



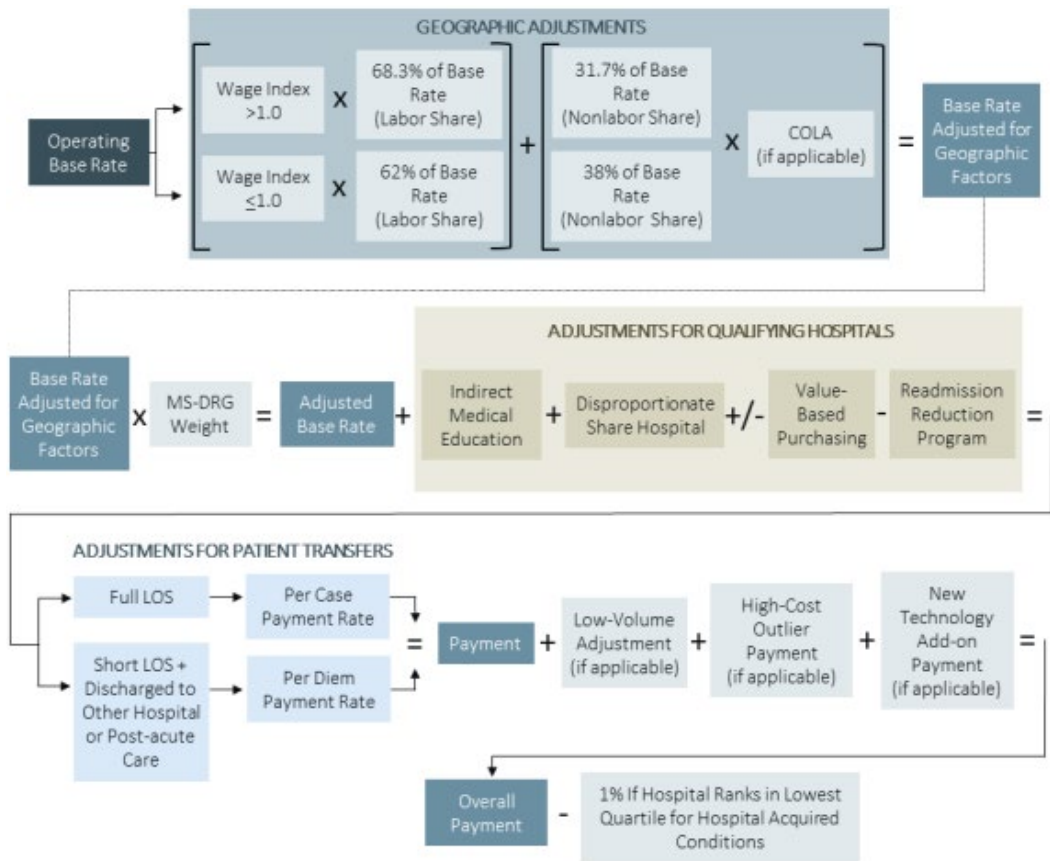
S.190 Green Mountain Care Board, Reference-Based Pricing, and Public Employee Health Benefit Authority

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1/28/26

Sec. 1: Reference-Based Pricing Reporting



- Hospitals report their prices as a percentage of Medicare reimbursement
- **VAHHS Proposal:** For standardization purposes, GMCB defines Medicare base rate in rule, calculates prices as percentage of Medicare and hospitals will post for transparency purposes

Sec. 2 Limitations on Hospital Reimbursements

Affordability Action Plan

- Reduced operational expenses by \$230M for FY2026
- Pledge to further reduce operational expenses by \$50M/year for FY 2027 & FY 2028
 - Total of \$330M reduction in 3 years
- Hospital Transformation: \$40M in savings

QHPs at 250% of Medicare

- GMCB must operationalize
- In Feb/March, GMCB estimate of over \$50M impact to hospitals
 - S.190 has flexibility for hospitals to raise other rates within budget
- Latest estimates are \$130M-\$150M
 - Hospitals will not have negotiating power to raise rates to this extent

VAHHS cannot support QHPs at 250% in Sec. 2, 33 V.S.A. 1815

Sec. 3 Hospital Budgets and Budget Review

Affordability Action Plan

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 - Total of \$330M reduction in 3 years
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Targeting high prices

- Medicare adjusted base rate should be what hospitals are reimbursed so that hospitals can understand calculations and policy decisions are considered
- Targeting high prices aligns with Affordability Action Plan pledge

VAHHS supports 18 VSA 9459(b) & (c), targeting high prices to meet budget

Sec. 5: Hospital Outsourcing



HEALTH

New emergency services team takes over at Springfield Hospital

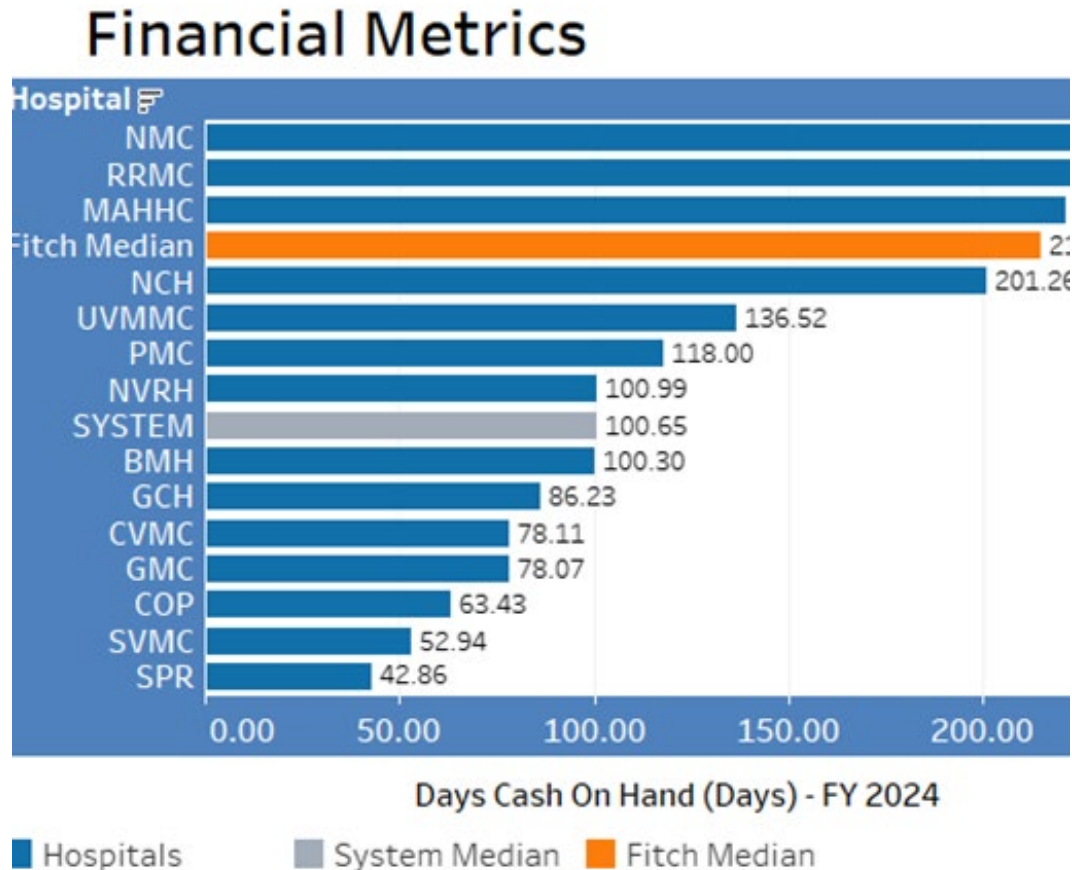
By Katy Savage

April 9, 2019, 9:29 pm

- Hospitals have historically had “outsourcing” arrangements through physician groups
- Regulation without understanding impact could jeopardize access

VAHHS supports hospital reporting and GMCB stakeholder process with findings and recommendations

Sec. 8: Health System Performance Tool



VAHHS has developed a hospital performance tool that will be publicly available

Tool measurements include:

- Financial
- Quality
- Access

Sec. 11 Critical Access Hospitals; Medicare Outpatient Cost Sharing

GMCB Hospital Budget Guidance stated that the GMCB may take the following steps to address this Medicare issue at Critical Access Hospitals:

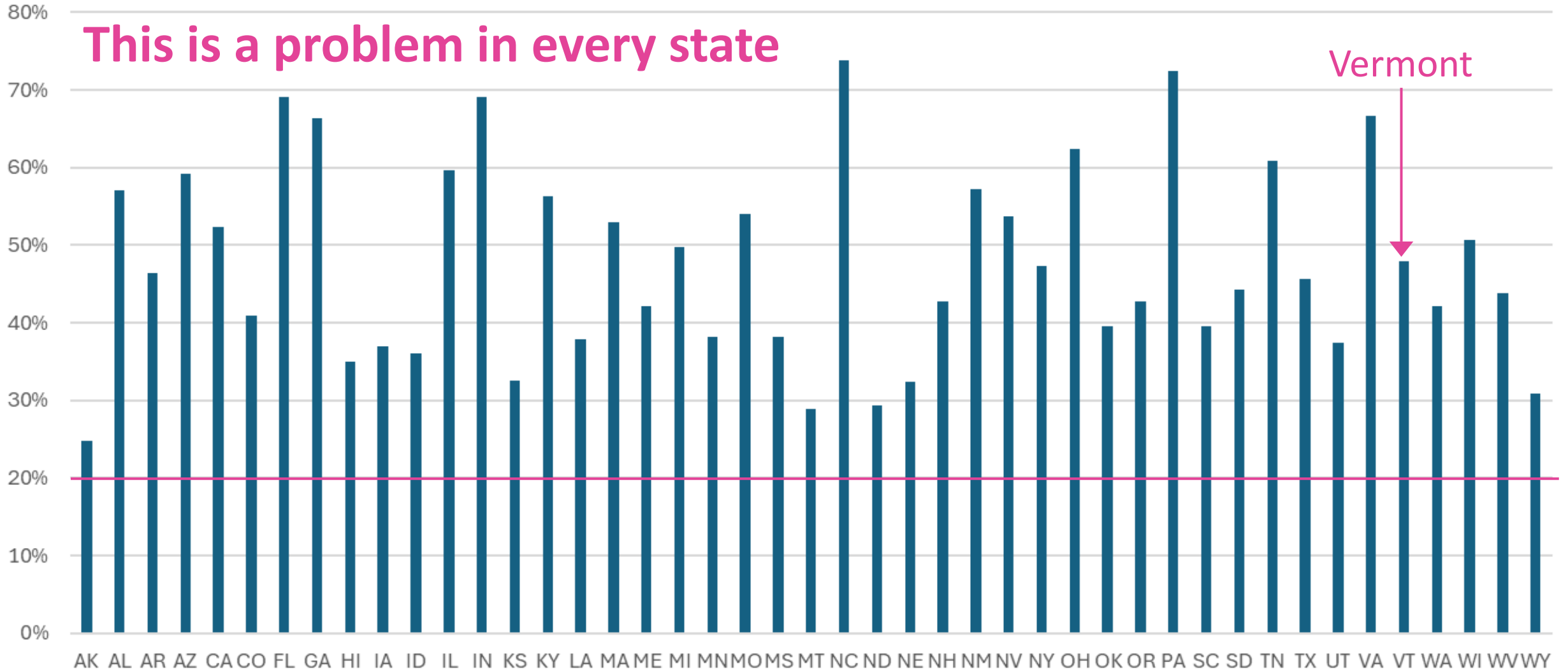
1. Reducing charges
2. Limiting patient cost-sharing
3. Requiring public notice and full transparency
4. Or more

[pg. 22 GMCB FY 2027 Hospital Budget Guidance and Reporting Requirements, Mar. 31 2026](#)

Patient % of Part B Medicare Allowed Amount

Source: Marilyn Bartlett NASHP Testimony to GCMCB Feb. 11, 2026

This is a problem in every state



Sec. 11 Critical Access Hospitals; Medicare Outpatient Cost Sharing



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1. Reducing charges to Medicare impacts what hospitals get paid by commercial insurance

- GACB wants hospitals to lower their charges to Medicare reimbursement
- Commercial contracts pay less than the hospital charge
- If charge = Medicare reimbursement, hospitals will receive less than actual cost from payers, risking hospital closure

Sec. 11 Critical Access Hospitals; Medicare Outpatient Cost Sharing

Now

Hospitals Charging at Medicare Rate

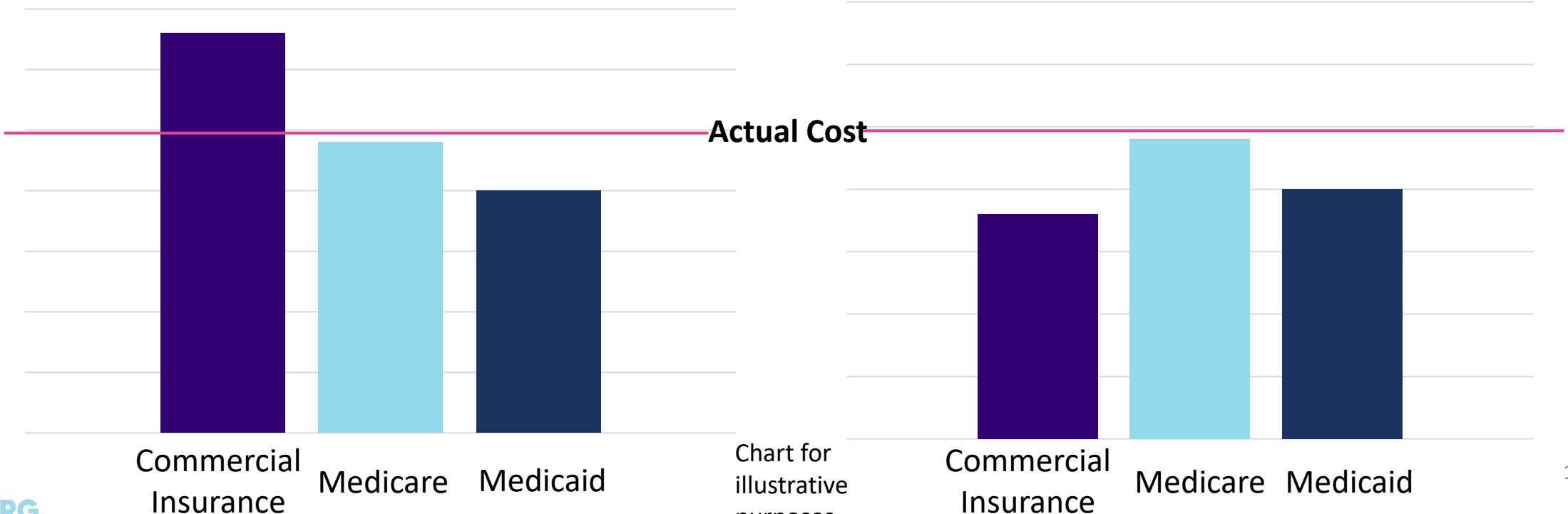


Chart for illustrative purposes

Sec. 11 Critical Access Hospitals; Medicare Outpatient Cost Sharing

2. Limiting cost-sharing

- Is a violation of federal law if done by the hospital individually
- Medicare policy set cost-sharing decades ago to help the federal government save money
- VAHHS is in contact with CMS on compliance with federal law



Sec. 11 Critical Access Hospitals; Medicare Outpatient Cost Sharing



3. Public notice and transparency

- Hospitals can do this
- VAHHS is working on a standardized template

VAHHS supports Sec. 11 and GMCB working group and recommendations



Thank you

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