1 TO THE HONORABLE SENATE:
2 The Committee on Health and Welfare to which was referred Senate Bill
3 No. 285 entitled "An act relating to expanding the Blueprint for Health and
4 access to home- and community-based services" respectfully reports that it has
5 considered the same and recommends that the bill be amended by striking out
6 all after the enacting clause and inserting in lieu thereof the following:
7 * * * Payment and Delivery System Reform * * *
8 Sec. 1. HOSPITAL VALUE-BASED PAYMENT DESIGN; DATA
9 COLLECTION AND ANALYSIS; APPROPRIATIONS; REPORT
10 (a) The sum of $1,400,000.00 is appropriated from the General Fund to the
11 Green Mountain Care Board in fiscal year 2023 to engage one or more
12 consultants to assist the Board to:
13 (1) develop a process, consistent with 18 V.S.A. § 9375(b)(1) and
14 including the meaningful participation of health care providers, payers, and
15 other stakeholders in all stages of the development, for establishing and
16 distributing value-based payments, including global payments, from all payers
17 to Vermont hospitals that will:
18 (A) help move the hospitals away from a fee-for-service model;
19 (B) provide hospitals with predictable, sustainable funding that is
20 aligned across multiple payers, consistent with the principles set forth in 18

1 V.S.A. § 9371, and sufficient to enable the hospitals to deliver high-quality,
2 affordable health care services to patients; and
3 (C) take into consideration the necessary costs and operating
4 expenses of providing services and not be based on historical charges;
5 (2) determine how best to incorporate value-based payments, including
6 hospital global payments, into the Board's hospital budget review, accountable
7 care organization certification and budget review, and other regulatory
8 processes, including assessing the impacts of regulatory processes on the
9 financial sustainability of Vermont hospitals and identifying potential
10 opportunities to use regulatory processes to improve hospitals' financial health;
11 and
12 (3) recommend a methodology for determining the allowable rate of
13 growth in Vermont hospital budgets, which may include the use of national
14 and regional indicators of growth in the health care economy and other
15 appropriate benchmarks, such as the Hospital Producer Price Index, Medical
16 Consumer Price Index, bond-rating metrics, and labor cost indicators.
17 (b)(1) On or before November 1, 2022, the Green Mountain Care Board
18 shall provide an update on its use of the funds appropriated in this section to
19 the Health Reform Oversight Committee.
20 (2) On or before January 15, 2023, the Green Mountain Care Board
21 shall report on its use of the funds appropriated in this section to the House

1 Committee on Health Care and the Senate Committees on Health and Welfare
2 and on Finance.
3 Sec. 2. HEALTH CARE DELIVERY SYSTEM TRANSFORMATION;
4 COMMUNITY ENGAGEMENT; APPROPRIATIONS; REPORT
5 (a) The sum of $2,500,000.00 is appropriated from the General Fund to the
6 Green Mountain Care Board in fiscal year 2023 to engage one or more
7 consultants with expertise in community engagement, preferably with
8 experience in working with a diverse, rural population, and one or more
9 consultants with expertise in health system design to assist the Board, in
10 consultation with the Director of Health Care Reform in the Agency of Human
11 Services, to build on successful health care delivery system reform efforts by:
12 (1) facilitating a patient-focused, community-inclusive plan for
13 Vermont's health care delivery system to reduce inefficiencies, lower costs,
14 improve population health outcomes, and increase access to essential services,
15 including both providing the analytics to support delivery system
16 transformation and leading the broad-based community engagement process;
17 and
18 (2) providing support and technical assistance to hospitals and
19 communities to facilitate planning for delivery system reform and
20 transformation initiatives.
21 (b) The community engagement process shall:

1 (1) include hearing from and sharing information, trends, and insights
2 with communities about the current state of the health care providers in their
3 hospital service area, unmet health care needs in their community, and
4 opportunities to address those needs; and
5 (2) provide opportunities at all stages of the process for meaningful
6 participation by employers; consumers; health care professionals and health
7 care providers, including those providing primary care services; Vermonters
8 who have direct experience with all aspects of Vermont's health care system;
9 and Vermonters who are diverse with respect to race, income, age, and
10 disability status.
11 (c) The Green Mountain Care Board shall use a portion of the funds
12 appropriated in subsection (a) of this section to contract with a current or
13 recently retired primary care provider to assist the Board in assessing and
14 strengthening the role of primary care in its regulatory processes and to inform
15 the Board's efforts in payment reform and delivery system transformation from
16 a primary care perspective.
17 (d)(1) In developing a plan for delivery system transformation pursuant to
18 this section, the Green Mountain Care Board and the Director of Health Care
19 Reform in the Agency of Human Services shall consider the capacity of
20 Vermont's community-based health care and social service providers to

1 effectively implement the plan as it relates to community providers while
2 providing the appropriate level of services to consumers.
3 (2) For purposes of this section, "community-based health care and
4 social service providers" includes federally qualified health centers, designated
5 and specialized service agencies, home health agencies, area agencies on
6 aging, adult day providers, residential care homes, nursing homes, providers of
7 services addressing homelessness, and community action agencies.
8 (e)(1) On or before November 1, 2022, the Green Mountain Care Board
9 shall provide an update on its use of the funds appropriated in this section to
10 the Health Reform Oversight Committee.
11 (2) On or before January 15, 2023, the Green Mountain Care Board
12 shall report on its use of the funds appropriated in this section to the House
13 Committee on Health Care and the Senate Committees on Health and Welfare
14 and on Finance.
15 Sec. 3. DEVELOPMENT OF PROPOSAL FOR SUBSEQUENT
16 ALL-PAYER MODEL AGREEMENT; APPROPRIATION
17 (a)(1) The Director of Health Care Reform in the Agency of Human
18 Services, in collaboration with the Green Mountain Care Board, shall design
19 and develop a proposal for a subsequent agreement with the Centers for
20 Medicare and Medicaid Innovation to secure Medicare's continued
21 participation in multi-payer alternative payment models in Vermont. The

1 proposal shall be informed by the community- and provider-inclusive process
2 set forth in Sec. 2 of this act and designed to reduce inefficiencies, lower costs,
3 improve population health outcomes, and increase access to essential services.
4 (2) The design and development of the proposal shall include
5 consideration of alternative payment and delivery system approaches for
6 hospital services and community-based providers such as primary care
7 providers, mental health providers, substance use disorder treatment providers,
8 skilled nursing facilities, home health agencies, and providers of long-term
9 services and supports.
10 (3)(A) The alternative payment models to be explored shall include, at a
11 minimum:
12 (i) global payments for hospitals;
13 (ii) geographically or regionally based global budgets for health
14 care services;
15 (iii) existing federal value-based payment models; and
16 (iv) broader total cost of care and risk-sharing models to address
17 patient migration patterns across systems of care.
18 (B) The alternative payment models shall:
19 (i) include appropriate mechanisms to convert fee-for-service
20 reimbursements to predictable payments for multiple provider types, including
21 those described in subdivision (2) of this subsection (a);

1 (ii) include a process to ensure reasonable and adequate rates of
2 payment and a reasonable and predictable schedule for rate updates; and
3 (iii) meaningfully impact health equity and address inequities in
4 terms of access, quality, and health outcomes.
5 (b) To support the design and development of a proposed agreement with
6 the Centers for Medicare and Medicaid Innovation for Medicare's participation
7 in multi-payer initiatives, which may include engaging consulting and analytic
8 support, the following sums are appropriated from the General Fund in fiscal
9 year 2023:
10 (1) $550,000.00 to the Agency of Human Services; and
11 (2) $550,000.00 to the Green Mountain Care Board.
12 Sec. 4. HEALTH INFORMATION EXCHANGE STEERING
13 COMMITTEE; DATA STRATEGY
14 The Health Information Exchange (HIE) Steering Committee shall continue
15 its work to create one health record for each person that integrates data types to
16 include health care claims data; clinical, mental health, and substance use
17 disorder services data; and social determinants of health data. In furtherance of
18 these goals, the HIE Steering Committee shall include a data integration
19 strategy in its 2023 HIE Strategic Plan to merge and consolidate claims data in

the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) with the clinical data in the HIE.

Sec. 5. 18 V.S.A. § 9410 is amended to read:

§ 9410. HEALTH CARE DATABASE

(a)(1) The Board shall establish and maintain a unified health care database to enable the Board to carry out its duties under this chapter, chapter 220 of this title, and Title 8, including:

(A) determining the capacity and distribution of existing resources;

(B) identifying health care needs and informing health care policy;

(C) evaluating the effectiveness of intervention programs on improving patient outcomes;

(D) comparing costs between various treatment settings and approaches;

(E) providing information to consumers and purchasers of health care; and

(F) improving the quality and affordability of patient health care and health care coverage.

(2) [Repealed.]

(b) The database shall contain unique patient and provider identifiers and a uniform coding system~~,~~ and shall reflect all health care utilization, costs, and

resources in this State~~,~~ and health care utilization and costs for services provided to Vermont residents in another state.

* * *

(e) ~~Records or information protected by the provisions of the physician-patient privilege under 12 V.S.A. § 1612(a), or otherwise required by law to be held confidential, shall be filed in a manner that does not disclose the identity of the protected person.~~ [Repealed.]

(f) The Board shall adopt a confidentiality code to ensure that information obtained under this section is handled in an ethical manner.

* * *

(h)(1) All health insurers shall electronically provide to the Board in accordance with standards and procedures adopted by the Board by rule:

(A) their health insurance claims data, provided that the Board may exempt from all or a portion of the filing requirements of this subsection data reflecting utilization and costs for services provided in this State to residents of other states;

(B) cross-matched claims data on requested members, subscribers, or policyholders; and

(C) member, subscriber, or policyholder information necessary to determine ~~third party~~ third-party liability for benefits provided.

1 (2) The collection, storage, and release of health care data and statistical
2 information that are subject to the federal requirements of the Health Insurance
3 Portability and Accountability Act (HIPAA) shall be governed exclusively by
4 the regulations adopted thereunder in 45 C.F.R. Parts 160 and 164.
5 * * *
6 (3)(A) The Board shall collaborate with the Agency of Human Services
7 and participants in the Agency's initiatives in the development of a
8 comprehensive health care information system. The collaboration is intended
9 to address the formulation of a description of the data sets that will be included
10 in the comprehensive health care information system, the criteria and
11 procedures for the development of limited-use data sets, the criteria and
12 procedures to ensure that HIPAA compliant limited-use data sets are
13 accessible, and a proposed time frame for the creation of a comprehensive
14 health care information system.
15 (B) To the extent allowed by HIPAA, the data shall be available as a
16 resource for insurers, employers, providers, purchasers of health care, and
17 State agencies to continuously review health care utilization, expenditures, and
18 performance in Vermont. In presenting data for public access, comparative
19 considerations shall be made regarding geography, demographics, general
20 economic factors, and institutional size.

1 (C) Consistent with the dictates of HIPAA, and subject to such terms
2 and conditions as the Board may prescribe by rule, the Vermont Program for
3 Quality in Health Care shall have access to the unified health care database for
4 use in improving the quality of health care services in Vermont. In using the
5 database, the Vermont Program for Quality in Health Care shall agree to abide
6 by the rules and procedures established by the Board for access to the data.
7 The Board's rules may limit access to the database to limited-use sets of data
8 as necessary to carry out the purposes of this section.
9 (D) Notwithstanding HIPAA or any other provision of law, the
10 comprehensive health care information system shall not publicly disclose any
11 data that contain direct personal identifiers. For the purposes of this section,
12 "direct personal identifiers" include information relating to an individual that
13 contains primary or obvious identifiers, such as the individual's name, street
14 address, e-mail address, telephone number, and Social Security number.
15 * * *
16 * * * Blueprint for Health * * *
17 Sec. 6. 18 V.S.A. § 702(d) is amended to read:
18 (d) The Blueprint for Health shall include the following initiatives:
19 * * *
20 <u>(8) The use of quality improvement facilitators and other means to</u>
21 <u>support quality improvement activities, including using clinical and claims</u>

1 data to evaluate patient outcomes and promoting best practices regarding
2 patient referrals and care distribution between primary and specialty care.
3 Sec. 7. BLUEPRINT FOR HEALTH; COMMUNITY HEALTH TEAMS;
4 QUALITY IMPROVEMENT FACILITATORS; REPORT
5 On or before September 1, 2022, the Director of Health Care Reform in the
6 Agency of Human Services shall recommend to the Health Reform Oversight
7 Committee the amounts by which health insurers and Vermont Medicaid
8 should increase the amount of the per-person, per month payments they make
9 toward the shared costs of operating the Blueprint for Health community health
10 teams and quality improvement facilitators in furtherance of the goal of
11 providing additional resources necessary for delivery of comprehensive
12 primary care services to Vermonters and to sustain access to primary care
13 services in Vermont. Such increases shall be reflected in health insurers' plan
14 year 2024 rate filings if the increases cannot be implemented in a rate-neutral
15 manner. The Agency shall also provide an estimate of the State funding that
16 would be needed to support the increase for Medicaid, both with and without
17 federal financial participation.

1 * * * Options for Extending Moderate Needs Supports * * *
2 Sec. 8. OPTIONS FOR EXTENDING MODERATE NEEDS SUPPORTS;
3 WORKING GROUP; GLOBAL COMMITMENT WAIVER;
4 REPORT
5 (a) The Department of Disabilities, Aging, and Independent Living shall
6 convene a working group comprising representatives of older Vermonters,
7 home- and community-based service providers, the Office of the Long-Term
8 Care Ombudsman, the Agency of Human Services, and other interested
9 stakeholders to consider extending access to long-term home- and community-
10 based services and supports to a broader cohort of Vermonters who would
11 benefit from them, and their family caregivers, including:
12 (1) the types of services, such as those addressing activities of daily
13 living, falls prevention, social isolation, medication management, and case
14 management that many older Vermonters need but for which many older
15 Vermonters may not be financially eligible or that are not covered under many
16 standard health insurance plans;
17 (2) the most promising opportunities to extend supports to additional
18 Vermonters, such as expanding the use of flexible funding options that enable
19 beneficiaries and their families to manage their own services and caregivers
20 within a defined budget and allowing case management to be provided to
21 beneficiaries who do not require other services;

1 (3) how to set clinical and financial eligibility criteria for the extended
2 supports, including ways to avoid requiring applicants to spend down their
3 assets in order to qualify;
4 (4) how to fund the extended supports, including identifying the options
5 with the greatest potential for federal financial participation;
6 (5) how to proactively identify Vermonters across all payers who have
7 the greatest need for extended supports;
8 (6) how best to support family caregivers, such as through training,
9 respite, home modifications, payments for services, and other methods; and
10 (7) the feasibility of extending access to long-term home- and
11 community-based services and supports and the impact on existing services.
12 (b) The working group shall also make recommendations regarding
13 changes to service delivery for persons who are dually eligible for Medicaid
14 and Medicare in order to improve care, expand options, and reduce
15 unnecessary cost shifting and duplication.
16 (c) The Department shall collaborate with others in the Agency of Human
17 Services as needed in order to incorporate the working group's
18 recommendations on extending access to long-term home- and community-
19 based services and supports into the Agency's proposals to and negotiations
20 with the Centers for Medicare and Medicaid Services for the iteration of
21 Vermont's Global Commitment to Health Section 1115 demonstration that will

1 take effect following the expiration of the demonstration currently under
2 negotiation.
3 (d) On or before January 15, 2023, the Department shall report to the
4 House Committees on Human Services, on Health Care, and on Appropriations
5 and the Senate Committees on Health and Welfare and on Appropriations
6 regarding the working group’s findings and recommendations, including its
7 recommendations regarding service delivery for dually eligible individuals,
8 and an estimate of any funding that would be needed to implement the working
9 group’s recommendations.
10 * * * Summaries of Green Mountain Care Board Reports * * *
11 Sec. 9. 18 V.S.A. § 9375 is amended to read:
12 § 9375. DUTIES
13 * * *
14 (e) The Board shall summarize and synthesize the key findings and
15 recommendations from reports prepared by and for the Board, including its
16 expenditure analyses and focused studies. All reports and summaries prepared
17 by the Board shall be available to and understandable by the public and shall
18 be posted on the Board’s website.
19 * * * Effective Date * * *
20 Sec. 10. EFFECTIVE DATE
21 This act shall take effect on passage.

1 and that after passage the title of the bill be amended to read: "An act
2 relating to health care reform initiatives, data collection, and access to home-
3 and community-based services"
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17 (Committee vote: ___________)
18 _______________________
19 Senator _________________
20 FOR THE COMMITTEE