

Testimony of Mary Kate Mohlman, MS, PhD
House Health Care Committee
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Chairman, members of the committee, I would like to thank you for the opportunity to introduce myself as Governor Scott's Director of Health Care Reform and to discuss the administration's perspective on health care. First of all, I recognize that the Director of Health Care Reform has responsibilities that can directly affect people's lives and well-being. I take these responsibilities seriously, welcome the challenges of this role, and look forward to working hard for Vermonters. I grew up in Vermont, I married a Vermonter, I began my professional life serving the people of Vermont before continuing my education in the health sciences, and I was thrilled to return to Vermont to join the Blueprint for Health and evaluate health reforms. Finally, I am thrilled that my two children now have the opportunity to grow up here too and have a chance to benefit from the community of our friends and family.

I want to emphasize this idea of community. It is not only central to what Vermont offers, but is central to wellness and health care. Two realizations had strong impressions on me when I joined Blueprint. The first was its emphasis on communities and their role in establishing their own priorities and fostering the connections across their partners. The program recognizes that each community is in the best position to identify their needs and priorities. The Blueprint then provides the resources and support that allow the community to address those needs. The second came while learning about how regions were using data. The Bennington health service area began looking at the data from the Blueprint, and at first they focused their quality improvement initiatives at the hospital, but as they kept peeling back the layers of causal factors, they realized the data was driving them to focus more and more on community initiatives. This result makes sense in light of social and community factors that affect a person's health.

The Scott Administration supports the emphasis of community and its role in health by shifting its health reform responsibilities to the Agency of Human Services (AHS), specifically the positions of Director of Health Care Reform and Deputy Director of Health Care Reform. Located in AHS and working in close proximity to its departments, I can more readily work across the agency to coordinate medical-oriented programs or initiatives with social- or community-oriented initiatives. One goal is to identify efficiencies and synergies within the Agency by better understanding how one department's programs impact another's and how we can build on or improve these connections. The other goal is to coordinate the Agency's initiatives with external partners, including both social and medical services. These two goals will be important as we move forward in improving Vermont's health system and Vermonters' health.

Currently the State of Vermont has signed a contract with the Centers for Medicare and Medicaid Services (CMS) to develop an all-payer Accountable Care Organization (ACO) and implement payment reforms with the potential to change many of the underlying economic incentives that drive high costs in health care while improving health. The idea behind this approach is to emphasize primary and preventive care in a way that reduces the need for expensive downstream acute care. However, the devil is in the details. We need to make sure we support primary care providers and patient-centered care and effect better coordination with mental health and social services. All of this needs to happen while maintaining vibrant hospitals that have the resources and skills to treat Vermonters when catastrophe does strike. We talk about reducing the burden of the cost of care on Vermonters, but we also need to

recognize the role the health sector has in supporting our economy. Health care is complex, but I look forward to working with our ACO partners, the Green Mountain Care Board, hospitals, human services, and our communities to figure out whether and how the All-Payer ACO model can be effective.

While coordinating key partners and implementing operations are two key factors to improving Vermont's health system, I also want to emphasize the need for data-driven assessments. With my background as a researcher and scientist, I want to know whether we are achieving what we set out to achieve. We need to apply robust evaluations to reforms taking place in the health care system and to those taking place across AHS. As I mentioned before, we need to understand how programs across the Agency's departments might impact another and whether they impact utilization of health care services. For example, does Medicaid's coverage of medication-assisted treatment for opioid addiction and the Hub & Spoke's expansion of treatment access impact the number of children served by Department for Children and Families or the number of people incarcerated or coming into contact with the legal system? Does better screening and early treatment or support for mental health reduce the number of emergency department visits that Medicaid pays for? These are just a couple examples, and I look forward to working with leadership in each of the departments to identify additional links that improve the lives of Vermonters and reduce expenditures through upstream preventive activities that decrease the need for expensive downstream services.

And last, but certainly not least, all of this activity is happening under significant uncertainty from Congress and the incoming White House. Vermont has accomplished much both prior to and under the Affordable Care Act. While repeal of the ACA to some degree seems certain, we do not know what shape the repeal will take. We also don't know how and whether it will be replaced. One of the reasons I was brought into this job was to support Governor Scott in responding to federal action. Currently, I am reaching out to our federal delegation and other states. The goal is to ensure federal health care legislation allows Vermont to continue to serve Vermonters in the way we deem it most appropriate.