

## ***Donahue suggestions***

### **Regarding Health Care Delivery Plan**

#### **Sec. 8**

*Suggestions to incorporate/ replace HRAP and additions to new HC Delivery Plan:*

(2) [open phrase with] “Identify existing services and” promote access...

(5) [list of items to ‘Building on data from’ : ... “ss 9410 HC database”

(6)[insert phrase](A) Identify gaps in access to care, “including disparities in access resulting from geographic, demographic or health status;”

[Add] “(D) priorities in steps for achieving goals of the plan”

[Add] “(E) barriers to adequate MH/SUD resulting from lack of parity in reimbursement rates”

#### **Sec. 9**

*Suggestions for additions to Advisory Committee:*

Users/purchasers

- Business/employers: named by Chamber of Commerce
- MH ombudsman [parallel to HC Advocate]: addressing issues of MH parity

### **Regarding System Wide Oversight, possible structure**

#### **§ 9456. Budget review**

**(a)**The Board shall conduct reviews of each hospital’s proposed budget based on the information provided pursuant to this subchapter and in accordance with a schedule established by the Board.

#### **(b) In conjunction with budget reviews, the Board shall:**

(1) review utilization information;

(2) consider the Health Resource Allocation Plan identifying Vermont’s critical health needs, goods, services, and resources developed pursuant to section 9405 of this title;

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(9) require each hospital to file an analysis that reflects a reduction in net revenue needs from non-Medicaid payers equal to any anticipated increase in Medicaid, Medicare, or another public health care program reimbursements, and to any reduction in bad debt or charity care due to an increase in the number of insured individuals;

(10) require each hospital to provide information on administrative costs, as defined by the Board, including specific information on the amounts spent on marketing and advertising costs;

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(xx) require each hospital to provide a summary of how the offering of a new service that exceeds \$1M in annual operating costs or a capital construction of a health care facility exceeds \$3M, but do not require a CON, meets the HCDP and HRAP

**(c) Individual hospital budgets established under this section shall:**

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*[insert new (d) and re-letter]*

**(d) New service or capital construction plans**

*(1) If a plan under (xx) appears inconsistent w/Delivery Plan or HRAP, the Board may require further information within 30 days to determine whether:*

*(A) The proposed project aligns with statewide health care reform goals and principles because the project:*

*(i) takes into consideration health care payment and delivery system reform initiatives;*

*(ii) addresses current and future community needs in a manner that balances statewide needs, if applicable; and*

*(B) is consistent with appropriate allocation of health care resources, including appropriate utilization of services, as identified in the Health Resource Allocation Plan developed pursuant to section 9405 of this title and the HC Delivery Plan;*

*(C) The cost of the project is reasonable, because the project will not result in an undue increase in the costs of medical care or an undue impact on the affordability of medical care for consumers;*

*(D) The project will not have an undue adverse impact on any other existing services provided by the applicant.*

*(2) Within the scope of the budget review process and timeline, the Board may defer, require revisions, or disapprove from the budget a plan that fails to meet the criteria.*

*(3) A hospital may seek an advanced determination of compliance for planning purposes at any time in advance of the budget submittal timeline. The Board shall notify the hospital within 30 days if further information is required (per d1) and shall provide its determination within 60 days after the information has been submitted.*

**New 18 VSA Ss 9459**

*(a) Health care facilities that are not required to receive budget review and approval shall submit a summary that demonstrates consistency with the HCDP and HRAP of any planned offering of a new health care service that exceeds \$1M in operating costs or establishment of health care facility that exceeds \$3M, but do not require a CON, at least three months prior to commencing the service or project,.*

*(b) If the Board finds that it appears that a plan under (a) is inconsistent w/Delivery Plan or HRAP, the Board shall notify the facility within 30 days after submission and require further information to determine whether:*

*(1) The proposed project aligns with statewide health care reform goals and principles because the project:*

*(A) takes into consideration health care payment and delivery system reform initiatives;*

*(B) addresses current and future community needs in a manner that balances statewide needs, if applicable; and*

(2) is consistent with appropriate allocation of health care resources, including appropriate utilization of services, as identified in the Health Resource Allocation Plan developed pursuant to section 9405 of this title and the HC Delivery Plan;

(3) The cost of the project is reasonable, because the following conditions is met:(B) The project will not result in an undue increase in the costs of medical care or an undue impact on the affordability of medical care for consumers.

(4) The project will not have an undue adverse impact on any other existing services provided by the applicant.

(c) If the Board does not approve the plan within 60 days after the information is submitted, or finds that the plan is inconsistent with the criteria, the facility may submit the plan for a CON in the same manner as if it met the jurisdictional thresholds of 18 VSA 9434.

(d) The offering of a health care service or establishment of a health care facility exempt from the CON process under s9435(j) shall comply with this section. If the Board does not approve the plan within 60 days after any required information is submitted, the applicant may submit the information to the General Assembly for authorization to proceed.