

1 TO THE HONORABLE SENATE:

2 The Committee on Health and Welfare to which was referred Senate Bill
3 No. 196 entitled “An act relating to the Agency of Human Services’ contracts
4 with providers” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 * * * Nutrition Procurement Standards for State Government * * *

8 Sec. 1. FINDINGS

9 (a) Approximately 13,000 Vermont residents are employed by the State.
10 Reducing the impact of diet-related diseases will support a more productive
11 and healthy workforce that will pay dividends to Vermont’s economy and
12 cultivate national competitiveness for State residents and employees.

13 (b) Improving the nutritional quality of food sold or provided by the State
14 on public property will support people in making healthy eating choices.

15 (c) State properties are visited by Vermont residents and out-of-state
16 visitors, and also provide care to dependent adults and children.

17 (d) Approximately 25 percent of Vermont residents are overweight or
18 obese.

19 (e) Obesity costs Vermont \$291 million each year in health care costs,
20 contributing to debilitating yet preventable diseases, such as heart disease,
21 cancer, stroke, and diabetes.

1 (f) Improving the types of foods and beverages served and sold in
2 workplaces positively affects employees' eating behaviors and can result in
3 weight loss.

4 (g) Maintaining a healthy workforce can positively affect indirect costs by
5 reducing absenteeism and increasing worker productivity.

6 Sec. 2. 29 V.S.A. § 160c is added to read:

7 § 160c. NUTRITION PROCUREMENT STANDARDS

8 (a)(1) All foods and beverages purchased, sold, served, or otherwise
9 provided by the State or any entity, subdivision, or employee on behalf of the
10 State shall meet minimum nutrition procurement standards adopted by the
11 Commissioner of Health by rule.

12 (2) All bids and contracts between the State and food and beverage
13 vendors shall comply with the nutrition procurement standards. The
14 Commissioner, in conjunction with the Commissioner of Buildings and
15 General Services, may periodically review or audit a contracting food or
16 beverage vendor's financial reports to ensure compliance with this section.

17 (3) The Commissioner shall have the final authority to determine
18 whether a specific food or beverage to be purchased, sold, or provided by the
19 State or any entity, subdivision, or employee on behalf of the State is
20 consistent with the nutrition procurement standards.

1 (4) The Commissioner of Health shall designate an employee of the
2 Department to oversee the implementation of the nutrition procurement
3 standards. The designated employee shall be responsible for disseminating
4 information to and conducting trainings for State employees and vendors on
5 the nutrition procurement standards adopted by rule. The designated employee
6 shall monitor compliance with the nutrition procurement standards and report
7 annually to the Commissioner regarding:

8 (A) State agency compliance with the nutrition procurement
9 standards;

10 (B) successes, challenges, and barriers experienced in implementing
11 the nutrition procurement standards; and

12 (C) recommendations for improving the nutrition procurement
13 standards.

14 (b) All State-owned or -operated vending machines, food or beverage
15 vendors, or cafeterias located on property owned or operated by the State shall
16 display nutritional labeling to the extent permitted under the Federal Food,
17 Drug, and Cosmetic Act, 21 U.S.C. ch. 9 § 301 et seq.

18 Sec. 3. RULEMAKING

19 (a) The Commissioner of Health shall adopt rules pursuant to 3 V.S.A.
20 chapter 25 establishing nutrition procurement standards for all foods and

1 beverages purchased, sold, served, or otherwise provided by the State or any
2 entity, subdivision, or employee on behalf of the State. The standards shall:

3 (1) be consistent with the U.S. General Services Administration’s
4 “Health and Sustainability Guidelines for Federal Concessions and Vending
5 Operations,” the American Heart Association’s “Healthy Workplace Food and
6 Beverage Toolkit,” and the National Alliance for Nutrition and Activity’s
7 “Model Beverage and Food Vending Machine Standards”;

8 (2) consider both positive and negative contributions of nutrients,
9 ingredients, and food groups to diets, including calories, portion size, saturated
10 fat, trans fat, sodium, sugar, and the presence of fruits, vegetables, whole
11 grains, and other nutrients of concern in Americans’ diets; and

12 (3) contain exceptions for circumstances in which State-procured foods
13 or beverages are intended for individuals with specific dietary needs.

14 (b) The Commissioner shall review and, if necessary, amend the rules
15 adopted pursuant to subsection (a) of this section no less than every five years
16 to reflect advances in nutrition science, dietary data, new product availability,
17 and updates to federal Dietary Guidelines for Americans.

18 (c) The Secretary of Administration shall incorporate the nutrition
19 procurement standards adopted by the Commissioner of Health into Agency
20 Bulletin 3.5.

1 Sec. 4. EXISTING PROCUREMENT CONTRACTS

2 To the extent possible, the State's existing contracts and agreements with
3 food and beverage vendors shall be modified to comply with the nutrition
4 procurement standards adopted by the Commissioner of Health by rule.

5 * * * Contracts between the Agency of Human Services
6 and Providers * * *

7 Sec. 5. REPORT; AGENCY OF HUMAN SERVICES' CONTRACTS

8 (a) On or before January 1, 2017, the Agency of Human Services, in
9 consultation with Vermont Care Partners and representatives from preferred
10 providers, shall submit a report to the Senate Committee on Health and
11 Welfare and to the House Committees on Health Care and on Human Services.

12 The report shall address the following:

13 (1) the amount and type of performance measures and other evaluations
14 used in fiscal year 2016 and 2017 Agency contracts with designated agencies,
15 specialized service agencies, and preferred providers;

16 (2) how funding levels of designated agencies, specialized service
17 agencies, and preferred providers affect access to and quality of care; and

18 (3) how the Agency's funding levels for designated agencies,
19 specialized service agencies, and preferred providers affect compensation
20 levels for staff relative to private and public sector pay for the same services.

1 (b) The report shall contain a plan developed in conjunction with the
2 Vermont Health Care Innovation Project to implement a value-based payment
3 methodology for designated and specialized service agencies that shall
4 improve access to and quality of care, including long-term financial
5 sustainability.

6 (c) As used in this section:

7 (1) “Designated agency” means the same as in 18 V.S.A. § 7252.

8 (2) “Preferred provider” means any substance abuse organization that
9 has attained a certificate of operation from the Department of Health’s
10 Division of Alcohol and Drug Abuse Programs and has an existing contract or
11 grant from the Division to provide substance abuse treatment.

12 (3) “Specialized service agency” means any community mental health
13 and developmental disability agency or any public or private agency providing
14 specialized services to persons with a mental condition or psychiatric disability
15 or with developmental disabilities or children and adolescents with a severe
16 emotional disturbance pursuant to 18 V.S.A. § 8912.

17 Sec. 6. EFFECTIVE DATE

18 (a) This section and Sec. 5 shall take effect on passage.

19 (b) Secs. 1–4 shall take effect on July 1, 2016.

1 and that after passage the title of the bill be amended to read: “An act relating
2 to nutrition procurement standards for State government and the Agency of
3 Human Services’ contracts with providers”
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6
7

8 (Committee vote: _____)

9 _____

10 Senator _____

11 FOR THE COMMITTEE