

1 H.116

2 Introduced by Representative Fisher of Lincoln

3 Referred to Committee on

4 Date:

5 Subject: Health; health care reform; Green Mountain Care Board; Department
6 of Financial Regulation; workforce development

7 Statement of purpose of bill as introduced: This bill proposes to transfer
8 authority over certain health care administration initiatives from the
9 Department of Financial Regulation to the Green Mountain Care Board and the
10 Department of Health, create a regulatory and supervision fund for the Green
11 Mountain Care Board, expand the topics to be included in the Green Mountain
12 Care Board's annual report, and require health care professional licensing
13 boards to collect data for health care workforce development planning
14 purposes.

15 An act relating to health care administration

16 It is hereby enacted by the General Assembly of the State of Vermont:

* * * Special Funds * * *

Sec. 1. 18 V.S.A. § 9382 is added to read:

§ 9382. REGULATORY AND SUPERVISION FUND

(a) There is hereby created a fund to be known as the Green Mountain Care Board Regulatory and Supervision Fund for the purpose of providing the financial means for the Green Mountain Care Board to administer this chapter and chapter 221 of this title. The Fund shall be managed pursuant to 32 V.S.A. chapter 7, subchapter 5.

(1) All fees and assessments received by the Board in the course of administering its duties shall be credited to the Green Mountain Care Board Regulatory and Supervision Fund.

(2) All fines and administrative penalties received by the Board in the course of administering its duties shall be deposited directly into the General Fund.

(b) All payments from the Green Mountain Care Board Regulatory and Supervision Fund for the maintenance of staff and associated expenses, including contractual services as necessary, shall be disbursed from the State Treasury only upon warrants issued by the Commissioner of Finance and Management after receipt of proper documentation regarding services rendered and expenses incurred.

1 (c) The Commissioner of Finance and Management may anticipate receipts
2 to the Green Mountain Care Board Regulatory and Supervision Fund and issue
3 warrants based thereon.

4 Sec. 2. 18 V.S.A. § 9404 is amended to read:

5 § 9404. ADMINISTRATION ~~OF THE DIVISION~~

6 (a) The ~~commissioner~~ Commissioner shall supervise and direct the
7 execution of all laws vested in the ~~division~~ Department by ~~virtue of this~~
8 chapter, and shall formulate and carry out all policies relating to this chapter.

9 (b) ~~The commissioner may delegate the powers and assign the duties~~
10 ~~required by this chapter as the commissioner may deem appropriate and~~
11 ~~necessary for the proper execution of the provisions of this chapter, including~~
12 ~~the review and analysis of certificate of need applications and hospital budgets;~~
13 ~~however, the commissioner shall not delegate the commissioner's quasi-~~
14 ~~judicial and rulemaking powers or authority, unless the commissioner has a~~
15 ~~personal or financial interest in the subject matter of the proceeding.~~

16 (c) ~~The commissioner may employ professional and support staff necessary~~
17 ~~to carry out the functions of the commissioner, and may employ consultants~~
18 ~~and contract with individuals and entities for the provision of services.~~

19 (d) The ~~commissioner~~ Commissioner may:

20 (1) ~~Apply~~ apply for and accept gifts, grants, or contributions from any
21 person for purposes consistent with this chapter;

1 (2) ~~Adopt~~ adopt rules necessary to implement the provisions of this
2 chapter; and

3 (3) ~~Enter~~ enter into contracts and perform such acts as are necessary to
4 accomplish the purposes of this chapter.

5 ~~(e)(c)~~ There is hereby created a fund to be known as the ~~division of health~~
6 ~~care administration regulatory and supervision fund~~ Division of Health Care
7 Administration Regulatory and Supervision Fund for the purpose of providing
8 the financial means for the ~~commissioner of financial regulation~~ Commissioner
9 of Financial Regulation to administer this chapter and 33 V.S.A. § 6706. All
10 fees and assessments received by the ~~department~~ Department pursuant to such
11 administration shall be credited to this ~~fund~~ Fund. All fines and administrative
12 penalties, however, shall be deposited directly into the ~~general fund~~ General
13 Fund.

14 (1) All payments from the ~~division of health care administration~~
15 ~~regulatory and supervision fund~~ Division of Health Care Administration
16 Regulatory and Supervision Fund for the maintenance of staff and associated
17 expenses, including contractual services as necessary, shall be disbursed from
18 the ~~state treasury~~ State Treasury only upon warrants issued by the
19 ~~commissioner of finance and management~~ Commissioner of Finance and
20 Management, after receipt of proper documentation regarding services
21 rendered and expenses incurred.

1 (2) The ~~commissioner of finance and management~~ Commissioner of
2 Finance and Management may anticipate receipts to the ~~division of health care~~
3 ~~administration regulatory and supervision fund~~ Division of Health Care
4 Administration Regulatory and Supervision Fund and issue warrants based
5 thereon.

6 * * * Health Resource Allocation Plan * * *

7 Sec. 3. 18 V.S.A. § 9405 is amended to read:

8 § 9405. STATE HEALTH PLAN; HEALTH RESOURCE ALLOCATION
9 PLAN

10 (a) No later than January 1, 2005, the ~~secretary of human services~~ Secretary
11 of Human Services or designee, in consultation with the ~~commissioner~~ Chair
12 of the Green Mountain Care Board and health care professionals and after
13 receipt of public comment, shall adopt a ~~state health plan~~ State Health Plan that
14 sets forth the health goals and values for the ~~state~~ State. The ~~secretary~~
15 Secretary may amend the ~~plan~~ Plan as the ~~secretary~~ Secretary deems necessary
16 and appropriate. The ~~plan~~ Plan shall include health promotion, health
17 protection, nutrition, and disease prevention priorities for the ~~state~~ State,
18 identify available human resources as well as human resources needed for
19 achieving the ~~state's~~ State's health goals and the planning required to meet
20 those needs, and identify geographic parts of the ~~state~~ State needing
21 investments of additional resources in order to improve the health of the

1 population. The ~~plan~~ Plan shall contain sufficient detail to guide development
2 of the ~~state health resource allocation plan~~ State Health Resource Allocation
3 Plan. Copies of the ~~plan~~ Plan shall be submitted to members of the ~~senate and~~
4 ~~house committees on health and welfare~~ Senate and House Committees on
5 Health and Welfare no later than January 15, 2005.

6 (b) On or before July 1, 2005, the ~~commissioner~~ Green Mountain Care
7 Board, in consultation with the ~~secretary of human services~~ Secretary of
8 Human Services, shall submit to the ~~governor~~ Governor a four-year ~~health~~
9 ~~resource allocation plan~~ Health Resource Allocation Plan. The ~~plan~~ Plan shall
10 identify Vermont needs in health care services, programs, and facilities; the
11 resources available to meet those needs; and the priorities for addressing those
12 needs on a statewide basis.

13 (1) The ~~plan~~ Plan shall include:

14 (A) A statement of principles reflecting the policies enumerated in
15 sections 9401 and 9431 of this chapter to be used in allocating resources and in
16 establishing priorities for health services.

17 (B) Identification of the current supply and distribution of hospital,
18 nursing home, and other inpatient services; home health and mental health
19 services; treatment and prevention services for alcohol and other drug abuse;
20 emergency care; ambulatory care services, including primary care resources,

1 federally qualified health centers, and free clinics; major medical equipment;
2 and health screening and early intervention services.

3 (C) Consistent with the principles set forth in subdivision (A) of this
4 subdivision (1), recommendations for the appropriate supply and distribution
5 of resources, programs, and services identified in subdivision (B) of this
6 subdivision (1), options for implementing such recommendations and
7 mechanisms which will encourage the appropriate integration of these services
8 on a local or regional basis. To arrive at such recommendations, the
9 ~~commissioner~~ Green Mountain Care Board shall consider at least the following
10 factors:

11 (i) the values and goals reflected in the ~~state health plan~~ State Health
12 Plan;

13 (ii) the needs of the population on a statewide basis;

14 (iii) the needs of particular geographic areas of the ~~state~~ State, as
15 identified in the ~~state health plan~~ State Health Plan;

16 (iv) the needs of uninsured and underinsured populations;

17 (v) the use of Vermont facilities by out-of-state residents;

18 (vi) the use of out-of-state facilities by Vermont residents;

19 (vii) the needs of populations with special health care needs;

1 (viii) the desirability of providing high quality services in an
2 economical and efficient manner, including the appropriate use of midlevel
3 practitioners;

4 (ix) the cost impact of these resource requirements on health care
5 expenditures; ~~the services appropriate for the four categories of hospitals~~
6 ~~described in subdivision 9402(12) of this title;~~

7 (x) the overall quality and use of health care services as reported by
8 the Vermont ~~program for quality in health care~~ Program for Quality in Health
9 Care and the Vermont ~~ethics network~~ Ethics Network;

10 (xi) the overall quality and cost of services as reported in the annual
11 hospital community reports;

12 (xii) individual hospital four-year capital budget projections; and

13 (xiii) the four-year projection of health care expenditures prepared by
14 the ~~division~~ Board.

15 (2) In the preparation of the ~~plan~~ Plan, the ~~commissioner shall assemble~~
16 ~~an advisory committee of no fewer than nine nor more than 13 members who~~
17 ~~shall reflect a broad distribution of diverse perspectives on the health care~~
18 ~~system, including health care professionals, payers, third party payers, and~~
19 ~~consumer representatives~~ Green Mountain Care Board shall convene the Green
20 Mountain Care Board General Advisory Committee established pursuant to
21 subdivision 9374(e)(1) of this title. The advisory committee Green Mountain

1 Care Board General Advisory Committee shall review drafts and provide
2 recommendations to the ~~commissioner~~ Board during the development of the
3 ~~plan~~ Plan. ~~Upon adoption of the plan, the advisory committee shall be~~
4 ~~dissolved.~~

5 (3) The ~~commissioner~~ Board, with the ~~advisory committee~~ Green
6 Mountain Care Board General Advisory Committee, shall conduct at least five
7 public hearings, in different regions of the state, on the ~~plan~~ Plan as proposed
8 and shall give interested persons an opportunity to submit their views orally
9 and in writing. To the extent possible, the ~~commissioner~~ Board shall arrange
10 for hearings to be broadcast on interactive television. Not less than 30 days
11 prior to any such hearing, the ~~commissioner~~ Board shall publish in the manner
12 prescribed in 1 V.S.A. § 174 the time and place of the hearing and the place
13 and period during which to direct written comments to the ~~commissioner~~
14 Board. In addition, the ~~commissioner~~ Board may create and maintain a
15 website to allow members of the public to submit comments electronically and
16 review comments submitted by others.

17 (4) The ~~commissioner~~ Board shall develop a mechanism for receiving
18 ongoing public comment regarding the ~~plan~~ Plan and for revising it every four
19 years or as needed.

20 (5) The ~~commissioner~~ Board in consultation with appropriate health care
21 organizations and state entities shall inventory and assess existing state health

1 care data and expertise, and shall seek grants to assist with the preparation of
2 any revisions to the ~~health resource allocation plan~~ Health Resource Allocation
3 Plan.

4 (6) The ~~plan~~ Plan or any revised ~~plan~~ Plan proposed by the
5 ~~commissioner~~ Board shall be the ~~health resource allocation plan~~ Health
6 Resource Allocation Plan for the ~~state~~ State after it is approved by the ~~governor~~
7 Governor or upon passage of three months from the date the ~~governor~~
8 Governor receives the ~~plan~~ proposed Plan, whichever occurs first, unless the
9 ~~governor~~ Governor disapproves the ~~plan~~ proposed Plan, in whole or in part. If
10 the ~~governor~~ Governor disapproves, he or she shall specify the sections of the
11 ~~plan~~ proposed Plan which are objectionable and the changes necessary to meet
12 the objections. The sections of the ~~plan~~ proposed Plan not disapproved shall
13 become part of the ~~health resource allocation plan~~ Health Resource Allocation
14 Plan.

15 * * * Hospital Community Reports * * *

16 Sec. 4. 18 V.S.A. § 9405b is amended to read:

17 § 9405b. HOSPITAL COMMUNITY REPORTS

18 (a) The ~~commissioner~~ Commissioner of Health, in consultation with
19 representatives from hospitals, other groups of health care professionals, and
20 members of the public representing patient interests, shall adopt rules

1 establishing a standard format for community reports, as well as the contents,
2 which shall include:

3 * * *

4 (b) On or before January 1, 2005, and annually thereafter beginning on
5 June 1, 2006, the board of directors or other governing body of each hospital
6 licensed under chapter 43 of this title shall publish on its website, making
7 paper copies available upon request, its community report in a uniform format
8 approved by the ~~commissioner~~ Commissioner of Health, and in accordance
9 with the standards and procedures adopted by rule under this section, and shall
10 hold one or more public hearings to permit community members to comment
11 on the report. Notice of meetings shall be by publication, consistent with 1
12 V.S.A. § 174. Hospitals located outside this ~~state~~ State which serve a
13 significant number of Vermont residents, as determined by the ~~commissioner~~
14 Commissioner of Health, shall be invited to participate in the community
15 report process established by this subsection.

16 (c) The community reports shall be provided to the ~~commissioner~~
17 Commissioner of Health. The ~~commissioner~~ Commissioner of Health shall
18 publish the reports on a public website and shall develop and include a format
19 for comparisons of hospitals within the same categories of quality and financial
20 indicators.

1 Sec. 5. TEMPORARY SUSPENSION

2 Notwithstanding the requirements of 18 V.S.A. § 9405b, the Commissioner
3 of Financial Regulation may suspend publication of the hospital community
4 reports in calendar year 2013 in order to effectuate the transfer of
5 responsibility from the Department of Financial Regulation to the Department
6 of Health.

7 * * * VHCURES * * *

8 Sec. 6. 18 V.S.A. § 9410 is amended to read:

9 § 9410. HEALTH CARE DATABASE

10 (a)(1) The ~~commissioner~~ Board shall establish and maintain a unified
11 health care database to enable the ~~commissioner and the Green Mountain Care~~
12 ~~board~~ Commissioner and the Board to carry out their duties under this chapter,
13 chapter 220 of this title, and Title 8, including:

14 (A) ~~Determining~~ determining the capacity and distribution of existing
15 resources;

16 (B) ~~Identifying~~ identifying health care needs and informing health
17 care policy;

18 (C) ~~Evaluating~~ evaluating the effectiveness of intervention programs
19 on improving patient outcomes;

20 (D) ~~Comparing~~ comparing costs between various treatment settings
21 and approaches;

1 (E) ~~Providing~~ providing information to consumers and purchasers of
2 health care; and

3 (F) ~~Improving~~ improving the quality and affordability of patient
4 health care and health care coverage.

5 (2)(A) The program authorized by this section shall include a consumer
6 health care price and quality information system designed to make available to
7 consumers transparent health care price information, quality information, and
8 such other information as the ~~commissioner~~ Board determines is necessary to
9 empower individuals, including uninsured individuals, to make economically
10 sound and medically appropriate decisions.

11 (B) ~~The commissioner shall convene a working group composed of~~
12 ~~the commissioner of mental health, the commissioner of Vermont health~~
13 ~~access, health care consumers, the office of the health care ombudsman,~~
14 ~~employers and other payers, health care providers and facilities, the Vermont~~
15 ~~program for quality in health care, health insurers, and any other individual or~~
16 ~~group appointed by the commissioner to advise the commissioner on the~~
17 ~~development and implementation of the consumer health care price and quality~~
18 ~~information system.~~

19 (C) ~~The commissioner~~ Commissioner may require a health insurer
20 covering at least five percent of the lives covered in the insured market in this
21 state to file with the ~~commissioner~~ Commissioner a consumer health care price

1 and quality information plan in accordance with rules adopted by the
2 ~~commissioner~~ Commissioner.

3 ~~(D)~~(C) The ~~commissioner~~ Board shall adopt such rules as are
4 necessary to carry out the purposes of this subdivision. The ~~commissioner's~~
5 Board's rules may permit the gradual implementation of the consumer health
6 care price and quality information system over time, beginning with health
7 care price and quality information that the ~~commissioner~~ Board determines is
8 most needed by consumers or that can be most practically provided to the
9 consumer in an understandable manner. The rules shall permit health insurers
10 to use security measures designed to allow subscribers access to price and
11 other information without disclosing trade secrets to individuals and entities
12 who are not subscribers. The ~~regulations~~ rules shall avoid unnecessary
13 duplication of efforts relating to price and quality reporting by health insurers,
14 health care providers, health care facilities, and others, including activities
15 undertaken by hospitals pursuant to their community report obligations under
16 section 9405b of this title.

17 (b) The database shall contain unique patient and provider identifiers and a
18 uniform coding system, and shall reflect all health care utilization, costs, and
19 resources in this ~~state~~ State, and health care utilization and costs for services
20 provided to Vermont residents in another ~~state~~ State.

1 (c) Health insurers, health care providers, health care facilities, and
2 governmental agencies shall file reports, data, schedules, statistics, or other
3 information determined by the ~~commissioner~~ Board to be necessary to carry
4 out the purposes of this section. Such information may include:

5 (1) health insurance claims and enrollment information used by health
6 insurers;

7 (2) information relating to hospitals filed under subchapter 7 of this
8 chapter (hospital budget reviews); and

9 (3) any other information relating to health care costs, prices, quality,
10 utilization, or resources required by the Board to be filed ~~by the commissioner~~.

11 (d) The ~~commissioner~~ Board may by rule establish the types of information
12 to be filed under this section, and the time and place and the manner in which
13 such information shall be filed.

14 (e) Records or information protected by the provisions of the
15 physician-patient privilege under 12 V.S.A. § 1612(a), or otherwise required
16 by law to be held confidential, shall be filed in a manner that does not disclose
17 the identity of the protected person.

18 (f) The ~~commissioner~~ Board shall adopt a confidentiality code to ensure
19 that information obtained under this section is handled in an ethical manner.

20 (g) Any person who knowingly fails to comply with the requirements of
21 this section or rules adopted pursuant to this section shall be subject to an

1 administrative penalty of not more than \$1,000.00 per violation. The
2 ~~commissioner~~ Board may impose an administrative penalty of not more than
3 \$10,000.00 each for those violations the ~~commissioner~~ Board finds were
4 willful. In addition, any person who knowingly fails to comply with the
5 confidentiality requirements of this section or confidentiality rules adopted
6 pursuant to this section and uses, sells, or transfers the data or information for
7 commercial advantage, pecuniary gain, personal gain, or malicious harm shall
8 be subject to an administrative penalty of not more than \$50,000.00 per
9 violation. The powers vested in the ~~commissioner~~ Board by this subsection
10 shall be in addition to any other powers to enforce any penalties, fines, or
11 forfeitures authorized by law.

12 (h)(1) All health insurers shall electronically provide to the ~~commissioner~~
13 Board in accordance with standards and procedures adopted by the
14 ~~commissioner~~ Board by rule:

15 (A) their health insurance claims data, provided that the
16 ~~commissioner~~ Board may exempt from all or a portion of the filing
17 requirements of this subsection data reflecting utilization and costs for services
18 provided in this ~~state~~ State to residents of other states;

19 (B) cross-matched claims data on requested members, subscribers, or
20 policyholders; and

1 (C) member, subscriber, or policyholder information necessary to
2 determine third party liability for benefits provided.

3 (2) The collection, storage, and release of health care data and statistical
4 information that is subject to the federal requirements of the Health Insurance
5 Portability and Accountability Act (“HIPAA”) shall be governed exclusively
6 by the ~~rules~~ regulations adopted thereunder in 45 ~~CFR~~ C.F.R. Parts 160 and
7 164.

8 (A) All health insurers that collect the Health Employer Data and
9 Information Set (HEDIS) shall annually submit the HEDIS information to the
10 ~~commissioner~~ Board in a form and in a manner prescribed by the
11 ~~commissioner~~ Board.

12 (B) All health insurers shall accept electronic claims submitted in
13 Centers for Medicare and Medicaid Services format for UB-92 or HCFA-1500
14 records, or as amended by the Centers for Medicare and Medicaid Services.

15 (3)(A) The ~~commissioner~~ Board shall collaborate with the ~~agency of~~
16 ~~human services~~ Agency of Human Services and participants in ~~agency of~~
17 ~~human services~~ the Agency’s initiatives in the development of a
18 comprehensive health care information system. The collaboration is intended
19 to address the formulation of a description of the data sets that will be included
20 in the comprehensive health care information system, the criteria and
21 procedures for the development of ~~limited-use~~ limited-use data sets, the criteria

1 and procedures to ensure that HIPAA compliant ~~limited-use~~ limited-use data
2 sets are accessible, and a proposed time frame for the creation of a
3 comprehensive health care information system.

4 (B) To the extent allowed by HIPAA, the data shall be available as a
5 resource for insurers, employers, providers, purchasers of health care, and state
6 agencies to continuously review health care utilization, expenditures, and
7 performance in Vermont. In presenting data for public access, comparative
8 considerations shall be made regarding geography, demographics, general
9 economic factors, and institutional size.

10 (C) Consistent with the dictates of HIPAA, and subject to such terms
11 and conditions as the ~~commissioner~~ Board may prescribe by ~~regulation~~ rule,
12 the Vermont ~~program for quality in health care~~ Program for Quality in Health
13 Care shall have access to the unified health care database for use in improving
14 the quality of health care services in Vermont. In using the database, the
15 Vermont ~~program for quality in health care~~ Program for Quality in Health Care
16 shall agree to abide by the rules and procedures established by the
17 ~~commissioner~~ Board for access to the data. The ~~commissioner's~~ Board's rules
18 may limit access to the database to limited-use sets of data as necessary to
19 carry out the purposes of this section.

20 (D) Notwithstanding HIPAA or any other provision of law, the
21 comprehensive health care information system shall not publicly disclose any

1 data that contains direct personal identifiers. For the purposes of this section,
2 “direct personal identifiers” include information relating to an individual that
3 contains primary or obvious identifiers, such as the individual’s name, street
4 address, e-mail address, telephone number, and Social Security number.

5 (i) On or before January 15, 2008 and every three years thereafter, the
6 ~~commissioner~~ Commissioner shall submit a recommendation to the ~~general~~
7 ~~assembly~~ General Assembly for conducting a survey of the health insurance
8 status of Vermont residents.

9 (j)(1) As used in this section, and without limiting the meaning of
10 subdivision 9402(8) of this title, the term “health insurer” includes:

11 (A) any entity defined in subdivision 9402(8) of this title;

12 (B) any third party administrator, any pharmacy benefit manager, any
13 entity conducting administrative services for business, and any other similar
14 entity with claims data, eligibility data, provider files, and other information
15 relating to health care provided to a Vermont resident, and health care provided
16 by Vermont health care providers and facilities required to be filed by a health
17 insurer under this section;

18 (C) any health benefit plan offered or administered by or on behalf
19 of the ~~state~~ State of Vermont or an agency or instrumentality of the ~~state~~
20 State; and

1 (D) any health benefit plan offered or administered by or on behalf of
2 the federal government with the agreement of the federal government.

3 (2) The ~~commissioner~~ Board may adopt rules to carry out the provisions
4 of this subsection, including ~~standards and procedures requiring the~~
5 ~~registration of persons or entities not otherwise licensed or registered by the~~
6 ~~commissioner~~ and criteria for the required filing of such claims data, eligibility
7 data, provider files, and other information as the ~~commissioner~~ Board
8 determines to be necessary to carry out the purposes of this section and this
9 chapter.

10 * * * Cost-Shift Reporting * * *

11 Sec. 7. 18 V.S.A. § 9375(d) is amended to read:

12 (d) Annually on or before January 15, the ~~board~~ Board shall submit a report
13 of its activities for the preceding ~~state fiscal~~ calendar year to the ~~house~~
14 ~~committee on health care and the senate committee on health and welfare~~
15 House Committee on Health Care and the Senate Committee on Health and
16 Welfare.

17 (1) The report shall include:

18 (A) any changes to the payment rates for health care professionals
19 pursuant to section 9376 of this title;

20 (B) any new developments with respect to health information
21 technology;

1 (C) the evaluation criteria adopted pursuant to subdivision (b)(8) of
2 this section and any related modifications;

3 (D) the results of the systemwide performance and quality
4 evaluations required by subdivision (b)(8) of this section and any resulting
5 recommendations;

6 (E) the process and outcome measures used in the evaluation;

7 (F) any recommendations on mechanisms to ensure that
8 appropriations intended to address the Medicaid cost shift will have the
9 intended result of reducing the premiums imposed on commercial insurance
10 premium payers below the amount they otherwise would have been charged;

11 (G) any recommendations for modifications to Vermont statutes; and

12 (H) any actual or anticipated impacts on the work of the ~~board~~ Board
13 as a result of modifications to federal laws, regulations, or programs.

14 (2) The report shall identify how the work of the ~~board~~ Board comports
15 with the principles expressed in section 9371 of this title.

16 Sec. 8. 2000 Acts and Resolves No. 152, Sec. 117b is amended to read:

17 Sec. 117b. MEDICAID COST SHIFT REPORTING

18 (a) It is the intent of this section to measure the elimination of the Medicaid
19 cost shift. For hospitals, this measurement shall be based on a comparison of
20 the difference between Medicaid and Medicare reimbursement rates. For other
21 health care providers, an appropriate measurement shall be developed that

1 includes an examination of the Medicare rates for providers. In order to
2 achieve the intent of this section, it is necessary to establish a reporting and
3 tracking mechanism to obtain the facts and information necessary to quantify
4 the Medicaid cost shift, to evaluate solutions for reducing the effect of the
5 Medicaid cost shift in the commercial insurance market, to ensure that any
6 reduction in the cost shift is passed on to the commercial insurance market, to
7 assess the impact of such reductions on the financial health of the health care
8 delivery system, and to do so within a sustainable utilization growth rate in the
9 Medicaid program.

10 (b) ~~By Notwithstanding 2 V.S.A. § 20(d), annually on or before~~
11 ~~December 15, 2000, and annually thereafter, the commissioner of banking,~~
12 ~~insurance, securities, and health care administration, the secretary of human~~
13 ~~services~~ the chair of the Green Mountain Care Board, the Commissioner of
14 Vermont Health Access, and each acute care hospital shall file with the ~~joint~~
15 ~~fiscal committee~~ Joint Fiscal Committee, in the manner required by the
16 ~~committee~~ Committee, such information as is necessary to carry out the
17 purposes of this section. Such information shall pertain to the provider
18 delivery system to the extent it is available.

19 (c) ~~By December 15, 2000, and annually thereafter, the~~ The report of
20 hospitals to the ~~joint fiscal committee~~ Joint Fiscal Committee under
21 subsection (b) of this section shall include information on how they will

1 manage utilization in order to assist the ~~agency of human services~~ Department
2 of Vermont Health Access in developing sustainable utilization growth in the
3 Medicaid program.

4 ~~(d) By December 15, 2000, the commissioner of banking, insurance,~~
5 ~~securities, and health care administration shall report to the joint fiscal~~
6 ~~committee with recommendations on mechanisms to assure that appropriations~~
7 ~~intended to address the Medicaid cost shift will result in benefits to~~
8 ~~commercial insurance premium payers in the form of lower premiums than~~
9 ~~they otherwise would be charged.~~

10 ~~(e) The first \$250,000.00 resulting from declines in caseload and utilization~~
11 ~~related to hospital costs, as determined by the commissioner of social welfare,~~
12 ~~from the funds allocated within the Medicaid program appropriation for~~
13 ~~hospital costs in fiscal year 2001 shall be reserved for cost shift reduction for~~
14 ~~hospitals.~~

15 * * * Workforce Planning Data * * *

16 Sec. 9. 26 V.S.A. § 1353 is amended to read:

17 § 1353. POWERS AND DUTIES OF THE BOARD

18 The ~~board~~ Board shall have the following powers and duties to:

19 * * *

20 (10) As part of the license application or renewal process, collect data
21 necessary to allow for workforce strategic planning required under 18 V.S.A.

1 chapter 222. The Board shall develop the necessary data elements in
2 collaboration with the Director of Health Care Reform in the Agency of
3 Administration or designee. Data elements shall be consistent with any
4 nationally developed or required data in order to simplify collection and
5 minimize the burden on applicants.

6 Sec. 10. WORKFORCE PLANNING; DATA COLLECTION

7 The Office of Professional Regulation, the Board of Nursing, and other
8 relevant professional boards shall collaborate with the Director of Health Care
9 Reform in the Agency of Administration in the collection of data necessary to
10 allow for workforce strategic planning required under 18 V.S.A. chapter 222.
11 Data elements shall be consistent with any nationally developed or required
12 data in order to simplify collection and minimize the burden on applicants.

13 Data shall be collected as part of the licensure process to minimize
14 administrative burden on applicants and the State.

15 * * * Rate Review * * *

16 Sec. 11. HEALTH INSURANCE RATE REVIEW STUDY

17 (a) The chair of the Green Mountain Care Board or designee, in
18 consultation with the Commissioner of Financial Regulation or designee and
19 any other interested parties the chair deems appropriate, shall conduct a study
20 of Vermont's laws relating to the review of major medical health insurance

1 rates, including 8 V.S.A. § 4062 and 18 V.S.A. § 9375(b)(6). The chair shall
2 determine:

3 (1) whether the rate review process set forth in 8 V.S.A. § 4062 and
4 18 V.S.A. § 9375(b)(6) should be consolidated at one state agency; and

5 (2) whether other amendments to the applicable laws would serve the
6 general good of the State.

7 (b) The Chair of the Green Mountain Care Board shall report his or her
8 findings and recommendations to the House Committee on Health Care and the
9 Senate Committee on Health and Welfare on or before December 1, 2013.

10 * * * Administration * * *

11 Sec. 12. 8 V.S.A. § 11(a) is amended to read:

12 (a) General. The ~~department of financial regulation~~ Department of
13 Financial Regulation created by 3 V.S.A. ~~section 212, § 212~~ shall have
14 jurisdiction over and shall supervise:

15 ~~(1) Financial~~ financial institutions, credit unions, licensed lenders,
16 mortgage brokers, insurance companies, insurance agents, broker-dealers,
17 investment advisors, and other similar persons subject to the provisions of this
18 title and 9 V.S.A. chapters 59, 61, and 150.

19 ~~(2) The administration of health care, including oversight of the quality~~
20 ~~and cost containment of health care provided in this state, by conducting and~~
21 ~~supervising the process of health facility certificates of need, hospital budget~~

1 ~~reviews, health care data system development and maintenance, and funding~~
2 ~~and cost containment of health care as provided in 18 V.S.A. chapter 221.~~

3 Sec. 13. TRANSFER OF POSITIONS

4 (a) On or before July 1, 2013, the Department of Financial Regulation shall
5 transfer positions numbered 290071, 290106, and 290074 and associated
6 funding to the Green Mountain Care Board for the administration of the health
7 care database.

8 (b) On or before July 1, 2013, the Department of Financial Regulation shall
9 transfer position number 297013 and associated funding to the Agency of
10 Administration.

11 (c) On or after July 1, 2013, the Department of Financial Regulation shall
12 transfer one position and associated funding to the Department of Health for
13 the purpose of administering the hospital community reports in 18 V.S.A.
14 § 9405b. The Department of Financial Regulation shall continue to collect
15 funds for the publication of the reports pursuant to 18 V.S.A. § 9415 and shall
16 transfer the necessary funds annually to the Department of Health.

17 Sec. 14. REPEAL

18 18 V.S.A. § 9403 (Division of Health Care Administration) is repealed.

1 Sec. 15. EFFECTIVE DATES

2 (a) Secs. 5 (temporary suspension of hospital reports), 6 (VHCURES),
3 9 and 10 (workforce planning data), 11 (rate review study), and 13 (transfers of
4 positions) of this act and this section shall take effect on passage.

5 (b) All remaining sections of this act shall take effect on July 1, 2013.