

# VERMONT LEGAL AID, INC.

## OFFICE OF HEALTH CARE ADVOCATE

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## OFFICE OF HEALTH CARE ADVOCATE FUNDING REQUEST

Trinka Kerr, Chief Health Care Advocate

February 21, 2014

The Office of Health Care Advocate (formerly the Health Care Ombudsman) was established by state statute to advocate for health care consumers in Vermont. We have two main roles:

- To assist individual Vermonters with health insurance and health care issues which we do through our statewide toll free hotline and website ([www.vtlawhelp.org/health](http://www.vtlawhelp.org/health)), and
- To protect and represent the public in health care policy proceedings and activities conducted by the Green Mountain Care Board and other state agencies.

In the last few years, Vermont has expanded the scope of the HCA as part of its health care reform initiatives, adding additional responsibilities for broad based policy and regulatory review and duties related to the Health Benefit Exchange, Vermont Health Connect. In the last few months, we have felt the impact of these changes in our workload:

- We have had more than a 35% increase in the calls for help from individual Vermonters as a result of the launch of Vermont Health Connect. Because the rules and the technology are both new, not only has the number of cases increased, but they are more complex and more difficult to solve.
- The Green Mountain Care Board has ramped up its efforts to contain the rising cost of health care. The State's receipt of a State Innovation Model grant from the federal government has expanded and accelerated the Board's work and this in turn has forced the HCA to dedicate additional resources to insure the public is adequately represented there.

In anticipation of this workload increase, last spring lawmakers increased funding for the HCA, enabling us to hire three new staff members. (We now have 12.7 staff members.) We did not have enough physical space to house these new employees, so we leased and renovated more space in the back of our building based on the terms of the state's RFP which promised funding for at least 2 and ½ years.

In December we learned from the Agency of Administration, which now manages our contract with the State, that there is a shortfall in the funds identified for SFY 2015 and SFY 2016. The gap is **\$193,053 for SFY 2015**, and **\$214,327 for SFY 2016**. The Agency has no additional

*The Office of Health Care Advocate, previously named the Office of Health Care Ombudsman, is a special project of Vermont Legal Aid.*

money in its proposed budget for the HCA. The Agency has relied on funding from other parts of state government to administer our contract and sees itself as a pass-through for that funding.

Our funding is complicated. For SFY 2014 the HCA has nine funding sources. Four of those are federal dollars and end this year. Our core funding from DFR and DVHA has not increased for seven years. The Green Mountain Care Board also has not continued some of its funding.

	SFY 2014 (Projected)	SFY 2015 (Projected)	SFY 2016 (Projected)
<b>Current AoA Income Projection</b>			
DFR Core Grant	\$215,000	\$215,000	\$215,000
Rate Review Grant	\$182,500	\$37,613	\$0
GMCB Health Policy Analyst	\$100,000	\$0	\$0
GMCB Actuary	\$100,000	\$100,000	\$100,000
Act 79 Billback	\$150,000	\$300,000	\$300,000
DVHA Core Grant	\$306,886	\$307,246	\$307,246
Vermont Health Connect Grant	\$300,000	\$0	\$0
Vermont Health Connect Sustainability		\$150,000	\$300,000
Federal Consumer Assistance Grant	\$40,000	\$0	\$0
Federal Web/Outreach Grant	\$30,000	\$0	\$0
Projected Balance Carryover (amended as of 2/18/2014)	\$0	\$101,870	\$0
<b>Total AoA Income Projection</b>	<b>\$1,424,386</b>	<b>\$1,211,729</b>	<b>\$1,222,246</b>
<b>Current HCA Budget</b> (Actual and Projected)	<b>\$1,322,516</b>	<b>\$1,404,782</b>	<b>\$1,436,573</b>
<b>Estimated Shortfall (Current)</b>	<b>\$101,870</b>	<b>(\$193,053)</b>	<b>(\$214,327)</b>

In order to meet our statutory responsibilities and adequately represent individual Vermont consumers, we need to maintain the current staffing levels. We ask that you help the AoA identify that funding needed to cover the shortfall AND identify a mechanism to insure sustainable funding into the future.