

ACO Oversight Guidance re Rule 5.000

Executive Compensation Structure

May 5, 2021



Background



- As part of FY21 budget oversight and certification process for OneCare Vermont, the Board asked legal to consider requirements for ACO executive compensation structure.
- Broader revision of Rule 5.000 was deferred to later date.
- Proposing interpretive guidance regarding the requirements for executive compensation structure within the scope of current Rule 5.000.

Interpretive Guidance



- GMCB Rule 5.000, § 5.203(a) states: “An ACO must have a leadership and management structure that aligns with and supports the ACO’s efforts to improve Quality of Care, improve population health, and reduce the rate of growth in health care expenditures.”
- To comply with § 5.203(a) of the Rule, an ACO must structure its executive compensation to achieve specific and measurable goals that support the ACO’s efforts to reduce cost growth or improve the quality and overall care of Enrollees, or both.
 - Executive compensation is a necessary part of ACO leadership and management structure.
 - Guidance advances health care reform principles stated in 18 V.S.A. § 9371 and is informed by GMCB’s experience with ACO budget oversight.
- Annual eligibility verification submitted by an ACO must verify the ACO meets the requirements of § 5.203(a), including this guidance.

Questions, Comments, Potential Vote



- Questions or comments?
- Proposed motion language:

The Green Mountain Care Board approves the interpretive guidance of GMCB Rule 5.000, § 5.203(a), regarding the requirements for the structure of executive compensation in the form presented to the GMCB.