



STATE OF VERMONT
GENERAL ASSEMBLY
HOUSE COMMITTEE ON HEALTH CARE

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MEMORANDUM

To: Rep. Fisher, Chair, House Committee on Health Care
From: Rep. Heath, Chair, House Committee on Appropriations
Date: April 30, 2014
Subject: Review of Provisions added to Budget by Senate

The Conference Committee on the budget has been appointed and is in the process of reviewing provisions added, deleted, or changed by the Senate. It would be very helpful if you could review the sections below and provide me with your feedback by 1 p.m. on Tuesday, May 6th, or earlier if possible. Thank you for your help with these issues.

THE FOLLOWING HOUSE PASSED LANGUAGE WAS REMOVED BY THE SENATE

Sec. E.306.2 REPORT; VALUE BASED PAYMENT

(a) On or before November 15, 2014, the Commissioner of Vermont Health Access shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare on value-based payment mechanisms that provide financial incentives for achieving performance requirements. In preparing the report, the Department of Vermont Health Access shall consult with the Department of Health's Alcohol and Drug Abuse Program and any preferred providers with which it contracts and the Department of Mental Health and any designated agencies with which it contracts. The report shall contain the following:

(1) the identity of any value-based payment mechanisms that would improve access, initiation, and participation in substance abuse and outpatient mental health services, including rate setting, capitated funding, performance-based contracts, cost-based reimbursement, capacity grants, and bundled payments; and

(2) the benefits, drawbacks, and costs of each identified funding mechanism.

THE FOLLOWING LANGUAGE WAS ADDED BY THE SENATE

Sec. E.306.2 OFFICE OF ALCOHOL AND DRUG ABUSE PROGRAMS; TRANSFER

(a) The Secretary of Administration and the Chief of Health Care Reform are authorized in fiscal year 2015 to transfer the Office of Alcohol and Drug Abuse Programs from the

Department of Health to the Department of Vermont Health Access, except that the Secretary and the Chief shall ensure that positions in the Office of Alcohol and Drug Abuse Programs that serve public health functions remain in the Department of Health and may transfer the positions and associated State and federal funding to the Division of Public Health within that Department. The transfer shall be completed by June 30, 2015.

(b) If the Secretary and the Chief are confident that increased expenditures through the Care Alliance for Opioid Addiction will result in identifiable savings to DVHA or other State programs, they may transfer Global Commitment funds from the Department of Vermont Health Access to the Office of Alcohol and Drug Abuse Programs for that purpose.

(1) To the extent possible within the savings are identified as result of the increase expenditures through the Care Alliance for Opioid Addiction, up to \$30,000 of existing funds may be utilized for needle exchange programs.

(c) The Secretary and the Chief shall report to the Joint Fiscal Committee at its September meeting and to the Health Care Oversight Committee on or before October 1, 2014 on the progress of the transfer of the direct service delivery functions of the Office of Alcohol and Drug Abuse Programs to the Department of Vermont Health Access, including the transfer of funds for increasing the Care Alliance for Opioid Addiction and the corresponding savings to DVHA programs, residential treatment programs, and other programs. The report shall include the impact on capacity and sustainability of residential substance abuse treatment facilities in the State within the context of all aspects of the State's public and private substance abuse treatment system.

THE FOLLOWING LANGUAGE WAS A HOUSE FLOOR AMENDMENT AND WAS STRUCK BY SENATE

Sec. E.306.3 VERMONT HEALTH BENEFIT EXCHANGE; LEGISLATIVE OVERSIGHT

(a) In order to ensure legislative oversight of the operation of the Vermont Health Benefit Exchange during 2014 when the General Assembly is not in session, the Commissioner of Vermont Health Access shall provide updates to the Health Care Oversight Committee twice each month. The bimonthly updates shall be posted on the website of the General Assembly and the Department of Vermont Health Access and shall include information regarding Vermont Health Benefit Exchange operations, enrollment data, coverage status, customer support, and the functionality of the Exchange website.

(b) The bimonthly updates required by this section shall continue until the General Assembly convenes for the 2015 legislative session.

THE FOLLOWING LANGUAGE WAS ADDED BY THE SENATE

Sec. E.306.3 2 V.S.A. chapter 20 is added to read:

CHAPTER 20. OVERSIGHT COMMITTEE ON HEALTH CARE REFORM

§ 691. COMMITTEE CREATION

There is created a legislative Oversight Committee on Health Care Reform. the Committee shall be composed of the following eight members:

- (1) the Chair of the House Committee on Appropriations;
- (2) the Chair of the Senate Committee on Appropriations;
- (3) the Chair of the House Committee on Ways and Means;
- (4) the Chair of the Senate Committee on Finance;
- (5) the Chair of the House Committee on Health Care;
- (6) the Chair of the Senate Committee on Health and Welfare;

(7) the Chair of the House Committee on Commerce and Economic Development; and
(8) the Chair of the Senate Committee on Economic Development, Housing and General Affairs.

§ 692. POWERS AND DUTIES

(a) When the General Assembly is adjourned, the Committee shall provide legislative oversight and review of revenue collection, expenditures, and planning related to health care reform efforts in Vermont.

(b) When the General Assembly is adjourned, the Commissioner of Vermont Health Access shall provide quarterly updates regarding Vermont Health Benefit Exchange operations, enrollment data, coverage status, customer support, and Exchange website functionality.

(c) Effective January 1, 2105, all reports previously submitted to the Health Care Oversight Committee shall be submitted to the Oversight Committee on Health Care Reform.

§ 693. ASSISTANCE

(a) The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(b)(1) The Secretary of Administration and other members of the Executive Branch shall report to the Committee upon request.

(2) If applicable, the Secretary shall submit an electronic report to the Joint Fiscal Office for distribution to members of the Committee that summarizes any plans or actions taken by the Executive Branch to delay health care reform project schedules as a result of:

(A) increased costs exceeding official estimates;

(B) changes in the consensus revenue forecast of the Health Care Resources Fund;

(C) changes in the availability of federal funding; or

(D) any other changes related to the planning for and implementation of health care reform as directed by 2011 Acts and Resolves No. 48.

§ 694. MEETINGS

(a) The Chair of the House Committee on Appropriations shall call the first meeting of the Committee to occur on or before October 1 each year.

(b) The Committee shall select a chair from among its members at the first meeting of each biennium.

(c) Meetings shall be convened by the Chair and when practicable shall be held in conjunction with meetings of the Joint Fiscal Committee.

(d)(1) A majority of the members of the Committee shall be physically present at the same location to constitute a quorum.

(2) A member may vote only if physically present at the meeting location.

(3) Action shall be taken only if there is both a quorum and a majority vote of the members physically present and voting.

§ 695. REIMBURSEMENT

For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to section 406 of this title for no more than six meetings.

THE FOLLOWING LANGUAGE WAS ADDED BY THE SENATE

Sec. E.306.4 REPEALS (This provision was also sent to House Human Services Committee for review)

(a) 2 V.S.A. chapter 24 (Health Care Oversight Committee) is repealed on January 1, 2015.

(b) 2004 Acts and Resolves No. 122, Sec. 141c (Mental Health Oversight Committee), as amended by 2006 Acts and Resolves No.215, Sec. 293a and 2007 Acts and Resolves No. 65, Sec. 124b, is repealed on January 1, 2015.

Sec. E.306.5 MEDICAID PRIMARY CARE RATES

(a) The State shall continue its efforts to bring the Medicaid reimbursement rates for providers of primary care closer to Medicare levels.