



To : Chair Lyons and Members of the Senate Health & Welfare Committee  
From: Jessa Barnard, Executive Director, Vermont Medical Society, [jbarnard@vtmd.org](mailto:jbarnard@vtmd.org)  
Date: April 7, 2023  
RE: Support for Primary Care within SFY2024 Budget

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I testifying today on behalf of the over 2,600 physician members of the Vermont Medical Society, Vermont Academy of Family Physicians and American Academy of Pediatrics Vermont Chapter.

**First, we ask that you fund for two years a pilot Blueprint for Health expansion of Community Health Teams** (Sections B.1100(m)(3) & B.1100(n)). This is a one-time funding request that will provide critical staffing support to help primary care practices meet patient needs for mental health and substance use disorder services. The House funded one year of the pilot program, however with funds and programming only beginning this July, we are concerned that there will be limited time to gather data and evaluate success before reporting back to the legislature to request a second year of funding. See the presentation on the proposal [here](#).

This pilot will:

- Increase staff for existing Community Health Teams embedded in primary care, including community health workers, social workers and counselors, who will help with screenings for social determinants of health, referrals and care coordination
- Expand from 6 to 12 Family Specialists, who screen and refer families to services

At a time when primary care practices are seeing more and more patients with needs for mental health services, we ask for 2 years of funding for this program.

**Second, our organizations collectively ask for your support of the House-Recommended and Health Care Committee's #1 highest priority recommendation – to increase Medicaid rates in FY24 professional medical services (RBRVS) fee schedule.** Specifically, the House recommends that the fee schedule provides 110% of Medicare rates for primary care services and a 3.8% inflationary adjustment for other medical services contained in the Department of Vermont Health Access RBRVS Fee Schedule (Sections B.301/B.307). 3.8% is the established 2023 Medicare Economic Index (MEI) inflation factor for medical services, a conservative estimate of an increase in costs.

This is compared to a \$380,000 cut to primary care and medical services proposed in the Governor's budget for the RBRVS fee schedule.

There are 13 fewer independent primary care practices in Vermont since 2017. The stories are often sadly similar - clinicians near retirement who are unable to recruit a replacement to take their place given low reimbursement and high administrative burden or pediatric practices who see a high Medicaid volume.

*What are some of the pressures medical practices are facing this year in particular?*

- Due to inflation, expenses such as fuel, electricity and wages, are up.
- Practices received a Medicare cut of 2.0% in 2023 and currently face another 1.5% cut in 2024. The DVHA budget is currently built off of a flawed Medicare formula, which does not require inflationary adjustments. (See <https://www.ama-assn.org/system/files/medicare-pay-chart-2021.pdf>)
- With DVHA required to pause eligibility redeterminations during COVID, medical practices are seeing a higher percentage of patients with Medicaid, lowering overall reimbursement.
- In late December, due to BCBSVT pulling out of One Care Vermont, several monthly payments to primary care have been on hold or reduced.

We ask for your support for the House-recommended budget for the RBRVS fee schedule.

Thank you for your support for primary care. Please reach out with any questions.