

# Vermont Legislative Joint Fiscal Office

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## FISCAL NOTE

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### H.905 – An act relating to the Green Mountain Care Board’s billback formula

This bill proposes to revise the formula under which the Green Mountain Care Board (GMCB) assesses regulated health care industries for certain costs associated with their regulation. The bill also adds accountable care organizations (ACOs) to the new formula. This bill does not propose changes to billback authority related to the Health Care Advocate (HCA) or the Vermont Program for Quality in Health Care, Inc. (VPQHC). The formula change is shown in the chart below:

		Old Billback	FY 18 (Act 73)	FY19 Proposal	
				Direct	All Other
State		40%	40%	40%	
Hospitals		15%	15%		30%
Non-profit Hospitals and Medical Service Corporations	<i>BCBSVT</i>	15%	45%	Regulated entity pays costs directly connected to their regulation. Includes contract expenses and staff time.	24% attributed based on earned premiums
Health Insurance Companies	<i>MVP, Cigna &amp; other</i>	15%	7%		
Health Maintenance Organizations (HMOs)	<i>BCBSVT &amp; MVP</i>	15%	3%		
Accountable Care Organizations	<i>One Care</i>	-----	-----		6%
		100%	100%		100%

The bill does not propose modifying the state’s share towards billback and therefore does not change the amount of state dollars needed for the Green Mountain Care Board’s SFY 2019 budget as proposed.