GREEN MOUNTAIN CARE BOARD (GMCB)

GMCB Board Meeting Minutes Wednesday, January 20, 2021 1:00 pm

Attendance

Kevin J. Mullin, Chair (via Microsoft Teams)
Susan J. Barrett, JD, Executive Director (via Microsoft Teams)
Michael Barber, General Counsel (via Microsoft Teams)
Robin Lunge, JD, MHCDS (via Microsoft Teams)
Maureen Usifer (via Microsoft Teams)
Jessica Holmes, PhD (via Microsoft Teams)
Tom Pelham (via Microsoft Teams)

Executive Director's Report

Chair Mullin called the meeting to order at approximately 1:00 pm. Susan Barrett reviewed <u>the Board Meeting schedule for the remainder of January</u>. The <u>GMCB Annual Report for 2020</u> was submitted to the Legislature.

Minutes

The Board voted (5-0) to approve the minutes from December 30, 2020.

Federal Price Transparency Update

Sarah Lindberg, Director of Health Systems Data Analytics, GMCB

Sarah Lindberg explained the GMCB staff is working to examine the data provided by the new Federal price transparency requirements for hospitals. The CMS rule requires hospitals to provide two new public resources by January 1, 2021: a machine-readable file of standard charges for all items and services and a consumer-friendly list of standard charges for a defined set of shoppable services. The requirement applies to all of Vermont's "general hospitals," and it is limited to negotiated rates with commercial insurers, though public payer information could be integrated by hospitals or other data users.

GMCB staff is reviewing the information posted by Vermont hospitals and found that hospitals approached the shoppable services in several different ways (spreadsheets, price-estimator tools, and interactive web forms). Sarah Lindberg explained that the new information is designed to inform consumers about their expected expenses for specific health care services at a hospital, however, without direct real-time information from the insurer actual benefits may vary. Billing practices are complex and vary among hospitals. It is still important for consumers to contact hospitals beforehand because there may be programs or need-based services and/or differences in insurance coverage.

Sarah Lindberg discussed the possible regulatory applications of the data and the difficulty of making apples-to-apples comparisons: differences in how hospitals interpreted and developed standard changes without more explicit guidance, variability in billing practices, limitation to commercial rates, and reimbursements associated with "non-employed physicians" are excluded. The requirement is also based on a fee-for-service mindset, instead of value-based reimbursement. Sarah Lindberg reviewed the mediating factors, including the difference in the negotiated rate and the consumer's share, network limitations, and that "negotiated price" transparency may spur more savings than chargemaster price transparency. Sarah Lindberg reviewed the related requirement that was adopted for most health plans and issuers to post machine-readable files for plan year 2022 and onward and the next steps for the GMCB with the hospital price data. The presentation can be seen here on the GMCB website.

The Board Members had a discussion and asked Sarah Lindberg questions regarding the potential impact on health costs, the ability for high deductible plan holders and employers to shop around, the possibility of creating a comparison tool for the hospital budget process, the possibility of the data being misused, the lack of quality or population health prospective in the data, the shoppable services chosen by hospitals, and third parties' or insurers' possible use of the data.

Public Comment

Eric Schultheis, Staff Attorney, Office of the Health Care Advocate, Vermont Legal Aid Richard (Mort) Wasserman, MD, MPH, Professor Emeritus of Pediatrics, Larner College of Medicine, University of Vermont

Michael Del Trecco, Sr. Vice President of Finance & Operations, VAHHS

Old Business

None

New Business

None

Adjourn

The Board voted (5-0) to adjourn at approximately 1:40 pm.