

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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H.960 (Act 140) – An Act Relating to Miscellaneous Health Care Provisions

As passed by the General Assembly

<https://legislature.vermont.gov/bill/status/2020/H.960>

Sec. 4 – Mental Health Integration Council

Sec. 4 creates a Mental Health Integration Council for the purpose of helping to ensure that all sectors of the health care system actively participate in the State's principles for mental health integration. The Council would have 23 members of whom would be entitled to per diems as per 32 V.S.A. § 1010 for up to six meetings annually. It is estimated that approximately two to four members would take advantage of the per diems. However, we estimate these costs to be minimal (less than \$4,000) and can be absorbed within the Department of Mental Health's existing budget. The Council will cease to exist on July 30, 2023.

Appropriation:

No additional appropriation required.

Secs. 6 & 7 – VPharm Assistance Program

Sec. 6 of the bill proposes to expand VPharm coverage for enrolled Vermont Medicare Part D participating individuals whose income is greater than 150% and not greater than 225% of the federal poverty level (FPL) guidelines to be the same as the pharmaceutical coverage under the Medicaid program. Currently, enrolled individuals on VPharm 2 and VPharm 3 receive coverage for maintenance medications and diabetic supplies only. This expansion would provide enrolled Vermont Medicare Part D participating individuals the same benefits as VPharm 1 and other Medicaid beneficiaries. According to the Department of Vermont Health Access (DVHA), while this programmatic change would result in a small spending increase, much of it would be offset through administrative savings. As such, these costs can be managed within their existing budget and require no additional appropriation. Further, it would require approval from the Center for Medicare and Medicaid Services (CMS).

Sec. 7 requires the Agency of Human Services (AHS) to request approval for this expansion from CMS when it next seeks changes to the *Global Commitment to Health* 1115 Medicaid demonstration waiver. While it was expected to expire on December 31, 2021, AHS recently received confirmation from CMS that it may seek a two-year no-change extension that would allow AHS more time to prepare its renewal request, including accessing technical resources that were not able to be accessed due to the COVID-19 public health emergency. As such, this language would not go into effect any time before FY 2022 (and possibly not until 2024).

Appropriation:

No additional appropriation required. This program expansion will not be in effect in FY 2021. According to DVHA, if and when the expansion is approved by CMS, any increased cost would be offset by administrative savings and could be managed within DVHA's existing appropriation.

VPHARM PROGRAM

	Income Limit % FPL	Household Size Income		Monthly Premium Per Person/Month	Benefits
		1-person	2-person		
VPHARM 1	150%	\$19,140	\$25,860	\$15	Covers Part D cost-sharing, diabetic supplies, eye exams, and drugs not covered by Medicare
VPHARM 2	175%	\$22,330	\$30,170	\$20	Covers maintenance medications and diabetic supplies only
VPHARM 3	225%	\$28,710	\$38,790	\$50	

VPHARM 1,2,3 help pay beneficiaries' Medicare Part D premiums.