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March 6, 2019

Kevin Mullin, Chair
Green Mountain Care Board
144 State Street
Montpelier, VT 05602

Re: OneCare Vermont ACO 2018 Budget Order Amendment Request

Dear Chair Mullin and Members of the Green Mountain Care Board:

The Office of the Health Care Advocate (HCA) is writing to respond to OneCare Vermont's (OneCare) request to the Green Mountain Care Board (Board) to amend its 2018 budget order. OneCare asks the Board to approve two modifications to its previously approved 2018 budget: 1) a reduction in the amount it holds in reserves and 2) a reduction to the percentage of its budget that it contributes to population health initiatives.¹ Because most of the risk under OneCare's model is divided between insurers and hospitals, we have no objection to the modification to OneCare's reserves.

We are concerned, however, with OneCare's request to reduce the percentage of its budget that pays for population health management and payment reform programs from 3.1% to 2.5%. OneCare's mission, as written on its website, describes OneCare as "a statewide population health organization."² Improving the health of Vermont's population and meeting population health goals is central to the success of Vermont's All Payer Model and is a goal shared by OneCare, the Board, and the HCA. Yet, when looking specifically at OneCare's actual budget, the change from spending a minimum of 3.1% of its actual budget on population health to 2.5%, cuts OneCare's 2018 population health investments by over 3.7 million dollars, a 19% reduction.³

OneCare states that the main reasons behind this budget variance is lower primary care provider participation than predicted and lower community program investments, especially for RiseVT. However, OneCare's challenges to get these programs off the ground in 2018⁴ do not eliminate Vermont's significant need for these investments. The minimum amount the Board ordered

¹ OneCare Vermont ACO 2018 Budget Order Amendment Request, December 7, 2018, <https://gmcboard.vermont.gov/sites/gmcb/files/Memo%20to%20GMCB%20re%20Amending%202018%20Budget%20Order.pdf>.

² OneCare Vermont, <https://onecarevt.org/>.

³ Numbers taken from OneCare's February 27, 2019 presentation to the GMCB, which provided an actual spending on population health investments of \$15,481,260. If this is 2.5% of OneCare's full budget, 3.1% of its budget would be \$19,196,762.

⁴ In reference to RiseVT's funding, OneCare explained that program coordinators were being recruited in the early months of the program, but now all six planned project coordinator roles are filled. These coordinators work with the community to develop initiatives to advance the primary prevention goals of RiseVT. *Supra* Note 1 at 4.

OneCare to spend on population health in 2018 should not be set aside due to delays in implementation in the face of Vermont's demonstrated need for population health management initiatives.

Population health investments take time to have an impact on population health, and we are in year two of the five year All Payer Model. We need to prioritize investing as much as we can as early as we can in order to meet the model's goals. As we are behind schedule for implementing population health programs such as RiseVT's community health initiatives, the unspent population health money from 2018 should not be absorbed by OneCare for other purposes. Instead all unspent money should be used to increase OneCare's population health budget for 2019.

There is no shortage of promising population health initiatives in Vermont that need additional funding. We ask the Board to order OneCare to apply the full amount it underspent on population health programs in 2018 to increase its 2019 population health investments.

Thank you for considering these comments.

Sincerely,

The HCA Policy Team

s\ Mike Fisher, Chief Health Care Advocate

s\ Kaili Kuiper, Staff Attorney

s\ Eric Schultheis, Staff Attorney

s\ Julia Shaw, Health Care Policy Analyst