

## Report Summary: GMCB Billback Report for Fiscal Year 2024

By: Green Mountain Care Board; Date: September 15, 2024  
Prepared for: House Committee on Appropriations; Senate Committee on Appropriations; and Joint Fiscal Committee  
Frequency: [Annual Report](#); Statute: 18 V.S.A. § 9374(h)

### Background:

- Regulatory agencies in Vermont and other states are often funded in a variety of ways. Funding can take the form of set fees (such as a license fee), taxes, or it can be some or all of the actual costs of regulating an industry or organization, a practice known as billing back.
- Per 18 V.S.A. § 9374(h), the GMCB's billback requirements apply to: Vermont hospitals, health insurers, and accountable care organizations.
- Also, per 18 V.S.A. § 9607, the GMCB administers billback authority on behalf of the Agency of Human Services in support of its contract with the Office of the Health Care Advocate.

### Key Terms

**Billback / Billing Back:** regulatory agencies billing regulated entities for some or all of the actual costs of regulating that industry or organization.

### Report Methods:

- The billback rate for the GMCB in Fiscal Year 2024 is 60%, meaning 40% of the GMCB's expenses are paid by the State's general fund and 60% are paid by regulated entities.
- Through Fiscal Year 2024, the GMCB tracked billback eligible hours through staff time sheets.

### Report Highlights:

- In Fiscal Year 2024, the GMCB billed back approximately \$4,621,593. When broken down by industry group, the totals were:

Industry	Billback amount
Vermont Hospitals	\$2,217,832
Health Insurance Carriers	\$1,813,428
Accountable Care Organizations	\$590,333

Disclaimer: This summary does not capture the full details of this report. For more information, read the full report [here](#).

# Green Mountain Care Board

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FISCAL YEAR 2024 BILLBACK

Submitted to House Committee on Appropriations, Senate Committee on  
Appropriations, and the Joint Fiscal Committee

September 15, 2024

In accordance with 18 V.S.A. § 9374(h)



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# Fiscal Year (FY) 2024 Billback Report

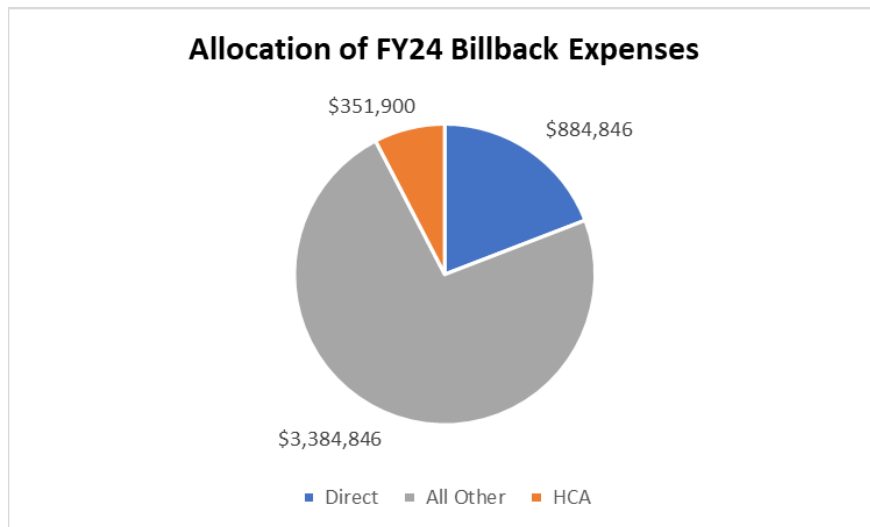
## Background

In 2012, the Legislature authorized the newly formed Green Mountain Care Board (GMCB) to bill back to hospitals and insurance carriers the costs of certain activities related to health care system oversight. The law provided that “[e]xpenses incurred to obtain information, analyze expenditures, review hospital budgets, and for any other contracts” that are authorized by the GMCB would be borne according to statute.

In summary, for each dollar that the GMCB incurred for these activities, the State pays 40 cents and the regulated entities, as a group, pay 60 cents. The total amount paid by the regulated entities is in this report. The Legislature later expanded the scope of the billback to include funding for the Office of the Health Care Advocate (HCA). For additional background, please see Exhibits 1 & 2.

## Allocation of Billback Expenses for FY2024

The allocation for direct<sup>1</sup> and other expenses for the FY2024 Billback is as follows:



## Summary of FY2024

The GMCB billed back approximately \$4,621,593, as shown in Tables 4 and 5 of this report. This represented the billback of FY23 actuals. Tables 1, 2 and 3 show the breakdown among the hospitals, insurance companies, and the accountable care organizations that can be billed.

<sup>1</sup> 18 V.S.A. § 9374(h) was amended, effective July 1, 2024. Beginning in Fiscal Year 2025, this amendment will eliminate the “direct” category in this chart, and these dollars will be back to regulated entities pursuant to the revised statutory allocation formula.

### Project Area: Billback

**Relevant Statute/Authority:** 18 V.S.A. § 9374(h) and 18 V.S.A. § 9607

**Overview:** The GMCB must prepare a report showing “the total amount of all expenses eligible for allocation pursuant to subsection 18 V.S.A. § 9374(h) during the preceding State fiscal year and the total amount actually billed back to the regulated entities during the same period.”

The GMCB must submit this report annually on or before September 15 to the House and Senate Committees on Appropriations and the Joint Fiscal Committee at its September meeting. The report is listed on the non-action portion of the Fiscal Committee’s September meeting agenda.

**Table 1: Amounts Paid by Hospitals in FY2024**

HOSPITAL	Amount Billed
Brattleboro Memorial Hospital	\$ 68,150
Grace Cottage Hospital (Carlos Otis)	17,407
Central Vermont Medical Center	176,667
Copley Hospital	67,158
Gifford Medical Center	43,126
Mt Ascutney Hospital	45,994
Northeastern Vermont Regional Hospital	77,659
North Country Hospital	62,991
Northwestern Medical Center	84,950
Porter Medical Center	72,546
Rutland Regional Medical Center	224,423
Southwestern Vermont Medical Center	137,233
Springfield Hospital	39,000
University of Vermont Medical Center	1,100,529
<b>Total</b>	<b>\$ 2,217,832</b>

**Table 2: Amounts Paid by Insurance Carriers in FY2024**

CARRIER	Amount Billed
Blue Cross and Blue Shield of Vermont	\$ 1,142,075
Cigna Health & Life Insurance Company, Inc.	178,955
AXA Equitable Life Insurance Company	198
MONY Life Insurance Company	153
MVP Health Plan Inc	482,355
New York Life Insurance Company	152
The Prudential Insurance Company of America	150
QCC Insurance Company	2,775
Sierra Health and Life Insurance Company, Inc.	173
State Farm Mutual Automobile Insurance Company	1,799
Trustmark Insurance Company	156
Unified Life Insurance Company	151
United States Life Insurance Company in the City of New York	223
The Vermont Health Plan, LLC	4,114
<b>Total</b>	<b>\$ 1,813,428</b>

**Table 3: Amounts Paid by Accountable Care Organizations in FY2024**

ACO	Amount Billed
Lore Health (formerly Gather)	\$ 16,675
OneCare Vermont	573,658
<b>Total</b>	<b>\$ 590,333</b>

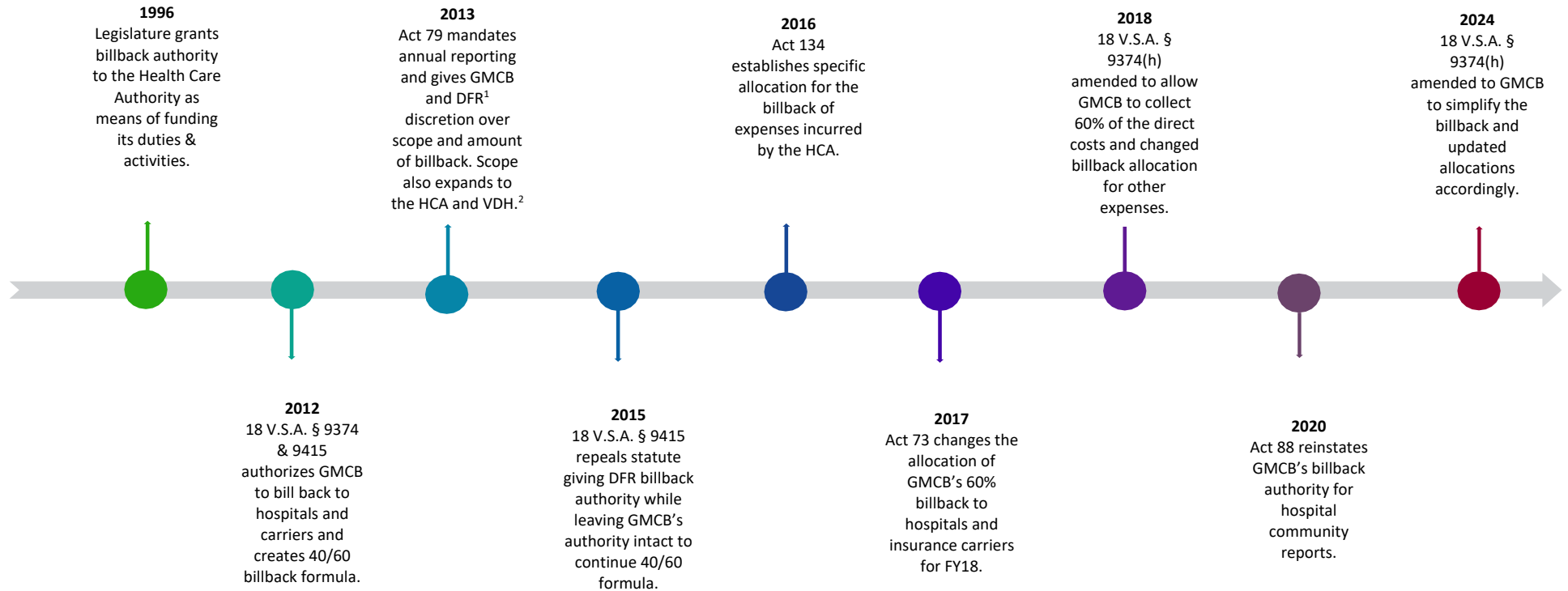
**Table 4: Detail for Amounts Billed Back to/Paid by Regulated Entities in FY2024**

**CALCULATION OF ASSESSMENTS - FY2024 GMCB Billback**

<b>18 V.S.A. § 9374(h) Direct Expenses (Salaries, Benefits &amp; Contracts)</b>			
ACO	\$	251,865	
HMO, HMS & Insurer		224,791	
Hospitals		408,190	
	\$	<u>884,846</u>	
<i>Note: remaining 40% = state funds (general fund)</i>			
<b>18 V.S.A. § 9374(h) Other Expenses (does not include HCA)</b>			
ACO	\$	338,468	10.0% Share assigned by statute
HMO, HMS & INSURER		1,354,037	40.0% Share assigned by statute
Hospitals		1,692,341	50.0% Share assigned by statute
	\$	<u>3,384,846</u>	
<i>Note: remaining 40% = state funds (general fund)</i>			
<b>18 V.S.A. § 9607 on behalf of Agency of Human Services for Health Care Advocate</b>			
HMO	\$	-	0.0% Share assigned by statute
HMS (BCBS)		117,300	33.3% Share assigned by statute
Insurer		117,300	33.3% Share assigned by statute
Hospitals		117,300	33.3% Share assigned by statute
	\$	<u>351,900</u>	
<i>Note: remaining 27.5% = state funds (general fund)</i>			
<b>Total GMCB Billback</b>	<b>\$</b>	<b><u>4,621,593</u></b>	

## Appendices

## Appendix 1: Timeline of Billback Legislation



<sup>1</sup> Department of Financial Regulation

<sup>2</sup> Vermont Department of Health



**Appendix 2: FY2014 – FY2024 GMCB and HCA Billback**

GMCB Industry and HCA Billback (in thousands)				Excludes CON & Billbacks on Behalf of VDH							
Organization Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Brattleboro	8	13	13	14	24	38	63	70	53	62	68
Grace Cottage (Carlos Otis)	1	2	1	1	2	4	14	16	13	14	17
CVMC	15	28	32	38	59	100	156	173	133	159	177
Copley	8	12	14	15	26	46	52	56	48	59	67
Gifford	6	10	11	12	19	28	38	42	32	41	43
Mt Ascutney	2	3	3	3	5	10	39	42	34	44	46
Northeastern	6	10	11	12	19	34	63	71	59	64	78
North Country	7	11	12	13	20	33	60	67	53	63	63
Northwestern	11	19	20	24	37	61	84	89	68	83	85
Porter	8	13	14	14	22	36	63	71	53	64	73
Rutland	28	46	49	57	89	167	192	214	164	193	224
Southwestern	19	32	30	30	48	84	124	137	106	123	137
Springfield	10	17	18	18	28	49	35	39	27	35	39
UVMMC	94	150	158	169	275	470	966	1,071	825	914	1,101
<b>Total for Hospitals</b>	<b>\$ 223</b>	<b>\$ 369</b>	<b>\$ 387</b>	<b>\$ 421</b>	<b>\$ 673</b>	<b>\$ 1,158</b>	<b>\$ 1,948</b>	<b>\$ 2,158</b>	<b>\$ 1,669</b>	<b>\$ 1,918</b>	<b>\$ 2,218</b>
Blue Cross and Blue Shield of V	\$ 223	\$ 369	\$ 387	\$ 421	\$ 1,471	\$ 809	\$ 1,250	\$ 1,326	\$ 1,081	\$ 1,057	\$ 1,142
MVP Health Plan Inc	53	9	107	122	111	60	206	338	285	451	482
MVP Health Insurance Compan	82	244	237	223	122	84	83	2	2	-	-
The Vermont Health Plan, LLC	141	360	280	176	61	23	29	30	27	19	4
Cigna Health and Life Ins Co	5	63	106	129	-	-	-	-	-	-	-
Connecticut General Life Insur	115	23	5	0	-	-	-	-	-	-	-
Cigna Health and Life Ins Co/Cc	-	-	-	-	81	49	78	129	149	148	179
UnitedHealthcare Insurance Co	16	11	20	35	23	23	15	26	33	25	-
Aetna Life Insurance Company	17	14	12	24	18	16	30	12	16	-	-
MVP Health Services Corp	-	-	-	-	6	-	-	-	-	-	-
4 Ever Life Insurance Company	0	0	3	4	3	1	-	-	-	-	-
State Farm Mutual Automobile	1	1	1	2	2	2	1	1	2	1	2
QCC Insurance Company	3	3	3	4	2	-	2	2	2	2	3
All Other	2	1	0	-	-	2	3	1	2	2	1
<b>Total for Insurers</b>	<b>\$ 668</b>	<b>\$ 1,106</b>	<b>\$ 1,160</b>	<b>\$ 1,139</b>	<b>\$ 1,900</b>	<b>\$ 1,069</b>	<b>\$ 1,696</b>	<b>\$ 1,910</b>	<b>\$ 1,598</b>	<b>\$ 1,705</b>	<b>\$ 1,813</b>
							0				
OneCare Vermont						208	366	398	441	527	574
Clover										27	-
Lore Health (formerly Gather)											17
<b>Total ACO</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 208</b>	<b>\$ 366</b>	<b>\$ 398</b>	<b>\$ 441</b>	<b>\$ 554</b>	<b>\$ 590</b>
<b>Grand TOTAL</b>	<b>\$ 891</b>	<b>\$ 1,474</b>	<b>\$ 1,546</b>	<b>\$ 1,560</b>	<b>\$ 2,573</b>	<b>\$ 2,435</b>	<b>\$ 4,010</b>	<b>\$ 4,466</b>	<b>\$ 3,708</b>	<b>\$ 4,178</b>	<b>\$ 4,622</b>

**Billback Notes:**

- Direct Salary, Fringe & Contract billback portion of expenses (60%) for insurer rate review, hospitals and ACOs for prior year deducted first per Vermont Legislature's amendment to 18 V.S.A. § 9374 (h) effective July 2018
- Other billback expenses of the Board (except for Health Care Advocate) based on FY23 actuals and allocated per 18 V.S.A. § 9374 (h)(2)
- Health Care Advocate allocated per 18 V.S.A. § 9607 (b)
- Hospitals are assessed per 18 V.S.A. § 9374 (h)
  - \* Hospital calculation based on budgeted acute admissions through FY19
  - \* Hospital calculation based on budgeted NPR in FY20
  - \* Hospital calculation based on actual NPR/FPP FY21 forward (FY24 based on 2022 Actual NPR/FPP)
- Insurance companies assessed per 18 V.S.A. § 9374 (h)
  - \* Assessment for those insurers licensed to do business in Vermont
  - \* Insurance Company calculations based on Earned Premium (FY24 based on 2021 ASSR)
- ACOs assessed per 18 V.S.A. § 9374 (h) with billback portion of ACOs direct expenses deducted first for FY22 per 18 V.S.A. § 9374 (h)(1) and the balance of assessment calculated per 18 V.S.A. § 9374 (h)(2)