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February 14, 2018

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

Sent via email to Istarr@leg.state.vt.us

Re: SFY19 Proposed Budget Cuts

Dear Chairman Lippert and Committee Members:

Bi-State Primary Care Association appreciates the opportunity to provide comment on SFY19 proposed budget cuts from current funding levels: loan repayment and primary care coordination management.

Established in 1986, Bi-State is a nonpartisan, nonprofit 501(c)(3) charitable organization that promotes access to effective and affordable primary care and preventive services for all, with special emphasis on underserved populations in Vermont and New Hampshire. Bi-State's Vermont membership includes 12 Federally-Qualified Health Centers delivering primary care at 64 sites and serving over 172,000 Vermonters.

We have concerns regarding proposed cuts to loan repayment and primary care coordination management payments:

Loan repayment. Bi-State's members are concerned that the loss of this funding will severely hamper their ability to recruit or retain qualified primary care clinicians. We have over 40 vacancies currently across our network and loan repayment is critical for recruitment and retention and is considered best practice for ensuring we stay competitive in a national job market. Applicants assume there will be some loan repayment, and without it we would lose those qualified candidates. In fact, among the first questions identified by candidates is 'how much is the loan repayment', not if there is loan repayment. Our members do not have the financial resources to 'back-fill' this funding should it go away and would be disadvantaged in future primary care recruitments. This could result in access challenges for Vermonters.

Primary Care Coordination Management. DVHA's proposed budget includes the elimination of DVHA's Primary Care Coordination Management payment. This payment is a \$2.50 per member per month payment for Medicaid beneficiaries. The impact of this cut is estimated at over \$1.1m across Vermont's FQHCs. We learned of this cut as part of the Governor's budget proposal in January and was not anticipated. Bi-State's members have told me that this funding represents anywhere from one to four FTE depending on the size of the health center. The loss of funds will result in less care coordination, less health coaching, and fewer enabling services for our Medicaid patients- those who need it most.

It is also important to understand these funds as they relate to the Blueprint for Health per member per month payments and Community Health Teams. Our members fully participate in the Blueprint for Health (Blueprint) and value that program. However, as the Blueprint has itself reported in a series of annual reports, the funding provided to primary care practices to serve as patient-centered medical homes is insufficient for the work required. This means that each of our FQHCs is stretching their resources to meet the Blueprint requirements. This is, in part, possible because of the Primary Care Coordination Management payment that each of them receives. Loss of these funds adds additional pressure on our primary care providers.

We ask that you restore funding for both the loan repayment program and the Medicaid Primary Care Coordination Management payments. The Primary Care Coordination Management payments could be restored in the same way they currently operate or alternatively, added to the existing Blueprint for Health per member per month payments.

Thank you for your consideration. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'gm', followed by a long horizontal line extending to the right.

Georgia J. Maheras, Esq.
Director, Vermont Public Policy
Bi-State Primary Care Association