



VERMONT LEGISLATIVE Joint Fiscal Office

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Fiscal Note

5/18/2022

Nolan Langweil

S.285 (Act 167) – An act relating to health care reform initiatives, data collection, and access to home- and community-based services

As passed by the General Assembly

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<https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT167/ACT167%20As%20Enacted.pdf>

Other bill information

<https://legislature.vermont.gov/bill/status/2022/S.285>

Bill Summary

The bill proposes initiatives related to health care reform, the Blueprint for Health, health information exchange, and options for extending moderate needs supports. It would appropriate **\$5 million in General Funds** to support the work of developing a subsequent all-payer model agreement with the Center for Medicare and Medicaid Innovation (CMMI) as set forth in Sec. 1 of the bill.

- \$900,000 would be appropriated to the Agency of Human Services (AHS)
- \$4.1 million would be appropriated to the Green Mountain Care Board (the Board)

Sec. 1 – Development of Proposal for Subsequent All-Payer Model Agreement

Sec. 1 would require the Director of Health Care Reform (in AHS), in collaboration with the Board, to develop a proposal for a subsequent agreement with CMMI to secure Medicare's continued participation in multi-payer alternative payment models in Vermont. The bill sets forth requirements and considerations for both AHS and the Board as they develop the proposal and requires them to report on their activities to the legislative committees of jurisdiction.

- *There is an appropriation associated with this section in Sec. 3.*

Sec. 2 – Hospital System Transformation and Engagement Process

Sec. 2 would require the Board in collaboration with the Director of Health Care Reform to develop a data-informed, patient-focused, community-inclusive engagement process for Vermont's hospitals to

reduce inefficiencies, lower costs, improve population health outcomes, reduce health disparities, and increase access to essential services while maintaining sufficient capacity for emergency management.

- *There is an appropriation associated with this section in Sec. 3.*

Sec. 3 – Payment and Delivery Reform Appropriations

Sec. 3 appropriates \$5 million in General Funds to support the work set forth in Secs. 1 and 2 (including hiring consultants as needed) as follows:

- \$900,000 to the Agency of Human Services (AHS)
 - It is assumed that a portion of the costs would be eligible to receive federal matching dollars under Global Commitment, although how much is not known at this time.
- \$4.1 million to the Green Mountain Care Board (GMCB)

Sec. 7 – Blueprint for Health

Sec. 7 would require the Director of Health Care Reform to recommend to the legislative committees of jurisdiction, on or before January 15, 2023, the amounts by which health insurers and Vermont Medicaid should increase the amount of per-person, per month (PMPM) payments they make towards the shared costs of operating the Blueprint for Health community health teams and providing quality improvement facilitation, in furtherance of the goal of providing additional resources necessary for the delivery of comprehensive primary care services to Vermonters and to sustain access to primary care services in Vermont. It would also require AHS provide an estimate of the State spending that would be needed to support the increase for Medicaid.

- *No FY 2023 appropriation required.*

Sec. 8 – Options for Extending Moderate Needs Supports

Sec. 8 would require the Department of Disabilities, Aging, and Independent Living (DAAIL) to convene a working group to consider extending access to long-term home- and community-based services and supports to a broader cohort of Vermonters. The working group would also make recommendations regarding changes to service delivery for persons who are dually eligible for Medicaid and Medicare in order to improve care, expand options, and reduce unnecessary cost shifting and duplication.

- *No FY 2023 appropriation required.*

Sec. 10 – Medicaid Reimbursement Rates

Sec. 10 would require the Department of Vermont Health Access (DVHA) in its FY 2024 budget proposal to either:

- provide Medicaid reimbursement rates for primary care services at rates that are equal to 100 percent of the Medicare rates for the services, or
- provide information on the additional amounts that would be necessary to achieve full reimbursement parity for primary care services with the Medicare rates, in accordance with 32 V.S.A. § 307(d)(6).¹
- *No FY 2023 appropriation required.*

¹ 32 V.S.A. § 307 - <https://legislature.vermont.gov/statutes/section/32/005/00307>