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Topic: All-Payer Model

Comment:

I recently read the Vermont Digger Article regarding the discussion at the GMCB meeting regarding the One Care budget. I also read most of the comments that have been submitted to the GMCB. If it is not too late, I would like to add my own comment to the ones you have already received.

First, I would like to thank the GMCB for allowing a budget review process that is so open and transparent. It is obvious that achieving healthcare reform is extremely difficult. It is also clear that individuals and organizations bring very different perspectives into the debate regarding the best course of action to take achieve the goals that I believe we all agree upon --- i.e. reduced cost, better quality, and improved access/affordability for all Vermonters.

In 2011 with the passage of ACT 48 and then subsequent legislation and administrative decisions, Vermont embarked upon a path of healthcare reform that encourages cooperation and collaboration among hospitals and other healthcare providers, payers, community-based providers, and advocates. The culmination of this approach occurred in 2017 with the state of Vermont entering into a five-year All-Payer Model Agreement with CMS/CMMI that establishes specific goals/targets which provide for limits on the increases of healthcare costs, measures of quality performance and outcomes, and the number of Vermonters that will be attributed under the terms of the Agreement.

Achievement of these goals is very much dependent upon the movement of healthcare payments away from fee-for-service and towards value-based payments that may include capitation, global budgets, shared-savings arrangements, and other financial rewards for achieving specific quality performance and outcome goals. The structure that Vermont chose to achieve these goals is an Accountable Care Organization (ACO), OneCare Vermont, that has been charged with the task of organizing Vermont's healthcare and community-based service providers through participation agreements, and for holding their participating members accountable for meeting the goals of the All-Payer Model.

The GMCB is responsible for holding the ACO accountable for creating the organizational structures, oversight, and support necessary to allow its participating members to be successful within the constraints of a reasonable budget.

At this time, the GMCB is exercising its regulatory authority through its review of OneCare's FY 2019 budget and a more general review of the progress OneCare has made toward meeting the goals achieved during the first year of the All-Payer Model Agreement.

I think it's fair to say that the results of the first year are mixed. I do not think it's fair to say that this experiment in healthcare reform has been a failure and should be terminated.

If you consider the comments from the Hospital Association, VNA's of Vermont, Vermont Food Bank, Area Agencies on Aging, and SASH, one could infer that great progress is being made, and that OneCare has the support of Vermont hospitals (that have put themselves at significant financial risk to support these initiatives) and is making significant efforts to support the efforts of many community-based organizations. Other commenters have raised concerns that too much public money is flowing into OneCare, and that OneCare has added additional administrative costs to the system. They are concerned that OneCare has not met many of the quality performance goals that were established, and that consolidating so much power into one organization is not in the best interests of Vermonters. They also express concerns that the GMCB has not exercised its authority to adequately regulate the ACO and

is actually conflicted by serving as both regulator and, in effect, an advocate for the success of the ACO. I believe these are honest expressions of concern that should be addressed.

However, we must also keep in mind that we have not yet completed one full year of a five-year agreement. I thought Jeff Tieman, President and CEO of the Vermont Association of Hospitals and Health Systems said it well in his

comments: "Few, if any other states are working so boldly, deliberately and collaboratively to coordinate care and redesign the delivery model to focus on wellness. This work is compelling and critical. It requires various providers to build new alliances, optimize the use of clinical data and address factors beyond health care (e.g., housing, food, transportation).

OneCare Vermont plays a vital role in all of those components."

While OneCare plays a vital role in achieving success, others must play their part as well. In order to meet the scale of attributed lives covered by the All-Payer Agreement, Blue Cross and MVP need to be more open to negotiating agreements with OneCare to bring more covered lives into the system under terms similar to those of Medicare and Medicaid. The State and self-insured hospitals should do the same with their employees.

Since lives are attributed to OneCare based on an attribution process through primary care physicians, its time for those large FQHCS, that have not yet agreed to fully participate, to show good faith by becoming full participating members in OneCare in 2019. They would bring thousands of lives into the system, and, in Rutland specifically, would enable Rutland Regional Medical Center, one of the original supporters of the All-Payer Model, to fully participate with OneCare.

The Legislature, too, must understand and appreciate the bold steps they have taken to encourage these reform initiatives, and should do what they can to support the infrastructure needs that are required to be successful.

The Green Mountain Care Board must also be courageous in exercising the authority it has to hold the ACO, the hospitals, and the insurance companies accountable for meeting the terms of the Agreement. They should also be mindful of not making decisions that undermine the opportunities for success as they consider CONs or other requests for new services brought to the Board.

If we succeed, Vermont could become the model for the nation in achieving a state-wide, collaborative approach to healthcare reform within the context of a strong regulatory model. The concerns that have been raised should be addressed, as I believe they will be. But let's turn those concerns into ways to improve and build on what has been accomplished, not to undermine the progress that has been achieved to date.