



STATE OF VERMONT  
AGENCY OF HUMAN SERVICES

**MEMORANDUM**

**TO:** General Assembly

**FROM:** Hal Cohen, Secretary, Agency of Human Services

**CC:** Steven Costantino, Commissioner, Department of Vermont Health Access

**DATE:** 10/28/2015

**SUBJECT:** Extension Request: Global Commitment to Health Demonstration Waiver

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The State of Vermont, Agency of Human Services (AHS), plans to submit an extension request to the Centers for Medicare and Medicaid Services (CMS) for its Section 1115(e) Demonstration Waiver: Global Commitment (GC) to Health. The extension request will be submitted by 12/31/2015 for the period from 1/1/2017 to 12/31/2021.

The GC Demonstration was designed to test the hypothesis that greater program flexibility in the use of Medicaid resources and the lessening of federal restrictions on Medicaid services would permit the State to better meet the needs of Vermont's uninsured, underinsured and Medicaid beneficiaries for the same or lower cost. Specifically, the GC Demonstration aims to:

1. Increase access to affordable and high-quality health care.
2. Improve access to primary care.
3. Improve the health care delivery for individuals with chronic care needs.
4. Contain health care costs.
5. Allow beneficiaries a choice in long-term services and supports and provide an array of home- and community-based alternatives recognized to be more cost-effective than institutional-based supports.

This extension request proposes no changes to the Demonstration currently in effect. Summary of Extension Proposal:

- Continue the current public Medicaid managed care model and all current payment and service system flexibilities;

- Continue premium subsidies for individuals with incomes up to and including 300% of FPL who purchase insurance through the Health Benefit Exchange;
- Continue coverage of existing home and community-based programs;
- Continue coverage of specialized mental health services through continuation of the Community Rehabilitation and Treatment Program benefit;
- Continue authorities and preserve choice for Long Term Support and Service beneficiaries.

Although no changes are proposed to the current Demonstration model, Vermont remains at the forefront of state-based health care reform and is poised to incorporate future goals under the current design. Future goals envision the creation of an all-payer model of care. All-Payer efforts include the continued alignment of the Global Commitment (GC) to Health Section 1115 Demonstration and current State Innovation Model (SIM) work with the State's pursuit of related Medicare waivers. These efforts aim to increase value-based payments, accelerate payment reform, and put total health care spending on a more sustainable trajectory. Within the overall health reform framework, Vermont's Medicaid goal is to maintain the public managed care model to ensure maximum ability to serve Vermont's most vulnerable and lower-income residents while moving towards broader state and federal health care reform goals.

The GC Demonstration has served as a foundational tool in Vermont's health reform model. The current GC construct provides the flexibility to improve access to health coverage and care based on individual and family needs. It is crucial to maintain these foundations of health care delivery for Vermont's most vulnerable and lower-income citizens while aligning our shared federal and state priorities.

The complete draft extension request, including financial data (preliminary budget neutrality data from 2017 through 2021); the current Demonstration Special Terms and Conditions; and the 2015 Interim Program Evaluation can be found at: <http://dvha.vermont.gov/global-commitment-to-health/1115-global-commitment-waiver-extension-request>.

Public Hearings will be held on

- 11/12/2015 from 2:00pm-2:30pm at the Comfort Inn, 213 Paine Turnpike N, Montpelier, VT 05602 (call in number: 1-866-951-1151 Room #1880970), following a 1:30pm presentation about the Global Commitment to Health extension request to the DAIL Advisory Board.
- 11/23/2015 from 3:00pm-3:30pm at the Department of Vermont Health Access (DVHA), 312 Hurricane Lane, Suite 201, Williston, VT 05495 (call in number: 1-877-273-4202, Guest Pin # 8327340), following a presentation about the Global Commitment to Health extension request to the Medicaid and Exchange Advisory Board at 2:30pm.

Written public comments on the draft are due 12/10/2015 by 4:30pm. Written comments should be sent via email to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov) or by mail to Dylan Frazer at 208 Hurricane Lane, Williston, VT 05495. Comments received will be posted to the DVHA website for viewing by 4:30pm on 12/21/2015.