

# Green Mountain Care Board

Owen Foster, GMCB Chair

January 27, 2023

# About Us

- Established in 2011 (Act 48)
- 5 Board Members
- 6-Year Staggered Terms
- The GMCB is an independent Board that is part of state government
- Quasi-judicial

## THE BOARD & EXECUTIVE DIRECTOR



Owen Foster, JD  
GMCB Chair



Jessica Holmes, PhD  
GMCB Member



Robin Lunge, JD, MHCDS  
GMCB Member



David Murman, MD  
GMCB Member



Thom Walsh,  
PhD, MS, MSPT  
GMCB Member



Susan Barrett, JD  
GMCB Executive Director

# GMCB Quick Facts



## Quick Facts

- Established in 2011
- [5 Board Members](#)
- Appointed by the Governor to staggered, six-year terms

**Vision** A sustainable and equitable health care system that promotes better health outcomes for Vermonters.

**Core Values** Independent; Transparent; Data-Driven; Holistic; Collaborative; Accountable

**Mission** Drive system-wide improvements in access, affordability, and quality of health care to improve the health of Vermonters.



Regulate major areas of Vermont's health care system



Serve as a transparent **source of information and analysis** on health system performance

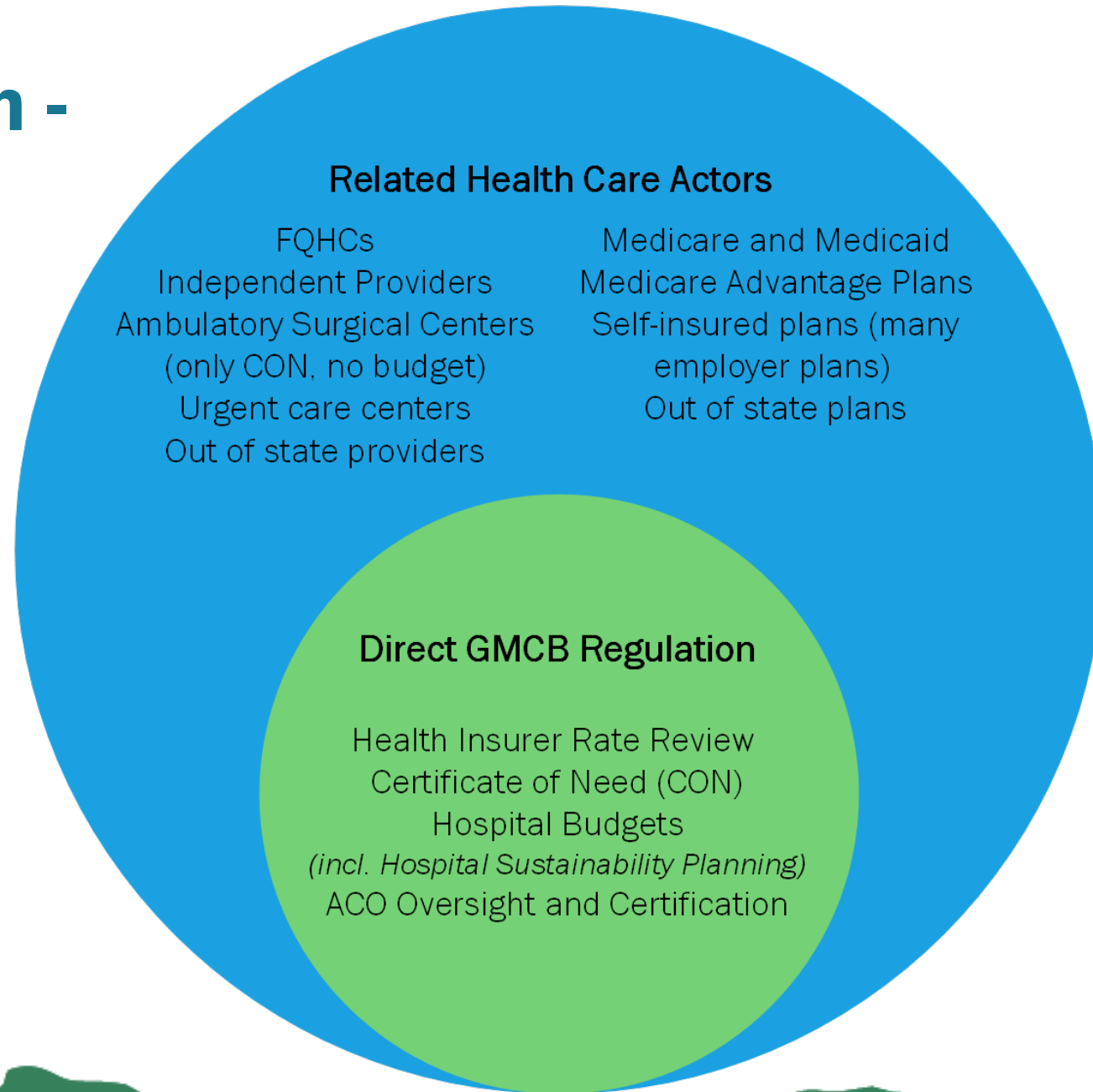


Advance **innovation** in health care payment and delivery

# GMCB - REGULATION

# GMCB Regulation - Scope

- GMCB regulatory decisions impact areas the GMCB does not directly regulate



# GMCB Regulation - 2022



- 14 Hospitals
- 2 Accountable Care Organizations
- 11 Health Insurance Premium Rate Filings
- 7 Certificates of Need Issued (plus 3 with material changes and 5 that did not meet threshold)



Resource: [Regulatory Process Summaries](#)

# GMCB – Regulation



## Regulation:

- Hospital Budgets:

Office of the  
Health Care Advocate

- 14 Hospital Budgets in 2022
- Hospitals had significant financial challenges
- For 2023, GMCB approved a system-wide Net Patient Revenue (NPR) of \$3.27 billion, a 10.1% NPR increase over FY2022 approved budgets.
- Affordability/Sustainability challenges



# GMCB – Regulation



## Regulation:

- Health insurer rate review (including the Exchange):
  - 11 health insurance rate filings in 2022
  - Approved average rate increases for exchange plans:
    - MVP individual 19.3% (reduced from 24.4%)
    - BCBSVT individual 11.4% (reduced from 14.9%)
    - MVP small group 18.3% (reduced from 23.4%)
    - BCBSVT small group 11.7% (reduced from 15.4%)

Office of the  
Health Care Advocate



- ACO Oversight, Certification, Rule 5.0 (Act 113); ACO Budgets:
  - 2 Accountable Care Organizations in 2022

Office of the  
Health Care Advocate



# GMCB – Regulation



## Regulation:

- Major capital expenditures (Certificate of Need);
  - The Certificate of Need (CON) process is intended to prevent unnecessary duplication of health care facilities and services, promote cost containment, and help ensure equitable allocation of resources to all Vermonters.
  - In 2022, GMCB approved seven CON applications with a total value of \$49,314,743.



# GMCB – DATA AND ANALYTICS

# GMCB– Data And Analytics



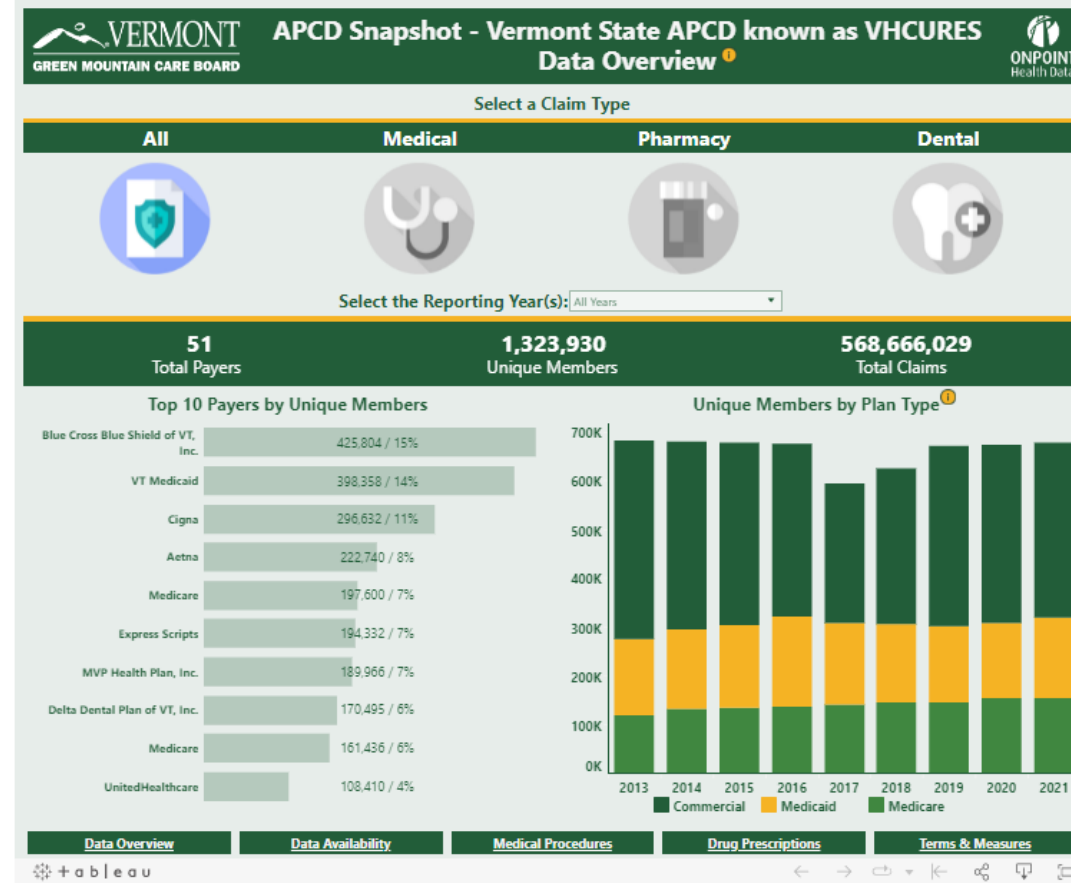
## Information:

- Data and Analytics (VHCURES, VUHDDS and APM Analytics);
- Data Governance Council;
- Interactive datasets and analysis;
- Health Resource Allocation Plan (HRAP);
- Annual Expenditure Analysis;
- Annual Cost Shift Report; and
- Reports for legislature.
- [Health Service Wait Times Report](#)
- [Public Reports and Analyses](#)



# GMCB - Data and Analytics

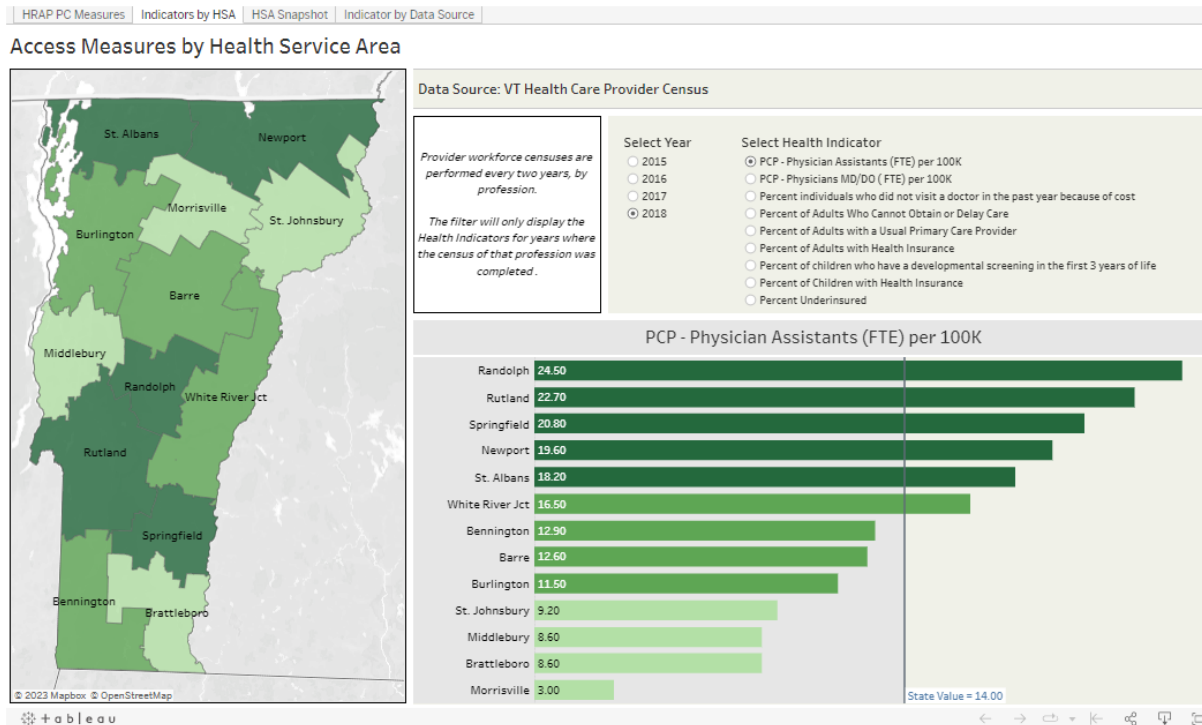
- Vermont State APCD by [Onpoint Health Data](#)



<https://gmcbboard.vermont.gov/APCD-snapshot>

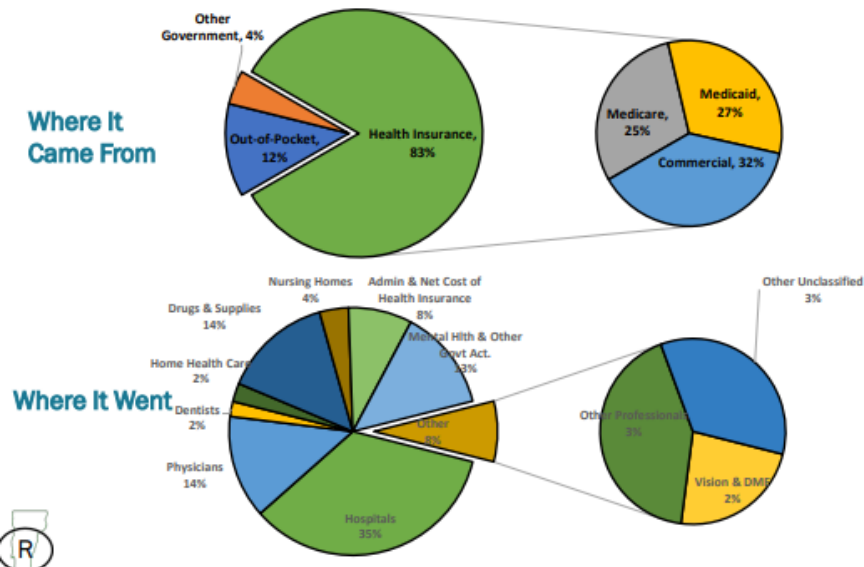
# GMCB - Data and Analytics

## Health Resource Allocation Plan



## Expenditure Analysis

### Vermont Resident Health Care Spending for 2020 - \$6.4 Billion



<https://gmcboard.vermont.gov/health-resource-allocation-plan>

<https://gmcboard.vermont.gov/data/expenditure-analysis>

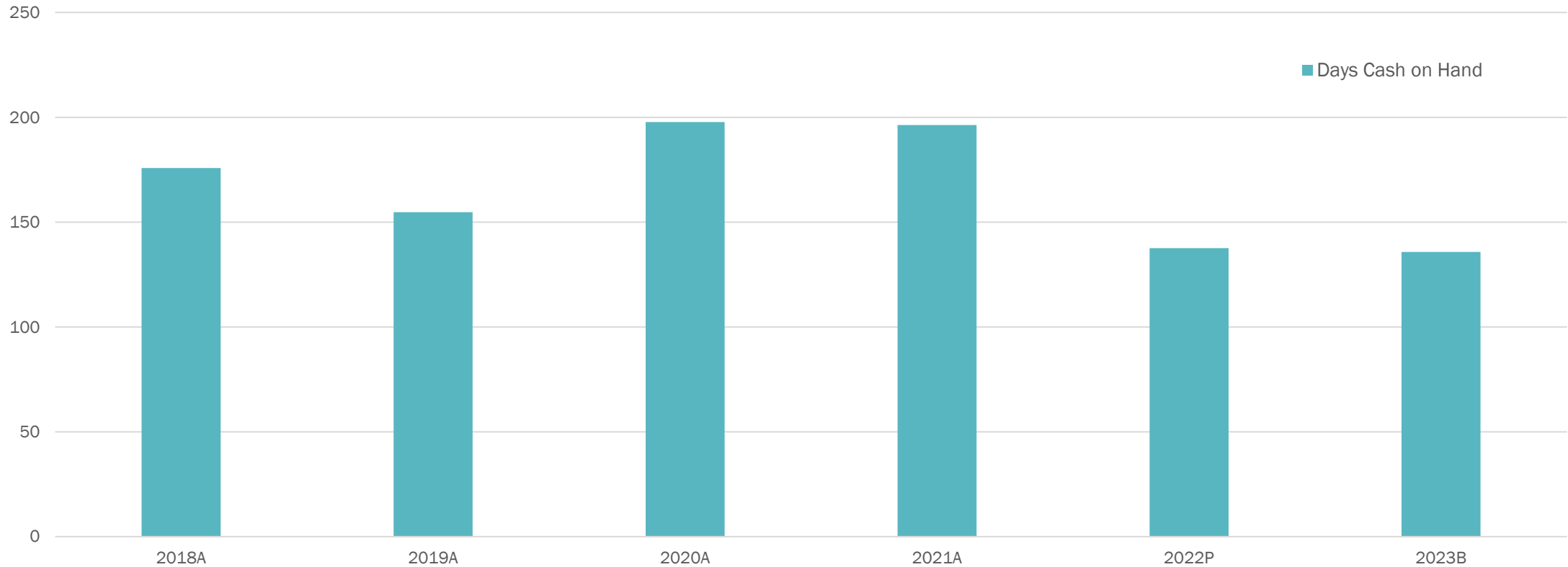
# HEALTH CARE LANDSCAPE TRENDS

# Health Care Landscape Trends

## Hospital Days Cash On Hand (DCOH)



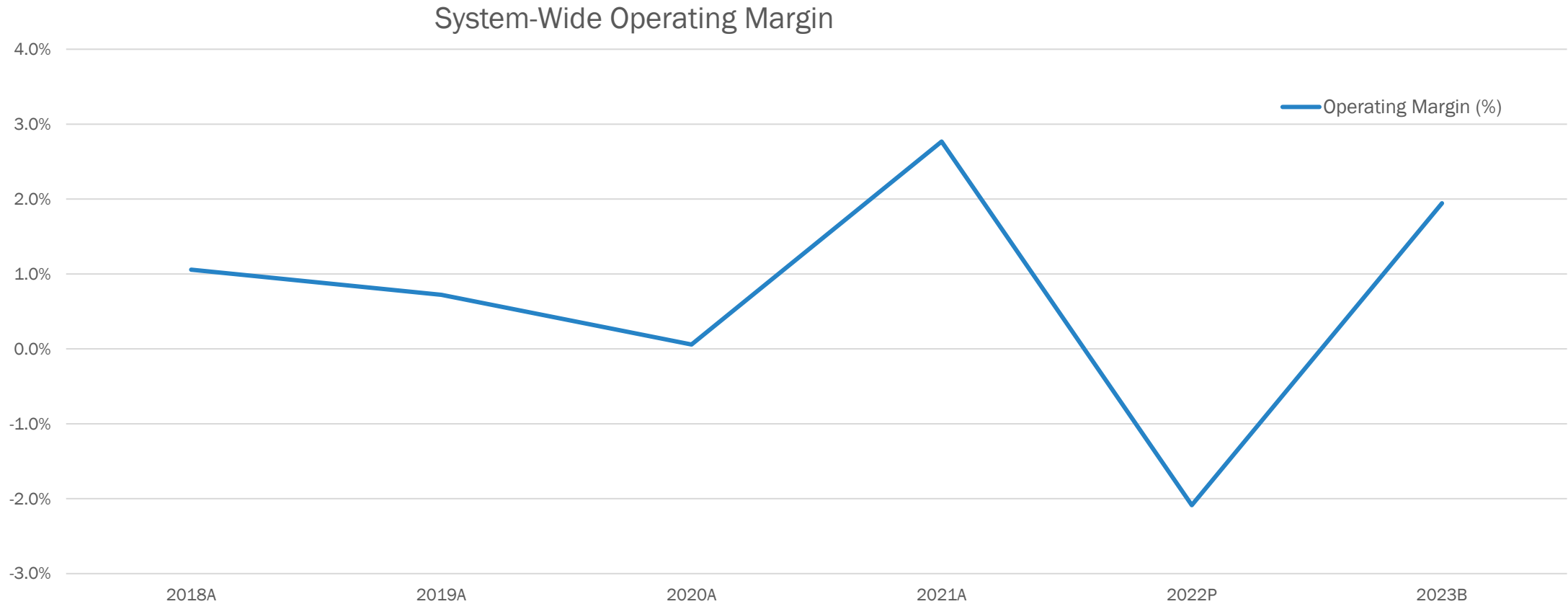
System-Wide Days Cash On Hand



Note: FY22 DCOH and Op. Margin are using hospitals' projections at the time of the budget submission. Actual FY22 DCOH and Op. Margin will be available after hospitals submit their final FY22 actuals (Jan. 31)

# Health Care Landscape Trends

## Hospital Operating Margins



Note: FY22 DCOH and Op. Margin are using hospitals' projections at the time of the budget submission. Actual FY22 DCOH and Op. Margin will be available after hospitals submit their final FY22 actuals (Jan. 31)



# GMCB - Regulation



SUBMITTED	FY19	FY20	FY21	FY22	FY23	FY19-23
Brattleboro Memorial Hospital	\$ 83,968,150	\$ 89,966,363	\$ 92,802,426	\$ 95,595,379	\$ 105,484,860	\$ 467,817,178
Central Vermont Medical Center	\$ 211,387,021	\$ 222,024,685	\$ 237,013,420	\$ 251,502,614	\$ 269,231,389	\$ 1,191,159,131
Copley Hospital	\$ 72,037,976	\$ 72,658,362	\$ 77,070,620	\$ 86,390,520	\$ 96,033,233	\$ 404,190,711
Gifford Medical Center	\$ 55,894,652	\$ 52,382,984	\$ 52,083,147	\$ 54,224,079	\$ 58,010,676	\$ 272,595,538
Grace Cottage Hospital	\$ 19,292,581	\$ 20,966,669	\$ 21,029,541	\$ 22,353,530	\$ 25,375,255	\$ 109,017,576
Mt. Ascutney Hospital & Health Ctr	\$ 51,195,770	\$ 55,007,317	\$ 56,211,393	\$ 59,640,912	\$ 65,869,470	\$ 287,924,862
North Country Hospital	\$ 81,523,350	\$ 82,979,050	\$ 82,736,965	\$ 88,784,696	\$ 98,854,193	\$ 434,878,255
Northeastern VT Regional Hospital	\$ 80,938,697	\$ 87,440,494	\$ 90,525,300	\$ 97,368,788	\$ 110,058,000	\$ 466,331,279
Northwestern Medical Center	\$ 112,773,980	\$ 116,926,579	\$ 116,693,229	\$ 115,925,533	\$ 121,093,673	\$ 583,412,994
Porter Medical Center	\$ 84,530,515	\$ 87,487,539	\$ 89,810,556	\$ 94,168,035	\$ 104,464,068	\$ 460,460,712
Rutland Regional Medical Center	\$ 258,925,111	\$ 267,787,827	\$ 247,487,684	\$ 270,361,370	\$ 313,970,338	\$ 1,358,532,330
Southwestern VT Medical Center	\$ 165,201,376	\$ 172,284,645	\$ 167,089,128	\$ 177,594,439	\$ 188,872,209	\$ 871,041,797
Springfield Hospital	\$ 59,996,953	\$ 48,889,190	\$ 56,197,667	\$ 54,568,207	\$ 56,344,476	\$ 275,996,493
The University of Vermont Medical Center	\$ 1,273,460,046	\$ 1,351,201,704	\$ 1,424,974,332	\$ 1,500,593,928	\$ 1,658,725,627	\$ 7,208,955,637
<b>System</b>	<b>\$ 2,611,126,178</b>	<b>\$ 2,728,003,408</b>	<b>\$ 2,811,725,408</b>	<b>\$ 2,969,072,030</b>	<b>\$ 3,272,387,468</b>	<b>\$ 14,392,314,493</b>
<b>UVMHN Hospitals</b>	<b>\$ 1,569,377,582</b>	<b>\$ 1,660,713,928</b>	<b>\$ 1,751,798,308</b>	<b>\$ 1,846,264,577</b>	<b>\$ 2,032,421,084</b>	<b>\$ 8,860,575,480</b>
<b>Non-UVMHN Hospitals</b>	<b>\$ 1,041,748,596</b>	<b>\$ 1,067,289,480</b>	<b>\$ 1,059,927,100</b>	<b>\$ 1,122,807,453</b>	<b>\$ 1,239,966,383</b>	<b>\$ 5,531,739,013</b>
<b>APPROVED</b>						
Brattleboro Memorial Hospital	\$ 82,769,115	\$ 88,145,092	\$ 92,802,426	\$ 93,088,223	\$ 105,484,860	\$ 462,289,716
Central Vermont Medical Center	\$ 211,387,021	\$ 218,043,247	\$ 236,081,038	\$ 249,584,872	\$ 269,231,389	\$ 1,184,327,568
Copley Hospital	\$ 70,201,316	\$ 72,658,362	\$ 76,189,789	\$ 85,656,271	\$ 96,033,233	\$ 400,738,971
Gifford Medical Center	\$ 55,894,652	\$ 52,382,984	\$ 52,083,147	\$ 54,224,079	\$ 58,010,676	\$ 272,595,538
Grace Cottage Hospital	\$ 19,292,581	\$ 19,967,821	\$ 20,666,695	\$ 22,072,030	\$ 25,375,255	\$ 107,374,382
Mt. Ascutney Hospital & Health Ctr	\$ 51,195,770	\$ 53,755,558	\$ 56,211,393	\$ 59,640,912	\$ 65,869,470	\$ 286,673,103
North Country Hospital	\$ 81,523,350	\$ 83,623,251	\$ 82,736,965	\$ 87,889,673	\$ 98,854,148	\$ 434,627,387
Northeastern VT Regional Hospital	\$ 80,527,005	\$ 87,253,844	\$ 90,525,300	\$ 97,368,788	\$ 110,058,000	\$ 465,732,937
Northwestern Medical Center	\$ 112,773,980	\$ 116,926,579	\$ 112,015,717	\$ 115,925,533	\$ 121,093,673	\$ 578,735,482
Porter Medical Center	\$ 84,530,515	\$ 87,487,539	\$ 89,810,556	\$ 94,168,035	\$ 104,464,068	\$ 460,460,713
Rutland Regional Medical Center	\$ 258,720,342	\$ 267,787,827	\$ 247,487,684	\$ 270,361,370	\$ 312,615,342	\$ 1,356,972,565
Southwestern VT Medical Center	\$ 165,201,376	\$ 172,284,645	\$ 167,089,128	\$ 177,594,439	\$ 188,872,209	\$ 871,041,797
Springfield Hospital	\$ 59,996,953	\$ 48,889,190	\$ 50,600,313	\$ 54,689,910	\$ 56,344,476	\$ 270,520,842
The University of Vermont Medical Center	\$ 1,273,460,046	\$ 1,348,125,704	\$ 1,415,656,433	\$ 1,500,593,928	\$ 1,658,725,627	\$ 7,196,561,738
<b>System</b>	<b>\$ 2,607,474,023</b>	<b>\$ 2,717,331,642</b>	<b>\$ 2,789,956,584</b>	<b>\$ 2,962,858,063</b>	<b>\$ 3,271,032,427</b>	<b>\$ 14,348,652,739</b>
<b>UVMHN Hospitals</b>	<b>\$ 1,569,377,582</b>	<b>\$ 1,653,656,490</b>	<b>\$ 1,741,548,027</b>	<b>\$ 1,844,346,835</b>	<b>\$ 2,032,421,084</b>	<b>\$ 8,841,350,018</b>
<b>Non-UVMHN Hospitals</b>	<b>\$ 1,038,096,441</b>	<b>\$ 1,063,675,152</b>	<b>\$ 1,048,408,557</b>	<b>\$ 1,118,511,228</b>	<b>\$ 1,238,611,342</b>	<b>\$ 5,507,302,720</b>

# GMCB - Regulation



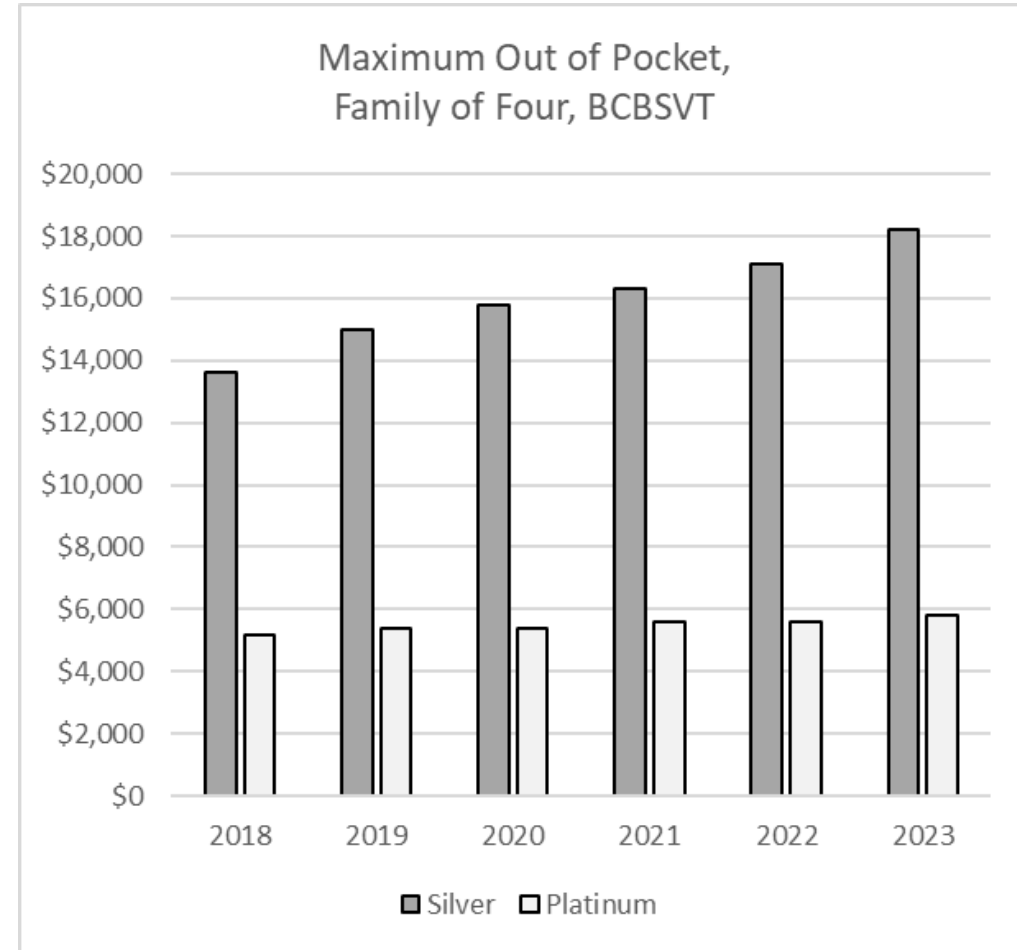
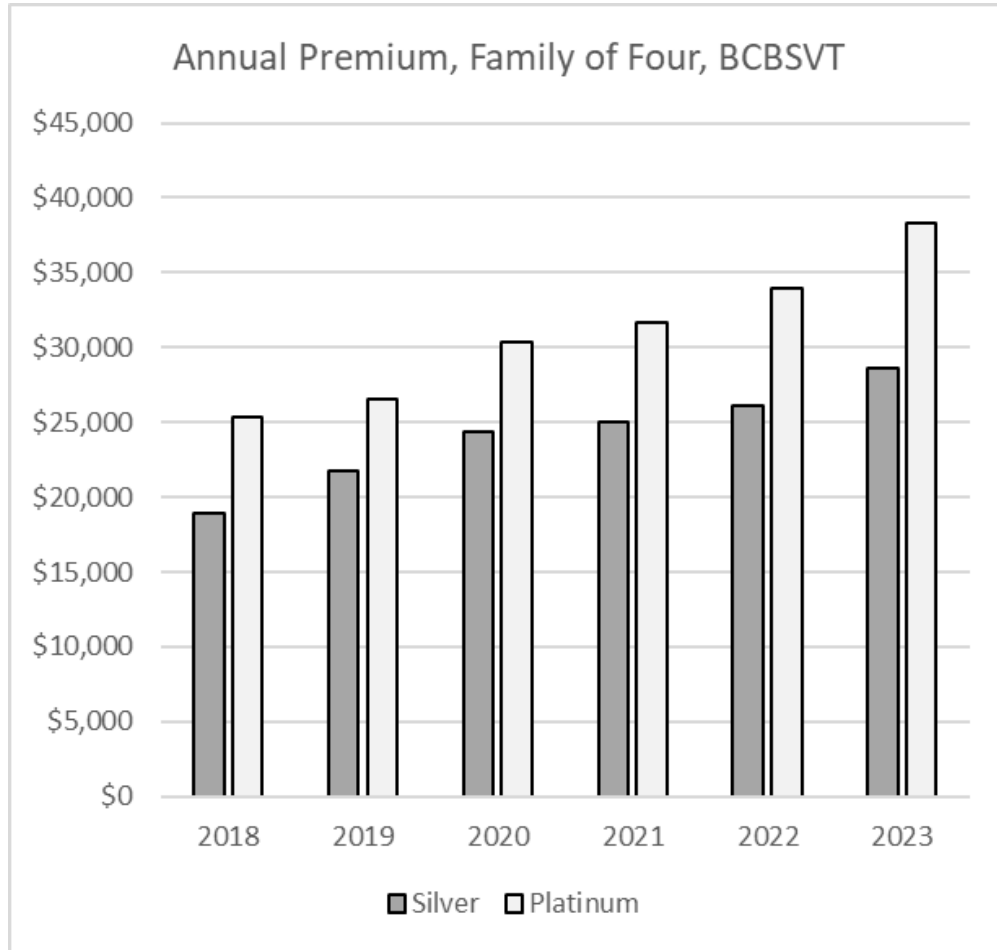
Approved vs. Submitted NPR/FPP (FY19-FY23)

All Payers	FY19	FY20	FY21	FY22	FY23	FY19-23
Brattleboro Memorial Hospital	98.57%	97.98%	100.00%	97.38%	100.00%	98.82%
Central Vermont Medical Center	100.00%	98.21%	99.61%	99.24%	100.00%	99.43%
Copley Hospital	97.45%	100.00%	98.86%	99.15%	100.00%	99.15%
Gifford Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Grace Cottage Hospital	100.00%	95.24%	98.27%	98.74%	100.00%	98.49%
Mt. Ascutney Hospital & Health Ctr	100.00%	97.72%	100.00%	100.00%	100.00%	99.57%
North Country Hospital	100.00%	100.78%	100.00%	98.99%	100.00%	99.94%
Northeastern VT Regional Hospital	99.49%	99.79%	100.00%	100.00%	100.00%	99.87%
Northwestern Medical Center	100.00%	100.00%	95.99%	100.00%	100.00%	99.20%
Porter Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Rutland Regional Medical Center	99.92%	100.00%	100.00%	100.00%	99.57%	99.89%
Southwestern VT Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Springfield Hospital	100.00%	100.00%	90.04%	100.22%	100.00%	98.02%
The University of Vermont Medical Center	100.00%	99.77%	99.35%	100.00%	100.00%	99.83%
<b>System</b>	<b>99.86%</b>	<b>99.61%</b>	<b>99.23%</b>	<b>99.79%</b>	<b>99.96%</b>	<b>99.70%</b>
<b>UVMHN Hospitals</b>	<b>100.00%</b>	<b>99.58%</b>	<b>99.41%</b>	<b>99.90%</b>	<b>100.00%</b>	<b>99.78%</b>
<b>Non-UVMHN Hospitals</b>	<b>99.65%</b>	<b>99.66%</b>	<b>98.91%</b>	<b>99.62%</b>	<b>99.89%</b>	<b>99.56%</b>

Commercial Payers Only	FY19	FY20	FY21	FY22	FY23	FY19-23
Brattleboro Memorial Hospital	97.41%	97.49%	100.00%	99.17%	100.00%	98.88%
Central Vermont Medical Center	101.48%	98.61%	99.20%	98.48%	96.38%	98.66%
Copley Hospital	97.01%	100.00%	82.85%	98.94%	100.00%	95.82%
Gifford Medical Center	99.21%	100.00%	100.00%	100.00%	100.00%	99.82%
Grace Cottage Hospital	100.00%	95.24%	98.47%	100.00%	100.00%	98.90%
Mt. Ascutney Hospital & Health Ctr	100.00%	93.66%	100.00%	100.00%	100.00%	98.84%
North Country Hospital	100.00%	100.00%	100.00%	98.59%	98.62%	99.41%
Northeastern VT Regional Hospital	99.30%	99.75%	100.00%	100.00%	100.00%	99.83%
Northwestern Medical Center	100.00%	100.00%	93.05%	100.00%	99.65%	98.50%
Porter Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Rutland Regional Medical Center	99.50%	100.00%	100.00%	100.00%	100.71%	100.08%
Southwestern VT Medical Center	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Springfield Hospital	100.00%	100.00%	87.94%	95.50%	100.00%	96.23%
The University of Vermont Medical Center	100.91%	99.62%	98.93%	99.99%	97.18%	99.19%
<b>System</b>	<b>100.33%</b>	<b>99.50%</b>	<b>98.34%</b>	<b>99.70%</b>	<b>98.16%</b>	<b>99.14%</b>
<b>UVMHN Hospitals</b>	<b>100.93%</b>	<b>99.52%</b>	<b>99.01%</b>	<b>99.81%</b>	<b>97.21%</b>	<b>99.17%</b>
<b>Non-UVMHN Hospitals</b>	<b>99.30%</b>	<b>99.46%</b>	<b>97.02%</b>	<b>99.50%</b>	<b>100.05%</b>	<b>99.10%</b>

# Health Care Landscape Trends

## Affordability



# Health Care Landscape Trends

## Affordability



- **Low Uninsured Rate:** 2.6% in Vermont compared to 8.6% nationally in 2020.<sup>1</sup>
- **Many remain underinsured** and face high out-of-pocket costs that impede access to care.
  - 38% insured Vermonters under 65 considered underinsured (medical expenses are more than their income can bear)<sup>2</sup>
- In their 2021 annual report,<sup>3</sup> the Office of the Health Care Advocate reported that consumers raised affordability issues in nearly half of cases.

1. Kaiser Family Foundation Health Insurance Coverage Data. 2020. [Found here.](#)  
2. [2021 Vermont Household Health Insurance Survey.](#)  
3. [2021 Health Care Advocate Annual Report](#)

# GMCB - INNOVATION

# GMCB– Innovation



## Innovation:

- Hospital Sustainability (Act 167)
- Vermont All-Payer Model Implementation and Reporting
- General, Primary Care, and Prescription Drug Advisory Groups



# Hospital Sustainability – Act 167



- Act 167 is a significant focus for the GMCB in 2023
- GMCB’s focus on hospital sustainability pre-dates the COVID-19 pandemic

<b>2019</b>	<b>GMCB Requires Hospital Sustainability Planning through its Hospital Budget Oversight</b> <ul style="list-style-type: none"><li>• Rationale: persistently low and declining margins, Springfield bankruptcy, and rural hospital closures nationally; Rural Health Services Task Force.</li></ul>
<b>2020</b>	<b>Legislature passes Act 159 of 2020 requiring GMCB</b> <ul style="list-style-type: none"><li>• Rationale: Agreed with GMCB’s concerns and the need to improve hospital sustainability</li></ul>
<b>2021</b>	<b>GMCB Report Identifies Recommendations in Act 159 Report</b> <ul style="list-style-type: none"><li>• <a href="#">GMCB Hospital Sustainability Report, Act 159 Section 4</a></li></ul>
<b>2022</b>	<b>Legislature Passes Act 167 with Funding to Address Hospital Sustainability</b> <ul style="list-style-type: none"><li>• GMCB leading data-driven community engagement work, in collaboration with AHS</li></ul>

Resource: [Hospital Sustainability](#) page on GMCB website

# GMCB – 2023 AREAS OF FOCUS



# 2023 Areas of Focus



## Guided by Act 167 of 2022

- Hospital Sustainability
- Regulatory Process Refinement
  - Starting with Hospital Budget Review Process
- All-Payer Model (Collaborating with and supporting AHS as it leads negotiations with federal partners)
  
- Access to Primary Care (Primary Care Advisory Group)
- Affordability

# LEGISLATIVE REPORTS AND RESOURCES

# GMCB Resources

## 2023 Legislative Reports



Report	Due Date	Corresponding Statute or Legislation
<a href="#">Impact of Prescription Drug Costs on Health Insurance Premiums</a>	January 1, 2023*	18 V.S.A. § 4636 (b) Act 193 of 2018, An act relating to prescription drug price transparency and cost containment, Sec. 8 (S.92)
GMCB 2022 Annual Report	January 15, 2023*	18 V.S.A. § 9375 (d)
2021 Vermont Health Care Expenditure Analysis	January 15, 2023* NOTE: The VHCEA is delayed yearly due to data availability and staff resources. This report is typically published in May.	18 V.S.A. § 9375a (b) (repealed) 18 V.S.A. § 9383 (a) (added in Act 167 of 2018, H. 912) Act 167 of 2018, An act relating to the health care regulatory duties of the GMCB (H.912)
Ambulatory Surgical Center Reporting (See GMCB 2022 Annual Report Attachment B)	January 15, 2023	18 V.S.A. § 9375 (b) Act 55 of 2019, An act relating to licensure of ambulatory surgical centers (S.73)
Update on Act 167 of 2022, Sections 1 and 2	January 15, 2023	Act 167 of 2022, An act relating to health care reform initiatives, data collection, and access to home- and community-based services, Sec. 1 and 2 (S.285)
Cost Shift Impact (See Attachment A)	January 15, 2023*	18 V.S.A. § 9375 (d) Act 63 of 2019, An act relating to health insurance and the individual mandate, Sec. 10 (H.524)
Billback Report	September 15, 2023*	Act 79 of 2013, An act relating to health insurance, Medicaid, the Vermont Health Benefit Exchange, and the Green Mountain Care Board, Sec. 37c (H.107)

\* Annual Reports

# GMCB Resources



- Ways your constituents can connect with the GMCB:
  - [Public Board Meetings](#)
  - [Public Comment](#)
- Resources Shared Today:
  - [Regulatory Process Summaries](#)
  - [Public Reports and Analyses](#)
  - [Hospital Sustainability](#)

Contact for Legislative Business: [GMCB.LEG@vermont.gov](mailto:GMCB.LEG@vermont.gov)