



VERMONT ASSOCIATION OF
HOSPITALS AND HEALTH SYSTEMS

February 13, 2018

House Committee on Health Care
State of Vermont
115 State Street
Montpelier, VT 05633-5301

Sent via email to: lstarr@leg.state.vt.us

RE: Response to the Office of the Health Care Advocate's Proposed Changes to H.669

Dear Chairman Lippert and Committee Members:

Thank you for providing the Vermont Association of Hospitals and Health Systems (VAHHS) the opportunity to respond to the Health Care Advocate's proposed changes to H.669, relating to certificates of need and to replacing the Health Resource Allocation Plan.

VAHHS represents all of Vermont's not-for-profit hospitals and participated in the Green Mountain Care Board stakeholder process. Our hospitals are committed to thoughtful planning around health care services and infrastructure while maintaining appropriate access for Vermonters.

VAHHS has the following comments in response to the Office of Health Care Advocate's proposed changes presented on Friday, February 9th.

Rate of inflation: VAHHS supports Medical CPI for rate of inflation. The proposed language is a ceiling, and the GMCB has the ability to limit inflation to CPI. Medical CPI will provide GMCB with more flexibility in determining the most appropriate inflation rate.

Urgent Care: VAHHS supports Bi-State's proposed change regarding excluding FQHCs from the CON process for urgent care.

Efficiency Vermont Proposal: Hospitals have every incentive to consider efficiency and are already following actions plans as required under Act 79 of 2013. Efficiency is also encompassed in the HRAP (and could be further clarified by rule). The hospitals' partnership with Efficiency Vermont has improved over the years. Creating a mandatory level of oversight by another player in addition to the board as part of the CON seems counter to what this bill is trying to do in reforming the CON process.

Non-medical equipment: Under 18 VSA 9435(f) for non-medical equipment the proposed language is:

“A replacement is considered routine if the technology and capability of the new equipment is comparable to that of the replaced equipment.”

VAHHS requests that there be some flexibility in requiring the new equipment be comparable to the old equipment. New technology is always changing, and VAHHS would want to ensure “comparable” encompasses that.

Repairs, replacements, and renovations: Under 18 VSA 9440(c)(5)(D)(i), the Office of the Health Care Advocate is requesting repairs, replacements and renovations only be expedited if they do “not involve new construction, increase the cost of medical services to patients, or impact the provision of medical services to patients.” This additional language appears overly broad. If a pipe bursts, or there is roof damage, and those procedure rooms cannot be used, does reopening the rooms once the repairs are done impact the provision of medical services to patients such that the application for CON cannot be expedited. Also, this additional language is not necessary when the Office of the Health Care Advocate or any other interested party may intervene.

Thank you for your consideration. Please contact me if you would like additional information.

Sincerely,



Devon Green, Vice President of Government Relations
Vermont Association of Hospitals and Health Systems