

Green Mountain Care Board
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To: The Senate Committee on Health and Welfare
Re: (dr req 15-1145 — draft 1.2) dated 2/24/2015 –JGC- 04:50 PM
Subject: Health; health care reform; pharmacy benefit managers; substance abuse; hospitals; Green Mountain Care Board
From: Susan Barrett, Executive Director, Green Mountain Care Board

Dear Senator Ayer,

Al Gobeille, Chair of the Green Mountain Care Board, testified before your committee in response to the draft bill that requires the Green Mountain Care Board to create an online database through which consumers may compare the cost and quality of health care services and requires the Board and the Agency of Human Services to convene a working group with the purpose of reducing paper work required in the health care system.

Since Chairman Gobeille's testimony, the Green Mountain Care Board, during one of its weekly public meetings, discussed the proposals in the draft bill as well as additional questions that were raised by the Committee. The following responses reflect the discussion of the full board.

1. Online database through which consumers may compare the cost and quality of health care services around the state.

The Green Mountain Care Board agrees that consumer access to health care prices may improve the ability of patients to know the costs of common health care procedures. However, the Board has discussed this topic over the course of many meetings predating this legislative session, and has enumerated the considerable challenges that the Board would face in implementing price transparency reporting. First, the actual amount a person would need to pay for a given health care procedure depends on both payer and type of insurance plan. Additionally, price information alone does not provide patients with important facts about the quality and performance of a particular health care provider or health care facility. A recent survey by The Associated Press-NORC Center for Public Affairs Research finds that while Americans are concerned about costs, quality is a more important factor in their choice of doctor¹. The Green Mountain Care Board feels that patients need information about both cost and quality to make decisions about where to find the most cost-effective care. For these reasons, the Board believes health care price information should be made available in the context of an individual's health care coverage plan and accompanied by quality and performance information.

Given the challenges described above, the Board requests that time is allowed for it to thoroughly investigate the best mechanisms for price transparency reporting, especially given the considerable costs to the State of designing and operating the type of website envisioned in your Committee's draft bill. To accomplish that, the Board supports the following language put forth in the draft House Committee on Health Care bill.



Sec. 10. CONSUMER INFORMATION AND PRICE TRANSPARENCY

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

For more information about the Board's existing work on the topic of health care price variation and transparency reporting, please see the attached paper.

2. Reducing Paperwork; Working Group

Reducing the burden of quality and performance measure reporting as well as the burden of patient experience surveys is extremely important. The Board has heard from health care providers that reporting requirements are onerous and at times at odds with the goals of health care reform. The Board believes that health care reform must be provider-led, and it is in this spirit that it understands the importance of reducing the burden of quality and performance measurement.

Accordingly, the Board shares the Committee's goal of finding strategies for aligning survey questions and other required forms across programs and initiatives in order to reduce the administrative burden on health care providers and establishing a process to maximizing and maintaining that alignment across programs and initiatives. However, the Board believes that it can have the most impact with respect to this issue if its role is defined narrowly as the final authority and arbiter of measurement proposals and disputes. This role is familiar and appropriate for the Board given its ongoing responsibilities regulating aspects of the health care system and overseeing payment and delivery system reform.

The Board also suggests that the language of the proposal be adjusted to reflect quality and performance measures and patient experience survey tools, but not to include clinical practice tools, such as SBIRT and ACEs screenings, which serve very different purposes from measures selected for payment and quality improvement purposes.

The following are responses to additional questions raised during Chair Gobeille's testimony.

1. Should Health Care Facilities Advertise?

The Board regulates hospitals and other entities through the lens of the triple aim, controlling costs, improving quality, and maintaining access to health care for Vermonters. In exercising this regulatory authority over hospital budgets, the Board reviews each hospital's budget and sets limits for Net Patient Revenue (NPR) growth. NPR is the most effective measure of hospital revenue and expenses that directly impact payer and patient cost.

The Board believes in a strong CEO model and as a result leaves operational decisions, like advertising and branding, under the institution's authority. We remain committed to our disciplined regulatory approach and continue to work with all components of Vermont's health care system to reduce the cost of health care while maintaining access and quality. The Board has and will continue to encourage health care facilities to operate



within the Board's budget decisions, and with absolute adherence to the provision of the highest quality, most accessible health care possible.

2. Could the HRAP address CON and Mental Health and Substance Abuse Services?

The existing HRAP statute, 18 V.S.A. § 9405, allows the Board to assess whether appropriate services are available in the state or in a given region/regions. Utilizing the HRAP alone to address CON and Mental Health Substance Abuse Services, however, would be a complex task. Section 7 of the Committee's draft bill directs the Department of Mental Health and the Department of Health's Division of Alcohol and Drug Abuse Programs to catalogue services for individuals with mental health, substance abuse, and co-occurring disorders to identify where gaps, if any, in services or overlapping services exist. Such information could be incorporated into an HRAP. AHS is the agency currently responsible for this area of work and most qualified to conduct such a study.

Please let me know if you would like additional information regarding the Board's discussion of the draft bill or any questions raised by the Senate Committee on Health and Welfare.

Susan J Barrett,

Executive Director, Green Mountain Care Board

ⁱ The Associated Press-NORC Center for Public Affairs Research. *Finding Quality Doctors: How Americans Evaluate Provider Quality in the United States* (2014), available at <http://www.apnorc.org/PDFs/Finding%20Quality%20Doctors/Finding%20Quality%20Doctors%20Research%20Highlights.pdf>.

