

GREEN MOUNTAIN CARE BOARD (GMCB)
GMCB Board Meeting Minutes
Tuesday, September 11, 2018
2:00 pm

Attendance

Kevin J. Mullin, Chair
Susan J. Barrett, JD, Executive Director
Judy Henkin, General Counsel
Robin Lunge, JD, MHCDS
Maureen Usifer
Jessica Holmes, PhD
Tom Pelham

Executive Director's Report

Kevin Mullin called the meeting to order at approximately 2:00 pm. Susan Barrett announced the Board received six additional public comments regarding hospital budgets.

Minutes

The Board voted (5-0) to approve the minutes from September 5, 2018.

Hospital Budget Discussion and Potential Vote(s)

Pat Jones, Director of Health System Finances, GMCB
Lori Perry, Healthcare Financial Systems Senior Analyst, GMCB
Kelly Theroux, Healthcare Financial Systems Analyst, GMCB

Pat Jones recapped the hospital budget timeline and the Board's work to date. Kelly Theroux described the ACO-related accounting information on slide 6. Pat presented on Central Vermont Medical Center (CVMC), discussing the NPR growth with and without the staff recommended adjustments. The Board made a note they were all in agreement for the increase for provider transfers of \$250,525 for dermatology effective in FY19. The Board also made a note they agreed with CVMC's HCR investments. The staff recommended a commercial rate increase of 2.8% or lower. Maureen made a motion to approve a 3.2% NPR growth rate for CVMC. Tom seconded. Maureen mentioned that perhaps the Board should wait to vote and withdrew the motion.

Pat presented Porter Medical Center's information. The staff recommended to accept the HCR investments as is and accept or reduce the NPR growth rate and commercial rate increase. Pat mentioned Porter is a hospital that reserved its risk for participating in the ACO model, which is about \$2.2 million and the risk does not show up in NPR. The NPR rate is lower than if it treated the reserves for risk differently. The Board chose to accept the health care reform investments for Porter Medical Center, which is \$335,000.

Pat presented the slides for University of Vermont Medical Center. The staff suggested the accounting adjustment be considered a factor in decision making and adjust the growth rate. For the health care reform investments, the staff recommended that Board accepts a 0.4% allowance. The staff also recommended the Board accept or reduce the NPR growth rate as well as the commercial rate increase.

Lori presented the Grace Cottage information. Jess made the motion to accept the staff recommendation of a 3.5% NPR growth rate and rate request of 3.2% for Grace Cottage. Robin seconded the motion. The motion was approved unanimously. Lori outlined the staff recommendations for Mt. Ascutney. Robin moved to accept the staff recommendations for Mt. Ascutney for an NPR growth of 5.2%, a commercial rate increase of 2.9% and the proposed 0.4% allowance of \$194,729 for the HCR investments. The Board discussed the motion. Jessica seconded the motion and the board approved the motion unanimously. Lori outlined the staff recommendations for Gifford Medical Center. Maureen made a motion to approve the commercial rate for 2.75% and not adjust the NPR. Tom seconded the motion and the board approved the motion unanimously. Lori discussed the staff recommendations for North Country Hospital. Jess made a motion to accept the staff recommendation with an NPR growth rate of 3.1% and commercial rate increase of 3.6% as well as a 0.3% allowance for the HCR investments.

Lori reviewed the staff recommendations for Southwestern Vermont Medical Center (SVMC). Jess made a motion to approve the staff recommendation for a commercial rate increase of 3% with the associated NPR growth with the adjustments for the CON and approval of the HCR investments. Maureen seconded the motion. Maureen amended to keep the NPR growth rate at 3.2%. The board voted unanimously to approve the motion with the amendment. Jessica made a motion to approve the staff recommendation for Rutland Regional Medical Center with a commercial rate increase of 2.6% and a revised NPR of 3.1% and the proposed HCR investments of \$1,012,440. Robin seconded the motion. The board approved the motion unanimously. Pat outlined the staff recommendation options for Copley Hospital. The Board discussed the recommendations. Robin made the motion to allow for a commercial rate increase of 4.5% and an NPR of 3.2% and to accept the HCR investments for \$66,351. Maureen seconded. The Board voted unanimously to approve the motion. For more information, please see the slide deck [here](#).

Public Comment

Jennifer Bertrand
Dale Hackett
Ham Davis
Marc Stanislas

Old Business

None

New Business

None

Adjourn

The Board voted (5-0) to adjourn at 4:00 pm.

GREEN MOUNTAIN CARE BOARD (GMCB)
GMCB Board Meeting Minutes
Wednesday, September 12, 2018
9:30 am

Attendance

Kevin J. Mullin, Chair
Susan J. Barrett, JD, Executive Director
Judy Henkin, General Counsel
Robin Lunge, JD, MHCDS
Maureen Usifer
Jessica Holmes, PhD
Tom Pelham

Executive Director's Report

Kevin Mullin called the meeting to order at approximately 2:00 pm.

Hospital Budget Discussion and Potential Vote(s)

Pat Jones, Director of Health System Finances, GMCB
Lori Perry, Healthcare Financial Systems Senior Analyst, GMCB
Kelly Theroux, Healthcare Financial Systems Analyst, GMCB

Pat Jones recapped the Board approved seven of the thirteen hospitals' budgets yesterday, September 11, 2018. She outlined the staff's recommendations for Northeastern Vermont Regional Hospital. Jessica made a motion to support the staff recommendation of a 4.3 % NPR rate increase and a 3.0% commercial rate increase, accept the staff recommended FY18 base adjustment and accept the HCR investment allowance for \$300,000. Robin seconded the motion and the Board unanimously voted to approve the motion.

Pat presented the staff recommendation for Brattleboro Memorial Hospital. The Board discussed what their own recommendations were. Tom made a motion to accept the recommendation for the NPR as requested at 4.8% and cut the commercial rate to 3.9%. There was no second to Tom's motion. Maureen made a motion to approve the NPR of 3.2% and commercial rate increase of 3.9%. Tom seconded the motion and the Board approved the motion 3-2. Robin and Jessica voted to not approve.

Pat outlined the recommendations for Northwestern Medical Center to the Board; they recommended the Board approve the adjustment to the FY18 base, the HCR investments, the NPR growth rate, and the commercial rate increase as requested. Jessica made a motion to accept the adjustment to the FY18 base for \$3,249,654, accept the HCR investments for \$424,513, accept the NPR growth rate of 3.2% and the commercial rate increase of 2.0%. Maureen seconded the motion. There was discussion from the Board. The Board voted to approve the motion unanimously.

Pat outlined the staff recommendations for Springfield Hospital to accept or reduce the requested 1% NPR growth rate and the 5.0% commercial rate increase. After discussion, Jessica made a motion to accept a 5.0% commercial rate increase and the accompanying percentage of the 1.0% NPR. Robin seconded the motion and the Board 4-1 voted to support the motion. Maureen voted to not approve.

Pat reviewed the recommendations for Central Vermont Medical Center and there was discussion by the Board regarding CVMC's budget. Jessica made a motion for a 5.0% NPR rate increase and a 2.8% commercial rate increase, accept the staff recommendation for a FY18 base adjustment and accept the HCR investment of \$766,000. Robin seconded the motion. The motion failed 2-3. Maureen made a motion of a 5.0% NPR rate increase and a 1.8% commercial rate increase, accept the staff recommendation to FY18 base adjustment and accept HCR investment of \$766,000. Tom seconded the motion. The Board voted to approve the motion 3-2. Jessica and Robin voted to not approve the motion.

Pat reviewed the staff recommendations for Porter Medical Center. Robin made a motion to accept the staff recommendation of the adjustment to FY18 base and the HCR investments for \$335,000. Maureen seconded. The Board approved the motion unanimously. The Board discussed the hospital's requested NPR growth rate and commercial rate increases. Jessica moved to accept the Porter Medical center proposed growth rate at 3.25% and to approve a 2.8% commercial rate increase. The Board voted 3-2 to approve the motion. Tom and Maureen voted to not approve.

Pat reviewed the recommendations for University of Vermont Medical Center and the hospital's requests. Jessica made a motion to support the staff recommendation of a 1.1% NPR rate increase and a 2.5% commercial rate increase, support the staff recommendation of FY18 base adjustment of \$7,919,705 and accept the 0.4% allowed HCR investment of \$5,009,188. Kevin seconded the motion and the Board voted 5-0 to approve the motion unanimously.

Jessica made a motion to add language to each budget order asking the hospitals to work with VITL to explore the possibility of implementing electronic consent in their electronic health records to add patient records to VHIE. Jessica also wanted to add language to the budget orders for those hospitals in the ACO to explore the possibility to attribute their self-insured employees to OneCare, as well as add clear language in the budget orders that commercial rates are a ceiling. The Board expects negotiations between hospital and carriers to reflect underlining cost and market rates for comparable services. Jessica made a note that the Board would not dictate rates but set a ceiling. Judy questioned if the Board has the authority to put a cap on commercial rates since the Board cannot control all the commercial rates. The motion was changed to reflect

the Board cannot place a ceiling on the commercial rate, but the hospitals should use it as a guideline. Kevin added an amendment to encourage all the hospitals to look at their self-insured population, not just the hospitals in the ACO. Jessica accepted Kevin's amendment. Robin seconded the motion and the amendment. The Board voted 5-0 to approve the motion and amendment unanimously. For more information, please see the presentation [here](#).

The Board moved to adjourn at 10:50 am and reconvene at 1:00 pm.

GMCB Data Analysis Presentation

Kuukuwa Kotoka, Healthcare Statistical Analyst, GMCB
Sarah Lindberg, Health Service Researcher, GMCB

Sarah Lindberg started the presentation a short introduction. Kuukuwa Kotoka discussed the background information and presented the 2012 to 2016 data regarding office visits and pricing. For more information, please see the presentation [here](#).

Public Comment

None

Old Business

None

New Business

None

Adjournment

The Board voted 5-0 to adjourn at 1:30 pm