

MEMORANDUM

TO: Senate Committee on Health and Welfare

FROM: Alex McCracken, Director of Communications and Legislative Affairs
Department of Vermont Health Access

DATE: February 13, 2025

SUBJECT: DVHA Testimony Regarding S.18

Thank you, Madam Chair, Senators. For the record, my name is Alex McCracken, director of communications and legislative affairs for the department of Vermont Health Access, or DVHA.

I will keep my remarks brief this morning, as the committee has already heard quite a bit of valuable testimony from other witnesses, and I will do my best to not be redundant, Madam Chair.

This is new territory for DVHA; as others have noted, Vermont has not previously had free standing birth facilities. As such, our department's work in this area is quite recent and limited.

DVHA appreciates the evidence presented by your witnesses this morning that the creation of these facilities would result in lower overall costs to VT Medicaid. Medicaid already covers labor and delivery for home births and hospital births. Instituting birth centers in Vermont would not increase the number of deliveries, but would provide an additional, potentially lower cost, facility for those deliveries. The intention of this bill fits squarely within the Department's mission to provide high quality, affordable health care access to all Vermonters.

DVHA also acknowledges the evidence presented that these centers may improve health outcomes, and lead to increased health equity for Medicaid members. This, again, is directly aligned with our mission.

I would like to provide two caveats:



- First, that much of the implementation of this bill would fall to VDH, with DVHA acting only in the role of the payor. We would encourage the committee to receive testimony and comments from VDH to provide a complete picture from the State's perspective.
- Second, Medicaid coverage of services in free standing birth centers would require a State Plan Amendment to provide reimbursement. VT does not currently have federal authority to reimburse for services in free standing birth centers, and we would like to restate our previous recommendation of caution when approaching the federal government for additional authorizations, given the current federal context.

With those two caveats in mind, DVHA is excited by the prospect of this bill and we do not currently have opposition to the bill as written.

Thank you, Senators, Chair Lyons. I am happy to provide any additional information that I am able to on behalf of the department.