermont physicians have historically demonstrated a high degree of commitment to the health of their communities, and despite inadequate reimbursement levels, Vermont physicians continue to have a high level of Medicaid participation; and

WHEREAS, Vermont physicians shoulder the administrative burden of implementing and amending the Medicaid preferred drug list (PDL); and

WHEREAS, Vermont physicians care for patients with chronic conditions who require care coordination and other services that are not reimbursed by Medicaid; and

WHEREAS, the Vermont Medicaid program severely underpays Vermont physicians and in many cases pays less than their overhead costs; and

WHEREAS, the Vermont Medicaid program does not include regular cost-of-living increases for physicians in the Medicaid budget; and

WHEREAS, Vermont physicians have experienced increasing difficulty and delay in obtaining reimbursement from Medicaid; and

WHEREAS, the number of claims held in suspense by EDS and OVHA for long periods of time is creating financial stress for physician practices; and

WHEREAS, Vermont insurance law requires payment of clean claims within 45 days and the CIGNA settlement requires payment within 30 days for the first year and after that within 15 days; and

WHEREAS, OVHA and EDS are implementing Claim Check software and other programs to automate audits and bundling of claims and to collect physician profiling and quality data; now therefore be it

1 2002 Vermont Health Care Expenditure Analysis: Initial Release, Department of Banking, Insurance, Securities and Health Care Administration, April 2004.
RESOLVED, that VMS work with OVHA/EDS to ensure that all clean claims are paid in 30 days and electronic claims are paid within 15 days; and be it further

RESOLVED that VMS communicate to the Administration its concern about delays in the payment of suspended claims and paper claims designed to manage cash flow; and be it further

RESOLVED, that VMS work with OVHA/EDS to ensure disclosure to physicians of profiling data, quality data, bundling edits and payment logic used by OVHA/EDS or their contractors; including the name and version of any software program used by OVHA/EDS or their contractors; and be it further

RESOLVED that VMS work to inform the Administration and the General Assembly of the need for adequate Medicaid reimbursement and annual cost-of-living increases and importance of preserving access to physician services for Medicaid patients.