

MEMORANDUM

TO: Senate President Pro Tempore, Tim Ashe
Speaker of the House, Mitzi Johnson
Senator Virginia Lyons
Representative William J. Lippert Jr.
Senator Richard Westman
Representative Anne B. Donahue

FROM: Chair Kevin Mullin, Green Mountain Care Board

RE: COVID-19 Response from the Green Mountain Care Board

DATE: April 16, 2020

Dear Legislators,

I hope that this memo finds you, your loved ones, and your friends safe and well during this unprecedented time. Thank you for your work in passing [Act 91 \(H.742\)](#); we have utilized the flexibility afforded to us in section 5 of Act 91 to temporarily adjust regulatory structures and timelines to allow health care providers to quickly respond to the health care needs of Vermonters. These changes have reduced the administrative burden and freed up resources for front-line health care providers as they combat COVID-19. Specifically, the Board has taken the following actions to date:

- **Certificate of Need:** The Board issued two bulletins related to the certificate of need process to provide speed and flexibility for approval of new projects intended to enhance the health care system's ability to respond to COVID-19.
- **Hospital Budgets:** The Board continues to monitor hospital solvency, alleviate administrative burdens, and work with other state agencies and key stakeholders to understand the implication of the CARES Act on the solvency of our health care system. Budget guidance is being adjusted to accommodate the high degree of uncertainty during the pandemic.
- **All-Payer Model (APM):** The Board is collaborating with all APM signatories to send a letter to the Center for Medicare and Medicaid Innovation requesting monitoring flexibility and additional funding to help providers stay solvent during COVID-19.
- **ACO Oversight:** In response to both the Board's concerns about hospital solvency and a letter from OneCare Vermont requesting operational relief, the Board amended OneCare Vermont's 2020 Budget Order to allow the redirection of resources toward front-line providers and to extend the reporting timeline to allow for revisions in light of COVID-19 and account for delays in the



availability of information. OneCare Vermont will update the Board on its budget and COVID-related activities on April 22nd.

- **Rate Review:** The timeline for review of 2021 qualified health plans has so far remained unchanged, including form review with DFR, rate review with the Board, and certification with DVHA. The current rate filing deadline is May 8th. The Board has scheduled a meeting on April 29th to discuss the role that health insurers can play in mitigating the financial implications of the current crisis.
- **Data:** The Board conducted analyses using its health care claims database to identify populations at high-risk for COVID-19 and continues to offer data analytics expertise to the Administration during the pandemic.

The COVID-19 crisis has brought to the forefront the need to continue our efforts to reform the payment and delivery system and devote more resources towards sustainability planning. The need to move away from volume-based, fee-for-service payment and towards more predictable, stable, and equitable fixed payment structures has never been more clear. In fact, ACO participating providers¹ have already witnessed some of the benefits of fixed payments that continue to flow during this tumultuous time. As stated by Dr. Leffler, President of the University of Vermont Medical Center, “those payments are actually now our most secure dollars in this situation.” The Board looks forward to continuing to work with the Legislature to explore ways to increase scale participation in the ACO model, increase the flow of fixed payments to providers and enhance the overall financial stability of our health care system. Now more than ever we need to assess the adequacy and distribution of health care resources across the state and look for ways to build a stronger system in the future. We look for your support to build a system that emphasizes primary prevention, holds providers accountable for high quality care, and increases the predictability and stability of funding.

¹ Includes hospitals and other providers, including independent providers

