

Green Mountain Care Board
89 Main Street
Montpelier, VT 05620

[phone] 802-828-2177
www.gmcboard.vermont.gov

Alfred Gobeille, Chair
Con Hogan
Jessica Holmes, PhD
Betty Rambur, PhD, RN
Allan Ramsay, MD
Susan Barrett, JD, Executive Director

To: Senate Health and Welfare Committee, House Health Care Committee, Senate Finance Committee, House Ways and Means Committee, and Joint Fiscal Committee
From: Susan Barrett, Executive Director Green Mountain Care Board
Re: Green Mountain Care Board Mid-Year Report
Date: June 23, 2015

This is a mid-year update of the work before the Green Mountain Care Board (GMCB). In 2011, through the passage of Act 48, the Legislature created the GMCB to improve the quality of the health care system while stabilizing costs. Act 48 provided the GMCB with the authority to regulate the health care system, promote innovation in health care payment and delivery, and evaluate those efforts.

Over the next several months, the GMCB's work includes hospital budget review and hearings, review of insurance premium rate requests and the review of nine Certificate of Need (CON) applications. The GMCB will also be researching and producing five reports and studies that are new requirements from the 2015 legislative session. Further, the Board and staff are facilitating innovation through provider-led payment and delivery system reforms.

Outlined below are some key hearings, meetings and reports that will be occurring over the upcoming months. To view the GMCB's full calendar, please visit our [website](#). The GMCB holds weekly board meetings on Thursdays, from 1:00 PM to 4:00 PM at 89 Main St., 2nd Floor, Montpelier, VT. These meetings are open to the public and available for viewing via our [website](#) and [Orca Media](#). We also would like to extend an invitation to you and your constituents to attend.

Hospital Budget Review and Hearings: The GMCB's review is guided by 18 V.S.A §9456, GMCB Hospital Budget Rule 3.000 and by the Board's [policies](#) on net patient revenue, community needs assessments, physician transfers, and enforcement.

- July 23 - Preliminary Budget Overview (GMCB Board Room)
 - *Staff will provide first overview of 2016 submitted budgets*
- Aug 25-27 - Public hearings on hospital budgets (Capital Plaza)
 - *July-August - GMCB's questions, analysis and findings prepared by staff*
- Sept 10 - GMCB Vote on Decisions

Rate Review Hearings: The GMCB must approve, modify, or disapprove a rate request within 90 days from the date it was filed. The GMCB is currently reviewing the MVP Health Plan (MVPHP) and the Blue Cross and Blue Shield of Vermont (BCBSVT) 2016 Vermont Health Connect Rate Filings. Public hearings for these filings will take place on July 28 (MVPHP) and July 29 (BCBSVT) from 9am to 1pm, in Room 11 at the State House in Montpelier. BCBSVT has requested an average annual rate increase of 8.4% over 2015 rates. MVP has requested an average annual rate increase of 3.0% over 2015 rates. The insurers cite increasing medical and



pharmacy prices, as well as costs related to federal and state requirements, as the drivers behind the requested rate increases. Click [here](#) for further information.

Certificate of Need: The GMCB is currently reviewing nine CON applications. Click [here](#) for additional information.

1. Newport Health Care Center and Newport Residential Care Center (purchase of facilities by a Delaware LLC)
2. Fletcher Allen Health Care, Replacement of Inpatient Beds
3. Vermont Open MRI (to continue existing operation, replacement MRI)
4. Copley Hospital (demolition of existing building and construction of new operating room suite, renovation, relocation of inpatient rehab services)
5. Fletcher Allen Health Care Land Acquisition (on hold, pending inpatient replacement bed decision)
6. VNA of Chittenden and Grand Isle County (construction of new Respite House)
7. Purchase of Brookside Health and Rehabilitation Skilled Nursing Facility in White River and Green Mountain Nursing Home in Colchester
8. Redstone Villa in St. Albans (proposed purchase of Skilled Nursing Facility)
9. Northwestern Medical Center (single occupancy rooms for med/surg and ICU and renovations to establish centralized registration for non-emergent services)

Legislative Reports:

Bill/§	Subject	Purpose	Due
S.139 Sec 21	Consumer Information and Price Transparency	Directs GMCB to evaluate potential models for allowing consumers to compare information about health care cost and quality across VT	10/1/15
S.139 Sec 47	Repurpose excess hospital funds	Directs GMCB to identify “stranded dollars” in FY 2016 hospital budget review process and report to the General Assembly	10/15/15
S.139 Sec 15	Large Group Market; Impact Analysis for 2018 Transition	Directs GMCB to analyze projected impact on rates in the large group market if large employers buy Exchange plans beginning in 2018	1/15/16
S.139 Sec 28	DA Budgets analysis	Directs GMCB to analyze budget and Medicaid rates in one or more Designated Agencies , similar to hospital budget review	1/31/16
S.139 Sec 23	Provider parity implementation plan	Insurers to submit to GMCB. GMCB to provide update on progress in annual report	7/1/16

Payment and Delivery System Reform: All Payer Model

An all-payer model is an agreement between the state and the federal government on a sustainable rate of growth for health care spending in the state and would include strict quality and performance measurement. An agreement would also include all necessary Medicare waivers, the new structure of a global commitment waiver for Medicaid, and the state’s vision for the payment of providers. GMCB staff are working with the Agency of Administration and federal partners to determine if an all-payer model agreement will benefit Vermont.

- cc: Speaker Shap Smith
 President Pro Tempore John Campbell
 Senator Jane Kitchel
 Representative Mitzi Johnson
 Representative Anne O’Brien

