

Budget Detail for Recommendation #1 - Accelerating Vermont’s Shift to Value-based Payment and Delivery to Improve Hospital Financial Sustainability and Vermonters’ Equitable Access to High-Quality Affordable Care

Workstream	Budget Detail
<p>Design Hospital Value-Based Payments – \$1.4 million</p>	<p>Work with providers, payers, and other stakeholders to design a process for establishing and distributing value-based payments, including global payments, from all payers to Vermont hospitals that will (A) help move the hospitals away from a fee-for-service model; (B) provide hospitals with predictable, sustainable funding that is aligned across multiple payers and sufficient to enable the hospitals to deliver high-quality, affordable health care services to patients; and (C) take into consideration the necessary costs and operating expenses, and not be based on historical charges. This design work will inform whether statutory changes are necessary in the next legislative session and any additional resources would be required to implement the payment model.</p> <ol style="list-style-type: none"> 1. Policy, legal and data analytics support for model design - <i>\$400,000</i> 2. Development of payment methodologies and provider impact study: <i>\$600,000</i> 3. Regulatory analysis to evolve GMCB’s hospital budget process to accommodate new payment model(s) and related regulatory mechanisms to support hospital system quality and efficiency: <i>\$400,000</i>
<p>Design and Development of Potential Subsequent Federal Agreement with CMMI</p> <p>\$600,000 \$550,000 – GMCB share</p> <p>\$550,000 – AHS share</p>	<p>To support the design and development of a proposed agreement with the federal Centers for Medicare and Medicaid Innovation in order to include Medicare in Vermont’s payment and delivery system transformation initiatives:</p> <p>Green Mountain Care Board</p> <ol style="list-style-type: none"> 1. Negotiation support for GMCB share - <i>\$150,000</i> <i>\$100,000</i> 2. Economic and actuarial analysis of payment model(s) impact on total cost of care (TCOC) - <i>\$250,000</i> 3. Analysis of federal proposals - <i>\$50,000</i> 4. Statewide quality framework - <i>\$150,000</i> 5. Legal support – <i>included in AHS Contract</i> <p>Agency of Human Services - <i>\$550,000</i></p>
<p>Community-Centered Care Delivery Transformation & Technical Assistance to Hospitals and Communities – \$3-million \$2.5 million</p>	<p>Engage health systems experts and communities in a series of data-informed discussions to identify opportunities for delivery system transformation that will reduce inefficiencies, lower costs, increase access to essential services, and improve health outcomes.</p> <ul style="list-style-type: none"> • <u>Data gathering & analysis</u>: Establish a shared understanding of a community’s current and future states based on data (e.g. trends on the horizon, for what should the community be prepared). After analyzing the data, health systems experts to identify what is possible and which innovative solutions could best meet a community’s needs. Data should be packaged and tailored to each community so that it is easily understood by community members - <i>\$1,000,000</i> • <u>Community engagement & design</u>: Health systems and community engagement experts to lead community meetings in a listening tour to identify local needs and facilitate the development of community vision for hospital and hospital-owned service delivery based on need, documenting additional opportunities to support delivery system transformation that may require further action by legislature, AHS, or other parties. The reduction in funding will require prioritization of work in this category - <i>\$1,500,000</i> <i>\$1,000,000</i> • <u>Technical assistance for transformation</u>: Support hospital transformation initiatives - <i>\$500,000</i>