



Vermont Developmental Disabilities Council

100 State Street, Suite 342
Montpelier, Vermont 05633-0206

(802) 828-1310
vtddc@vermont.gov
www.ddc.vermont.gov

TO: Senate Health and Welfare Committee
RE: Comments on S.120
FROM: Susan Aranoff, J.D., Senior Planner and Policy Analyst
DATE: April 14, 2021

Thank you for providing this opportunity to comment S. 120

The Vermont Developmental Disabilities Council

The Vermont Developmental Disabilities Council (hereafter “VTDDC”) is a statewide board created by the federal Developmental Disabilities Assistance and Bill of Rights (hereafter “the DD Act”), first adopted by Congress in 1970. Our constituents are health care users who have an important stake in the cost, quality, and availability of both traditional healthcare and disability long term services and supports. An estimated 86,000 Vermonters experience a developmental disability as defined by the DD Act, with approximately 5,100 receiving some type of community-based support through Medicaid.

VTDDC is charged under federal law with engaging at the state level in “advocacy, capacity building and systems change activities that... contribute to the coordinated, consumer-and-family-centered, consumer-and-family directed, comprehensive system that includes needed community services, individualized supports, and other forms of assistance that promote self-determination for individuals with developmental disabilities and their families.”

The VTDDC is concerned about state spending that impacts the health care and quality of life of people with disabilities, especially Medicaid spending.

All 50 states and the territories have a DD Council. Some are free-standing non-profits; some are embedded in state government. Here in Vermont, we are located in the Agency of Human Services Secretary's office. We are almost entirely federally funded and to receive those funds, Vermont signs a set of assurances, including an assurance to not interfere with our Council's mandated advocacy work. I am free to speak with you today, as a state employee, because I am speaking on behalf of an independent Council.

The Need for Independent Review

The Vermont Developmental Disabilities Council has a legislative platform. The issues raised in S. 120 are on our Platform this year and were on our Platform last year.

The Vermont Developmental Disabilities Council strongly supports an independent study of the return on investment of the all-payer model as well as an independent review of the Green Mountain Care Board's conflicts of interest.

On the issue of return on investment, millions of dollars of Medicaid funds have been given to OneCare with very little state oversight or transparency. Under the leadership of both AHS Secretaries Gobeille and Smith, all the Medicaid funding intended to support the Medicaid "pathway organizations," which are Vermont's providers of community-based services, went to OneCare. None of it was given directly to a Medicaid Pathway organization such as a designated agency to use for their own delivery system reform activities. [Please see my comments on the DSR funds in the Budget Appropriations Act.]

The Vermont DD Council is gravely concerned that the renewal of the All Payer Accountable Care Organization Model Agreement will further destabilize Vermont's fragile home and community-based system of care. Our concern lies with the fact that as health reform progresses under the State's All Payer Model Agreement and its renewal, an increasing pool of our State's Medicaid spending will be placed under financial caps. The State is currently crafting a plan to move Medicaid spending for home-and community-based services, like those provided to people with developmental disabilities, under the cap. In the renewed agreement, the State has said that the federal Medicaid authority will expect Vermont to implement that plan.

To give you a simple and highly relevant example, here is how a capped system would work: As you are aware, Medicaid funds two types of services -- mandatory services, like hospital care, and optional services, like Home and Community-Based Services

(HCBS). In Vermont, we have a Medicaid-funded program called Choices for Care, it funds long term services and supports for Vermonters who qualify.

In Choices for Care, Medicaid will pay for nursing home care, and Medicaid will pay for the services and supports someone needs to live at home, such as meals on wheels and home health services. Nursing home services are mandatory, while home and community-based services are optional.

In general, all Medicaid services that are equivalent to Medicare part A & B -- hospitals, doctors, specialists -- are mandatory and most non-institutional services for people with disabilities are optional.

Including the costs of optional HCBS under the same financial caps as acute care is bad for people with disabilities and all people who rely on what are considered optional services. The reason is simple: As Vermont's total Medicaid spend approaches the cap, which it will, optional services can be rolled back but mandatory services cannot.

In relying on caps for cost containment, the All Payer Model Agreement turns Vermont's decades of investment in its HCBS system on its head. Vermont should remain committed to serving people in least restrictive settings, allowing for full choice and the option of aging in place.

We support S. 120 because of the oversight and fresh eyes it will provide at this critical juncture in Vermont's health care reform efforts.