

525 Clinton Street  
Bow, NH 03304  
Voice: 603-228-2830  
Fax: 603-228-2464



61 Elm Street  
Montpelier, VT 05602  
Voice: 802-229-0002  
Fax: 802-223-2336

## Testimony Before Senate Committee on Health and Welfare

Mary Kate Mohlman, Director, Vermont Public Policy

Bi-State Primary Care Association

April 20, 2023

Chair Lyons, Members of the Committee,

Thank you for the opportunity to testify on H. 206, an act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access (DVHA). Bi-State Primary Care Association, which represents Vermont's federally qualified health centers (FQHCs), is requesting an amendment to the below provision in that bill.

The reason for this amendment is two-fold. First, we want to clarify the relationship between an alternative payment methodology (APM) and the prospective payment system (PPS) for FQHCs as established in federal statute. Second, our conversation with DVHA began in February 2022 with the goal of including the updated payment methodology in the FY2024 budget. That did not occur, and our members need assurance that the updated payment methodology will be in place by the next calendar year. The updated reporting timeline is to ensure both parties, Bi-State and DVHA, are held accountable for this timeline. Furthermore, given recent progress in our collaboration, I do not foresee this deadline creating undue burden.

Thank you again, and I am happy to take any questions.

### Current Language:

*Sec. 4. FEDERALLY QUALIFIED HEALTH CENTERS; ALTERNATIVE PAYMENT METHODOLOGY; REPORT*

*The Department of Vermont Health Access shall collaborate with representatives of Vermont's federally qualified health centers (FQHCs) to develop a mutually agreeable alternative payment methodology for Medicaid payments to the FQHCs. On or before December 15, 2023, the Department shall provide a progress report on the development of the methodology to the House Committee on Health Care and the Senate Committee on Health and Welfare.*

### Alternative Language

*Sec. 4. FEDERALLY QUALIFIED HEALTH CENTERS; ALTERNATIVE PAYMENT METHODOLOGY; REPORT*

*The Department of Vermont Health Access shall collaborate with representatives of Vermont's federally qualified health centers (FQHCs) to develop a mutually agreeable alternative payment methodology for Medicaid payments to the FQHCs **that is at least equal to the amount that***

would be paid under the prospective payment system established under the Benefits Improvement and Protections Act of 2000 (BIPA).

On or before October 1, 2023, the Department shall report on its progress in establishing an alternative payment methodology meeting that is at least equal to the amount that would be paid under the prospective payment system for Medicaid payments to FQHCs to the Joint Fiscal Committee or Health Reform Oversight Committee in order for the department to include a funding request in the FY2024 budget adjustment act.

On or before December 1, 2023, the Department shall provide a final report on the development of the methodology to the House Committee on Health Care and the Senate Committee on Health and Welfare.