



# Potential Amendments to OneCare Vermont FY24 Budget Order

## GMCB Staff Presentation

May 22, 2024

# FY24 Budget Order, Condition 19



- “After notice and an opportunity to be heard, the GMCB may make such further orders as are necessary to carry out the purposes of this Order and 18 V.S.A. § 9382.”
- On 5/8/24 the Board moved to consider two potential additions to FY24 Budget Order, requiring OneCare to prospectively:
  - Include in its hospital provider contracts a method for tracking population health investments for primary care; and
  - Track and report on its administrative expenses by function or program.
- OneCare has not provided a written response to these motions but may respond at today’s meeting prior to a vote.

# Investments to Strengthen Primary Care



- 18 V.S.A. § 9382(b)(1)(G)
  - The Board shall review and consider “the extent to which the ACO provides incentives for systemic health care investments to strengthen primary care, including [...] providing resources to expand capacity in existing primary care practices.”
- FY24 Budget Order (p. 34)
  - “The level of support for primary care resources proposed in OneCare’s budget [...] is vital to the goals of strengthening primary care.”
  - “OneCare declined to provide requested information about how it ensures primary care-earned incentive dollars are flowing to these providers and/or are being invested into primary care transformation efforts.”

# Investments to Strengthen Primary Care



- FY24 Budget Order, Condition 17
  - “OneCare shall provide to the GMCB verification [...] that all OneCare population health payments presented by OneCare in its FY24 budget as incentives that support primary care are reaching primary care providers.”
- Letter from OneCare to GMCB (2/13/24)
  - OneCare explained that it would not provide this verification.
  - “[D]irecting participating providers to expend funds in the manner contemplated by the Oath is not something the OneCare Board of Managers has felt is necessary or advisable and is not a current contractual obligation.”

# Template Motion Language



Move that the Board amend the OneCare Vermont FY24 Budget Order by ordering OneCare to prospectively include in its contracts with hospital providers

- **Option 1:** a method of tracking population health payments to ensure those payments strengthen the provision of primary care.
- **Option 2:** contract language stating that the hospital shall use all funds received from OneCare for primary care investment to enhance primary care initiatives, which otherwise would not be funded to the same extent.

# Administrative Budget by Function



- 18 V.S.A. § 9382(b)(1)(D)
  - The Board shall review and consider “the character, competence, fiscal responsibility, and soundness of the ACO and its principals.”
- December 2021 Recommendations from Damore Health\*
  - “OCV should integrate a program evaluation process into its annual strategic and operational planning processes to measure program effectiveness and to identify programs for modification or elimination based on data and actual program effectiveness.”

[\\*Recommendations to the Green Mountain Care Board: Accountable Care Organization \(ACO\) Oversight](#)

# Administrative Budget by Function



- FY24 Budget Order, Condition 9
  - Ordered OneCare to submit a revised budget, using a template provided by GMCB staff.
  - GMCB staff prepared FY24 Revised Budget Workbook, which included a template for reporting OneCare's administrative budget by function.
- Letter from OneCare to GMCB (2/13/24)
  - Explained that OneCare does not track its administrative expenses in this manner and so would not complete this template as requested.

# Template Motion Language



“Move that the Board amend the OneCare Vermont FY24 Budget Order by ordering OneCare to track, starting July 1, 2024, its administrative and operational expenses by function, such that OneCare and the Board can sufficiently identify the administrative and operational expenses of various OneCare programs. OneCare shall track these expenses using the functions outlined in the FY25 Budget Guidance Workbook. It shall report on FY24 actuals in its FY25 budget submission.”



# Template Motions



## Motion 1:

- Move that the Board amend the OneCare Vermont FY24 Budget Order by ordering OneCare to prospectively include in its contracts with hospital providers
  - **Option 1:** a method of tracking population health payments to ensure those payments strengthen the provision of primary care.
  - **Option 2:** contract language stating that the hospital shall use all funds received from OneCare for primary care investment to enhance primary care initiatives, which otherwise would not be funded to the same extent.

## Motion 2:

- Move that the Board amend the OneCare Vermont FY24 Budget Order by ordering OneCare to track, starting July 1, 2024, its administrative and operational expenses by function, such that OneCare and the Board can sufficiently identify the administrative and operational expenses of various OneCare programs. OneCare shall track these expenses using the functions outlined in the FY25 Budget Guidance Workbook. It shall report on FY24 actuals in its FY25 budget submission.”