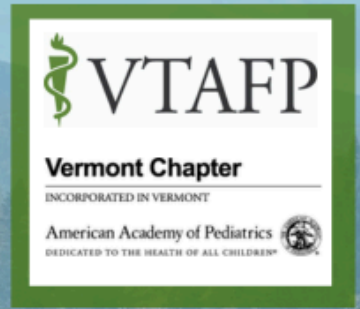




Vermont
Medical
Society



All Vermonters
Need
primary
care



FY 2026 Budget Needs

February 2025

Primary care in Vermont has been in a precarious position due to systemic underfunding and workforce challenges. We face a new one-time cliff in 2026 – a loss in over \$15 million of primary care dollars due to delaying the start of the AHEAD Model. The legislature has the opportunity to stabilize and invest in the future of primary care in Vermont through innovative workforce development initiatives and sufficient ongoing payments.

ONE-TIME FUNDING

- **Practice Sustainability/Health Reform - Fill the SFY2026 \$5,514,308 primary care funding gap**
 - This gap is created by Vermont deciding not to join the AHEAD Model until 2027, which creates a gap in funding for primary care practices between the end of the ACO and start of the AHEAD Model.
 - This ask includes filling one fiscal year's loss of Population Health Model (PHM) Program funding for all OneCare Participating primary care practices (\$4,678,966) and the Comprehensive Payment Reform independent primary care prospective payment program (\$835,342).
- **Workforce - Support the Maple Mountain Consortium family medicine residency program**
 - The program creates a new primary care pipeline and will train 4 family medicine trainees per year between Gifford and Lamoille Health Partners/Copley Hospital starting in July 2026. \$4.06 million total is needed in one-time funding over SFY2026-2028. Likely matchable by Global Commitment.
- **Fill the \$10.8 million in lost Medicare payments to Blueprint for Health Community Health Teams, Patient Centered Medical Homes and the SASH program.**
 - We support the Governor's SFY2026 Recommend, which includes this funding.

BASE FUNDING

- **Workforce - Continue the Medical Student Incentive Scholarship Program**
 - Provides scholarships for up to 10 third- and fourth-year UVM medical students who commit to practicing primary care outside of Chittenden County. To date 22 scholarships have been awarded. The program is scheduled to sunset July 1, 2027. Please remove the 2027 sunset and invest \$500,000 per year for this vital recruitment and retention tool.
- **Practice Sustainability/Health Reform -**
 - **Continue the Blueprint for Health expansion pilot to assist practices to address mental health, SUD and SDOH needs**
 - The pilot funding will end this year absent legislative action. While the Governor's SFY2026 Recommend allows carry over funding to be used for the pilot for a third year, there is no funding allocated and it is unclear how much carryover is available – this pilot is needed, including support for existing DULCE practices.
 - **Adjust fee schedules for the cost of providing care:**
 - The Medicaid professional (RBRVS) fee schedule should adjust to account for the Medicare Economic Index inflation measure of 3.5% and FQHC encounter rate should reflect the cost of care.



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