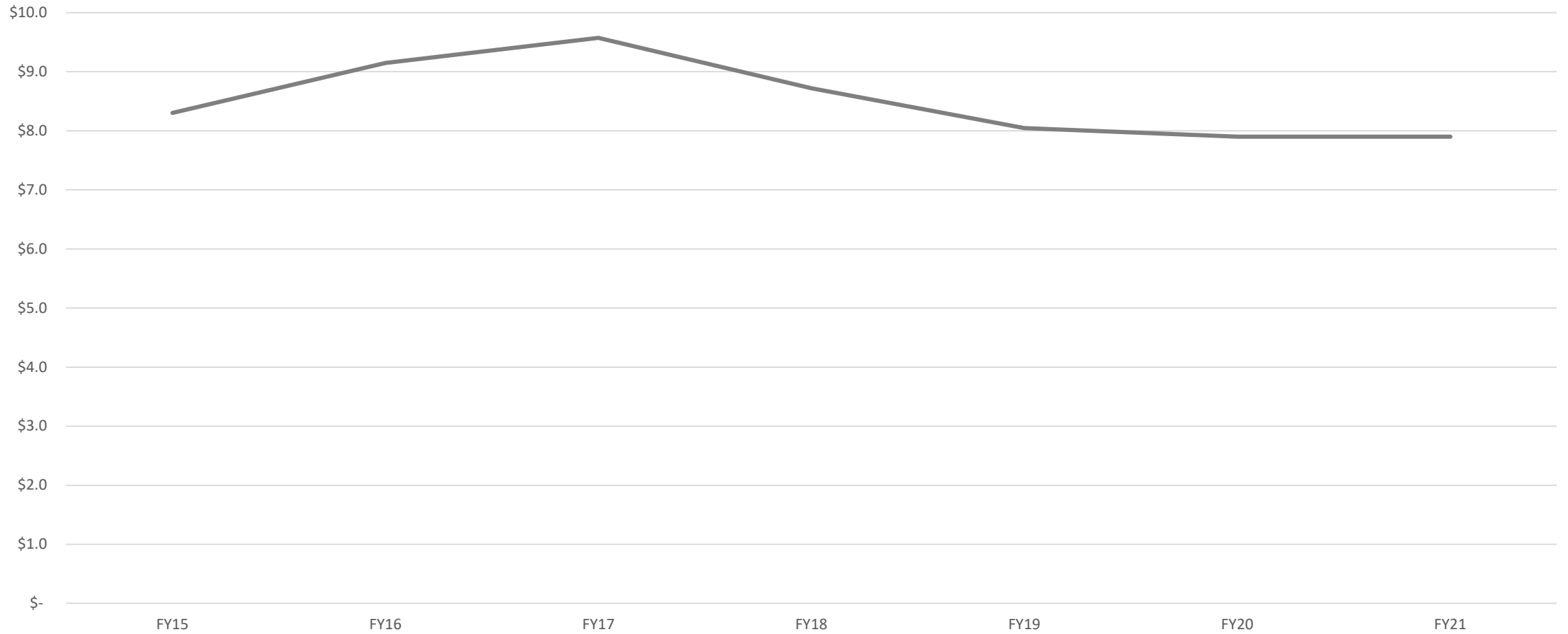


Green Mountain Care Board FY 2021 Budget

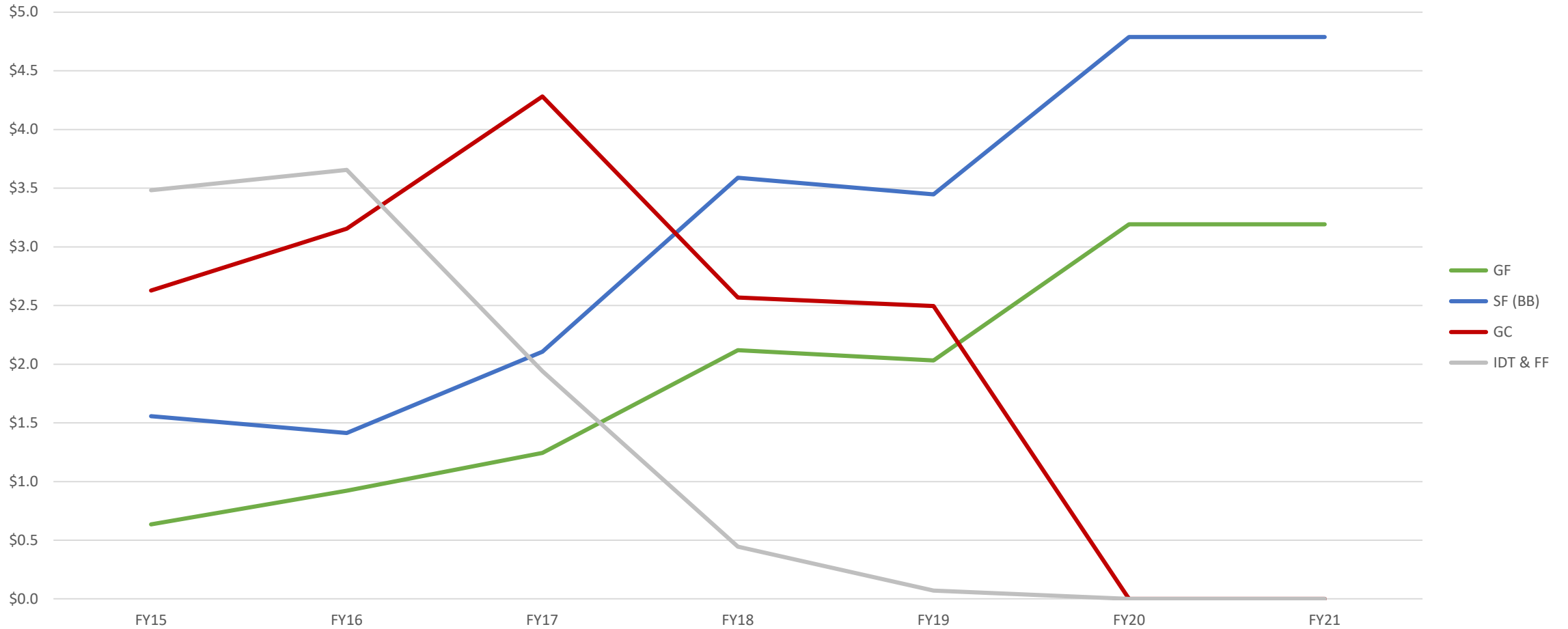
Kevin Mullin, Board Chair
Jean Stetter, Financial Director

February 2020

Total Appropriation (in millions)



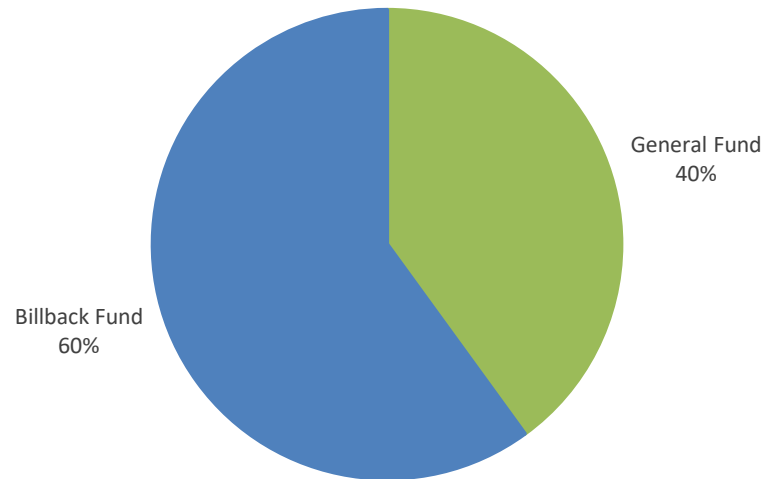
Appropriation by Fund Source (in millions)



Green Mountain Care Board FY 2021 Governor's Recommend Budget

MISSION:

The Green Mountain Care Board seeks to improve the health of Vermonters through a high-quality, accessible, and sustainable health care system.



FY 2020 SUMMARY & HIGHLIGHTS

- All Funds **-\$3.6k** or **-0.05%**
 - **-0.05%** General Fund down **-\$1.5k**
 - **-0.05%** Billback Fund down **-\$2.2k**
- 5 Board, 5 Exempt, 22 Classified positions
- Changes
 - Salary & Benefits
 - +3.8% Salary
 - +11.8% Health Insurance
 - +9.6% Retirement
 - **-1.2%** Operating Expenses
 - Reductions to printing, rent, postage, etc. offset increases in Internal Service Funds and ADS charges
 - **-5.1%** Contracts
 - VHCURES 3.0 reduction, bringing benchmark in-house offset by Rate Review and Planning for APM 2.0 Negotiation
 - Health Care Advocate level funded
- Other
 - FY19 Carry Forward - \$490k and Reversion - \$81k
 - Due to slower than budgeted VHCURES upgrade, lower than anticipated need for CON contractors and vacancy savings
 - SAIC Audit, but GMCB not selected for Single Audit

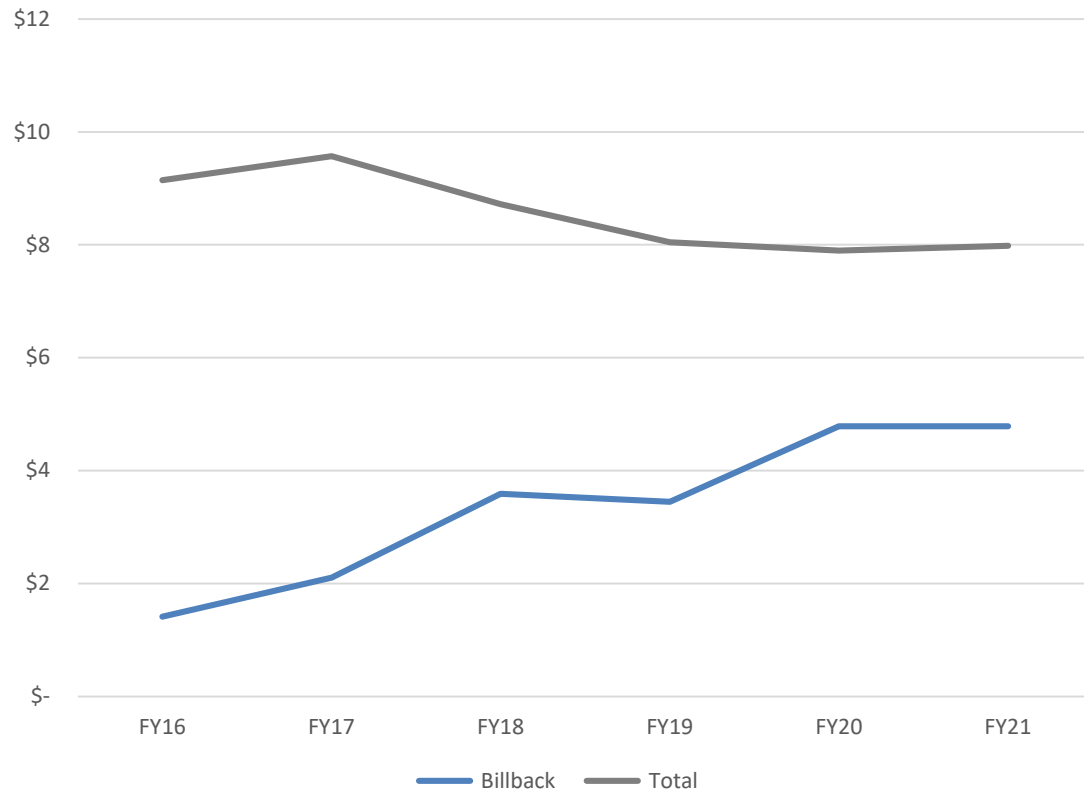
Crosswalk

Fiscal Year 2021 Budget Development Form - Green Mountain Care Board (GMCB)

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
GMCB: FY 2020 Appropriation	3,192,315	0	4,788,473	0	0	0	0	7,980,788
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of Act 72)								0
FY 2020 After Other Changes	0	0	0	0	0	0	0	0
Total Approp. After FY 2020 Other Changes	3,192,315	0	4,788,473	0	0	0	0	7,980,788
Standard adjustments:								0
Salary	38,108		57,161					95,269
Health Insurance	21,166		31,750					52,916
Retirement	18,063		27,094					45,157
Internal Service Funds	5,915		8,873					14,788
ADS	13,497		20,245					33,742
Net of Other Changes to Expenses - reductions to printing, rent, postage, etc.	(18,771)		(28,158)					(46,929)
Health Care Advocate	0		0					0
Net contracts change: VHCURES 3.0 reduction offset by bring Benchmark in house, Rate Review & Planning for Negotiation of APM 2.0	(79,435)		(119,153)					(198,588)
Subtotal of Increases/Decreases	(1,458)	0	(2,187)	0	0	0	0	(3,645)
FY 2021 Governor Recommend	3,190,857	0	4,786,286	0	0	0	0	7,977,143
GMCB FY 2020 Appropriation	3,192,315	0	4,788,473	0	0	0	0	7,980,788
Reductions and Other Changes	0	0	0	0	0	0	0	0
SFY 2020 Total After Reductions and Other Changes	3,192,315	0	4,788,473	0	0	0	0	7,980,788
TOTAL INCREASES/DECREASES	(1,458)	0	(2,187)	0	0	0	0	(3,645)
GMCB FY 2021 Governor Recommend	3,190,857	0	4,786,286	0	0	0	0	7,977,143

Industry Billback

Appropriation (in millions)



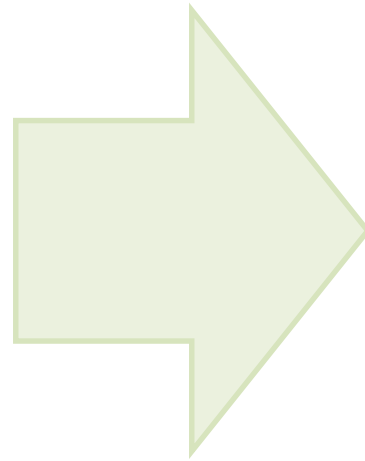
Allocation

Includes HCA, but not VPQHC

	FY17	FY18	FY19 - Present
State	40%	40%	40%
HMS (BCBS)	15%		
HMO (MVP & BCBS)	15%	45%	24%
Insurer (MVP, Cigna & Other)	15%		
Hospitals	15%	15%	30%
ACO	0%	0%	6%
	100%	100%	100%

The Role of GMCB

The **Green Mountain Care Board** is charged with reducing the rate of health care cost growth in Vermont while ensuring that the State of Vermont maintains a high quality, accessible health care system.



- Hospital Budgets and Psychiatric Hospitals
- Health insurer rate review (including the Exchange)
- VITL Budget
- ACO Budgets
- ACO Oversight, Certification, Rule 5.0 (Act 113)
- Implementation of APM
- Major capital expenditures (Certificate of Need)
- Regulatory Integration
- Health Resource Allocation Plan (HRAP)
- Review/modify/approve plan designs for Vermont Health Connect
- Data and Analytics (VHCURES, VUHHDS and APM Analytics)
- Primary Care Advisory Group
- General Advisory Group
- Data Governance Council
- Annual Expenditure Analysis
- Annual Cost Shift Report
- Approve State HIT and Health Care Workforce Plans
- Prescription Drug Transparency

Health Care Environment in Vermont

Vermont Hospital Operating Margins

(7 out of 14 Negative Operating Margins%)

	Operating Margin (%)						Budget-to-Actual NPR/FPP Variance
	Actuals	Actuals	Budget	September	Budget	5-Year	September
	FY17	FY18	FY19	FY19 Year-to-date ¹	FY20	Average	FY19 Year-to-date
Brattleboro Memorial Hospital	-3.1%	-2.4%	0.0%	0.8%	1.3%	-0.7%	-0.2%
Central Vermont Medical Center	-0.9%	-3.8%	1.4%	-2.1%	0.1%	-0.3%	-1.6%
Copley Hospital	-0.6%	-3.3%	0.3%	-3.4%	1.4%	-0.9%	-4.6%
Gifford Medical Center	-1.6%	-10.7%	2.5%	-0.8%	2.9%	-1.3%	-10.5%
Grace Cottage Hospital	-6.9%	-2.9%	0.7%	-6.7%	-1.2%	-5.0%	-2.9%
Mt. Ascutney Hospital & Health Ctr	2.7%	1.9%	0.0%	-2.9%	1.0%	1.0%	-3.3%
North Country Hospital	-2.3%	-2.3%	1.1%	1.9%	1.6%	-0.2%	-1.7%
Northeastern VT Regional Hospital	1.9%	1.7%	1.8%	1.8%	2.0%	1.9%	3.8%
Northwestern Medical Center	-1.2%	-3.4%	2.3%	-8.0%	-0.2%	-1.5%	-5.5%
Porter Medical Center	2.7%	1.8%	3.7%	5.2%	3.8%	2.8%	0.5%
Rutland Regional Medical Center	1.6%	0.5%	2.3%	0.4%	2.3%	2.0%	-0.9%
Southwestern VT Medical Center	3.7%	4.6%	3.6%	3.3%	3.4%	3.7%	-0.6%
Springfield Hospital	-7.1%	-12.8%	2.1%	-18.4%	-2.0%	-6.9%	-21.6%
The University of Vermont Medical Center	5.2%	3.4%	2.8%	2.2%	3.1%	4.1%	0.9%
System Total	2.7%	1.1%	2.4%	0.6%	1.3%	2.3%	-0.9%

Workforce Challenges

[Rural Health Task Force Workforce Subcommittee Report \(Jan 8, 2020\)](#)

¹September FY19 year-to-date data reflects 12 months of performance but is not considered official year-end results. Official year-end results, audited financials, are submitted to the Green Mountain Care Board on January 31, 2020.

April 3, 2019 Board Meeting with Rural Hospital Panel Opportunities & Challenges Facing Rural Hospitals in VT & Around the Country



Green Mountain Care Board

April 3, 2019
Eric K. Shell, CPA, MBA



The Challenge: Crossing the Shaky Bridge



MARKET OVERVIEW

TRANSITION

FRAMEWORK

STRATEGIES

26

All-Payer ACO Model Agreement

What is Vermont responsible for?

State Action on Financial Trends

- Moves from **volume-driven fee-for-service** payment... to a **value-based, pre-paid model for ACOs**
 - ✓ All-Payer Growth Target: Compounded annualized growth rate <3.5%
 - ✓ Medicare Growth Target: 0.1-0.2% below national projections
- Requires alignment across payers, which supports participation from providers and increases “Scale”
 - ✓ All-Payer Scale Target – Year 5: 70% of Vermonters
 - ✓ Medicare Scale Target – Year 5: 90% of Vermont Medicare Beneficiaries

State/Provider Action on Quality Measures

- State is responsible for performance on **20 quality measures** (*see next slide*), including three population health goals for Vermont
 - ✓ Improve access to primary care
 - ✓ Reduce deaths due to suicide and drug overdose
 - ✓ Reduce prevalence and morbidity of chronic disease
- ACO/providers are responsible for meeting quality measures embedded in contracts with payers

GMCB Priorities in 2020

- 1. Year 3 All-Payer ACO Model (APM) Implementation:** Focused on meeting the goals of the APM Agreement while continuing to exercise robust ACO Oversight. The Board plans to continue to develop and refine ACO reporting requirements in 2020 as part of its statutory monitoring and oversight responsibilities.
- 2. Regulatory Integration:** Linking health insurance rate review, hospital budget review, Certificate of Need, and ACO certification and budget review to support the APM and overall goals.
- 3. Sustainability of Vermont's Rural Health Care System:** This was a major focus of the Board's work in 2019 and is expected to continue in 2020, as the Rural Health Services Task Force (RHSTF) submits its report and recommendations to the Legislature. The Board will also continue to work to support rural health care providers through its existing authorities, especially the hospital budget review process.
- 4. HRAP 2020:** Act 167 of 2018 amended the requirements for the Health Resource Allocation Plan (HRAP). GMCB is working to re-imagine and assemble the HRAP as a series of dynamic reports, visualizations, or other user-friendly tools. The Board expects to release Phase 1 of HRAP in early 2020.
- 5. Health Care Workforce:** Work with educators, health care providers, and state and community organizations to discuss opportunities to address Vermont's health care workforce challenges
- 6. Transparent Regulation:** GMCB strives for transparency and public engagement in its regulatory activities.

Performance Measurement

Programmatic Performance Measure Report

Attachment A-2

Green Mountain Care Board	Performance Measure Info				
Programs	Measure Name	Measure Type	Previous Period Value	Current Period Value	Reporting Period
PROGRAM #1					
Vermont Health Connect Insurance Rate Review	The number of exchange plan rates approved for Vermont Health Connect.	How Much?	29 of 29	36 of 36	CY
	Approved rate versus proposed rate (BCBSVT)	How Well?	Approved 3.2% average rate versus Proposed 5.8% average rate.	Approved 12.4% average rate versus Proposed 15.6% average rate.	CY
	Approved rate versus proposed rate (MVP)	How Well?	Approved 1.9% average rate versus Proposed 6.6% average rate.	Approved 10.1% average rate versus Proposed 10.9% average rate.	CY
PROGRAM #2					
Vermont Hospital Systems Budget Review	Hospitals regulated	How Much?	14 of 14	14 of 14	FFY
	Net Patient Revenue Total Dollars approved versus submitted	How Well?	Approved \$2.610 billion versus Proposed \$2.611 billion. A reduction of \$943k.	Approved \$2.717 billion versus Proposed \$2.725 billion. A reduction of \$7.3 million.	FFY
	Change in Charges approved versus submitted	How Well?	Approved 2.9% wtd. average rate versus Proposed 3.9% wtd. average rate.	Approved 3.1% wtd. average rate versus Proposed 3.2% wtd. average rate.	FFY

Performance Measurement

DEPARTMENT NAME		Financial Info							
Programs	Financial Category	GF \$\$	TF \$\$	Spec F (incl tobacco) \$\$	Fed F \$\$	All other funds \$\$	Total funds \$\$	Authorized Positions (if available)	\$ Amounts granted out (if available)
PROGRAM #1									
Vermont Health Connect Insurance Rate Review	FY 2019 Actual expenditures	\$ 128,566		\$ 347,603			\$ 476,169	2.0	\$ -
	FY 2020 estimated expenditures (including requested budget adjustments)	\$ 239,877		\$ 359,815			\$ 599,692	2.0	\$ -
	FY 2021 Budget Request for Governor's Recommendation	\$ 245,028		\$ 367,542			\$ 612,570	2.0	\$ -
PROGRAM #2									
Vermont Hospital Systems Budget Review	FY 2019 Actual expenditures	\$ 153,434		\$ 340,964			\$ 494,398	3.3	\$ -
	FY 2020 estimated expenditures (including requested budget adjustments)	\$ 309,740		\$ 464,609			\$ 774,349	4.0	\$ -
	FY 2021 Budget Request for Governor's Recommendation	\$ 320,283		\$ 480,425			\$ 800,708	4.0	\$ -
All Other Programs	FY 2019 Actual expenditures	\$ 1,327,130		\$ 1,994,436	\$111,723	\$2,018,198	\$ 5,451,488		\$ -
	FY 2020 estimated expenditures (including requested budget adjustments)	\$ 2,642,699		\$ 3,964,048			\$ 6,606,747		\$ -
	FY 2021 Budget Request for Governor's Recommendation	\$ 2,625,545		\$ 3,938,319			\$ 6,563,864		\$ -
PROGRAM #4									
	FY 2019 Actual expenditures	\$ -							
	FY 2020 estimated expenditures (including requested budget adjustments)	\$ -							
	FY 2021 Budget Request for Governor's Recommendation	\$ -							
Program name and description	FY 2019 Actual expenditures	\$ -							
	FY 2020 estimated expenditures (including requested budget adjustments)	\$ -							
	FY 2021 Budget Request for Governor's Recommendation	\$ -							
To add a program, select the cell below the table above in Column A and then click this button.	FY 2019 Actuals	\$ 1,609,130	\$ -	\$ 2,683,004	\$ 111,723	\$ 2,018,198	\$ 6,422,056	5.3	\$ -
	FY 2020 Estimated	\$ 3,192,315	\$ -	\$ 4,788,473	\$ -	\$ -	\$ 7,980,788	6.0	\$ -
	FY 2021 Budget Request	\$ 3,190,857	\$ -	\$ 4,786,286	\$ -	\$ -	\$ 7,977,143	6.0	\$ -

Resource Slides

- [Legislative One Page Summaries \(Jan 13, 2020\)](#)
 - [All-Payer Model](#)
 - [Benchmark](#)
 - [Scale](#)
 - [ACO Oversight](#)
 - [ACO Budget Process and Update](#)
 - [Vermont's Health Care Reform Effort](#)
 - [GMCB: Health Care Reform Update](#)
- [Analysis of Brattleboro Retreat's Audited Financial Statements FY15 through FY18 \(Jan 9, 2020\)](#)
- [Rural Health Services Task Force Report and Recommendations \(Jan 15, 2020\)](#)
 - [Rural Health Task Force Workforce Subcommittee Report](#)
- [Annual Reports](#)
- [Legislative Reports](#)
- [Insurance Rate Review](#)
- [ACO Oversight](#)
- [Billback Reports](#)
- [GMCB 2019 Meeting Information](#)
 - [Includes April 3, 2019 presentations by Rural Hospital Panel: Opportunities and Challenges Facing Rural Hospitals in Vermont and Around the Country](#)

Report ID: VTPB-07
 Run Date: 01/21/2020
 Run Time: 01:03 PM

State of Vermont
FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

Budget Object Group: 1. PERSONAL SERVICES

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Salaries and Wages							
Description	Code						
Classified Employees	500000	2,345,742	1,699,453	1,699,453	1,719,081	19,628	1.2%
Exempt	500010	0	914,104	914,104	997,919	83,815	9.2%
Overtime	500060	3,789	0	0	0	0	0.0%
Vacancy Turnover Savings	508000	0	(73,117)	(73,117)	(81,291)	(8,174)	11.2%
Total: Salaries and Wages		2,349,531	2,540,440	2,540,440	2,635,709	95,269	3.8%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Fringe Benefits							
Description	Code						
FICA - Classified Employees	501000	170,700	130,008	130,008	131,509	1,501	1.2%
FICA - Exempt	501010	0	68,821	68,821	74,718	5,897	8.6%
Health Ins - Classified Empl	501500	371,526	346,126	346,126	401,985	55,859	16.1%
Health Ins - Exempt	501510	0	104,191	104,191	101,248	(2,943)	-2.8%
Retirement - Classified Empl	502000	383,322	319,822	319,822	354,404	34,582	10.8%
Retirement - Exempt	502010	0	152,876	152,876	163,451	10,575	6.9%
Dental - Classified Employees	502500	22,502	17,060	17,060	18,392	1,332	7.8%
Dental - Exempt	502510	0	9,383	9,383	6,688	(2,695)	-28.7%
Life Ins - Classified Empl	503000	9,101	6,780	6,780	7,256	476	7.0%

Report ID: VTPB-07
 Run Date: 01/21/2020
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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Fringe Benefits							
Description	Code						
Life Ins - Exempt	503010	0	4,246	4,246	4,210	(36)	-0.8%
LTD - Classified Employees	503500	2,260	1,293	1,293	551	(742)	-57.4%
LTD - Exempt	503510	0	2,315	2,315	2,297	(18)	-0.8%
EAP - Classified Empl	504000	851	651	651	704	53	8.1%
EAP - Exempt	504010	0	341	341	320	(21)	-6.2%
Workers Comp - Ins Premium	505200	1,666	0	0	0	0	0.0%
Catamount Health Assessment	505700	186	0	0	0	0	0.0%
Total: Fringe Benefits		962,114	1,163,913	1,163,913	1,267,733	103,820	8.9%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Contracted and 3rd Party Service							
Description	Code						
Other Contr and 3Rd Pty Serv	507600	2,801,945	3,916,236	3,916,236	3,717,648	(198,588)	-5.1%
Total: Contracted and 3rd Party Service		2,801,945	3,916,236	3,916,236	3,717,648	(198,588)	-5.1%

		FY2019 Actuals				Difference Between Recommend and As Passed	Percent Change Recommend and As Passed
PerDiem and Other Personal Services							
Description	Code						
Per Diem	506000	850	0	0	0	0	0.0%
Other Pers Serv	506200	0	0	0	0	0	0.0%
Transcripts	506220	12,330	0	0	0	0	0.0%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

PerDiem and Other Personal Services		FY2019 Actuals				Difference Between Recommend and As Passed	Percent Change Recommend and As Passed
Description	Code						
Total: PerDiem and Other Personal Service:		13,180	0	0	0	0	0.0%
Total: 1. PERSONAL SERVICES		6,126,770	7,620,589	7,620,589	7,621,090	501	0.0%

Budget Object Group: 2. OPERATING

Equipment		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Description	Code						
Hardware - Desktop & Laptop Pc	522216	18,291	0	0	0	0	0.0%
Other Equipment	522400	952	0	0	0	0	0.0%
Equipment For Other Agencies	522401	0	0	0	0	0	0.0%
Furniture & Fixtures	522700	2,084	0	0	0	0	0.0%
Total: Equipment		21,327	0	0	0	0	0.0%

IT/Telecom Services and Equipment		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Description	Code						
Communications	516600	1,496	0	0	0	0	0.0%
Telecom-Video Conf Services	516653	0	492	492	0	(492)	-100.0%
Telecom-Conf Calling Services	516658	0	0	0	0	0	0.0%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
IT/Telecom Services and Equipment							
Description	Code						
Telecom-Wireless Phone Service	516659	12,037	8,200	8,200	13,500	5,300	64.6%
ADS Enterp App Supp SOV Emp Exp	516660	30,578	0	0	33,742	33,742	100.0%
It Intsvccost-Vision/Isdassess	516671	28,758	28,805	28,805	30,991	2,186	7.6%
ADS Centrex Exp.	516672	0	1,148	1,148	1,148	0	0.0%
It Inter Svc Cost User Support	516678	0	0	0	0	0	0.0%
ADS Allocation Exp.	516685	27,946	39,871	39,871	43,462	3,591	9.0%
Software - Other	522220	0	0	0	0	0	0.0%
IT-COGS Software Lic./Maint	525195	2,865	0	0	0	0	0.0%
Total: IT/Telecom Services and Equipment		103,680	78,516	78,516	122,843	44,327	56.5%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Other Operating Expenses							
Description	Code						
Single Audit Allocation	523620	2,185	2,500	2,500	2,183	(317)	-12.7%
Total: Other Operating Expenses		2,185	2,500	2,500	2,183	(317)	-12.7%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Other Purchased Services							
Description	Code						
Insurance Other Than Empl Bene	516000	61	295	295	780	485	164.4%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Other Purchased Services							
Description	Code						
Insurance - General Liability	516010	5,052	5,107	5,107	11,212	6,105	119.5%
Dues	516500	4,799	495	495	5,250	4,755	960.6%
Licenses	516550	420	0	0	420	420	100.0%
Telecom-Telephone Services	516652	10,978	7,236	7,236	1,936	(5,300)	-73.2%
Advertising-Print	516813	0	8,000	8,000	3,366	(4,634)	-57.9%
Advertising-Web	516814	0	1,500	1,500	2,000	500	33.3%
Advertising - Job Vacancies	516820	0	2,000	2,000	2,000	0	0.0%
Printing and Binding	517000	1,128	4,000	4,000	2,000	(2,000)	-50.0%
Printing-Promotional	517010	0	0	0	0	0	0.0%
Photocopying	517020	4,941	310	310	5,000	4,690	1,512.9%
Registration For Meetings&Conf	517100	7,307	0	0	2,000	2,000	100.0%
Postage	517200	111	4,420	4,420	500	(3,920)	-88.7%
Freight & Express Mail	517300	0	900	900	500	(400)	-44.4%
Other Purchased Services	519000	0	41,700	41,700	6,428	(35,272)	-84.6%
Agency Fee	519005	0	0	0	0	0	0.0%
Human Resources Services	519006	18,677	20,475	20,475	22,119	1,644	8.0%
Total: Other Purchased Services		53,474	96,438	96,438	65,511	(30,927)	-32.1%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Property and Maintenance							
Description	Code						
Disposal	510200	260	0	0	0	0	0.0%
Repair & Maint - Office Tech	513010	0	3,000	3,000	2,740	(260)	-8.7%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Property and Maintenance							
Description	Code						
Other Repair & Maint Serv	513200	0	0	0	0	0	0.0%
Total: Property and Maintenance		260	3,000	3,000	2,740	(260)	-8.7%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Rental Other							
Description	Code						
Rental - Office Equipment	514650	2,588	0	0	3,336	3,336	100.0%
Rental - Other	515000	0	0	0	0	0	0.0%
Total: Rental Other		2,588	0	0	3,336	3,336	100.0%

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Rental Property							
Description	Code						
Rent Land & Bldgs-Office Space	514000	91,734	94,049	94,049	0	(94,049)	-100.0%
Rent Land&Bldgs-Non-Office	514010	0	10,000	10,000	0	(10,000)	-100.0%
Fee-For-Space Charge	515010	250	0	0	92,150	92,150	100.0%
Total: Rental Property		91,984	104,049	104,049	92,150	(11,899)	-11.4%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

Supplies		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Description	Code						
Office Supplies	520000	5,306	14,450	14,450	14,450	0	0.0%
Gasoline	520110	68	0	0	0	0	0.0%
Building Maintenance Supplies	520200	973	0	0	0	0	0.0%
Food	520700	1,706	5,000	5,000	5,000	0	0.0%
Water	520712	19	0	0	0	0	0.0%
Electricity	521100	0	6,460	6,460	6,460	0	0.0%
Books&Periodicals-Library/Educ	521500	55	3,060	3,060	2,790	(270)	-8.8%
Subscriptions	521510	2,324	2,230	2,230	2,500	270	12.1%
Subscriptions: DoI-Electronic	521512	0	510	510	510	0	0.0%
Other Books & Periodicals	521520	0	0	0	0	0	0.0%
Paper Products	521820	215	170	170	170	0	0.0%
Total: Supplies		10,667	31,880	31,880	31,880	0	0.0%

Travel		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Description	Code						
Travel-Inst-Auto Mileage-Emp	518000	1,946	21,908	21,908	21,908	0	0.0%
Travel-Inst-Other Transp-Emp	518010	852	0	0	0	0	0.0%
Travel-Inst-Meals-Emp	518020	5	0	0	0	0	0.0%
Travel-Inst-Lodging-Emp	518030	127	0	0	0	0	0.0%
Travel-Inst-Incidentals-Emp	518040	206	0	0	0	0	0.0%
Conference - Instate - Emp	518050	0	0	0	0	0	0.0%
Travel-Inst-Auto Mileage-Nonemp	518300	1,144	0	0	0	0	0.0%

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

		FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Travel							
Description	Code						
Travel-Inst-Other Trans-Nonemp	518310	79	0	0	0	0	0.0%
Travel-Inst-Meals-Nonemp	518320	11	0	0	0	0	0.0%
Travel-Inst-Lodging-Nonemp	518330	139	0	0	0	0	0.0%
Travel-Inst-Incidentals-Nonemp	518340	27	0	0	0	0	0.0%
Travel-Outst-Auto Mileage-Emp	518500	208	0	0	0	0	0.0%
Travel-Outst-Other Trans-Emp	518510	2,344	21,908	21,908	13,502	(8,406)	-38.4%
Travel-Outst-Meals-Emp	518520	380	0	0	0	0	0.0%
Travel-Outst-Lodging-Emp	518530	1,521	0	0	0	0	0.0%
Travel-Outst-Incidentals-Emp	518540	121	0	0	0	0	0.0%
Total: Travel		9,110	43,816	43,816	35,410	(8,406)	-19.2%

		FY2019 Actuals				Difference Between Recommend and As Passed	Percent Change Recommend and As Passed
Rentals							
Description	Code						
Hardware Lease-DeskLaptop PC	514703	11	0	0	0	0	0.0%
Total: Rentals		11	0	0	0	0	0.0%
Total: 2. OPERATING		295,286	360,199	360,199	356,053	(4,146)	-1.2%

Budget Object Group: 3. GRANTS

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State of Vermont

FY2021 Governor's Recommended Budget: Detail Report

Organization: 3330010000 - Green Mountain Care Board

Grants Rollup			FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
Description	Code						
Grants	550220	0	0	0	0	0	0.0%
Total: Grants Rollup		0	0	0	0	0	0.0%
Total: 3. GRANTS		0	0	0	0	0	0.0%
Total Expenses:		6,422,056	7,980,788	7,980,788	7,977,143	(3,645)	0.0%

Fund Name	Fund Code	FY2019 Actuals	FY2020 Original As Passed Budget	FY2020 Governor's BAA Recommended Budget	FY2021 Governor's Recommended Budget	Difference Between FY2021 Governor's Recommend and FY2020 As Passed	Percent Change FY2021 Governor's Recommend and FY2020 As Passed
General Fund	10000	1,609,130	3,192,315	3,192,315	3,190,857	(1,458)	0.0%
Global Commitment Fund	20405	2,018,137	0	0	0	0	0.0%
Health Care Suprv & Reg	21070	0	0	0	0	0	0.0%
Inter-Unit Transfers Fund	21500	61	0	0	0	0	0.0%
Misc Grants Fund	21908	0	0	0	0	0	0.0%
Vermont Health IT Fund	21916	0	0	0	0	0	0.0%
GMCB Regulatory and Admin Fund	21937	2,683,004	4,788,473	4,788,473	4,786,286	(2,187)	0.0%
Federal Revenue Fund	22005	111,723	0	0	0	0	0.0%
Funds Total:		6,422,056	7,980,788	7,980,788	7,977,143	(3,645)	0.0%

Position Count					32		
FTE Total					31.75		

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State of Vermont
FY2021 Governor's Recommended Budget
Position Summary Report

3330010000-Green Mountain Care Board

Position Number	Classification	FTE	Count	Gross Salary	Benefits Total	Statutory Total	Total
270002	089070 - Financial Administrator III	0.75	1	50,072	34,531	3,831	88,434
270003	543100 - Dir. Value Based Prog/ACO Cert	1	1	87,907	42,635	6,725	137,267
270004	490200 - Dir of Health System Finances	1	1	103,780	46,274	7,940	157,994
270006	490220 - Health Finance Analytics Dir.	1	1	102,453	31,155	7,837	141,445
270007	535000 - Health Care Project Dir GMCB	1	1	91,069	43,314	6,967	141,350
270008	008900 - Project Director	1	1	90,647	43,223	6,935	140,805
270009	089070 - Financial Administrator III	1	1	62,547	37,203	4,785	104,535
270012	463700 - Health Policy Analyst	1	1	51,543	20,250	3,942	75,735
270013	497300 - GMCB Administrator	1	1	68,091	42,997	5,209	116,297
270014	048400 - VT Health Care Senior Admin'r	1	1	90,120	20,173	6,894	117,187
270017	514400 - Dir Data Mgn Analysis & Integ	1	1	77,240	40,350	5,909	123,499
270018	514400 - Dir Data Mgn Analysis & Integ	1	1	82,447	41,466	6,307	130,220

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State of Vermont
FY2021 Governor's Recommended Budget
Position Summary Report

Position Number	Classification	FTE	Count	Gross Salary	Benefits Total	Statutory Total	Total
270019	490210 - Health Systems Finance Ac Dir	1	1	96,782	21,601	7,403	125,786
270021	089410 - Administrative Svcs Dir III	1	1	85,061	42,221	6,507	133,789
270022	462410 - Health Policy Advisor	1	1	66,299	31,752	5,072	103,123
270023	458902 - Health Services Researcher	1	1	100,282	45,286	7,671	153,239
270024	463700 - Health Policy Analyst	1	1	51,543	28,709	3,942	84,194
270025	503802 - Data Analytics/Info Chief GMCB	1	1	72,370	39,307	5,537	117,214
270026	081910 - Data & Reporting Project Mgr	1	1	68,091	23,794	5,209	97,094
270027	495901 - GMCB Hlthcare Data&Stat Analys	1	1	61,577	31,602	4,711	97,890
270028	490310 - Health Sys Finance Pr. Analyst	1	1	68,091	32,135	5,209	105,435
270029	490500 - Health Policy Director	1	1	91,069	43,314	6,967	141,350
277001	92200E - Chair Green Mtn Care Board	1	1	159,040	35,721	10,546	205,307
277002	92210E - Green Mtn Care Board Member	1	1	105,454	21,813	8,067	135,334
277003	92210E - Green Mtn Care Board Member	1	1	105,454	21,813	8,067	135,334
277004	92210E - Green Mtn Care Board Member	1	1	105,454	33,404	8,067	146,925

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State of Vermont
FY2021 Governor's Recommended Budget
Position Summary Report

Position Number	Classification	FTE	Count	Gross Salary	Benefits Total	Statutory Total	Total
277005	92210E - Green Mtn Care Board Member	1	1	105,454	23,701	8,067	137,222
277006	95871E - General Counsel II	1	1	103,148	22,365	7,890	133,403
277007	95010E - Executive Director	1	1	114,174	33,930	8,734	156,838
277009	91590E - Private Secretary	1	1	44,396	18,820	3,396	66,612
277010	95867E - Staff Attorney II	1	1	71,612	39,309	5,478	116,399
277011	95869E - Staff Attorney IV	1	1	83,733	27,338	6,406	117,477
Total		31.75	32	2,717,000	1,061,506	206,227	3,984,733

Fund Code	Fund Name	FTE	Count	Gross Salary	Benefits Total	Statutory Total	Total
10000	General Fund	31.75	13.4	1,140,874	436,693	87,279	1,664,846
21937	GMCB Regulatory and Admin Fund		18.6	1,576,126	624,813	118,948	2,319,887
Total		31.75	32	2,717,000	1,061,506	206,227	3,984,733

Note: Numbers may not sum to total due to rounding.

Green Mountain Care Board

Green Mountain Care Board

Department/Program Description

Throughout 2019 the Board worked together to improve the health of Vermonters by supporting the development of a high-quality, accessible, and sustainable health care system. The Board recognizes that for many Vermonters health care remains unaffordable. Through its regulatory, innovative, and evaluative roles the Board strives every day to bend the cost curve and support providers and patients as they navigate through the health care system.

Goals/Objectives/Performance Measures

Green Mountain Care Board Themes from 2019

Major themes of the Board's work in 2019 were All-Payer ACO Model (APM) implementation, rural health system sustainability, and regulation and oversight.

All-Payer ACO Model Implementation

The Board and its staff continued to focus on the implementation of the APM agreement between the State of Vermont and the Center for Medicare and Medicaid Innovation (CMMI). This agreement, which enters Year 3 in 2020, provides the opportunity to improve health care delivery to Vermonters, changing the emphasis from a "sick care" system to one that rewards keeping people well. This is consistent with Medicare's shift toward alternative payment models which reward value over volume.

This past year payer and provider participation in the APM expanded. Based on 2020 hospital and ACO budget submissions, we anticipate 14 hospitals, 9 FQHCs, 10 DA's and Medicare, Medicaid and both MVP Health Care and Blue Cross Blue Shield of Vermont will participate in OneCare Vermont and the state's health care reform efforts. We are pleased to see an expansion of the "coalition of the willing" but recognize more work must be done to achieve model scale as required by Vermont's APM Agreement with the federal government.

Although the APM model is still young, there are some promising signs of delivery system reform: hospitals are increasing their investments in primary prevention and the social determinants of health; traditionally siloed providers are finding new ways to coordinate care and reduce duplication of services across the care continuum, and advances in data analytics are helping to reduce unnecessary spending and identify high risk patients who would benefit most from early intervention and complex care coordination. While delivery system reform is by no means complete, we recognize that major transformation requires patience and time and the reallocation of resources towards population health is reassuring. In 2019, the APM brought additional flexibility to Vermont providers through Medicare waivers. Through a telehealth waiver included in the APM Agreement, the Support and Services at Home (SASH) program was able to provide Medicare recipients with access to primary care visits through an on-site telehealth facility, reducing transportation challenges for elderly residents. And at its budget hearing this August, Porter Hospital in Middlebury described using the "three-day stay SNF waiver" to allow Medicare beneficiaries to access rehabilitation services at skilled nursing facilities without a previous three-day hospital stay. From May 2018 to May 2019 this waiver resulted in 48 patient transfers which resulted in \$907,299 of savings to the system.

Rural Health System Sustainability

Across the country, rural health care providers are struggling financially: from 2010-2019, 119 rural hospitals have closed, according to the University of North Carolina's Cecil G. Sheps Center for Health Services Research. Vermont is not immune to the national trends affecting rural hospitals: workforce shortages, skyrocketing drug costs, growth in bad debt and free care, and an aging and declining population are increasing the financial pressure on many community hospitals. In 2019, Vermont saw the impact of the challenges to providing health care in a rural state firsthand as Springfield Hospital was forced to file for Chapter 11 bankruptcy. Additionally, other Vermont hospitals are struggling to stay in the black: Six out of Vermont's 14 hospitals concluded 2018 with a negative margin.

After the announcement of Springfield's predicament, the goal of the State of Vermont and the Board was to ensure access to health care for all Vermonters served by this hospital service area. The Board has increased its monitoring of vulnerable hospitals and is working with them to develop financial sustainability plans. The Board also provided a re-assessment of financial health of the Vermont Critical Access Hospitals at the Governor's request. Consistent with the above, the Board asked eight hospitals with the greatest financial pressures to submit sustainability plans outlining their strategy to tackle (1) cost, (2) quality, and (3) access. National experts, including Eric Shell of Stroudwater Associates, who presented to the GMCB in April 2019, recommend rural health care providers seek out and participate in value-based models and coordinate and collaborate patient care within available networks in order to survive and thrive in a rural setting. The Board and its staff are working with Vermont hospitals to create a roadmap at both the state and hospital levels to ensure financial viability and success in the future, the workforce shortage key among them.

In addition, the Legislature passed Act 26 of 2019 which created the Rural Health Care Task Force. This task force, chaired by Board Member Robin Lunge, is charged with evaluating "the current state of health care in Vermont and identify ways to ensure the system and to make sure it provides access to affordable, high-quality health care services." The task force will present its findings to the Legislature in early 2020.

Regulation and Oversight

In 2019, the Board approved an estimated weighted average increase in hospital charges of 3.1% and reduced the system-wide increase in net patient revenue from a requested 4.6% to 4.3%, totaling \$7.3 million. The Board's decision came after several weeks of hospital narratives describing an environment over which they have little control: an aging population of higher acuity, rising costs of pharmaceuticals, workforce shortages forcing an overreliance on high cost temporary workers, a growing number of underinsured Vermonters leading to growth in bad debt and free care, and a changing payer mix caused by an increase in the number of patients who rely on Medicare and Medicaid for health insurance.

Many of the forces affecting hospitals have also placed upward pressure on insurance premiums. Vermont's aging population means a higher rate of chronic disease, greater health care utilization and increase medical expenditures. Higher prices, particularly for prescription drugs, have placed additional pressure on health care premiums. Finally, increases in federal taxes and fees have also contributed to the growth in premiums. As a result of the health insurance rate review process, the Board reduced the rates requested by insurers by approximately \$12.3 million, including \$11.2 million for plans sold to individuals, families, and small businesses on Vermont Health Connect; nonetheless this represents a significant premium increase for many Vermonters. In 2019 the Board also reviewed six Certificate of Need (CON) applications while determining that another 10 proposed projects fell outside of statutory jurisdictional parameters and were not subject to Board oversight.

Beginning in the fall of 2019 and until the year's end, the Board rigorously examined the budget and operations of OneCare Vermont. The budget reflects the inclusion of an estimated 250,000 Vermonters in ACO programs (an increase of 90,000 from 2019). We remain optimistic that the increased emphasis on primary prevention and complex care coordination, greater investment in the social determinants of health and the move to more predictable, value-based payment has potential to improve health outcomes, reduce costs, and make health care more affordable for Vermonters.

Key Budget Issues

Priorities for 2020

1. APM Implementation and ACO Oversight

As we enter into Year 3 of implementation of the All-Payer ACO Model (APM), the Board continues to focus on meeting the goals of the APM Agreement while continuing to exercise robust oversight over Vermont's ACO, OneCare Vermont. The Board plans to further develop and refine ACO reporting requirements in 2020 as part of its statutory monitoring and oversight responsibilities.

Green Mountain Care Board

2. Regulatory Integration

Under the APM Agreement, integration of the Board's regulatory processes - including health insurance rate review, hospital budget review, Certificate of Need, and ACO certification and budget review - has become increasingly important. Board members and staff will continue to work in 2020 to link these processes to help control rising costs and promote administrative and operational efficiencies. A white paper on options for regulatory alignment will be released in 2020, including results from a survey and focus group conducted in 2019 with key stakeholders.

3. Sustainability of Vermont's Rural Health Care System

As described above, rural health care system sustainability was a major focus of the Board's work in 2019. This is expected to continue in 2020, as the Rural Health Services Task Force (RHSTF) submits its report and recommendations to the Legislature. The Board will also continue to work to support rural health care providers through its existing authorities, especially the hospital budget review process.

4. HRAP 2020

In 2018, the Legislature in Act 167 amended the requirements for the Health Resource Allocation Plan (HRAP). GMCB members and staff will continue to work throughout 2020 with other State of Vermont agencies and departments, as well as external partners, to re-imagine and assemble the HRAP as a series of dynamic reports, visualizations, or other user-friendly tools. The Board expects to release Phase 1 of HRAP in early 2020.

5. Health Care Workforce

In 2019, under Chair Mullin's leadership, the Board held several panel discussion and forums to highlight the health care workforce crisis. The topics of these forums ranged from review of Vermont's nursing shortage to provider burden. The Board is charged with ensuring access to high quality health care while reducing the cost of that care. The Board's Primary Care Advisory Group (PCAG) identified potential solutions to the serious shortage and looming crisis of primary care providers in Vermont. PCAG plans to present their proposal at a scheduled Primary Care workforce panel at the GMCB on January 15, 2020.