

House Health Care recommendations on FY23 Budget

The House Committee on Health Care (HHC) appreciates the opportunity to share our recommendations regarding the fiscal year 2023 budget with the House Committee on Appropriations. HHC’s priorities for the budget relate to health care workforce, Medicaid reimbursements, suicide prevention, and the crisis in the mental health system. HHC supports the Governor’s and Department of Mental Health’s suicide prevention proposals, but with the degree of the current crisis and the dramatic increase in suicides, we fear it is not nearly enough. HHC strongly supports funding additional suicide prevention initiatives, but we would need to better understand the proposals from the Center for Health and Learning/VT Suicide Prevention Center and how they align with other efforts, including the Department of Health’s grant and the work of the Department of Mental Health, before we could endorse those specific proposals.

In the chart below, HHC has addressed the proposals from the Governor and other proposals initiated or received by HHC. At the end of the document, you will find proposed language relating to (1) unmerging the individual and small group health insurance markets, (2) conditioning the use of per diem rate funds on hospitals also addressing the patient experience of care during delays, (3) the Department of Mental Health’s mobile crisis outreach services and their role in building an urgent care model for mental health care, and (4) the Green Mountain Care Board’s payment and delivery system transformation initiatives.

Agency/Dept	Proposal	Amount – gross/State	HHC position	Notes
Governor’s recommendations (discretionary)				
DVHA B.307/B.310	Medicaid reimbursement rates	\$12,576,731 (gross) \$5,519,896 (State) Additional amount to get to 100% of Medicare \$582,479 (gross) \$255,649 (State)	Support	
DVHA B.307/B.310	Emergency department per diem rates	\$500,000 (gross) \$219,448 (State)	Support	HHC would condition use of funds on hospitals also addressing patient experience of care during delays – see HHC language proposal #2 at end of document – note that this is the same language as

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				was in HHC’s BAA memo and House-passed H.679, but Senate removed
DVHA B.307	Post-partum expansion to 12 months	\$2,160,000 (gross) \$950,832 (State)	Support	Language is in BAA, but money needs to be included in budget
DMH	3% provider increase This request is to fund a 3% Medicaid increase to the DMH provider system. This includes increases for all DAs, SSAs, peers and other providers who are funded by DMH.	\$4,121,421 (gross) \$1,762,320 (State)	Support	HHC proposes additional 10% increase for DAs/SSAs, which was included in HHC recommendations to Commerce for workforce: \$12,738,070 (gross) \$6,047,498 (State)
DMH	Implement mobile response	\$5,946,997 (gross) \$1,903,039 (State)	Support	<u>See HHC language proposal #3 at end of document</u>
DMH	Coordinator position and contract for suicide prevention Statewide coordinator position and a contract to expand programs and supports for older Vermonters	Coordinator: \$115,000 (State) Contract: \$100,000 (State)	Support	

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DMH	<p>Zero Suicide</p> <p>This is the grant portion of the Zero Suicide initiative. DMH will partner with the Center for Health and Learning for training support, and to bolster the VT Suicide Prevention Center. This will expand Zero Suicide to all 10 designated agencies and two specialized service agencies.</p>	\$260,000 (State)	Support	
DMH	<p>Maintain 988 Suicide Prevention Line</p> <p>This is the cost to maintain the 988 Suicide Prevention line to staff 24/7 programs.</p>	\$440,159 (State)	Support	
HHC proposals (not part of Governor’s recommendations)				
OPR	<p>To set up short-term telehealth registration program and address OPR’s anticipated COVID-related budget deficit</p>	\$1,000,000 one-time - (State)	Support	<p>Telehealth registration is an important patient protection and continuity of care initiative.</p> <p>Proposal comes as a result of the recommendations in the 2021 Acts and Resolves No. 21 report on facilitating interstate practice of health care professionals using telehealth. The short-term</p>

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				<p>telehealth registration program was established in H.654 and the long-term telehealth licensure and registration program is addressed in H.655, which is currently in the House Appropriations Committee.</p> <p>OPR originally requested \$1,000,000 in January, which HHC included in our BAA recommendation to HAC (memo attached). The funding was not included in the BAA, however, and remains essential to support H.654, which is currently on the Senate action calendar.</p>
GMCB	Payment and delivery system transformation	<p>\$5,000,000 one-time (State):</p> <ul style="list-style-type: none"> • \$3,000,000 for community engagement in delivery system transformation • \$1,400,000 for payment reform through fixed hospital payments • \$600,000 to negotiate agreement with federal government for Medicare participation 	Support	<p><u>See HHC language proposal #4 at end of document</u></p>

Agency/Dept	Proposal	Amount – gross/State	HHC position	Notes
Request by Dental Society Money to DVHA	Additional funds to increase Medicaid rates for procedures not included in Governor’s recommended budget	\$500,000 (State)	Support	From the Dental Society: The proposed increase in the FY22 BAA and now FY23 budget necessitated a review of this effort and procedures. This was caused in part because since that time, Delta had adjusted its schedule leaving Medicaid rates further behind. In fact, the 35 or so procedures identified in 2019 and requiring a \$1 million appropriation now required a \$1.5 million appropriation in 2022.
HCA	Office of Health Care Advocate	\$390,000 (State)	Support	Governor’s recommend is yet another year of level funding. HCA’s proposal would offset <i>six years</i> of level funding by the State, as well as enable hiring an additional attorney to support HCA’s increased responsibilities.
Pathways	Pathways Bennington County Housing First	\$390,000 (State)	Support	From Pathways: With an appropriation of \$390,000 Pathways Vermont can expand our contract with the Department of Mental Health to further provide Housing First services in Bennington County to meet the need. This expansion will allow Pathways to support an additional 30 households exiting chronic homelessness in the community. This investment would target households living with disabilities and significant mental health challenges and for whom long term homelessness has made community stability impossible.
Bi-State Primary Care	Free and Referral Clinics	\$102,800 (State)	Support	This amount is an increase of \$10/patient for the more than 10,000 Vermonters who use these clinics annually.

Agency/Dept	Proposal	Amount – gross/State	HHC position	Notes
Center for Health and Learning/VT Suicide Prevention Center	Support public education and information	\$50,000 (State)	Do not support at this time – would need more information	
Center for Health and Learning/VT Suicide Prevention Center	Suicide prevention infrastructure, policy, stakeholder engagement	\$76,000 (State)	Do not support at this time – would need more information	
Center for Health and Learning/VT Suicide Prevention Center	Advance evidence-based and best practices for suicide	\$820,000 (State)	Do not support at this time – would need more information	
Center for Health and Learning/VT Suicide Prevention Center	CHL Operations (Technology, Contracting, Accounting/ Bookkeeping, Reporting	\$35,000 (State)	Do not support at this time – would need more information	
Center for Health and Learning/VT Suicide Prevention Center +10% Indirect costs	1 FTE VTSPC Direction	\$110,000 (State) \$109,100 (State)	Do not support at this time – would need more information	

Language proposal #1 – unmerged health insurance market language for plan year 2023

Sec. ____ SEPARATE INDIVIDUAL AND SMALL GROUP HEALTH INSURANCE

MARKETS FOR PLAN YEAR 2023 IF FEDERAL SUBSIDIES EXTENDED

(a) Purpose. The purpose of this section is to allow for separate individual and small group health insurance markets for plan year 2023 in the event that Congress extends increased opportunities for federal advanced premium tax credits to include plan year 2023 and that extension is enacted by September 1, 2022.

(b) Definitions. As used in this section, “health benefit plan,” “registered carrier,” and “small employer” have the same meanings as in 33 V.S.A. § 1811.

(c) Separate plans and community rating. Notwithstanding any provision of 33 V.S.A. § 1811 to the contrary, if the Department of Vermont Health Access, after consultation with interested stakeholders, determines on or before September 1, 2022 that Congress has extended the increased opportunities for federal premium assistance originally made available through the American Rescue Plan Act of 2021, Pub. L. No. 117-2 to eligible households purchasing qualified health benefit plans in the individual market to include plan year 2023, or has made substantially similar opportunities available, then for plan year 2023, a registered carrier shall:

(1) offer separate health benefit plans to individuals and families in the individual market and to small employers in the small group market;

(2) apply community rating in accordance with 33 V.S.A. § 1811(f) to determine the premiums for the carrier’s plan year 2023 individual market plans separately from the premiums for its small group market plans; and

(3) file premium rates with the Green Mountain Care Board pursuant to 8 V.S.A. § 4062 separately for the carrier’s individual market and small group market plans.

Language proposal #2 – for addition to emergency department per diem rates:

Sec. ____ . HOSPITALS; EMERGENCY DEPARTMENTS; PATIENTS AWAITING PLACEMENT; PER DIEM RATES

(a) A hospital shall use funds received for per diem rates in their emergency departments to improve the patient experience of care for individuals encountering long delays in admission for inpatient psychiatric treatment, in direct consultation with the Department of Mental Health and with individuals and families with lived experience of mental health emergencies.

Language proposal #3 – for addition to DMH mobile response:

Sec. ____ . DEPARTMENT OF MENTAL HEALTH; MOBILE CRISIS OUTREACH
SERVICES

(a) The Department of Mental Health shall use the results of its analysis of statewide mobile crisis services and gaps pursuant to its State Planning Grant from the Centers for Medicare and Medicaid Services to help build an urgent care model for mental health by expanding mobile outreach services based on the Department’s findings of the most significant gaps in care and access, including geographic gaps and the regions of the State in which lack of mobile outreach is most directly driving unnecessary emergency room visits or unnecessary law enforcement responses.

(b) The new mobile outreach services shall be based on evidence-based and trauma-informed practices, including using peer support staff, shall be developed in conjunction with the continuum of urgent care response related to the new 9-8-8 suicide prevention

line, and shall comply with federal requirements as needed to qualify for three years of federal financial participation at an enhanced 85 percent federal match rate.

(c) The Department shall develop a sustainability plan to ensure that the services will continue to be available after expiration of the enhanced federal match rate.

Language proposal #4 – Green Mountain Care Board payment and delivery system transformation

Sec. ____ . PAYMENT AND DELIVERY SYSTEM TRANSFORMATION;

APPROPRIATIONS; REPORTS

(a)(1) The sum of \$3,000,000.00 is appropriated from the General Fund to the Green Mountain Care Board in fiscal year 2023 for the purpose of engaging one or more consultants with expertise in community engagement and in health system design to support a patient-focused, community-inclusive redesign of Vermont’s health care system to ensure sustainability and health care access and to support delivery system transformation that reduces inefficiencies, lowers costs, and improves population health outcomes, and which shall include a review of newly emerging models of care. The Board and its consultants shall:

(A) ensure a broad-based community engagement process;

(B) engage in data gathering and analysis as needed to support redesign; and

(C) provide support and technical assistance to hospitals to facilitate redesign and transformation initiatives.

(2) On or before February 1, 2023, the Board shall report to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations on the status of its community engagement and system redesign initiatives.

(b)(1) The sum of \$1,400,000.00 is appropriated from the General Fund to the Green Mountain Care Board in fiscal year 2023 to develop a methodology and proposed rules for establishing aligned, fixed payments to hospitals for hospital services, including ensuring that the fixed payments are predictable, sustainable, aligned across multiple payers, and consistent with the principles set forth in 18 V.S.A. § 9371. In developing the methodology and proposed rules, the Board shall:

(A) engage Vermonters in seeking ways to equitably distribute health services while acknowledging the connection between fair and sustainable payment and access to health care;

(B) work in collaboration with providers and payers to preserve access to care and quality in each community;

(C) take into consideration existing Medicare designations and payment methodologies, including critical access hospitals, prospective payment system hospitals, graduate medical education payments, Medicare dependent hospitals, and federally qualified health centers;

(D) encourage coordination and planning on a regional basis, taking into account existing local relationships between providers and human services organizations; and

(E) propose modifications to the Board’s regulatory processes and duties as appropriate to support and align with the use of fixed hospital payments.

(2) In developing the methodology and proposed rules, the Board may also conduct research into payment and budgeting methodologies in other states, actuarial analysis, analysis of Vermont hospital markets, analysis of hospital costs and expenses, and methods of data collection.

(3) Prior to implementing a fixed hospital payment methodology, adopting rules, or modifying its regulatory processes, the Board shall report the proposed methodology, rules, and any regulatory modifications to the House Committee on Health Care and the Senate Committee on Health and Welfare.

(c) The sum of \$600,000.00 is appropriated from the General Fund to the Green Mountain Care Board in fiscal year 2023 to support the Board and the Agency of Human Services in developing and negotiating a potential agreement with the Centers for Medicare and Medicaid Innovation, which may include engaging consulting and analytic support in order to include Medicare in Vermont's payment and delivery system transformation initiatives. The Board shall ensure that any services it procures are supplemental to, and not duplicative of, analytics and other support available through the Agency of Human Services.