

1 TO THE HONORABLE SENATE:

2 The Committee on Health and Welfare to which was referred Senate Bill  
3 No. 53 entitled “An act relating to a universal, publicly financed primary care  
4 system” respectfully reports that it has considered the same and recommends  
5 that the bill be amended by striking out all after the enacting clause and  
6 inserting in lieu thereof the following:

7 Sec. 1. UNIVERSAL PRIMARY CARE; INTENT

8 (a) It is the intent of the General Assembly to create and implement a  
9 system of universal, publicly financed primary care for all Vermont residents.  
10 The system should ensure that Vermonters have access to primary health care  
11 without facing financial barriers that might otherwise discourage them from  
12 seeking necessary care.

13 (b) The General Assembly continues to support the principles for health  
14 care reform enacted in 2011 Acts and Resolves No. 48, Sec. 1a, and plans to  
15 use universal primary care as a platform for a tiered approach to achieving  
16 universal health care coverage.

17 (c) In order to improve Vermonters’ access to **these** essential health care  
18 services, it is the intent of the General Assembly that universal **access to**  
19 primary care **services** should be available without cost-sharing.

20 Sec. 2. UNIVERSAL PRIMARY CARE; FINDINGS

21 The General Assembly finds that:

1           (1) Universal access to primary care will advance the health of  
2           Vermonters by preventing disease and by addressing Vermonters' health care  
3           problems before they become more serious and more costly. A large volume  
4           of research from throughout the United States concludes that increased access  
5           to primary care enhances the overall quality of care and improves patient  
6           outcomes.

7           (2) Universal access to primary care will reduce systemwide health care  
8           spending. This conclusion is well documented. A study completed in  
9           accordance with 2016 Acts and Resolves No. 172, Sec. E.100.10 and  
10           submitted on November 23, 2016 found significant cost savings in a review of  
11           data from nonuniversal public and private primary care programs in the United  
12           States and around the world. One reason for these savings is that better access  
13           to primary care reduces the need for emergency room visits and hospital  
14           admissions.

15           (3) The best primary care program is one that provides primary care for  
16           all residents without point-of-service patient cost-sharing or insurance  
17           deductibles for primary care services. The study completed in accordance with  
18           2016 Acts and Resolves No. 172, Sec. E.100.10 found that primary care  
19           cost-sharing in many locales decreased health care utilization and affected  
20           individuals with low income disproportionately.

1           (4) A universal primary care program will build on and support existing  
2 health care reform efforts, such as the Blueprint for Health and the all-payer  
3 model.

4           (5) A universal primary care program can be structured in such a way as  
5 to create model working conditions for primary care physicians, who are  
6 currently overburdened with paperwork and administrative duties, and who are  
7 reimbursed at rates disproportionately lower than those of other specialties.

8           (6) The costs of a universal primary care program for Vermont were  
9 estimated in a study ordered by the General Assembly in 2015 Acts and  
10 Resolves No. 54, Secs. 16–19 and submitted on December 16, 2015.

11 Sec. 3. **UNIVERSAL PRIMARY CARE; DRAFT OPERATIONAL**  
12 **MODEL; REPORT**

13 **(a)(1) The Green Mountain Care Board shall convene, facilitate, and**  
14 **supervise the participation of certified accountable care organizations, Bi-**  
15 **State Primary Care, and other interested stakeholders with applicable**  
16 **subject matter expertise to develop a draft operational model for a**  
17 **universal primary care program.**

18 **(2)(A) Using as its basis the primary care service categories and**  
19 **primary care specialty types described in 33 V.S.A. § 1852, the draft**  
20 **operational model shall address at least the following components:**

1                    **(i) who would be eligible to receive publicly financed universal**  
2 **primary care services under the program;**

3                    **(ii) who would deliver care under the program and in what**  
4 **settings;**

5                    **(iii) how funding for the primary care services would move**  
6 **through the health care system;**

7                    **(iv) how to ensure maintenance of records demonstrating**  
8 **quality of care without increasing the administrative burden on primary**  
9 **care providers.**

10                   **(B) In addition to the components described in subdivision (A) of**  
11 **this subdivision (2), the draft operational model may also include**  
12 **recommendations regarding the specific services that should be included**  
13 **in the universal primary care program and a methodology or benchmark**  
14 **for determining reimbursement rates to primary care providers.**

15                   **(3) The Green Mountain Care Board and participating stakeholders**  
16 **shall submit the draft operational plan for universal primary care** on or  
17 before January 1, 2019 to the House Committee on Health Care, the Senate  
18 Committees on Health and Welfare and on Finance, the Department of Human  
19 Resources, and the Department of Vermont Health Access.

20                   (4) All relevant State agencies shall provide timely responses to requests  
21 for information from **the Green Mountain Care Board and participating**

1 stakeholders developing **the draft operational plan for universal primary**  
2 **care** pursuant to this subsection.

3 (5) The Senate Committee on Health and Welfare may meet up to five  
4 times following the adjournment of the General Assembly in 2018 to provide  
5 guidance and receive updates from **the Green Mountain Care Board and**  
6 **participating** stakeholders **developing the draft operational plan for**  
7 **universal primary care** pursuant to this subsection.

8 (b) On or before July 1, 2019, the Departments of Human Resources and of  
9 Vermont Health Access, as the administrative departments with expertise and  
10 experience in the administration and oversight of health benefit programs in  
11 this State, shall provide to the House Committee on Health Care and the Senate  
12 Committees on Health and Welfare and on Finance their assessments of **the**  
13 **draft operational plan for universal primary care, including their**  
14 **evaluations of the merits of each proposal** and their recommendations **for**  
15 **with respect to** implementation of the universal primary care system.

16 (c) On or before July 1, 2019, the Department of Financial Regulation shall  
17 provide to the House Committee on Health Care and the Senate Committees on  
18 Health and Welfare and on Finance its recommendations for appropriate  
19 mechanisms for the State to employ to obtain reinsurance and to guarantee the  
20 solvency of the universal primary care program.

21 Sec. 4. UNIVERSAL PRIMARY CARE; LEGAL ANALYSIS; REPORT

1        The ~~Green Mountain Care Board~~ Office of the Attorney General, in  
2        consultation with the ~~Office of the Attorney General~~ Green Mountain Care  
3        Board and the Department of Financial Regulation, shall conduct a legal  
4        analysis of any potential legal issues regarding implementation of a universal  
5        primary care system in Vermont, including whether there are likely any legal  
6        impediments due to federal preemption under the Employee Retirement  
7        Income Security Act (ERISA) and whether the system could be designed in a  
8        manner that would permit Vermont residents to continue to be eligible under  
9        federal law to use a health savings account established in conjunction with a  
10       high-deductible health plan. The Office shall submit its legal analysis on or  
11       before January 1, 2019 to the House Committee on Health Care and the Senate  
12       Committees on Health and Welfare and on Finance.

13       **Sec. 5. UNIVERSAL PRIMARY CARE; SCOPE OF SERVICES AND**  
14       **PROVIDERS; REPORT**

15       **(a) The Green Mountain Care Board shall convene a working group of**  
16       **interested stakeholders with applicable subject matter expertise to**  
17       **develop:**

18       **(1) recommendations for the specific services and providers that**  
19       **should be included in the universal primary care program, including the**  
20       **scope of the mental health and substance use disorder services;**

1 (2) methods to resolve coordination of benefits issues in the  
2 universal primary care program; and

3 (3) recommendations for strategies to address other issues  
4 associated with the development and implementation of the universal  
5 primary care program.

6 (b) On or before January 1, 2019, the Green Mountain Care Board  
7 shall provide the working group's recommendations to the House  
8 Committee on Health Care and the Senate Committees on Health and  
9 Welfare and on Finance.

10 Sec. 6. IMPLEMENTATION TIMELINE; CONDITIONS

11 (a) In addition to the plans, assessments, and analyses required by Secs. 3,  
12 and 4, and 5 of this act, the General Assembly adopts the following  
13 implementation timeline for the universal primary care program:

14 (1) submission by the Agency of Human Services of a final  
15 implementation plan for universal primary care on or before January 1, 2020;

16 (2) enactment by the General Assembly of the funding mechanism or  
17 mechanisms during the 2020 legislative session;

18 (3) application by the Agency of Human Services to the U.S.  
19 Department of Health and Human Services for all necessary waivers and  
20 approvals for universal primary care on or before January 1, 2021; and

1           (4) coverage of publicly financed primary care services for Vermont  
2           residents under the universal primary care program beginning on or before  
3           January 1, 2022.

4           (b) Implementation of the universal primary care program shall occur only  
5           if the following conditions are met:

6           (1) the program will not increase the administrative burden on primary  
7           care providers;

8           (2) the program will provide reimbursement amounts for primary care  
9           services that are sufficient to attract an adequate number of primary care  
10          providers to participate;

11          (3) the program has appropriate financing in place to support the  
12          covered services while ensuring the continued solvency of the program;

13          (4) **there will be enough primary care providers in Vermont to**  
14          **satisfy Vermonters' primary care needs** the program will include coverage  
15          for basic mental health care;

16          (5) the program will not include coverage for dental care services;

17          (6) the program will provide clear information to health care providers  
18          and consumers regarding which services are covered and which services are  
19          not covered under the universal primary care program; and

20          (7) the program adheres to the principles of 2011 Acts and Resolves No.  
21          48, Sec. 1a.

1 Sec. 7. 18 V.S.A. § 9458 is added to read:

2 **§ 9458. EXCESS HOSPITAL REVENUE; INVESTMENTS IN**

3 **UNIVERSAL PRIMARY CARE**

4 Each hospital that generated revenue in excess of the budget approved by  
5 the Green Mountain Care Board pursuant to this subchapter and the hospital’s  
6 actual expenses for the most recently closed hospital fiscal year **may invest all**  
7 **or a portion of the excess revenue to support the development and**  
8 **implementation of Vermont’s universal primary care program by**  
9 **contributing the excess revenue** to the Universal Primary Care Fund  
10 established by 33 V.S.A. § 1953.

11 Sec. 8. 33 V.S.A. chapter 18, subchapter 3 is added to read:

12 Subchapter 3. Universal Primary Care

13 § 1851. DEFINITIONS

14 As used in this section:

15 (1) “Health care facility” shall have the same meaning as in  
16 18 V.S.A. § 9402.

17 (2) “Health care provider” means a person, partnership, or corporation,  
18 including a health care facility, that is licensed, certified, or otherwise  
19 authorized by law to provide professional health care services in this State to  
20 an individual during that individual’s medical care, treatment, or confinement.

1           (3) “Health service” means any treatment or procedure delivered by a  
2           health care professional to maintain an individual’s physical or mental health  
3           or to diagnose or treat an individual’s physical or mental condition or  
4           intellectual disability, including services ordered by a health care professional,  
5           chronic care management, preventive care, wellness services, and medically  
6           necessary services to assist in activities of daily living.

7           (4) “Primary care” means health services provided by health care  
8           professionals who are specifically trained for and skilled in first-contact and  
9           continuing care for individuals with signs, symptoms, or health concerns, not  
10           limited by problem origin, organ system, or diagnosis. Primary care does not  
11           include dental services.

12           (5) “Vermont resident” means an individual domiciled in Vermont as  
13           evidenced by an intent to maintain a principal dwelling place in Vermont  
14           indefinitely and to return to Vermont if temporarily absent, coupled with an act  
15           or acts consistent with that intent. The Secretary of Human Services shall  
16           establish specific criteria for demonstrating residency.

17           § 1852. UNIVERSAL PRIMARY CARE

18           (a) **All It is the intent of the General Assembly that all** Vermont  
19           residents **shall should** receive **publicly financed** primary care services  
20           **financed by the State of Vermont.**

1           (1) The following service categories **shall should be** included in a  
2           universal primary care program when provided by a health care provider in one  
3           of the primary care specialty types described in subdivision (2) of this  
4           subsection:

5                   (A) new or established patient office or other outpatient visit;

6                   (B) initial new or established patient preventive medicine evaluation;

7                   (C) other preventive services;

8                   (D) patient office consultation;

9                   (E) administration of vaccine;

10                  (F) prolonged patient service or office or other outpatient service;

11                  (G) prolonged physician service;

12                  (H) initial or subsequent nursing facility visit;

13                  (I) other nursing facility service;

14                  (J) new or established patient home visit;

15                  (K) new or established patient assisted living visit;

16                  (L) other home or assisted living facility service;

17                  (M) alcohol, smoking, or substance abuse screening or counseling;

18                  (N) all-inclusive clinic visit at a federally qualified health center or  
19           rural health clinic; and

20                  (O) **behavioral mental** health.

1           (2) Services provided by a licensed health care provider in one of the  
2           following primary care specialty types **shall should be** included in universal  
3           primary care when providing services in one of the primary care service  
4           categories described in subdivision (1) of this subsection:

5                   (A) family medicine physician;

6                   (B) registered nurse;

7                   (C) internal medicine physician;

8                   (D) pediatrician;

9                   (E) physician assistant or advanced practice registered nurse;

10                  (F) psychiatrist;

11                  (G) obstetrician/gynecologist;

12                  (H) **naturopathic physician;**

13                  (I) geriatrician;

14                  (J) registered nurse certified in psychiatric or mental health nursing;

15                  (K) social worker;

16                  (L) psychologist;

17                  (M) clinical mental health counselor; and

18                  (N) alcohol and drug abuse counselor.

19           (b) For Vermont residents covered under Medicare, Medicare **shall should**  
20           continue to be the primary payer for primary care services, but the State of

1 Vermont **shall should** cover any co-payment or deductible amounts required  
2 from a Medicare beneficiary for primary care services.

3 § 1853. UNIVERSAL PRIMARY CARE FUND

4 (a) The Universal Primary Care Fund is established in the State Treasury as  
5 a special fund to be the single source to finance primary care for Vermont  
6 residents.

7 (b) Into the Fund shall be deposited:

8 (1) transfers or appropriations from the General Fund, authorized by the  
9 General Assembly;

10 (2) revenue from any taxes established for the purpose of funding  
11 universal primary care in Vermont;

12 (3) if authorized by waivers from federal law, federal funds from  
13 Medicaid and from subsidies associated with the Vermont Health Benefit  
14 Exchange established in subchapter 1 of this chapter;

15 (4) **all contributions by hospitals of their excess hospital revenue**  
16 **pursuant to 18 V.S.A. § 9458;** and

17 (5) the proceeds from grants, donations, contributions, taxes, and any  
18 other sources of revenue as may be provided by statute or by rule.

19 (c) The Fund shall be administered pursuant to 32 V.S.A. chapter 7,  
20 subchapter 5, except that interest earned on the Fund and any remaining

1 balance shall be retained in the Fund. The Agency of Human Services shall  
2 maintain records indicating the amount of money in the Fund at any time.

3 (d) All monies received by or generated to the Fund shall be used only for  
4 payments to health care providers for primary care health services delivered to  
5 Vermont residents and to cover any co-payment or deductible amounts  
6 required from Medicare beneficiaries for primary care services.

7  
8  
9

10  
11

12 (Committee vote: \_\_\_\_\_)

13 \_\_\_\_\_  
14 Senator \_\_\_\_\_  
15 FOR THE COMMITTEE