

Vermont Legislative Joint Fiscal Office

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FISCAL BRIEF

Date: 5/29/20

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H.960 – An Act Relating to Miscellaneous Health Care Provisions

As introduced by the House Committee on Health Care

Sec. 4 – Mental Health Integration Council

Sec. 4 creates a Mental Health Integration Council for the purpose of helping to ensure that all sectors of the health care system actively participate in the State's principles for mental health integration. The Council would have 23 members of whom would be entitled to per diems as per 32 V.S.A. § 1010 for up to eight meetings. It is estimated that approximately two to four members would take advantage of the per diems. However, we estimate these costs to be minimal (less than \$4,000) and can be absorbed within in the Department of Mental Health's existing budget.

Appropriation:

No additional appropriation required

Secs. 6 & 7 – VPharm Assistance Program

Sec. 6 of the bill proposes to expand VPharm coverage for enrolled Vermont Medicare Part D participating individuals whose income is greater than 150% and no greater than 225% of the federal poverty level (FPL) guidelines to be the same as the pharmaceutical coverage under the Medicaid program. Currently, enrolled individuals on VPharm 2 and VPharm 3 receive coverage for maintenance medications and diabetic supplies only. This expansion would provide enrolled Vermont Medicare Part D participating individuals the same benefits as VPharm 1 and other Medicaid beneficiaries. According to the Department of Vermont Health Access (DVHA), while this programmatic change would result in a small spending increase, much of it would be offset through administrative savings. As such, these costs can be managed within their existing budget and require no additional appropriation. Further, it would require approval from the Center for Medicare and Medicaid Services (CMS).

The current *Global Commitment to Health Section 1115 waiver* expires on December 31, 2021. Sec. 7 requires the Agency of Human Services (AHS) to request approval for this expansion as part of its renewal negotiations with CMS. Under this bill, the program would be effective on the later of January 1, 2022 or upon CMS approval. As such, this language would not go into effect before FY 2022.

Appropriation:

FY 2021 – Program expansion would not be in effect. No additional appropriation required.
FY 2022 – If approved by CMS, increased cost would be offset by administrative savings and could managed within DVHA's existing appropriation. No additional appropriation required.

VPHARM PROGRAM

	Income Limit	Household Size Income		Monthly Premium Per person/Month	Benefits
	% FPL	1-person	2-person		
VPHARM 1	150%	\$19,140	\$25,860	\$15	Covers Part D cost sharing, diabetic supplies, eye exams, and drugs not covered by Medicare
VPHARM 2	175%	\$22,330	\$30,170	\$20	Covers maintenance medications and diabetic supplies only
VPHARM 3	225%	\$28,710	\$38,790	\$50	

VPHARM 1,2,3 help pay beneficiaries Medicare Part D premiums.