

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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H.742 An act relating to grants for emergency medical personnel training (and COVID-19 Emergency Response Bill)

As passed by the House

NOTE: The federal response to the COVID-19 Pandemic is still being negotiated in Congress. The U.S. House of Representatives passed version of H.R. 6201 – the Families First Coronavirus Response Act – includes funding for things such as emergency food and nutrition assistance, paid family leave, and increasing the federal medical assistance percentage (FMAP) for states. At this time, we haven't had an opportunity to fully understand how these provisions will impact the state or how they might interact with the provisions of H.742. Further, it is not yet known what the U.S. Senate will pass and/or what the Trump Administrations response will be.

NOTE: In Vermont, the Executive Branch may already have authority to implement some of the provisions laid out in H.742. Further analysis is required.

Sec. 1 of this bill relates to grants for emergency medical personnel training. The rest of the bill was passed in response to the coronavirus disease 2019 (COVID-19) pandemic and only apply during a declared state of emergency as a result of COVID-19.

Summary

Sec.	Description	Fiscal Impact	FY Year	Fiscal Impact
1	Emergency Medical personnel training	Yes	2021	\$450,000 SF
3	Temporary provider tax waiver authority	Potential	2020	TBD
4	Provider payment flexibility	Potential	2020	TBD
5	Advance payments	Potential	Not Specified	TBD
6	FQHC & RHC Medicaid encounter rates	Potential	2020	TBD
17	Expanded capacity for nutrition services	Potential	Not Specified	TBD
18	Bed-holds at 24-hour facilities and programs	Potential	Not Specified	TBD

Sec. 1 – Emergency Medical Personnel Training

This section proposes to appropriate the sum of \$450,000 from the Emergency Medical Services (EMS) Fund to the Department of Health (VDH) in fiscal year 2021 for purposes of emergency medical personnel training – specifically for funding live and online training opportunities for emergency medical personnel and for other emergency medical personnel training-related purposes, with a priority on training volunteers.

The Governor's FY 2021 budget recommendation includes an appropriation of \$150,000 for emergency medical services training purposes. This bill appropriates an additional \$300,000 for a total of \$450,000 from the EMS special fund. At the end of FY 2019, the EMS Fund had a cash balance of \$377,732. Additionally, the Fund will receive an annual allocation of \$150,000 in FY2021 as per 32 V.S.A. 8557. As such it is anticipated that the fund will have a sufficient balance to fund this section of the bill on a one-time basis in FY 2021. For more information about how funds are raised and allocated to the EMS Special Fund, see the issue brief titled [EMS Special Fund – Overview](#) located on the JFO website.¹

Fiscal Impact: This section has a one-time appropriation of \$450,000 from the EMS Special Fund.

The following sections will have fiscal impacts to the extent that the identified Secretary, Agency, or Department take actions under the authorities allowed under this bill. The actual dollar amounts will depend on what and when such actions are specifically taken and cannot be determined at this time. Adding further to the difficulty in quantifying the potential fiscal impacts, it is unclear if the state would be able to draw federal match specifically for Sections 4-6. Finally, the following sections only apply during a declared state of emergency as a result of COVID-19.

Sec. 3 – Temporary Provider Tax Authority

This section would give the Secretary of Human Services the authority to waive, modify, or postpone all or a prorated portion of provider tax payments by one or more of the classes of the health care providers that currently pay the tax, with the exception of hospitals. In the case of hospitals, the Secretary may modify or postpone (but not waive) provider tax payments. This authority is for FY 2020 and would only apply if 1) the Governor has declared a state of emergency as a result of COVID-19, 2) the action is necessary to preserve the ability of the providers to continue offering health care services, and 3) the Secretary has obtained approval from the Joint Fiscal Committee (and the Emergency Board as necessary) where indicated in the bill.

Note: The hospital provider tax averages roughly \$12.5 million per month in revenue. The other provider taxes revenues collectively raise approximately \$1.85 million per month

Sec. 4 – Provider Payment Flexibility

This section would allow the Agency of Human Services (AHS), upon approval from the Joint Fiscal Committee (and the Emergency Board as necessary), to provide payments in FY 2020 to “providers of health care services, long-term care services and supports, home- and community-based services, and child care services in the absence of claims or utilization if a provider’s patients or clients are not seeking services due to the COVID-19 pandemic” in order to sustain these providers and enable them to continue providing services both during and after the COVID-19 outbreak.

¹ https://jfo.vermont.gov/assets/Subjects/Issue-Briefs-and-Other-Health-Care-Related-Information/54dd49a242/EMS_Fund_Overview.pdf

Sec. 5 – Advance Payments

This section would require AHS to provide advance payments to participating Medicaid providers upon receipt and review of a provider's application for financial assistance if the agency verifies a provider's financial hardship. This section also requires AHS to request approval from the Center for Medicare and Medicaid Services (CMS) to use Medicaid funds.

Sec. 6 – FQHC & RHC Medicaid Encounter Rate

This section would require DVHA to compare the number of Medicaid encounters days for each federally qualified health center (FQHC) and rural health center (RHC) for a specified period compared to the same period in 2019. If it is determined that the number of 2020 paid Medicaid encounters is less than 98% of those for 2019, the commissioner shall propose for election by the FQHC or RHC a temporary alternative payment methodology to ensure 2020 revenues are at least equivalent to revenues for 98% of 2019 Medicaid encounters to protect against significant loss of revenues.

Sec. 17 – Expanded Capacity for Nutrition Services

This section would allow AHS to expand support to noneligible individual who need nutrition services as a result of COVID-19 to the extent permitted under federal law.

Note: As mentioned earlier, there are several provisions in the U.S. House passed version of H.R. 6201 – Families First Coronavirus Response Act – related to nutrition services for both children and the elderly. The Agencies of Education and Human Services are currently reviewing the bill and its potential impact on Vermonters. It is not yet known how these provisions may overlap or interact with provisions of H.742.

Sec. 18 – Bed Hold Days at 24-Hour Facilities and Programs

During a declared state of emergency as a result of COVID-19, this section would allow AHS to reimburse Medicaid-funded long-term care facilities and programs providing 24-hour per day services for bed-hold days. It is our understanding bed days last as long as 10 days and that facilities and programs are not currently reimbursed for bed-hold days, except in the case of nursing homes when it is the last female bed in the facility in which case Medicaid will reimburse for up to six days.

Note: Bed-holds are paid at the Vermont skilled nursing facility Medicaid rate, which varies by facility. For the first quarter of CY 2020, the rate ranged from \$186.64 per day (Newport) to \$323.39 per day (Woodbridge). The Vermont Veterans Home rate is \$475.00 per day.

ADDENDUM

Section Summary: H.742 – As passed the House

Sec.	Description	Fiscal Impact	FY Year	Fiscal Impact
1	Emergency Medical Personnel Training; Appropriation	Yes	2021	\$450,000 SF
2	State of Emergency; Legislative Intent			
3	Agency of Human Services; Temporary Provider Tax Waiver Authority	Potential	2020	TBD
4	Agency of Human Services; Provider Payment Flexibility	Potential	2020	TBD
5	Agency of Human Services; Advance Payments; Medicaid Participating Providers	Potential	Not Specified	TBD
6	Federally Qualified Health Centers; Rural Health Clinics; Medicaid Encounter Rates	Potential	2020	TBD
7	Health Care and Human Service Provider Regulation; Waiver or Variance Permitted	Not Priced		
8	Teacher Licensure; Specified Licensing Endorsements; Modifications	Not Priced		
9	Medicaid and Health Insurers; Provider Credentialing	Not Priced		
10	Powers and Duties of the Board [Board of Medical Practice]	Not Priced		
11	Retired Health Care Providers; Board of Medical Practice; Office of Professional Regulation	Not Priced		
12	Involuntary Procedures; Documentation and Reporting Requirements; Waiver Permitted	Not Priced		
13	Access to Health Care Services; Department of Financial Regulation; Emergency Rulemaking	Not Priced		
14	Prescription Drugs; Maintenance Medications; Early Refills	Not Priced		
15	Pharmacists; Clinical Pharmacy; Extension of Prescription for Maintenance Medication	Not Priced		
16	Buprenorphine; Prescription Renewals	Not Priced		
17	Expanded capacity for nutrition services	Potential	Not Specified	TBD
18	Bed-holds at 24-hour facilities and programs	Potential	Not Specified	TBD
19	Office of Professional Regulation; Emergency Authority to Act for Regulatory Boards	Not Priced		
20	Emergency Regulatory Orders	Not Priced		

21	Office of Professional Regulation; Board of Medical Practice; Imputed Jurisdiction	Not Priced		
22	Department of Mental Health; Isolation or Quarantine of Involuntary Patient for COVID-19 Not Seclusion	Not Priced		
23	Telehealth Expansion; Legislative Intent	Not Priced		
24	Coverage of Health Care Services Delivered Through Telemedicine and by Store-and-Forward Means [Telemedicine]	Not Priced		
25	Health Care Providers Delivering Health Care Services through Telemedicine or by Store-and-Forward Means [Telemedicine]	Not Priced		
26	Telemedicine Reimbursement; Sunset	Not Priced		
27	Department of Financial Regulation; Store-and-Forward; Emergency Rulemaking Authority	Not Priced		
28	Telehealth; Licensees in States Bordering Vermont	Not Priced		
29	Agency of Human Services; Medicaid, Health Care Services Delivered by Telephone	Not Priced		
30	Extended In-Person Drivers' License Renewal Period	Not Priced		
31	Vehicle Inspection Enforcement Suspension	Not Priced		
32	Effective Dates			