

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

MEMORANDUM

To: Rep. Bill Lippert, Rep. Lori Houghton, and Rep. Anne Donahue
From: Nolan Langweil
Date: 2/17/2021
Re: Audio Only Language in draft request 21-0873

The language in draft request 21-0873 would require health insurance plans and the Vermont Medicaid program to continue to provide coverage for health care services delivered by audio-only telephone (“audio-only”) as well as continue to reimburse health care providers the same amount as for in-person services through the end of 2024.

Medicaid

On average, approximately 7,000 to 8,000 services per month have been provided for Medicaid beneficiaries using audio-only telehealth during the most recent months of the COVID-19 public health emergency (PHE). It is unclear how many of these services were supplanting utilization that would have otherwise occurred through in-person visits or telemedicine if not for the circumstances of the COVID-19 pandemic (versus new utilization attributable to increased access and other factors). As a result, utilization of audio-only health care service delivery, as allowed under this language, and the associated financial impact based on overall net utilization and overall costs are uncertain for the period after the public health emergency ends.^[1] Further, it is unclear where costs might be offset elsewhere in the Medicaid budget; for example, if audio-only telehealth is reserved for when access to services cannot otherwise be provided for a Medicaid member through an in-person visit or telemedicine, the fiscal impact of audio-only health care service delivery could be attenuated.^[2] Finally, despite the increase in the use of audio-only, overall utilization in Medicaid has been down during this same period.

There has been much turbulence, changes in practice and other factors that make it hard to estimate Medicaid utilization in both the short and long-term. As such, we cannot estimate what net impact this will have on the Medicaid budget, relative to all the other new unknowns in such an environment. Should this language pass, this change would be part of the overall utilization picture.

State Employee Health Insurance Plan

At this time, it is unclear what impact this would have on utilization, quality, cost, and ultimately insurance premiums if it were applied to the State Employee Health Insurance Plan.

^[1] The Governor recently received a letter from the U.S. Department of Health and Human Services (HHS) indicating that the federal PHE will likely remain in effect for the entirety of 2021.

^[2] It should be noted that Medicaid matching dollars will be contingent on receiving approval from the Center for Medicare and Medicaid Services (CMS).

We've spoken with representatives for the insurance carriers and even their actuaries do not have estimates at this time. As such, we cannot estimate what the fiscal impact, if any, this policy would have on the state employee health insurance plan premiums.

CC:

Senator Ginny Lyons
Senator Ruth Hardy
Nissa James, Department of Vermont Health Access