



VAHHS supports H.96, which raises the jurisdictional thresholds and creates new exemptions for the Certificate of Need (CON) process. We appreciate the efforts of Health First in this effort along with the Green Mountain Care Board. Below are specific comments from VAHHS:

### **Section 1: Jurisdictional Thresholds**

- Equal thresholds: VAHHS supports increasing thresholds equally for all organizations
- Inflation adjustment: Given the economic landscape and increased inflation, VAHHS requests the change below. The Green Mountain Care Board currently has a standing order to adjust the jurisdictional threshold annually, and this language would memorialize that practice:
  - (e) The Board may shall periodically adjust the monetary jurisdictional thresholds contained in this section.

### **Section 2: Exclusions**

- Fully depreciated equipment: VAHHS supports excluding replacement of equipment that is fully depreciated. In the past, the CON process for replacing vital equipment has disrupted access to care.
- State-supported projects: We also support the Agency of Human Services proposal to exempt state-owned or substantially state-funded projects. These projects go through a public legislative process and a rigorous and transparent contracting process before moving forward. Continuing an additional administrative layer adds to the cost of the project and creates a chilling effect for other organizations coming forward to take on state projects.
  - For example, Southwestern Vermont Medical Center was the only hospital to respond to the State's request for an adolescent inpatient psychiatric unit. The CON process has lasted 12 months. In that time, the cost of the project has increased by about \$1 million.

### **Section 3: Effective Date**

- Effective upon passage: Given the retroactivity in the current language, VAHHS advocates for changing the effective date to upon passage as opposed to waiting until July 1.

### **Health Care Advocate Proposal**

- Medicare breakeven +10%: VAHHS does not support the Health Care Advocate's proposal that the Green Mountain Care Board consider requiring large health care facilities to charge no more than the Medicare breakeven price + 10%. First, a process is in motion with S.126 for the Green Mountain Care Board to set reference-based pricing which should inform any pricing considerations. Also, mere consideration of a rate could



have a chilling effect on new services at a time when we are looking to expand affordable care.