



OneCare Vermont

To: Senate Committee on Health and Welfare
From: Abe Berman, Interim CEO
Date: January 26, 2024
Subject: S. 211

Thank you for the opportunity to offer my thoughts on S.211 and to share our experience and thoughts on the future as a regulated entity.

The Vermont All-Payer Accountable Care Organization (ACO) Model (VTAPM) was designed to test whether scaling an ACO structure across all major payers in the state can incentivize broad delivery system transformation to reduce statewide spending and improve population health outcomes. The model builds on nearly two decades of primary care and population health investments in Vermont and a statewide culture of reform. Beginning in 2026, the Centers for Medicare and Medicaid Services will no longer offer single state models, such as the VTAPM, Maryland's All-Payer Model, and Pennsylvania's Rural Health Model. The VTAPM recently entered an extension year for 2024 with the possibility of one additional extension year in 2025 to transition to a new model.

The proposed legislation presents an opportunity to reflect on how regulation has worked thus far and to make improvements as we enter a new phase of our system transformation journey. I am pleased to see that S.211 addresses issues that are not working today such as requiring commercial insurers to participate in reform, clarifying the role and function of the GMCB, and establishing a multiyear focus for measuring success. I support the structural changes suggested in S.211, but most importantly, there needs to be consistency in regulation. I have deep respect for the work that the GMCB and its staff are engaged in. Unfortunately, our experience as a regulated entity has not been consistent or stable. For example, we built our 2024 budget based on guidance provided by the GMCB in mid-2023 only to see the goal posts move significantly to different, previously unknown, and arbitrary criteria during our budget hearing. As such, we are now faced with substantive proposed changes to our operating budget and a risk model that threatens our ability to deliver on our mission. This pattern of significant and unpredictable mid-cycle changes has eroded trust between Vermont's delivery system and the GMCB and is not conducive to making progress on complex health care challenges. Success should be measured longitudinally based on progress against pre-established targets, not based on the prevailing winds of the moment.

Moving our health care system toward a higher quality, better-coordinated model that will keep Vermonters healthier is a significant undertaking. [Research](#) has shown that strong public-private partnerships are foundational for successful innovation. For the partnerships to work, role clarity, stakeholder engagement, and aligned interests are necessary. Effective, consistent, and responsible regulation based on established criteria is also an essential component.

As we move to the next phase of reform, we are compelled to consider how we can continue to build on the momentum and progress made over the last decade. [It is well established](#) that Accountable Care

Organizations, like OneCare Vermont, are an essential mechanism to unite providers across the continuum of care to change the way care is delivered and to move away from fee-for-service. Providers voluntarily entered our program to deliver the best and most cost-effective health care to Vermonters by aligning focus around key population health metrics and providing support, resources, and incentives otherwise unavailable absent the ACO structure.

Without an entity to provide the necessary infrastructure we stand to lose access to data and reporting that drives decision making, progress toward alignment on social determinants of health screening, access to waivers that are easing the transportation issues of Vermonters that need to move from emergency departments to the Brattleboro Retreat, and the Comprehensive Payment Reform (CPR) program that is enabling primary care practices to hire additional practitioners – and expand care teams to address mental health and Substance Use Disorder. Further, without the ACO's eligibility as an Advanced Alternative Payment Model and our quality reporting on behalf of the entire participant network, Vermont providers and hospitals would lose critical revenue and be subject to extensive and resource consuming quality reporting required by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) requirements.

We continue to explore additional pathways and structures that bring providers across the continuum together to further contain cost and improve outcomes for Vermonters as we enhance the way healthcare is coordinated and delivered. One potential pathway we are looking into is to transition from the VTAPM into the Medicare Shared Savings Program (MSSP) as an ACO structure to continue provider led reform in Vermont. MSSP is the most widely adopted and successful ACO program in the country and could continue OneCare's approach to providers bringing firsthand experience and a critical understanding of what needs to change to the forefront of the reform conversation. This exploration is occurring while the state considers the AHEAD model and what's next in terms of government led reform. It's important to recognize that these two pathways are not in conflict. They can coexist and complement one another as they share common goals, albeit different features and structures. The continued existence of an ACO allows disparate providers from across the continuum to collaborate, including community and mental health providers, as well as share information and align incentives around improving care for Vermonters.

We've made significant progress; however, we recognize that not everything has gone according to plan and that our work is far from done. There is so much more we can – and will – do to further innovate and evolve the care delivery system and improve the economics of healthcare for Vermonters. The starting point for reform in healthcare is a strong foundation in what is – and what isn't working today – a willingness to challenge existing norms and paradigms – as well as a commitment to use our New England grit, determination, and fortitude when the going gets tough. The next important step is to set the system up for success and make sure that we are building on our collective progress and not abandoning what is working well as we continue on our journey.