

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 ELIMINATIONS**:

10 NOTICE REQUIRED

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

15 (i) emergency department services;

16 (ii) primary care services, **including closing a site at which**  
17 **primary care services are provided**;

18 (iii) obstetrics;

19 (iv) perinatal care;

20 (v) inpatient psychiatric services;

1                    **(vi) treatment for substance use disorder, including**  
2                    **medication for opioid use disorder;**

3                    **(vii) dialysis, including closing a site at which dialysis services**  
4                    **are provided;** or

5                    **(viii) inpatient pediatric services.**

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

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

9                    (ii) the financial impacts on the hospital both of maintaining the  
10                    service and of eliminating the service; and

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

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

20                    (3)(A) The Agency and the Green Mountain Care Board may consult  
21                    with a hospital that has submitted a preliminary notice of intent pursuant to

1 subdivision (1) of this subsection (a) regarding the proposed reduction or  
2 elimination in order to explore opportunities to maintain the service or  
3 otherwise to address the circumstances that prompted the proposed reduction  
4 or elimination.

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

12 (4) All information and materials related to a preliminary notice of  
13 intent and related consultation pursuant to this subsection, including all  
14 materials provided by the hospital to the Agency or the Board, shall be exempt  
15 from public inspection and copying under the Public Records Act and shall be  
16 kept confidential, except that the Agency and the Board shall provide  
17 access to information and materials related to the proposed elimination of  
18 a service described in subdivisions (1)(A)(i)–(viii) of this subsection to the  
19 Office of the Health Care Advocate, which shall not further disclose this  
20 confidential information.

1        (b)(1) If a hospital elects to proceed with the proposed ~~reduction or~~  
2        elimination of a service described in subdivisions (a)(1)(A)(i)–(viii) of this  
3        section after engaging in the processes set forth in subsection (a) of this  
4        section, then within 90 days after the hospital provided the preliminary notice  
5        of intent required by subdivision (a)(1) of this section or upon the conclusion  
6        of the confidential consultation process set forth in subdivisions (a)(3) ~~and~~ (4)  
7        of this section, whichever occurs first, the hospital shall provide a notice of  
8        intent to the Agency of Human Services, the Green Mountain Care Board, the  
9        Office of the Health Care Advocate, and the members of the General Assembly  
10       who represent the hospital service area.

11       (2) The notice of intent required by subdivision (1) of this subsection  
12       shall:

13           (A) explain the rationale for the proposed ~~reduction or~~ elimination;

14           (B) set forth a proposed timeline for the proposed ~~reduction or~~  
15       elimination and a transition plan;

16           (C) be provided not less than 60 days prior to the effective date of the  
17       proposed ~~reduction or~~ elimination;

18           (D) be posted on the hospital’s website; and

19           (E) be published in a newspaper of general circulation in the hospital  
20       service area within 10 days after notice is provided pursuant to subdivision (1)  
21       of this subsection (b).

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

12           (c) If a hospital elects to proceed with ~~reducing or~~ eliminating a service  
13           **described in subdivisions (a)(1)(A)(i)–(viii) of this section** after completing  
14           the processes set forth in subsections (a) and (b) of this section, then within  
15           five business days after making the decision to proceed, the hospital shall  
16           notify the Agency of Human Services to inform the Agency’s health care  
17           system transformation efforts and ~~future versions of~~ the **Statewide Health**  
18           **Care Delivery** Strategic Plan and the Green Mountain Care Board to enable  
19           the Board to review the impact on the hospital’s budget pursuant to subdivision  
20           9456(e)(2) of this title.

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

2 § 9456. BUDGET REVIEW

3 \* \* \*

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

8 ~~(2)(A) Except as provided in subdivision (D) of this subdivision (e)(2), a~~  
9 ~~hospital that proposes to reduce or eliminate any service in order to comply~~  
10 ~~with a budget established under this section shall provide a notice of intent to~~  
11 ~~the Board, the Agency of Human Services, the Office of the Health Care~~  
12 ~~Advocate, and the members of the General Assembly who represent the~~  
13 ~~hospital service area not less than 45 days prior to the proposed reduction or~~  
14 ~~elimination.~~

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

20 ~~(C) The Board may evaluate the proposed reduction or elimination for~~  
21 ~~consistency with the Statewide Health Care Delivery Strategic Plan, once~~

1 established and the community health needs assessment, and may modify the  
2 hospital's budget or take such additional actions as the Board deems  
3 appropriate to preserve access to necessary services.

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

8 Upon receipt of notification from a hospital pursuant to subsection  
9 9405d(c) of this title that the hospital intends to reduce or eliminate a service  
10 following its completion of the process set forth in subsections 9405d(a) and  
11 (b) of this title, the Board shall review the impact of the reduction or  
12 elimination on the hospital's approved budget. The Board may adjust the  
13 hospital's budget as necessary to reflect the elimination or reduction, which  
14 may include directing that any savings related to the reduction or elimination  
15 are reflected in health insurance premiums or are reinvested in primary care,  
16 prevention, and other community-based services.

17 (3) The Board, ~~in collaboration with the Department of Financial~~  
18 ~~Regulation,~~ shall monitor the implementation of any authorized decrease in  
19 ~~reduction or~~ elimination of hospital services to determine its benefits to  
20 Vermonters or to Vermont's health care system, or both.

21 \* \* \*

1       Sec. 3. EFFECTIVE DATE

2           This act shall take effect on passage.

3           and that after passage the title of the bill be amended to read: “An act relating  
4           to establishing a process for the elimination of certain hospital services”

5

6

7

8

9

10

11

12

13

14

15           (Committee vote: \_\_\_\_\_)

16

17

18

\_\_\_\_\_

Representative \_\_\_\_\_

FOR THE COMMITTEE