

Rebecca Buck

From: Barrett, Susan <Susan.Barrett@vermont.gov>
Sent: Monday, April 03, 2017 5:20 PM
To: Rebecca Buck
Cc: Kennedy, Conor
Subject: Answers to questions from GMCB Budget testimony Friday, March 31
Attachments: GMCB Gov Rec - Allocations.pdf

Dear Becky,

Could you please provide the following to the Senate Appropriations Committee? These are answers to questions the Committee asked during the GMCB budget testimony given last Friday.

All-Payer Model:

Question: Can the GMCB compel a certain Medicaid payment level per the APM agreement if the Advisory Rate case concludes that Medicaid payments should be increased?

Answer: No. Under federal Medicaid law, AHS and the Vermont General Assembly have the authority to set Medicaid payment rates. The Agreement between the State of Vermont and CMMI Section 6d provides that: AHS shall ensure that Vermont Medicaid offers a Scale Target ACO Initiative to Vermont ACOs no later than January 1, 2018. The State intends for Vermont Medicaid to be a reliable payer within the Model. The GMCB will annually provide its recommendations to the AHS Secretary and the Vermont General Assembly to increase Vermont Medicaid reimbursement rates to more comparable to Medicare FFS reimbursement rates. The State intends that payments paid by Vermont Medicaid to Vermont ACOs be set for a calendar year to allow predictability for both the Vermont ACOs and the GMCB's Vermont ACO regulations. Furthermore, AHS intends to work collaboratively with the GMCB within its ACO regulatory process under the direction of the Governor's Director of Health Care Reform, established in 3 V.S.A. § 2222a. Vermont All-Payer Accountable Care Organization Agreement, Section 6 d., page 9
The GMCB also has responsibility for providing the Vermont General Assembly with a Medicaid cost-shift analysis under Act 79 (2013). This analysis is included in the Annual Report.

Rate Review Grant and Limited Service positions:

Question: Were these positions in existence at DFR when the rate review program was moved over to GMCB?

Answer: The Rate Review Program that was implemented by the Green Mountain Care Board differs markedly from the Department of Financial Regulation's (DFR) program. Under the Affordable Care Act's provisions that became effective January 1, 2014 and corresponding changes in Vermont law, the Board developed a comprehensive and expanded rate review process that includes enhanced consumer protections, the opportunity for rate hearings that the public may attend, and required written rate decisions that are publicly available on a Board-run website. The positions used to implement and run the Board's expanded, post-ACA rate review program, initially funded through federal rate review grants, did not exist at DFR, nor were they required under DFR's more limited review of health insurance rates.

Budget Numbers:

Question: Could you supply the numbers showing the savings to the State in General Fund?

Answer: See attached GMCB Allocations spreadsheet.

Best,

Susan J. Barrett, J. D.
Executive Director Green Mountain Care Board
802-828-2919 office
802-477-3780 cell

FY18 GMCB Budget

	General: 10000	Billback: 21937	IDT SIM: 21500	GC Admin: 20405	Rate Review CIV: 22005	HIT: 21916	Total
FY17 as Passed	1,243,276	2,045,927	1,492,561	4,281,832	448,808	60,000	9,572,404
FY18 Proposed Allocation	2,263,482	3,743,883	218,070	2,807,518	226,574	60,000	9,319,527
FY18 Prior Year Allocation	1,396,333	2,332,179	218,070	5,086,370	226,574	60,000	9,319,527
Diff	867,149	1,411,704		(2,278,852)			

Green Mountain Care Board Budget - Comparison of Allocations

FY18 GMCB Budget	State	Federal	Special	Gross
FY17 as Passed - does not include BAA				
GF	1,243,276			1,243,276
GC	1,955,941	2,325,891		4,281,832
SF- Billback			2,045,927	2,045,927
SF- HIT			60,000	60,000
IDT (DVHA SIM)		1,492,561		1,492,561
Fed		448,808		448,808
Total	3,199,217	4,267,260	2,105,927	9,572,404

(a) Gov. Rec FY18 Proposed Allocation

GF	2,263,482			2,263,482
GC	1,299,039	1,508,479		2,807,518
SF- Billback			3,743,883	3,743,883
SF- HIT			60,000	60,000
IDT (DVHA SIM)		218,070		218,070
Fed		226,574		226,574
Total	3,562,521	1,953,123	3,803,883	9,319,527

(b) FY18 Using Prior Year Allocation

GF	1,396,333			1,396,333
GC	2,353,464	2,732,907		5,086,370
SF- Billback			2,332,179	2,332,179
SF- HIT			60,000	60,000
IDT (DVHA SIM)		218,070		218,070
Fed		226,574		226,574
Total	3,749,797	3,177,551	2,392,179	9,319,527

FY18 - Difference between Gov. Rec. Allocation (a) and Prior Year Allocati

GF	867,149			867,149
GC	(1,054,425)	(1,224,427)		(2,278,852)
SF- Billback			1,411,704	1,411,704
SF- HIT				
IDT (DVHA SIM)				
Fed				
Total	(187,276)	(1,224,428)	1,411,704	(0)