



OneCare Vermont

February 11, 2020

Dear Chair Lyons and Committee Members,

On behalf of OneCare Vermont (OneCare), I would like to thank you for the opportunity to offer testimony on S.290. In this letter, OneCare will only address the sections of the bill that relate to the “creation of additional reporting, certification, and budgeting requirements for accountable care organizations.”

To provide comments on this particular bill, it was important for us to review current requirements that already exist for Accountable Care Organizations (ACOs) operating under the All Payer ACO Model (APM) in Vermont.

- In 2016, the legislature passed Act 113: An act relating to implementation an All Payer Model and oversight of accountable care organizations. This Act is comprehensive and allowed the Green Mountain Care Board (GMCB) and Agency of Administration (AOA) to enter into an agreement with Centers for Medicare and Medicaid Services (CMS). It also provided the GMCB with the authority to establish processes for certifying ACOs and approving their budgets annually.
- In 2019, the Legislature passed Act 52: An act charging the GMCB with evaluating the degree to which social services are integrated into the ACO. A [report](#) was issued in December 2019.

In reviewing the current bill as introduced, and cross walking against Acts 113 and 52, the preponderance of the reporting standards already exist. OneCare meets these comprehensive reporting requirements through the ACO certification and budget process. In the 2020 certification and proposed budget process, the ACO provided the GMCB with over 760 pages of documentation on its original submission and 88 subsequent questions (exclusive of sub-questions). All of these documents can be found on the GMCB’s [website](#). In addition to the budget and certification requirements, OneCare undergoes a voluntary annual financial audit by a nationally recognized external evaluator, PricewaterhouseCoopers. OneCare is currently performing an assessment of our internal compliance plan, leveraging a national expert in ACO compliance, Nixon Peabody. Lastly, the Federal government annually evaluates Vermont’s success, including the success of the ACO. OneCare has a [webpage](#) dedicated to transparency to share this important information.

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Given the solid regulatory framework that is already in place, I would encourage you to consider if additional reporting requirements add value or whether it is primarily impacting provider burden and cost. It is important that we look to streamline all reporting so that our providers can stay focused on their task under the All Payer ACO model agreement -- delivery system transformation. It is important that we not add additional administrative and financial burden to an already taxed workforce and hospital system. The cost of ACO regulation through billback, which is financed by the hospitals, is projected to double from 2018 to 2019. Any additional regulation results in additional costs to the system.

OneCare cannot support making our workforce salary increases contingent upon achieving shared savings and quality targets for the budget year. The ACO goal in the model is predictability and stability for the system, rather than shared savings or losses. Therefore, savings or losses in one year is not indicative of success or failure. The goals of the ACO are in line with those in the APM agreement, which includes providing the payer system with a predictable budget that keeps the cost of health care inflation at a growth rate between 3.5-4.3% for the lives served under the model.

I would encourage you to focus on language that would require a review of the existing reporting requirements to identify opportunities to streamline and align them to meet the objectives of the model and avoid adding additional burden on the delivery system or hampering reform efforts. This may include regular evaluation using a standardized framework to determine ongoing value to meet the APM goals. ACO regulatory efforts should be efficient, timely, and transparent to inform healthcare delivery system transformation efforts. OneCare welcomes the opportunity to share relevant information about its progress and is supportive of efforts to realign the certification and budget processes and explore the feasibility of a two year budget cycle.

We appreciate the ability to provide feedback on your efforts to ensure that health care reform efforts are well coordinated, transparent, and accountable.

Sincerely,

A handwritten signature in black ink that reads "Vicki Loner". The signature is written in a cursive, flowing style.

Vicki Loner, RN.C, MCHDS
Chief Executive Officer

VL/jh