

**TO:** Rivka Friedman  
Director, State Innovations Group  
Acting Director, Prevention and Population Health Group  
Center for Medicare and Medicaid Innovation  
Centers for Medicare and Medicaid Services

**FROM:** Kevin Mullin  
Chair, Green Mountain Care Board  
State of Vermont

**RE: 2021 Vermont Medicare ACO Initiative Benchmark Request (Section 8.b.ii.2.)**

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Dear Ms. Friedman:

In accordance with Section 8 of the Vermont All-Payer Accountable Care Organization (ACO) Model Agreement (APM Agreement), the Green Mountain Care Board (GMCB) submits a proposal for the 2021 Vermont Medicare ACO Initiative Benchmarks (Benchmarks).

Due to the continuing, substantial uncertainty posed by COVID-19, further complicated by questions related to the speed and costs associated with the recovery in Vermont, the GMCB proposes to maintain a retrospective approach for the 2021 Benchmarks. The GMCB voted unanimously (4-0, one member not present) to approve the proposal on December 23, 2020.

Proposed Approach:

- CMS and the GMCB will collaborate to calculate the 2021 Benchmarks when 3 months of paid claims run out is available for calendar year 2021. The revised calculations will use the trend rates that represent the observed changes in actual per beneficiary expenditures between 2021 and 2020 by comparable reference populations per Section 8.b.ii.1.d of the Agreement. Trends will be calculated separately for the ESRD and non-ESRD populations for use in their respective Benchmarks.
- The GMCB will once again carefully review the final Benchmarks to ensure they “incentivize high-quality care, promote efficient care, and support improvement in the health of aligned beneficiaries” as described in Section 8.b.ii.1.a. of the APM Agreement.



- On December 23, 2020, the GMCB voted to approve the fiscal year 2021 budget of OneCare Vermont Accountable Care Organization, LLC, the only ACO expected to participate in the Vermont Medicare ACO Initiative in 2021. As part of its budget approval, the Board required OneCare to fund the Support and Services at Home (SASH) program at no less than \$4,140,865 and the Blueprint for Health's primary care medical home and community health teams at no less than \$4,626,268 in the upcoming year. Section 8.b.iii of the APM Agreement envisions such direction from the GMCB and the GMCB considers these programs to be critical in achieving the goals set forth in the APM Agreement. It is the GMCB's continuing position that these investments should be protected despite the uncertainty faced by providers more globally. Accordingly, the GMCB proposes including \$8,767,133 in the 2021 Benchmark calculations, to be distributed to the ACO in advance of settlement.

The challenges of using retrospective trends in setting the 2021 Benchmarks are that the ACO will have more difficulty in tracking its performance. Therefore, the GMCB requests that this approach comes with the understanding that:

- Financial flexibilities associated COVID-19 will be extended to the ACO through the entire the federal Public Health Emergency (i.e., reducing downside risk for the relative duration of the public health emergency in 2021 and removing COVID-19 episodes from the ACO's TCOC).
- CMMI will provide monthly reporting to track the current retrospective trends to date.
- The experience for 2020 that will be used to trend to 2021 will be calculated as soon as practicable, understanding that this must be balanced with the calculations needed to finalize the 2020 Benchmarks.

The advantages of transforming the healthcare delivery system to a more sustainable, value-based model have never been clearer in Vermont. It would not be possible without your partnership and we look forward to continuing to work with you in 2021.

Sincerely,



Kevin Mullin  
Chair, Green Mountain Care Board  
Date: December 23, 2020

CC: Fatema Salam, MPH, Health, Insurance Specialist, Division of All-Payer Models, State Innovations Group, CMMI  
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