

September 11, 2024

Dear Members of the Green Mountain Care Board,

Blue Cross and Blue Shield of Vermont would like to comment on the proposed language in the proposed standard hospital budget language that was discussed today. We recommend the following changes:

Section B is extremely important for implementing the GMCB's decision and order with respect to commercial rate increases or decreases.

Section B - PROPOSED BY UVMHN:

[Hospital]'s total change in charge and ~~aggregate commercial negotiated rate~~ change increase are approved at not more than [x]% over FY24 ~~current approved commercial rates levels~~, with no change in charge or ~~aggregate commercial negotiated rate increase~~ for any payer at more than [x]% over the FY24 ~~current approved rates levels~~. ~~Aggregate commercial negotiated rate increase refers to the net unit cost-changes in allowed amounts for services and items, recognizing that some service or item prices may decrease and others may increase to achieve the aggregate approved rate adjustment.~~ Allowed amounts refers to the amount to be paid to the hospital (insurance payments plus patient cost share). The total change in charge and ~~aggregate commercial negotiated rate price growth~~ increase overall or with respect to any payer may be less than [x]% as negotiated between the hospital and payer.

Reason for deleting "negotiated:" The GMCB Decision and Order is not a negotiated rate, so leaving that word in implies that some sort of negotiation has occurred or will occur with commercial payers.

Concerns about "aggregate:" Blue Cross VT wants it to be clear that the aggregate increases is not across all commercial payers, but is specific to each payer. Aggregate also allows hospitals to make significant shifts between their major lines – inpatient, outpatient and commercial. We prefer limiting increases to the GMCB rate increase is an important aspect of the decision.

Concerns about using the term increase instead of change.

In Section E, we request that the Board consider a shorter timeframe than the 30 days for the reporting of the updated rate decomposition sheet. This information is necessary to verify the negotiations with hospitals.

In Section F, reporting to the GMCB should include the break-down of inpatient, outpatient,

professional and pharmacy increases to get a full view of the changes each year.

In Section L, it would be helpful for hospitals to report which service lines are exceeding targets and which are underperforming to get a fuller view of utilization changes within a hospital.

Thank you,

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