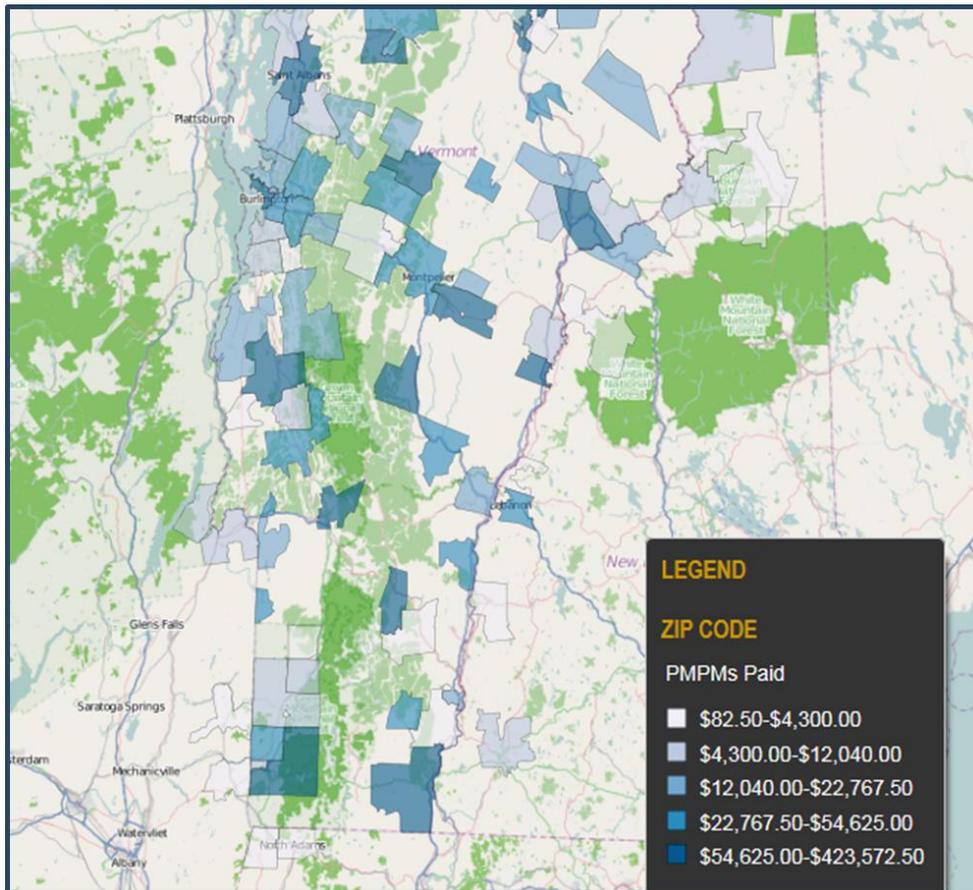


# Impact of Eliminating Per Member Per Month Primary Care Case Management Fee

## PMPM by State

<b>Vermont Providers</b>	<b>93.12%</b>
<b>NH Providers</b>	<b>6.47%</b>
<b>New York Providers</b>	<b>0.26%</b>
<b>Massachusetts Providers</b>	<b>0.16%</b>

## Visualization by Region



Vermont City/Town	Percent of Vermont PMPMs
Burlington	19.50%
Rutland	7.23%
Bennington	6.51%
Barre	6.28%
Ludlow	4.47%
Newport	3.66%
Brattleboro	3.60%
Randolph	3.51%
Saint Albans	2.90%
Middlebury	2.69%
Morrisville	2.58%
Saint Johnsbury	2.48%
Bradford	1.91%
Enosburg Falls	1.81%
Bomoseen	1.80%
Windsor	1.72%
Essex Junction	1.64%
Stowe	1.56%
Williston	1.48%
Brandon	1.38%
Townshend	1.37%
South Burlington	1.20%
Hardwick	1.18%
Richford	1.13%
Montpelier	1.02%
Barton	0.96%
West Pawlet	0.79%
South Royalton	0.76%
Shaftsbury	0.76%
Lyndonville	0.74%
Bristol	0.70%
White River Junction	0.68%
Derby Line	0.67%
Plainfield	0.66%
Cambridge	0.63%
Vergennes	0.58%
Island Pond	0.57%
Richmond	0.57%
Milton	0.57%
Winooski	0.47%
Colchester	0.47%
Westminster	0.46%
Poultney	0.42%
Johnson	0.40%
Concord	0.40%

Fairfax	0.40%
Danville	0.38%
Arlington	0.33%
Manchester Center	0.33%
Salisbury	0.30%
Shelburne	0.26%
Charlotte	0.26%
Swanton	0.24%
North Bennington	0.20%
Newbury	0.14%
Putney	0.09%
Shoreham	0.08%
Waterbury	0.05%
Hinesburg	0.05%
Chester	0.03%
Saxtons River	0.00%
Dorset	0.00%
Derby	0.00%

## PRIMARY CARE RATE ADJUSTMENTS

<u>DVHA Primary Care Investments</u>	SFY 19	Comments
<b>FQHC Re-basing</b>	\$ 2,399,994.00	Annualized amount. Payments started 1/1/18. Investment made to come into compliance with federal law. Value will be inflated by Medical Inflation Index (MEI) in SFY 19, inflation value TBD. Projections of SFY19 spending were made based on FHQC/RHC cost report year end 2016 utilization data.
<b>Primary Care Bump</b>	\$ 3,958,596.80	Annualized amount. Raised Medicaid Primary Care rates to 100% of Medicare effective 8/1/17. Of this amount, \$1,569,892 was new budget allocation and \$2,388,704.80 was reinvested from offsets created from other professional services payment policy changes. Estimates based on CY2017 Medicare rates and a simple annualization of data from claims with dates of service of 8/1/2017-10/31/2017. \$4 million investment made in SFY 17 as well.
<b>ACO Primary Care Admin</b>	\$ 3,302,676.00	\$3.25 PMPM paid by ACO to primary care physicians per attributed member. Program runs on calendar year. SFY 19 estimate doubles value for 2nd half of SFY 18 based on 2018 contract. Final number will be adjusted by CY 2019 contract and number of lives in program on monthly basis. Item does not include Delivery System Reform Investments, which will also benefit primary care providers, valued at \$7.4 million in calendar year 2018.
<b>Increased Blueprint Payments</b>	\$ 480,000.00	Expand Women's Health Initiative with recurring per member per month (PMPM) payments to Blueprint primary care providers (PCPs) who implement the WHI strategies effective 10/1/17. For the first 12months of participation in the program, practices will be paid a \$1.25 PMPM on Medicaid beneficiaries seen in the past two years; in subsequent years of participation, practices will be paid a base payment of \$1.00 PMPM plus a quality payment of up to \$0.50 PMPM based on performance measures. Aggregate amount will vary with population.
<b>PCCM</b>	\$ (3,327,479.00)	Elimination of PCCM in DVHA's Proposed SFY 19 Budget Recommendation.
<b>DVHA Net TOTAL</b>	<b>\$ 6,813,787.80</b>	

Table does not include VDH loan forgiveness proposal since it is paid to both primary care and non-primary care providers.

\*To the extent actual volume is more or less than the modeled year, actual investments may vary from those presented.

## Increase to Maintenance & Operations Contracts

\$4,117,561 gross / \$1,649,096 state

Vendor	Service Description	'18 As Passed	'19 Gov Rec	Difference
<b>DXC</b>	Fiscal Agent and Claims Processing System	\$12,299,575	\$14,818,614	\$2,519,039
<b>Change HealthCare</b>	Pharmacy Benefit Manager	\$3,750,535	\$4,926,684	\$1,176,149
<b>Oracle</b>	Hosting: Technologies and services needed for our applications to be viewed/accessible in the Internet	\$1,797,391	\$1,989,676	\$192,285
<b>eQHealth</b>	Care Management System	\$2,484,577	\$2,714,665	\$230,088
<b>Total Change</b>				<b>\$4,117,561</b>

## VCCI and Blueprint Alignment

(\$1,826,928) gross / (\$650,000) state

DVHA's objective in creating to plan to align Blueprint and VCCI is to achieve budget goals, while maintaining services to beneficiaries.

The Committee requested information on the percentage of total operations this cut represented.

<b>Blueprint Staffing</b>	<b>\$ 1,128,314</b>
<b>VCCI Staffing</b>	<b>\$ 3,600,334</b>
<b>Clinical Unit Staffing</b>	<b>\$ 951,201</b>
<b>M&amp;O Contracts</b>	<b>\$ 7,349,795</b>
<b>Total Budgeted before Reduction</b>	<b>\$ 13,029,644</b>
<b>Reduction</b>	<b>\$ (1,826,928)</b>
<b>Percent Reduction</b>	<b>14%</b>

## HIT Investment Phasedown

**(\$1,960,628) gross (\$1,354,330) state**

## DSR Investments

**\$2,625,000 gross / \$941,438 state**

Since 2005, DVHA has been able to make expenditures previously referred to as Managed Care Organization (MCO) Investments. As part of the 2017 Global Commitment to Health Waiver extension these expenditures are to be referred to as “Investments”. The use of these Investment expenditure authority must be limited to the following areas:

- Reduce the rate of uninsured and/or underinsured in Vermont;
- Increase the access to quality healthcare by uninsured, underinsured, and Medicaid beneficiaries;
- Provide public health approaches and other innovative programs to improve health outcomes, health status and quality of life for uninsured, underinsured and Medicaid-eligible individuals in Vermont; and
- Encourage the formation and maintenance of public-private partnerships in healthcare including initiatives to support and improve the healthcare delivery system and promote transformation to value-based and integrated models of care.

As we move from the initial investment CMS has provided the state with a phase-down schedule of the HIT Investments. Beginning January 1, 2018, the DVHA is expected to replace 50% of the HIT Investment budget with HIT funds. Beginning calendar year 2019, the HIT fund will replace 100% of the HIT Investment funding.

- The Blueprint Clinical Registry development work was shifted to the HITTECH “Fair Share” rate which reduced the HIT obligation by \$255,809. The MCO match was ~60/40 while the Fair Share rate is 78.49/21.51 federal/state. This equates to a gross project reduction of \$400,000 reducing the project budget from \$1.5M to \$1.1M. The Blueprint is working to further define the scope of the Clinical Registry development projects in SFY18 and SFY19. The budget change will not completely derail development work.
- In SFY19, the HIE program budget is \$22,159,828. The budgeted HIT Fund obligation is \$3,522,585.

SFY 2019 DVHA HIT Fund Obligations

Budget Item (Includes Staffing)	Estimated	General Fund	HIT Fund	Federal Funds	Investments
Provider Incentives -Electronic Health Record Payment Program (EHRIP)	\$ 10,300,000	\$ -	\$ -	\$ 10,300,000	\$ -
DXC - MAPIR System to Support EHRIP (Quarterly)	\$ 256,488	\$ 25,649	\$ -	\$ 230,839	\$ -
DXC - MAPIR Customization	\$ 186,340	\$ 18,634	\$ -	\$ 167,706	\$ -
Bi-State Model for Improvement and SME Support	\$ 280,000	\$ -	\$ 184,940	\$ 50,120	\$ 44,940
Vermont Clinical Registry Development	\$ 1,500,000	\$ -	\$ 726,550	\$ 596,900	\$ 176,550
Vermont Clinical Registry Development M&O	\$ 1,100,000	\$ -	\$ 236,500	\$ 863,500	\$ -
SASH Program Technology (Cathedral Square)	\$ 205,000	\$ -	\$ 135,403	\$ 36,695	\$ 32,903
Blueprint Health Data Analytics - Development	\$ 600,000	\$ -	\$ 129,000	\$ 471,000	\$ -
Blueprint Health Data Analytics - M&O	\$ 240,000	\$ -	\$ 158,520	\$ 42,960	\$ 38,520
Blueprint Provider Portal - Stone Environmental	\$ 45,000	\$ -	\$ 29,723	\$ 8,055	\$ 7,223
Vermont Information Technology Leaders - M&O	\$ 2,000,000	\$ -	\$ 1,095,267	\$ 583,733	\$ 321,000
ADS Security and System Reviews	\$ 97,000	\$ -	\$ 9,700	\$ 87,300	\$ -
HIE Evaluator (HealthTech Solutions) Implementation Support	\$ 50,000	\$ -	\$ 5,000	\$ 45,000	\$ -
Portfolio Management Office Support Staff	\$ 1,400,000	\$ -	\$ 301,000	\$ 1,099,000	\$ -
Vermont Information Technology Leaders - HIE Development	\$ 1,350,000	\$ -	\$ 332,809	\$ 1,017,191	
Vermont Information Technology Leaders - HIE Development	\$ 150,000	\$ -	\$ 32,250	\$ 117,750	\$ -
OneCare VT - Care Navigator Development and Deployment	\$ 2,600,000		\$ 75,000	\$ 650,000	\$ 1,875,000
DVHA HIE Team Staffing	\$ 647,859		\$ 70,924	\$ 519,456	\$ 57,478
<b>Total Budget</b>	<b>\$ 23,007,687</b>	<b>\$ 44,283</b>	<b>\$ 3,522,585</b>	<b>\$ 16,887,206</b>	<b>\$ 2,553,613</b>