

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Health Care to which was referred Senate Bill No. 189
3 entitled “An act relating to establishing a process for reducing or eliminating
4 hospital services” respectfully reports that it has considered the same and
5 recommends that the House propose to the Senate that the bill be amended by
6 striking out all after the enacting clause and inserting in lieu thereof the
7 following:

8 Sec. 1. 18 V.S.A. § 9405d is added to read:

9 § 9405d. HOSPITAL SERVICE REDUCTIONS; NOTICE REQUIRED

10 **(a)(1)(A) A hospital that is considering reducing or eliminating any of**
11 **the following services shall provide a preliminary notice of intent to the**
12 **Agency of Human Services and the Green Mountain Care Board as set**
13 **forth in subdivision (B) of this subdivision (1):**

14 **(i) emergency department services;**

15 **(ii) primary care services;**

16 **(iii) obstetrics;**

17 **(iv) perinatal care;**

18 **(v) inpatient psychiatric services;**

19 **(vi) dialysis; or**

20 **(vii) inpatient pediatric services.**

1 **(B) The information to be provided by the hospital in its**
2 **preliminary notice of intent shall include:**

3 **(i) the rationale for the proposed reduction or elimination;**

4 **(ii) the financial impacts on the hospital both of maintaining**
5 **the service and of eliminating the service; and**

6 **(iii) a description of all possible alternatives to the proposed**
7 **reduction or elimination that were considered and the reasons they were**
8 **not pursued.**

9 **(2) The Agency of Human Services shall evaluate the information**
10 **provided by the hospital in its preliminary notice of intent pursuant to**
11 **subdivision (1) of this subsection, the financial impact of the proposed**
12 **reduction or elimination on Vermont’s health care system, and the impact**
13 **of the proposed reduction or elimination on access to health care services**
14 **in the region.**

15 **(3)(A) The Agency and the Green Mountain Care Board may**
16 **consult with a hospital that has submitted a preliminary notice of intent**
17 **pursuant to subdivision (1) of this subsection regarding the proposed**
18 **reduction or elimination in order to explore opportunities to maintain the**
19 **service or otherwise to address the circumstances that prompted the**
20 **proposed reduction or elimination.**

1 **(B) A hospital that is considering reducing or eliminating any**
2 **service other than those listed in subdivisions (1)(A)(i)–(vii) of this**
3 **subsection (a) may choose to provide a preliminary notice of intent to the**
4 **Agency of Human Services and the Green Mountain Care Board that**
5 **includes the information described in subdivision (1)(B) of this subsection**
6 **(a) and to engage with the Agency and the Board in the consultation**
7 **process set forth in subdivision (A) of this subdivision (3).**

8 **(4) All information and materials related to a preliminary notice of**
9 **intent and related consultation pursuant to this subsection, including all**
10 **materials provided by the hospital to the Agency or the Board, shall be**
11 **exempt from public inspection and copying under the Public Records Act**
12 **and shall be kept confidential.**

13 **(b)(1) If a hospital elects to proceed with the proposed reduction or**
14 **elimination of a service described in subdivisions (a)(1)(A)(i)–(vii) of this**
15 **section after engaging in the processes set forth in subsection (a) of this**
16 **section, then within 90 days after the hospital provided the preliminary**
17 **notice of intent required by subdivision (a)(1) of this section or upon the**
18 **conclusion of the confidential consultation process set forth in subdivisions**
19 **(a)(3)–(4) of this section, whichever occurs first, the hospital shall provide**
20 **a notice of intent to the Agency of Human Services, the Green Mountain Care**

1 Board, the Office of the Health Care Advocate, and the members of the
2 General Assembly who represent the hospital service area.

3 **(2) The notice of intent required by subdivision (1) of this subsection**

4 **shall:**

5 **(A) explain the rationale for the proposed reduction or elimination;**

6 **(B) set forth a proposed timeline for the proposed reduction or**
7 **elimination and a transition plan;**

8 **(C) be provided** not less than 60 days prior to the **effective date of**
9 **the** proposed reduction or elimination;

10 **(D) be posted on the hospital's website; and**

11 **(E) be published** ~~the notice~~ in a newspaper of general circulation in
12 the hospital service area within 10 days after notice is provided pursuant to
13 subdivision (1) of this subsection (b).

14 ~~. The notice shall explain the rationale for the proposed reduction or~~
15 ~~elimination and describe how it is consistent with the Statewide Health Care~~
16 ~~Delivery Strategic Plan, once established, and the hospital's most recent~~
17 ~~community health needs assessment conducted pursuant to section 9405a of~~
18 ~~this title and 26 U.S.C. § 501(r)(3).~~

19 ~~(2) Post the notice of intent on the hospital's website beginning on or~~
20 ~~before the day on which the notice is provided pursuant to subdivision (1) of~~
21 ~~this subsection.~~

1 ~~(3) Publish the notice in a newspaper of general circulation in the~~
2 ~~hospital service area within 10 days after notice is provided pursuant to~~
3 ~~subdivision (1) of this subsection.~~

4 **(3) In addition to the notice of intent required by subdivision (1) of**
5 **this subsection, the hospital shall** conduct a public engagement process,
6 including holding one or more public hearings in the county in which the
7 hospital is located and soliciting and responding to public comments, regarding
8 the proposed service reduction or elimination. The public engagement process
9 ~~may begin prior to providing the notice required by subdivision (1) of this~~
10 ~~subsection and~~ shall continue for not less than 30 days following the notice
11 **required pursuant to subdivision (1) of this subsection.** The hospital shall
12 provide a summary of the community’s response to the proposal, including the
13 public comments received, to the Agency of Human Services, **the Green**
14 **Mountain Care Board, and the Office of the Health Care Advocate**
15 following the conclusion of the public engagement process.

16 ~~(b) The Agency of Human Services shall:~~

17 ~~(1) analyze each proposed service reduction or elimination for~~
18 ~~consistency with the Statewide Health Care Delivery Strategic Plan, once~~
19 ~~established, and the community health needs assessment;~~

20 ~~(2) consider the community’s response and the impact of the proposal~~
21 ~~on access to necessary care and services in the hospital service area; and~~

1 ~~(3) provide nonbinding recommendations regarding the proposed~~
2 ~~reduction or elimination to the hospital, the Green Mountain Care Board, and~~
3 ~~the public.~~

4 (c) If a hospital elects to proceed with reducing or eliminating a service
5 after completing the processes set forth in subsections (a) and (b) of this
6 section, then within five business days after making the decision to proceed,
7 the hospital shall notify the Agency of Human Services to inform the Agency’s
8 health care system transformation efforts and future versions of the Strategic
9 Plan and the Green Mountain Care Board to enable the Board to review the
10 impact on the hospital’s budget pursuant to subdivision 9456(e)(2) of this title.

11 Sec. 2. 18 V.S.A. § 9456 is amended to read:

12 § 9456. BUDGET REVIEW

13 * * *

14 (e)(1) The Board, in consultation with the Vermont Program for Quality in
15 Health Care, shall utilize mechanisms to measure hospital costs, quality, and
16 access and alignment with the Statewide Health Care Delivery Strategic Plan,
17 once established.

18 ~~(2)(A) Except as provided in subdivision (D) of this subdivision (e)(2), a~~
19 ~~hospital that proposes to reduce or eliminate any service in order to comply~~
20 ~~with a budget established under this section shall provide a notice of intent to~~
21 ~~the Board, the Agency of Human Services, the Office of the Health Care~~

1 ~~Advocate, and the members of the General Assembly who represent the~~
2 ~~hospital service area not less than 45 days prior to the proposed reduction or~~
3 ~~elimination.~~

4 ~~(B) The notice shall explain the rationale for the proposed reduction~~
5 ~~or elimination and describe how it is consistent with the Statewide Health Care~~
6 ~~Delivery Strategic Plan, once established, and the hospital's most recent~~
7 ~~community health needs assessment conducted pursuant to section 9405a of~~
8 ~~this title and 26 U.S.C. § 501(r)(3).~~

9 ~~(C) The Board may evaluate the proposed reduction or elimination for~~
10 ~~consistency with the Statewide Health Care Delivery Strategic Plan, once~~
11 ~~established and the community health needs assessment, and may modify the~~
12 ~~hospital's budget or take such additional actions as the Board deems~~
13 ~~appropriate to preserve access to necessary services.~~

14 ~~(D) A service that has been identified for reduction or elimination in~~
15 ~~connection with the transformation efforts undertaken by the Board and the~~
16 ~~Agency of Human Services pursuant to 2022 Acts and Resolves No. 167 does~~
17 ~~not need to comply with subdivisions (A)–(C) of this subdivision (e)(2).~~

18 Upon receipt of notification from a hospital pursuant to subsection
19 9405d(b) of this title that the hospital intends to reduce or eliminate a service
20 following its completion of the process set forth in subsection 9405d(a) of this
21 title, the Board shall review the impact of the reduction or elimination on the

1 hospital’s approved budget. The Board may adjust the hospital’s budget as
2 necessary to reflect the elimination or reduction, which may include directing
3 that any savings related to the reduction or elimination are returned to
4 Vermonters to address affordability concerns or to payers to be reflected in
5 health insurance premiums or are reinvested in primary care, prevention, and
6 other community-based services.

7 (3) The Board, ~~in collaboration with the Department of Financial~~
8 ~~Regulation,~~ shall monitor the implementation of any ~~authorized decrease~~
9 ~~reduction in or elimination of~~ hospital services to determine its benefits to
10 Vermonters or to Vermont’s health care system, or both.

11 * * *

12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on passage.

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18 (Committee vote: _____)

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Representative _____

FOR THE COMMITTEE