

# Vermont Legislative Joint Fiscal Office

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## *FISCAL NOTE*

Date: March 2, 2018

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### **S.53 An act relating to a universal, publicly financed primary care system**

*As Passed by the Senate Committee on Health & Welfare (Draft 3.4)*

The purpose of S.53 is to establish the framework for a system of universal, publicly financed primary care in the Vermont.

#### **SFY'19 Budget Impact**

Sec. 3(4) of S.53 allows for the Senate Committee on Health and Welfare to meet up to five times following the 2018 adjournment to provide guidance and receive updates from the Green Mountain Care Board (GMCB) and participating stakeholders developing the draft operational model for universal primary care pursuant this legislation. Per diems could be as much as \$5,475 assuming there are five meeting for which all 5 members attend. This cost can be absorbed within the legislative budget.<sup>1</sup>

$$5 \text{ Legislators} \times 219 \text{ per diem} \times 5 \text{ meetings} = \$5,475$$

Sec. 3 also states that to the extent permitted under the All-Payer ACO agreement between the Center for Medicare and Medicaid Services (CMS) and Vermont's Medicaid Section 1115 waiver, up to \$300,000 in expenses incurred by the accountable care organizations (ACOs) to develop the draft operation model described in the bill may be funded through delivery system reform payments. This assumes that the Big Bill appropriates money for the delivery system reform investments related to implementation of the All Payer Model as proposed in the Governor's SFY'19 budget.<sup>2</sup>

No other appropriation is required of the SFY'19 budget at this time.

#### **Future Budget Impacts**

Sec. 7 establishes a Universal Primary Care Fund in the State Treasury to be the single source to finance primary care for Vermont Residents, to be funded by authorized general funds, revenues (established for the purpose of funding universal primary care in Vermont), federal funds, grants, donations contributions, taxes, and other sources. It also specifies that interest and any remaining balances shall be retained in the fund. While the bill creates the fund, it does not raise any specific revenues at this time.

Should any aspect of a universal primary care system be implemented in the future, a deeper analysis of the impact to the state budget will be required. Further, the public financing aspect of the bill will also require a fiscal note.

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<sup>1</sup> This assumes the Legislature does not meet longer than the 18 weeks assumed for in the legislative budget.

<sup>2</sup> The Governor's SFY'19 recommended budget includes \$2,625,000 (\$941,438 state) for delivery system reform payments.