

REVENUES

REVENUES as passed Ways & Means- 4/2/15 (Note: Committee Amendment does not include any spending)

REVENUE ESTIMATES	SFY '16 REVENUE ESTIMATES		SFY '17 REVENUE ESTIMATES		SFY '18 REVENUE ESTIMATES (very preliminary)		Assumptions & Notes
	Gen. Fund	Ed. Fund	Gen. Fund	Ed. Fund	Gen. Fund	Ed. Fund	
1/2 cent on sweetened beverages + diet	14,583,000		17,588,000		17,675,000		< Growth rates provided by Rudd Center and Tom Kavet
Cigarette tax increase - \$0.25	2,000,000		1,932,000		1,866,000		< Growth based on Tom Kavet Cigarette tax forecast
Other tobacco products (snuf / snuz)	500,000		483,000		483,000		< No growth assumed at this time
Dietary Supplements	1,192,000	642,000	1,365,000	735,000	1,433,000	772,000	< Growth rate tied to industry growth
<b>TOTAL</b>	<b>18,275,000</b>		<b>21,368,000</b>		<b>21,457,000</b>		

= One time costs

HOUSE HEALTH CARE REVISED PROPOSAL (3/31/15)

COST ESTIMATES	Start Date	SFY '16 COST ESTIMATES				SFY '17 COST ESTIMATES*				SFY '18 COST ESTIMATES (very preliminary)				Assumptions & Notes
		State \$	Fed \$	Other	Gross (est.) \$	State \$	Fed \$	Other	Gross (est.) \$	State \$	Fed \$	Other	Gross (est.) \$	
<b>Underinsured</b>														
Current cost-sharing subsidies	Existing	761,308			761,308	1,621,585			1,621,585	1,726,988			1,726,988	< Assumes 6.5% growth (1)
Cost sharing subsidies	1/1/2016	2,000,000			2,000,000	4,260,000			4,260,000	4,536,900			4,536,900	< Assumes 6.5% growth (1)
<b>Medicaid Rate Increase / Cost Shift / Price Differential</b>		<b>6,187,755</b>	<b>7,033,297</b>		<b>13,221,052</b>	<b>7,101,698</b>	<b>7,673,975</b>		<b>14,775,673</b>	<b>7,427,790</b>	<b>7,924,134</b>		<b>15,351,924</b>	
Primary Care rate increase	7/1/2015	3,286,655	3,713,345		7,000,000	3,515,930	3,757,070		7,273,000	3,677,232	3,879,415		7,556,647	< Assumes 3.9% growth & FMAP changes (2)
Professional services rate increases	7/1/2015	2,451,400	2,769,652		5,221,052	2,622,408	2,802,266		5,424,673	2,742,717	2,893,518		5,636,235	< Assumes 3.9% growth & FMAP changes (2)
Dartmouth Hitchcock	1/1/2016	449,700	550,300		1,000,000	963,361	1,114,639		2,078,000	1,007,841	1,151,201		2,159,042	< Assumes 3.9% growth & FMAP changes (2)
<b>Blueprint for Health</b>		<b>2,584,197</b>	<b>3,162,295</b>		<b>5,746,492</b>	<b>2,690,714</b>	<b>3,113,242</b>		<b>5,803,957</b>	<b>2,736,380</b>	<b>3,125,617</b>		<b>5,861,996</b>	< Assumes 1% Medicaid population growth (3)
Community Health Team (CHT) Rebalance	7/1/2015	420,769	514,897		935,666	438,113	506,910		945,023	445,548	508,925		954,473	
Increase CHT payments	7/1/2015	526,959	644,843		1,171,802	548,680	634,840		1,183,520	557,992	637,363		1,195,355	< Increases base from \$1.50 to \$2.25 PMPM
Increase Primary care med home payments	7/1/2015	1,636,469	2,002,555		3,639,024	1,703,922	1,971,492		3,675,414	1,732,840	1,979,328		3,712,168	< Increases base from \$2 to \$3.5 + \$1.50 for P4P payments.
<b>Health Care Advocate (One time)</b>	7/1/2015	<b>40,000</b>			<b>40,000</b>									< Note: VT has appropriated additional \$'s in previous years
<b>Other Medicaid Providers</b>														
1.5% Increase for other providers	7/1/2015	3,055,596	3,739,147		6,794,743	3,272,895	3,786,844		7,059,738	3,424,010	3,911,058		7,335,068	< Assumes 3.9% growth & FMAP changes (2)
Home Health (payment reform) ** (One time)	7/1/2015	89,940	110,060		200,000									< Implementation of prospective payment system
<b>Green Mountain Care Board</b>		<b>1,085,822</b>	<b>546,723</b>	<b>1,392,475</b>	<b>3,025,020</b>	<b>987,350</b>	<b>490,631</b>	<b>1,253,286</b>	<b>2,731,267</b>	<b>1,053,723</b>	<b>492,744</b>	<b>1,202,636</b>	<b>2,749,103</b>	
All payer waiver / Rate-setting process (w/ Cost shift)	7/1/2015	1,085,822	546,723	1,332,475	2,965,020	987,350	490,631	1,193,286	2,671,267	993,723	492,744	1,202,636	2,689,103	< Assumes 3% increase for positions & operations.
VITL Oversight ***	7/1/2015			60,000	60,000			60,000	60,000	60,000			60,000	< HIT fund \$'s for state share of billback. Sunsets FY'18
<b>Vermont Household Insurance Survey (One time)</b>	7/1/2015	<b>150,000</b>			<b>150,000</b>									< One time
<b>AHEC</b>	7/1/2015	<b>300,000</b>	<b>400,000</b>		<b>700,000</b>	<b>300,000</b>	<b>400,000</b>		<b>700,000</b>	<b>300,000</b>	<b>400,000</b>		<b>700,000</b>	< Restores cut from Admin's proposal
<b>Task Force on Universal Coverage</b>	7/1/2015													< Proposal due 12/1/2015
<b>Universal Primary Care Study (One time)</b>	7/1/2015	<b>200,000</b>			<b>200,000</b>									< Report due 10/15/2015
<b>COSTS associated with Ways &amp; Means Amendment - 4/2/15</b>														
<b>Costs associated with implementation of taxes</b>		<b>810,000</b>			<b>810,000</b>	<b>310,000</b>			<b>310,000</b>	<b>310,000</b>			<b>310,000</b>	
Beverage Tax Implementation (start-up costs)		500,000			500,000									
SSB Operations ****		310,000			310,000	310,000			310,000	310,000			310,000	
<b>Eval. of beverage tax on health outcomes (VDH)</b>	TBD													< Tied to Sweetened beverage tax
<b>TOTAL</b>		<b>17,264,618</b>	<b>14,991,521</b>	<b>1,392,475</b>	<b>33,648,615</b>	<b>20,544,242</b>	<b>15,464,692</b>	<b>1,253,286</b>	<b>37,262,220</b>	<b>21,515,791</b>	<b>15,853,553</b>	<b>1,202,636</b>	<b>38,571,980</b>	
HIT FUND		0	0	60,000	60,000	0	0	60,000	60,000	60,000	0	0	60,000	
<b>To be financed</b>		<b>17,264,618</b>	<b>14,991,521</b>	<b>1,332,475</b>	<b>33,588,615</b>	<b>20,544,242</b>	<b>15,464,692</b>	<b>1,193,286</b>	<b>37,202,220</b>	<b>21,455,791</b>	<b>15,853,553</b>	<b>1,202,636</b>	<b>38,511,980</b>	
<b>Difference Cumulative</b>		<b>1,010,382</b>				<b>823,758</b>				<b>1,209</b>			<b>1,835,349</b>	

NOTES:

\* SFY'17 assumes annualized costs. Also assumes both loss of Leahy bump and modest decrease in federal match.

\*\* Money towards MMIS to move from fee-for-service to prospective payment.

\*\*\* VITL Oversight -- proposes using HIT fund dollars for the state share of billback. HIT Fund sunsets, so assume it switches to GF in '18

\*\*\*\* \$310K = \$80K (processing/call ctr = 1FTE) + \$40K (data integration = .5FTE) + \$160K (billing/collection = 2FTEs) + \$30K (policy support)

Growth Trends

(1) Cost sharing subsidies - Assumes private insurance growth of 6.5%. Note: '16-'17 RAND/Admin consensus = 7.7%; CMS = 5.4%; used midpoint of 6.5%.

(2) Medicaid Reimbursement rates (Phys. services, Dartmouth, and Other providers) - Assumes 3.9% growth in Medicaid based on RAND/Admin consensus estimates for '16-'17. CMS = 6.8%

(3) Blueprint for Health - Growth tied to estimated Medicaid population growth. FY'11-'14 traditional populations grew at 1.4%. Est. '15-'16 growth = .5%. Used 1% for '17' & '18.