

---

**EXPLANATION OF DEFICIENCY  
AND PROPOSAL FOR REMEDIAL ACTION**

OneCare Vermont Accountable Care Organization, LLC  
C/O: Abraham Berman, Chief Executive Officer  
356 Mountain View Drive, Suite 301  
Colchester, VT 05446

Dear Mr. Berman:

At its meeting on May 8, 2024, the Green Mountain Care Board (“GMCB” or “Board”) determined that OneCare Vermont Accountable Care Organization, LLC (“OneCare”) had failed to meet the requirement of presenting a budget based on final attribution, as enumerated in Condition 10(b) of its FY24 ACO Budget Order (“Budget Order” or “Order”). The GMCB follows this determination with a written explanation of this deficiency and its proposal for remedial action.

Before requiring an ACO to take remedial action, the GMCB must provide a written explanation of the deficiency or deficiencies it has identified and any supporting data. *See* GMCB Rule 5.000, § 5.504(b); *see also* 18 V.S.A. § 9382(b)(1). Once received, the ACO has 30 days to submit a written response to the Board. *See* GMCB Rule 5.000, § 5.504(b). The Board must post the ACO’s response to its website, accept public comment, and may choose, at its discretion, to hold a public hearing. *Id.*, at § 5.504(c). The Board may then issue a formal decision requiring the ACO to take remedial action, as proposed or modified, or may choose not to act if the matter has been otherwise resolved. *Id.*, at § 5.504(d).

Please find the following explanation of OneCare’s deficiency regarding Condition 10(b) of the FY24 Budget Order with supporting data. As described below, the Board proposes that OneCare submit a revised budget based on final attribution within 30 days. If OneCare is unable to do so, the Board proposes that OneCare implement a corrective action plan, described below. Should OneCare proceed with the latter option, its response must include a detailed description of its plan to correct the deficiency identified by the Board, including the time in which the deficiency will be corrected. *See* GMCB Rule 5.000, § 5.504(b).

Failure to provide a revised budget based on final attribution within 30 days may result in a formal decision of the Board requiring remedial action. Failure to comply with any such decision shall be a basis to invoke the GMCB’s power to limit, suspend, or revoke the certification of OneCare. *See* GMCB Rule 5.000, § 5.505; 18 V.S.A. § 9382.

1. Revised Budget Based on Attribution

In its FY24 Budget Order,<sup>1</sup> the GMCB required OneCare to present its revised budget based on

---

<sup>1</sup> <https://gmcboard.vermont.gov/document/fy24-onecare-vermont-budget-order>



final attribution no later than April 30, 2024. *See* Condition 10(b). The Order required OneCare to submit its revised budget using a template provided by GMCB staff no later than April 1, 2024. *Id.*, at Condition 9(c). The OneCare Reporting Manual identifies this template as the FY24 Revised Budget Workbook and Adaptive database, stating that the purpose of a revised budget is to provide the Board with a budget for the current year that reflects, among other items, final payer contracts, attribution, and revised expenses. *See* FY24 OneCare Vermont Reporting Manual, at 10.<sup>2</sup> The Revised Budget Workbook further defines final attribution as “FY24 actual starting and average attribution based on finalized FY24 contracts.” *See* FY24 Revised Budget Workbook, Attribution Tab.<sup>3</sup> Historically, OneCare has presented a revised budget based on attribution as finalized in its relevant fiscal year contracts with payers, such that the Board can see the changes to OneCare’s projected revenue and expenses that result from updated attribution figures. *See*, e.g., OneCare 2022 Revised Budget Presentation, at 10-11.<sup>4</sup>

On April 2, 2024, OneCare submitted its revised budget. The income statement submitted through Adaptive did not show revised revenue or expenses based on final attribution figures in its FY24 contracts. *See* FY24 OCV Revised Budget Adaptive Sheets, Tab A1.<sup>5</sup> On April 17, 2024, OneCare presented this revised budget, as submitted in Adaptive, to the Board. *See* FY24 OneCare Vermont Revised Budget Presentation, at 4.<sup>6</sup> Though the revised budget slide presented to the Board was titled “Revised Budget, Based on Final Attribution,” OneCare made no revisions to its revenue or expenses based on finalized attribution in its FY24 contracts; the only revisions made to expenses were adjustments designed to comply with a separate Board order requiring a reallocation of some operating expenses to support population health and primary care programs. *Ibid.* GMCB staff presented this issue to the Board on May 8, 2024, identifying that without a revised budget based on final attribution it is difficult to understand how changes to attribution are affecting OneCare’s programs, and noting the inconsistency between this revised budget and prior revised budgets that OneCare has submitted. *See* FY24 OneCare Vermont Revised Budget GMCB Staff Presentation, at 4 and 11-15.<sup>7</sup>

In a memo to the GMCB dated May 6, 2024, OneCare explained that it does not intend to provide a revised budget based on final attribution, stating:

We are not asking for any revisions to OneCare’s approved 2024 budget or 2024 budget orders and assert that the updated attribution figures are not material and do not affect the overall budget or programs. As a result, the figures in Adaptive still appropriately reflect OneCare’s GMCB-approved FY24 budget.

*See* Memo from Abe Berman to GMCB, May 6, 2024.<sup>8</sup>

While the Board understands that FY24 budget revisions based on attribution may be more modest than in years prior, and while the Board is open to discussion about this process as to future fiscal years, the requirement for a revised budget based on final attribution is clearly stated in the FY24 Budget Order. While a regulated entity may request waiver or modification of an order in advance

<sup>2</sup> <https://gmcboard.vermont.gov/document/fy24-onecare-vermont-reporting-manual>

<sup>3</sup> <https://gmcboard.vermont.gov/document/fy24-ocv-revised-budget-workbook>

<sup>4</sup> <https://gmcboard.vermont.gov/document/onecare-vermont-2022-revised-budget-presentation>

<sup>5</sup> <https://gmcboard.vermont.gov/document/fy24-ocv-revised-budget-adaptive-sheets>

<sup>6</sup> <https://gmcboard.vermont.gov/document/fy24-onecare-vermont-revised-budget-presentation>

<sup>7</sup> <https://gmcboard.vermont.gov/document/fy24-onecare-vermont-revised-budget-gmcb-staff-presentation-0>

<sup>8</sup> <https://gmcboard.vermont.gov/document/fy24-ocv-memo-gmcb-revised-budget-materials-confidentiality-request>



of the deadline, and while a regulated entity may believe it has legitimate reasons to disagree with an order as issued, it may not select, based on its own judgment, which orders it chooses to satisfy. The revised budget that OneCare presented does not revise projected revenue or expenses based on attribution as finalized in its FY24 payer contracts. OneCare has failed to meet Condition 10(b), requiring a revised budget based on final attribution.

**Proposed Remedial Action:**

Within 30 days OneCare shall submit a revised budget based on final attribution, as defined above, in Adaptive using version “Budget 2024 – Revised.” Such a submission shall be deemed a written response to the Board pursuant to GMCB Rule 5.000, § 5.504(b). OneCare may submit a separate written response to any part of this written explanation if it so chooses.

If OneCare is unable to provide a revised budget based on final attribution within 30 days, the Board alternatively proposes that the ACO implement a corrective action plan. As such, OneCare’s written response must include a detailed description of its plan to correct the deficiency identified above, including the time in which this deficiency will be corrected. *See* § 5.504(b). At minimum OneCare’s description of its corrective action plan shall include: (1) a detailed description of the reasons it needs additional time to submit a revised budget based on final attribution and (2) a plan to expediently prepare and submit through Adaptive a revised budget based on final attribution no later than June 21, 2024. This approach may result in the Board issuing a formal decision requiring the corrective action plan as presented by OneCare and incorporated, or modified as the Board determines necessary, in addition to any other decision for remedial action determined appropriate by this Board.

Should you have any questions or require further clarification, please do not hesitate to contact Mark Hengstler, GMCB Staff Attorney, at [Mark.Hengstler@vermont.gov](mailto:Mark.Hengstler@vermont.gov) or at (802) 249-0519.

Dated: May 10, 2024 in Montpelier, Vermont

|                                |                |
|--------------------------------|----------------|
| <u>s/ Owen Foster, Chair )</u> | GREEN MOUNTAIN |
| <u>s/ Jessica Holmes )</u>     | CARE BOARD     |
| <u>s/ David Murman )</u>       | OF VERMONT     |
| <u>s/ Thom Walsh )</u>         |                |

