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H.29

Senator Ayer moves that the Senate propose to the House that the bill be amended as follows:

First: In Sec. 2, findings, by striking out subdivision (3) in its entirety and renumbering subdivision (4) to be subdivision (3)

Second: By striking out Sec. 3, Green Mountain Care Board; Health Care Professional Payment Parity Work Group, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. GREEN MOUNTAIN CARE BOARD; HEALTH CARE

PROFESSIONAL PAYMENT PARITY WORK GROUP

(a) The Green Mountain Care Board shall convene the Health Care Professional Payment Parity Work Group to:

(1) examine the reasons why health care professionals in independent practices are closing their practices or joining hospital-owned practices, or both;

(2) identify the causes and extent of disparities in reimbursement amounts to health care professionals for providing the same services in different settings; and

(3) determine how best to ensure more fair and equitable reimbursement amounts to health care professionals for providing the same services in different settings.

- 1 (b) The Work Group shall be composed of the following members:
- 2 (1) the Chair of the Green Mountain Care Board or designee;
- 3 (2) the Commissioner of Vermont Health Access or designee;
- 4 (3) a representative of each commercial health insurer with 5,000 or
5 more covered lives in Vermont;
- 6 (4) a representative of independent physician practices, appointed by
7 Health First;
- 8 (5) a representative of the University of Vermont Medical Center;
- 9 (6) a representative of Vermont’s community hospitals, appointed by the
10 Vermont Association of Hospitals and Health Systems;
- 11 (7) a representative of Vermont’s critical access hospitals, appointed by
12 the Vermont Association of Hospitals and Health Systems;
- 13 (8) a representative of each accountable care organization in this State;
- 14 (9) a representative of Vermont’s federally qualified health centers and
15 rural health clinics, appointed by the Bi-State Primary Care Association;
- 16 (10) a representative of naturopathic physicians, appointed by the
17 Vermont Association of Naturopathic Physicians;
- 18 (11) a representative of chiropractors, appointed by the Vermont
19 Chiropractic Association; and
- 20 (12) the Chief Health Care Advocate or designee from the Office of the
21 Health Care Advocate.

1 (c) The Green Mountain Care Board, in consultation with the other
2 members of the Work Group, shall:

3 (1) examine hospital acquisitions and transfers of health care
4 professionals to understand the reasons why health care professionals in
5 independent practices choose to become employed by hospitals and hospital-
6 owned practices and the net effect of these transitions on growth in health care
7 spending across the entire health care system;

8 (2) analyze the retention of independent practices and health care
9 professionals in this State, including assessing the factors that may influence
10 health care professionals' choice of practice location and ownership, such as
11 administrative burden, schedule flexibility, compensation and benefits,
12 financial risks, and business and contracting complexities; and

13 (3) develop a plan for reimbursing health care professionals in a more
14 fair and equitable manner, including the following:

15 (A) proposing a process for reducing existing disparities in
16 reimbursement amounts for health care professionals across all settings by
17 the maximum achievable amount over three years, beginning on or after
18 February 1, 2018, which shall include:

19 (i) establishing a process for and evaluating the potential impacts
20 of increasing the reimbursement amounts for lower-paid providers and
21 reducing the reimbursement amounts for the highest-paid providers;

1 (ii) evaluating the potential impact of requiring health insurers to
2 modify their reimbursement amounts to health care professionals across all
3 settings for nonemergency evaluation and management office visits codes to
4 the amount of the insurer’s average payment for that code across all settings in
5 Vermont on January 1, 2017 or on another specified date;

6 (iii) ensuring that there will be no negative net impact on
7 reimbursement amounts for health care professionals in independent practices
8 and health care professionals at hospitals other than academic medical centers;

9 (iv) ensuring that there will be no increase in medical costs or
10 health insurance premiums as a result of the adjusted reimbursement amounts;

11 (v) considering the impact of the adjusted reimbursement amounts
12 on the implementation of value-based reimbursement models, including the all-
13 payer model; and

14 (vi) developing an oversight and enforcement mechanism through
15 which the Green Mountain Care Board shall evaluate the alignment between
16 reimbursement amounts to providers, hospital budget revenues, and health
17 insurance premiums;

18 (B) identifying the time frame for adjusting the reimbursement
19 amounts for each category of health care services; and

20 (C) enforcement and accountability provisions to ensure measurable
21 results.

1 (d)(1) The Green Mountain Care Board shall provide an update on its
2 progress toward achieving provider payment parity at each meeting of the
3 Health Reform Oversight Committee between May 2017 and January 2018.

4 (2) On or before November 1, 2017, the Green Mountain Care Board
5 shall submit to the Health Reform Oversight Committee, the House Committee
6 on Health Care, and the Senate Committees on Health and Welfare and on
7 Finance the following:

8 (A) a final timeline and implementation plan for achieving provider
9 payment parity;

10 (B) the estimated financial savings to the health care system from
11 reducing payment disparities and recommendations for reallocation of those
12 funds to underfunded segments of the health care delivery system; and

13 (C) proposals for any necessary legislative changes to implement the
14 provider payment parity plan and to reallocate funds within the health care
15 system.

16 (e) Implementation of the provider payment parity plan shall not begin until
17 February 1, 2018 at the earliest to provide the General Assembly with an
18 opportunity to review the plan, direct modifications to the plan, and take
19 legislative action if needed.