

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)
	Gen. Fund	Ed. Fund		Gen. Fund	Ed. Fund	Gen. Fund Ed. Fund Assumptions & Notes
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									
Sweetened Beverage 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.