

GREEN MOUNTAIN CARE BOARD (GMCB)
GMCB Board Meeting Minutes
Wednesday, March 24, 2021
10:00 am

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 10:00 am. Susan Barrett announced the Board is accepting written [public comment](#) from its advisory committees to inform a potential new agreement with the State of Vermont and CMS until April 1, 2021. Public comments will be shared with the other All-Payer Model signatories. Lori Perry and Susan Barrett will be testifying at 10:30 am for the Senate Committee on Health and Welfare regarding a Vermont hospital financial update. The April Board Meeting schedule will be released at the end of this week or early next week.

Mike Fisher, Chief Health Care Advocate, explained that [the Office of the Health Care Advocate \(HCA\) will be submitting four questions](#) to the hospitals now to give them time to respond before the hospital budget process. Mike Fisher also clarified that question 1 will be adjusted in line with the workgroup voted on by the Board last week and that question 1 asks “to the extent that your organization tracks the information.” Chair Mullin reiterated that the HCA has the statutory authority to ask questions in the hospital budget process and recognized their effort to simplify the process.

Minutes

The Board voted (5-0) to approve the minutes from March 17, 2021.

FY22 Hospital Budget Guidance

Patrick Rooney, Director of Health Systems Finances, GMCB

Patrick Rooney reviewed the public comment received as of March 22, 2021, the draft guidance and appendices changes since the March 17, 2021 meeting, the decisions for the Board's consideration, and options and potential motion language for the Board. The Board Members discussed the questions regarding value-based care in the narrative guidance, historical adjustments of operating expenses and the Board's intention to preserve the hospital's financials,

and how the Board does not dictate line items in the budgeted expenses of hospitals. Board Member Lunge moved to edit the guidance document on page five to read “in connection with establishing a hospital’s NPR/FPP growth limit, the Board may review and adjust the hospital’s proposed operating expense growth in the aggregate, commensurate with any adjustments made to the hospital’s NPR/FPP in order to protect margins.” Board Member Jessica Holmes seconded the motion. The Board opened the meeting to public comment. The Board voted (4-1) by roll call to approve the motion, with Chair Mullin voting no.

The Board Members discussed the alignment of the Net Patient Revenue/Fixed Prospective Payment (NPR/FPP) and charge request growth as well as the effect of utilization on NPR/FPP.

The Board Members discussed using Act 91 authority to open exemption from public budget hearings to all hospitals that meet the criteria set by the Board, the criteria outlined on slide ten, what NPR/FPP and charge increase requests would be set at as criteria for the exemption from a public hearing, and still allowing hospitals to come in if they choose. Board Member Holmes moved, for the FY22 hospital budget review process, the GMCB, pursuant to its emergency authority under Act 91 (H.742), establishes an exemption from the requirement for public budget hearings for hospitals that meet the following criteria: an NPR/FPP rate request at or under growth guidance of 3.5%, a charge increase request at or under 3.5%, continued involvement in value-based care reform (not limited to ACO participation), budget assumptions are deemed reasonable, budget submission schedules reconcile, and budget content complies with guidance. The exemption decision deadline would be July 28, 2021 and hospitals could still choose to come in for a hearing even if they meet the exemption criteria. Board Member Usifer seconded the motion. The Board opened the meeting to public comment. The Board voted (5-0) to approve the motion.

The Board Members discussed the value-based care questions iii-v in part D of the guidance (page ten), stakeholder engagement of the hospitals with the potential next All-Payer Model (APM) agreement, and potentially putting the questions into the sustainability planning report that is due in September 2021. Board Member Pelham moved to retain the value-based questions iii-v in the FY22 hospital budget guidance. Board Member Usifer seconded the motion. The Board opened the meeting to public comment. The Board voted (3-2) by roll call to approve the motion, with Board Member Lunge and Board Member Holmes voting no.

Board Member Robin Lunge moved, for the hospital budget review process, to approve the Hospital Budget Enforcement Policy in the form presented to the Board as a standing policy, to be effective starting for FY22. The Board Members discussed waiving enforcement for FY21 and the motion not precluding the opportunity for a mid-year adjustment. Board Member Lunge restated the motion, for the hospital budget review process, to approve the Hospital Budget Enforcement Policy in the form presented to the Board as a standing policy, to be effective starting FY21. Board Member Usifer seconded the motion. The Board opened the meeting to public comment. The Board voted (4-1) by roll call to approve the motion, with Board Member Holmes voting no. Board Member Robin Lunge moved to waive enforcement for FY21. Board Member Pelham seconded the motion. The Board voted (4-1) by roll call to approve the motion, with Board Member Usifer voting no.

The Board Members discussed the items that the staff asked to be considered for removal from the guidance outlined on slide thirteen and the importance of the four tables in the appendices. The Board Members decided to retain the tables in the appendices. Board Member Lunge moved to streamline the capital investment cycle questions in the narrative section of the guidance. Board Member Holmes seconded the motion. Chair Mullin clarified that the Adaptive submission would be retained, including the capital expenditure sheets. The Board opened the meeting to public comment. Board Member Lunge amended the motion to streamline the narrative section relating to capital investment cycle in the guidance and delegate the authority to the GMCB staff to extend the time of the submission of the Adaptive numbers relating to capital investments. Board Member Holmes seconded the motion. The Board voted (5-0) to approve the motion.

Board Member Usifer moved, for the FY22 hospital budget review process, the GMCB establishes an NPR/FPP growth guidance of 3.5% over the hospital's FY21 approved budget for NPR/FPP, with the ability to go higher than 3.5% if supported by utilization shifting from prior years. Board Member Lunge seconded the motion. Board Member Lunge and Chair Mullin suggested a friendly amendment to remove the language "if supported by utilization shifting from prior years" and replace with "subject to demonstrating need." Board Member Usifer accepted the amendment. The Board Members discussed the motion and opened the meeting to public comment. The Board voted (4-1) by roll call to approve the motion, with Board Member Holmes voting no.

The Board Members discussed the FY22 charge request growth guidance. Board Member Pelham moved, for the FY22 hospital budget review process, the GMCB establishes charge request growth guidance of 3.5% over the hospital's FY21 approved charge increase. Chair Mullin seconded the motion. The Board opened the meeting to public comment. The Board voted (2-3) by roll call and the motion failed, with Board Member Holmes, Board Member Lunge, and Board Member Usifer voting no. Board Member Lunge moved that the guidance indicate that the Board will review and may adjust requested changes to hospital charges. Board Member Holmes seconded the motion. The Board Members discussed the work that needs to be done with understanding pricing and putting in guideposts around charge after the pandemic. The Board opened the meeting to public comment. The Board voted (5-0) by roll call to approve the motion.

Board Member Lunge moved, for the FY22 hospital budget review process, the GMCB approves the Hospital Budget Guidance effective March 31, 2021, subject to the amendments approved by majority votes at the meeting today. Chair Mullin seconded the motion. The Board opened the meeting to public comment. The Board voted (5-0) by roll call to approve the motion.

Public Comment

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

Mike Fisher, Chief Health Care Advocate, HCA

Marc Stanislas, Vice President of Finance, University of Vermont Health Network

Jeffrey Tieman, President and CEO, VAHHS

Old Business

None

New Business

None

Adjourn

The Board voted (5-0) to adjourn at approximately 1:20 pm.

Unapproved