

1 Introduced by Committee on Health Care

2 Date:

3 Subject: Health; health care reform; Medicaid; Green Mountain Care Board;

4 Vermont Health Benefit Exchange; physicians; Blueprint for Health

5 Statement of purpose of bill as introduced: This bill proposes to increase cost-  
6 Exchange sharing subsidies for individuals with incomes between 200 and 300  
7 percent of the federal poverty level. It would appropriate funds to increase  
8 health care provider reimbursement rates for services delivered to Medicaid  
9 beneficiaries and would direct the Green Mountain Care Board to account for  
10 the impact of these investments on the cost shift. The bill would increase  
11 payments through the Blueprint for Health for patient-centered medical homes  
12 and community health teams. It would appropriate funds for health care  
13 provider loan repayment, health homes, and the Office of the Health Care  
14 Advocate. The bill would direct the Green Mountain Care Board to propose a  
15 model for providing consumers with information about the cost and quality of  
16 health care services available across the State. It would also appropriate funds  
17 to the Green Mountain Care Board to provide the capacity to implement an all-  
18 payer waiver and to set reimbursement rates for providers.

19 An act relating to increasing Exchange subsidies and supporting health care  
20 providers, the Blueprint, and the Green Mountain Care Board

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

2 \* \* \* Increasing Access to Health Care Providers and Health Insurance

3 Coverage \* \* \*

4 Sec. 1. 33 V.S.A. § 1812(b) is amended to read:

5 (b)(1) An individual or family with income at or below 300 percent of the  
6 federal poverty guideline shall be eligible for cost-sharing assistance, including  
7 a reduction in the out-of-pocket maximums established under Section 1402 of  
8 the Affordable Care Act.

9 (2) The Department of Vermont Health Access shall establish cost-  
10 sharing assistance on a sliding scale based on modified adjusted gross income  
11 for the individuals and families described in subdivision (1) of this subsection.  
12 Cost-sharing assistance shall be established as follows:

13 (A) for households with income at or below 150 percent of the  
14 federal poverty level (FPL): 94 percent actuarial value;

15 (B) for households with income above 150 percent FPL and at or  
16 below ~~200~~ 300 percent FPL: 87 percent actuarial value;

17 ~~(C) for households with income above 200 percent FPL and at or~~  
18 ~~below 250 percent FPL: 77 percent actuarial value;~~

19 ~~(D) for households with income above 250 percent FPL and at or~~  
20 ~~below 300 percent FPL: 73 percent actuarial value.~~

1           (3) Cost-sharing assistance shall be available for the same qualified  
2 health benefit plans for which federal cost-sharing assistance is available and  
3 administered using the same methods as set forth in Section 1402 of the  
4 Affordable Care Act.

5           Sec. 2. COST-SHARING SUBSIDY; APPROPRIATION

6           (a) Increasing the cost-sharing subsidies available to Vermont residents  
7 will not only make it easier for people with incomes below 300 percent of the  
8 federal poverty level to access health care services, but it may encourage some  
9 residents without insurance to enroll for coverage if they know they will be  
10 able to afford to use it.

11           (b) The sum of \$4,181,760.00 is appropriated from the State Health Care  
12 Resources Fund to the Department of Vermont Health Access in fiscal year  
13 2016 to increase Exchange cost-sharing subsidies beginning on January 1,  
14 2016 to provide coverage at an 87 percent actuarial value to individuals with  
15 incomes between 200 and 300 percent of the federal poverty level.

16           Sec. 3. ADDRESSING THE COST SHIFT

17           (a) The sum of \$16,010,674.00 in Global Commitment funds is  
18 appropriated to the Department of Vermont Health Access in fiscal year 2016  
19 to increase reimbursement rates to providers for services provided to Medicaid  
20 beneficiaries beginning on January 1, 2016.

1        (b) In allocating the funds appropriated pursuant to this section, the  
2        Department of Vermont Health Access shall direct \$5,000,000.00 in Global  
3        Commitment funds to rate increases for primary care physicians. The  
4        Department shall provide a reasonable rate increase to the providers at  
5        Dartmouth Hitchcock Medical Center for services provided to Vermont  
6        Medicaid beneficiaries in recognition of their important role in providing  
7        health care to Vermont residents. Of the remaining amount, the Department  
8        shall allocate the balance between hospital outpatient and professional services  
9        rate increases for services provided to Medicaid beneficiaries.

10        Sec. 4. COST SHIFT ACCOUNTABILITY

11        (a) The Green Mountain Care Board shall account for the impact on the  
12        cost shift of the investments in Sec. 3 of this act through its regulatory  
13        authority over hospital budgets and health insurer rates. The Board shall  
14        include its assessment of the impacts in its annual report pursuant to 18 V.S.A.  
15        § 9375(d).

16        (b) Each nonprofit hospital service corporation established pursuant to 8  
17        V.S.A. chapter 123, nonprofit medical service corporation established pursuant  
18        to 8 V.S.A. chapter 125, and any other health insurer licensed to offer major  
19        medical health insurance plans in this State shall adjust its reimbursements to  
20        health care providers and premiums or administrative fees charged to account

1 for the impact of investing funds in Medicaid provider reimbursement in order  
2 to ensure the cost shift is reduced to the fullest extent possible.

3 Sec. 5. RESTORING PRIMARY CARE PROVIDER RATE INCREASES

4 The sum of \$3,750,000.00 in Global Commitment Funds is appropriated to  
5 the Department of Vermont Health Access in fiscal year 2016 to restore  
6 reimbursement rate increases for primary care providers for the period from  
7 July 1, 2015 through December 31, 2015 in advance of the rate increases for  
8 those providers that will take effect on January 1, 2016 pursuant to Sec. 3 of  
9 this act.

10 Sec. 6. RATE INCREASES FOR OTHER MEDICAID PROVIDERS

11 (a) The sum of \$5,670,000.00 in Global Commitment funds is appropriated  
12 to the Agency of Human Services in fiscal year 2016 for the purpose of  
13 increasing reimbursement rates beginning on January 1, 2016 for providers  
14 under contract with the Departments of Disabilities, Aging, and Independent  
15 Living, of Mental Health, of Corrections, of Health, and for Children and  
16 Families to provide services to Vermont Medicaid beneficiaries.

17 (b) The sum of \$1,250,000.00 in Global Commitment funds is appropriated  
18 to the Department of Vermont Health Access in fiscal year 2016 for the  
19 purpose of increasing reimbursement rates to home health agencies, as defined  
20 in 8 V.S.A. § 4095, beginning on January 1, 2016 for services provided to  
21 Medicaid beneficiaries, including participants in the Choices for Care program.

1 Beginning on January 1, 2016, the Department shall also modify  
2 reimbursement methodologies and amounts to home health agencies to provide  
3 prospective payments and to include a quality component.

4 \* \* \* Prioritizing Support for Primary Care Providers \* \* \*

5 Sec. 7. BLUEPRINT FOR HEALTH INCREASES

6 (a) The sum of \$4,508,911.00 in Global Commitment funds is appropriated  
7 to the Department for Vermont Health Access in fiscal year 2016 to increase  
8 payments to patient-centered medical homes, increase payments to community  
9 health teams, and rebalance community health teams as described in subsection  
10 (b) of this section.

11 (b) Beginning on January 1, 2016, the Department of Health Access shall:

12 (1) Increase payments to the Blueprint for Health community health  
13 teams under 18 V.S.A. § 705 by \$541,078.00 in Global Commitment funds.

14 (2) Adjust payments for community health teams under 18 V.S.A. § 705  
15 to reflect revised patient attribution and the market share of insurers and  
16 Medicaid. Payments may be modified as set forth in 18 V.S.A. § 702(b) and  
17 insurers shall participate in the new payment amounts as required by 18 V.S.A.  
18 § 706. The Department shall increase its payments to reflect increased  
19 Medicaid enrollment by an amount up to \$467,833.00.

20 (3) Increase payments to primary care medical homes under 18 V.S.A.  
21 § 704 by \$3,500,000.00 in Global Commitment funds.

1        (c) In its use of the funds appropriated in this section, the Blueprint for  
2        Health shall work collaboratively to include materials regarding adverse  
3        childhood experiences in Blueprint practices.

4        Sec. 8. AREA HEALTH EDUCATION CENTERS

5        (a) The sum of \$700,000 in Global Commitment funds is appropriated to  
6        the Department of Health in fiscal year 2016 for a grant to the Area Health  
7        Education Centers for repayment of educational loans for health care providers  
8        and health care educators.

9                \* \* \* Consumer Information, Assistance, and Representation \* \* \*

10        Sec. 9. OFFICE OF THE HEALTH CARE ADVOCATE;

11                APPROPRIATION; INTENT

12        (a) The Office of the Health Care Advocate has a critical function in the  
13        Vermont’s health care system. The Health Care Advocate provides  
14        information and assistance to Vermont residents who are navigating the health  
15        care system and represents their interests in interactions with health insurers,  
16        health care providers, Medicaid, the Green Mountain Care Board, the General  
17        Assembly, and others. The continuation of the Office of the Health Care  
18        Advocate is necessary to achieve additional health care reform goals.

19        (b) The sum of \$40,000.00 is appropriated from the State Health Care  
20        Resources Fund to the Agency of Administration in fiscal year 2016 for its  
21        contract with the Office of the Health Care Advocate.

1       (c) It is the intent of the General Assembly that beginning with the 2017  
2       fiscal year budget, the Governor’s budget proposal developed pursuant to 32  
3       V.S.A. chapter 5 should include a separate provision identifying the aggregate  
4       sum to be appropriated from all State sources to the Office of the Health Care  
5       Advocate.

6       Sec. 10. CONSUMER INFORMATION AND PRICE TRANSPARENCY

7       The Green Mountain Care Board shall evaluate potential models for  
8       providing consumers with information about the cost and quality of health care  
9       services available across the State, including a consideration of the models  
10       used in Maine, Massachusetts, and New Hampshire, as well as any platforms  
11       developed and implemented by health insurers doing business in this State. On  
12       or before December 1, 2015, the Board shall report its findings and a proposal  
13       for a robust Internet-based consumer health care information system to the  
14       House Committee on Health Care, the Senate Committees on Health and  
15       Welfare and on Finance, and the Health Reform Oversight Committee.

16       \* \* \* Investments in Future Structural Reforms in Health Care \* \* \*

17       Sec. 11. GREEN MOUNTAIN CARE BOARD; ALL-PAYER WAIVER;  
18       RATE-SETTING

19       (a) The sum of \$1,069,907.00 is appropriated from the State Health Care  
20       Resources Fund to the Green Mountain Care Board in fiscal year 2016 in order  
21       to provide the Board with the capacity to address payment reform and cost



1 containment through an all-payer waiver and to achieve additional cost  
2 containment by implementing a provider rate-setting process.

3 (b) The sum of \$157,092.00 is appropriated from the State Health Care  
4 Resources Fund to the Green Mountain Care Board in fiscal year 2016 to  
5 enable the Board to initiate an inquiry into whether the public good would be  
6 served by regulating health care reimbursement in Vermont as a public utility.  
7 The Board's inquiry shall include a review of whether the public good would  
8 be served by designating a regulated entity as a public utility through a process  
9 similar to the certificate of public good or an order of appointment conducted  
10 by the Public Service Board pursuant to 30 V.S.A. §§ 209, 218, 231, and 248a.

11 (c) The sum of \$XXXXXX.00 is appropriated from the State Health Care  
12 Resources Fund to the Green Mountain Care Board in fiscal year 2016 to allow  
13 the Green Mountain Care Board to provide oversight of the budget and  
14 activities of the Vermont Information Technology Leaders, Inc.

15 Sec. 12. INVESTMENT; HEALTH HOMES

16 The sum of \$2,500,000.00 in Global Commitment funds is appropriated to  
17 the Department of Vermont Health Access in fiscal year 2016 to increase  
18 funding for health homes beginning on January 1, 2016. The Department shall  
19 invest these funds in one-time or short-term activities related to health care  
20 reform.

21 \* \* \* Effective Date \* \* \*

1       Sec. 13. EFFECTIVE DATE

2       This act shall take effect on July 1, 2015.