

Health Care Reform Workgroup

JANUARY 24, 2023 MEETING SUMMARY

Health Care Reform Work Group

**Short-Term
Provider
Stability**

Long Term
Sustainability

Process to Date

Summer

- Focused on stability (workforce, regulation, systems flow, revenue)

Fall

- Establishing a framework to inform discussions on the multi-payer model
- Worked with Green Mountain Care Board to identify a vendor(s) to do statewide data collection and begin evaluate steps and costs for transform or evolve the system with a particular focus on hospital sustainability

Other Related Work

- Negotiated the 1115 model, the federal agreement that outlines Vermont's Medicaid program, to include a provision to allow for federal contributions to provider rate increases
- Extended the All-Payer Model with Medicare

1. Updates on Short-Term Stability Work

Workforce

Utilization of needs-based dollars remaining in the Workforce Recruitment and Retention program

- Releasing the Premium Pay Round 2 application for primary care practices, dentist's offices, and therapeutic community residences by early February
- BAA requests seek to use remaining funds to:
 - Add funding and additional health care employer types to the Nurse Preceptor Program
 - Add a more flexible funding source to cover living costs for the Nursing Pipeline and Apprenticeship Program

Continue to implement recommendations for the Workforce Development Committee related to the critical workforce shortage

- Working with a contractor to design and open applications for the Nurse Preceptor and Nursing Pipeline and Apprenticeship Program this quarter

Regulation

Escalate to CMS and the federal delegation a package of measures to address stability including Medicare rates for home health, nursing home medical director, primary care providers oversight, and current APM limits requests

- Continuing to escalate to CMS the State's need for waivers related to nursing home medical director and primary care provider oversight that had positive outcomes for SNFs during the public health emergency
- Continuing to escalate to the federal delegation the impacts to Vermont providers of Medicare rate adjustments

Provide public comment on the proposed Medicare rate adjustments for home health

- Complete

Implement a short-term rational method for targeting services to the highest need individuals within the Choices for Care program

- Complete

System Flow *(1 of 5)*

Procure through an RFP for Medicaid specialized units in long term care and residential facilities, include an enhanced rate and special worker training to support patients with high acuity mental health, substance use, and developmental disability needs

- In final contracting phase. Goal is to have services available by July 2023

Explore feasibility of caring for high acuity patients in hospital owned LTC facilities, including enhanced rates, increased staffing requirements, and streamlined admissions processes

- Options exist to financially support high acuity patients in the DVHA Medicaid Rate Setting rules (Special Rates, Section 14) and through Medicaid rate adjustments; facility representatives were provided this update
- DAIL had developed an internal process to identify special rates prior to SNF admission, improving efficiency

System Flow *(2 of 5)*

Recruit a cohort of SNFs to become centers of excellence for serving patients with developmental disabilities, mental health and substance use treatment needs

- In 2022, increased special rate tiers to incentivize SNFs to serve people with complex needs
- DAIL is holding an "anti-psychotic use" training with all SNFs on 1/27/23 to dispel any misunderstandings regarding the ability to serve people who use anti-psychotics while maintaining compliance with federal regulations
- The new specialized care SNF mentioned in slide 6 will serve people with complex needs and MAT

Facilitate conversations between DAs, SNFs, and hospitals to develop processes for crisis response at a local level to avoid Emergency Department utilization

- Recommending DAs conduct suicide risk evaluation at the SNF and prior to transport to an emergency department
- Working to determine if the activity is reimbursable

System Flow *(3 of 5)*

Clarify a consistent interpretation and application of the statewide use-of-force policy between the DPS and DAs to assist law enforcement and DA crisis teams safely and effectively respond to individuals in crisis

- Actively meeting with VT Care Partners, DA executive directors and team members
- Improving policy awareness and correcting misinformation
- Identified the need for additional scenario-based training with law enforcement, first responders, and DAs

Clarify a consistent interpretation and application of the statewide use-of-force policy in emergency departments between DPS and hospitals

- Looking to partner with VAHHS to improve communication and the understanding of the policy in the emergency department setting

System Flow *(4 of 5)*

Explore opportunities for obtaining SMART medical clearance in primary care, urgent care and possibly other settings, and for hospitals to accept such patients

- SMART medical clearance can be used from any medical setting; however, it is not utilized broadly outside of the hospital due to the logistics of admission to psychiatric hospitals as well as CMS requirements for meeting inpatient level of care
- DMH and VAHHS are collaborating with inpatient medical directors on a process to allow for community-based referrals
- Working to create a workflow that would allow for same day admissions or crisis bed utilization during wait times

Initiate a conversation between hospitals and designated agencies to open opportunities for increased mental health resource sharing

- Complete

System Flow *(5 of 5)*

Clearly define emergency mental health services within each community and define needed rate adjustments or additional/new programs through an RFP to fill gaps

- Defining emergency mental health service within each community is complete
- Governor's budget allocates funding for statewide expansion of mobile crisis (\$3.15M gross)
- DMH is working with DAs on CCBHCs to identify core services and costs to be considered in alternative payment model discussions
- An opportunity exists to work with SNFs to maximize their local capability, therefore allowing a resident to remain at the facility and avoid emergency department admission

Invest in psychiatric/mental health urgent care by exploring capital investment opportunities and escalating federal regulatory issues of collocating on hospital property

- Obtained approval from CMS to use HCBS FMAP funds for capital investment grants to HCBS providers, including those offering outpatient mental health crisis services
- Governor's budget allocates funding for alternatives to emergency department mental health crisis care (\$1.59M gross)

Revenue (1 of 2)

Conduct rate studies to evaluate Choices for Care rates to determine the sustainability of the program

- In progress, an update is expected later this year
- Governor's budget allocates increase in funding (\$3M gross for HH rates, \$17.79M gross for NH rebasing and inflation factor)

Provide a one-time increased Disproportionate Share Hospital (DSH) payment to hospitals to address hospital revenue losses for fiscal year 2022

- Complete

Study the trend in revenues from the provider tax including the impact of the pandemic compared to the trend in provider rate increases. Determine if there is an opportunity for short-term one-time relief. Forecast long-term provider tax revenue

- Sunsetting the Home Health provider tax

Revenue (2 of 2)

Update rate methodologies and potentially rules to address inflationary costs, including staffing, within cost-based rate methodologies for Skilled Nursing Facilities, Private Non-Medical Institutions, and other residential care providers through the Division of Rate Setting at the Department of Vermont Health Access (DVHA)

- In addition to information on slide 11, Governor's budget allocates \$2.32M gross increase for PNMI to include an inflationary factor in their rates

Increase GME payment to UVMHN utilizing intergovernmental transfers from the University of Vermont

- An increase is included in FY23 BAA requested and Governor's FY24 budget request

Additional budget requests

- Governor's budget allocates one-time \$10M for provider stability (COVID contingency fund) and one-time funding for 2-year Blueprint for Health/Hub and Spoke pilot expansion to integrate mental health and primary care (\$20.9M gross over 2 years)

Updates Forthcoming

System Flow

- Create statewide approach to SNF Medical Director requirements through the engagement and implementation of a shared capacity and utilization potentially through OneCare
- Consider a new collaborative care model that offers telehealth “curbside consultations” for long-term care facilities, and train staff in SNFs in de-escalation techniques

Revenue

- Explore inpatient psychiatric rates

Provider Stabilization Fund FY 23

\$25 million GF Appropriated
Expended \$21.1 million
\$4.9 million remaining

Open capacity in skilled nursing	20%
Supplemental payments (DSH) to hospitals	44%
Provider emergency stabilization payments	24%
Non-federally covered COVID recovery-related expenditures	<u>12%</u>
	100%

Provider Stability Fund FY2024

\$10 million in Governor Recommended Budget

Provider emergency stability payments

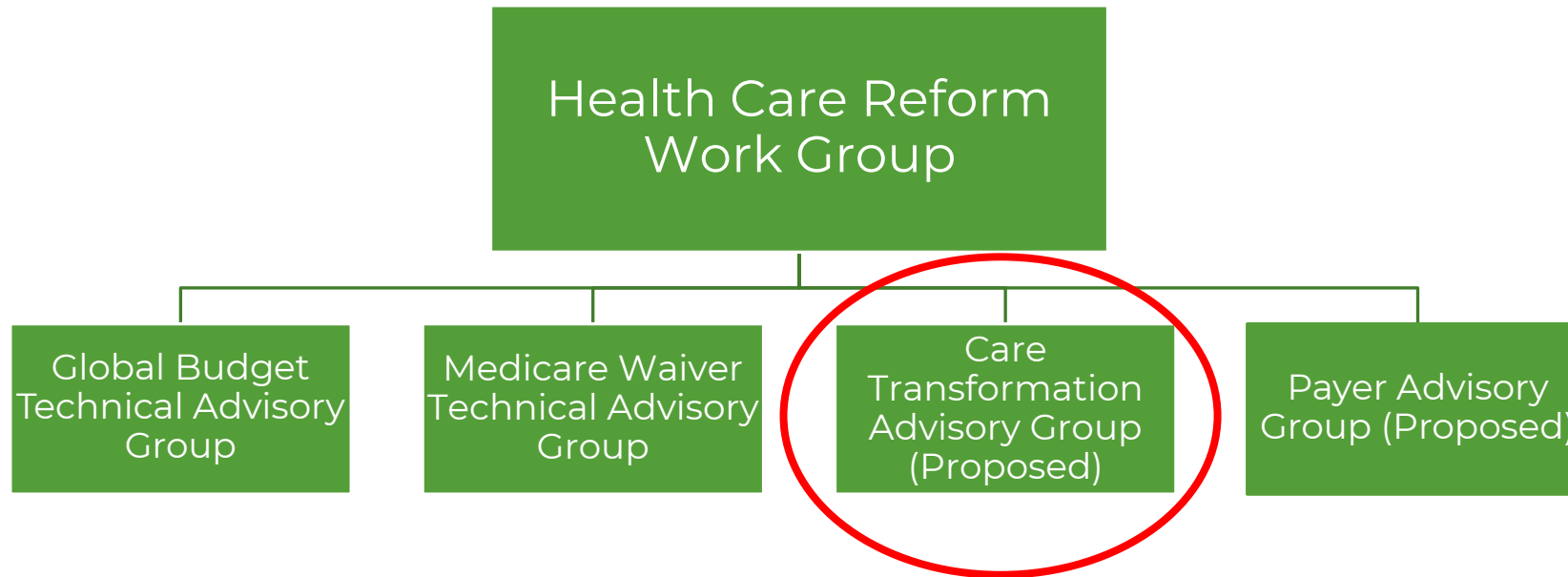
Considering \$16.5 million one-time proposals to improve flow and reduce pressure do to unmet mental health and long term care needs

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Current Advisory Group Structure



Care Transformation Adv Group

Goal: To work with experienced health care leaders to identify and make recommendations about the statewide, regional, and local services needed to meet the needs of Vermonters in four key areas:

Hospital Care

Primary Care

Mental Health and Substance Use Disorder Treatment

Long-Term Care

Advisory Group Scope Work

Gather input from Health Care Reform Work Group and other forums, review quantitative and qualitative data from various sources (including Act 167 work), and engage with leading states and national experts on care transformation.

Identify current state, future goals and direction for Vermont's health care system, operational changes that can help achieve those goals, and supportive payment changes.

Provide recommendations to:

- Agency of Human Services
- Green Mountain Care Board
- Health Care Reform Work Group