Testimony of Mary Kate Mohlman, PhD, MS Senate Health and Welfare Committee January 20, 2017

Chairwoman, 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 discuss the administration's perspective on health care. Regarding my position and who I am, I recognize that the Director of Health Care Reform has much responsibility, and that the decisions made in this role can directly affect many 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 work for the Blueprint for Health. Finally, I am thrilled that my two children now have the opportunity to grow up here too. When we first returned, my son, not yet three at the time, liked to drive by the Golden Dome because, in his words, it made him happy. What made me happy was the family, friends, and community to which we came back.

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. When I first joined the Blueprint, I was struck by two things, the program's ability to remain innovative and, more to my point here, its emphasis on communities establishing their own priorities and fostering connections across their partners. The idea was that each community knew how best to address their needs; they just need the resources and support to achieve it. The second revelation 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 moving its health reform responsibilities to the Agency of Human Services, specifically the positions of Director of Health Care Reform and Deputy Director of Health Care Reform. Working in AHS, I can better coordinate medical-oriented initiatives with initiatives occurring across the Agency's departments. Furthermore, we can make better use of the resources that the Blueprint for Health offers through its statewide network and its data and analytics. The former allows for the development and roll out of innovative solutions; the latter allows us to understand whether these initiatives are achieving their intended goals.

Coming from my previous role as the Blueprint's Health Services Researcher, I want to emphasize the need for data-driven assessments of our programs, and I think it is important that we apply these assessments across departments, specifically looking at how one department's efforts may affect another's. 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 few examples of the potential links to consider, and I look forward to working with leadership in each of the departments to identify additional links. The goal is to identify the most effective links that improve the lives of

Vermonters and reduce expenditures through upstream preventive activities that decrease the need for expensive downstream services.

These approaches will also be important in moving forward with the All-Payer ACO model. This agreement between Vermont and CMS has the potential to change economic incentives in our health system in a way that promotes more primary and preventive care instead of more expensive acute care. However, the proverbial devil is in the details. We need to make sure we support primary care and better coordination with mental health and social services 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 we look forward to working with our ACO partners, the Green Mountain Care Board, hospitals, and communities to figure out the specifics of whether and how the All-Payer ACO model can be effective.

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 under the Affordable Care Act, and Congress right now has begun taking steps to dismantle it. While repeal to some degree seems certain, we do no not know what shape the repeal will take. How and whether it will be replaced is also unknown. One of the reasons I was brought into this job was to support Governor Scott in responding to federal action. 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.