

FOR IMMEDIATE RELEASE: Wednesday, June 30, 2021

For more information, contact Christina McLaughlin, (802) 505-1418

**State of Vermont Reports Scale Target Performance for Year 3 (2020) of All-Payer Model:
All-Payer Model Scale Increases by Over 67,000 Lives in 2020**

Today, the Green Mountain Care Board (GMCB), in consultation with Vermont's Agency of Human Services, submitted the *Annual ACO Scale Target and Alignment Report for Performance Year 3 (2020)*, as required by the Vermont All-Payer Accountable Care Organization Model ("All-Payer ACO Model" or "APM") Agreement with the federal Center for Medicare and Medicaid Innovation (CMMI).

The 2020 (PY3) scale report demonstrates that Vermont, despite falling short of APM Agreement scale targets, has made major strides toward increasing Model scale:

- All-payer participation grew by over 67,000 lives compared to 2019 (PY2), an increase of over 40%.
- The number of Medicaid beneficiaries attributed under the Vermont Medicaid Next Generation ACO Program (114,000 in 2020) has grown by 45% since 2020, and by nearly 300% since the program launched in 2017.
- Commercial participation more than doubled in 2020, from 30,000 in PY2 to 62,500 in PY3.
- The number of participating Medicare beneficiaries remained static from 2019 to 2020.

Looking ahead, Vermont expects continued improvement in 2021 (PY4; data is preliminary), with the addition of an estimated 40,000 lives, including approximately 8,000 Medicare beneficiaries.

Despite significant and increasing growth in scale year-over-year, it is no surprise that Vermont remains shy of the scale targets set forth in the APM agreement. The Medicare scale targets included in the Agreement are unattainable because some beneficiaries are ineligible to participate or receive the majority of their care out-of-state. All-Payer scale represents a significant stretch goal, and includes populations for which the state has no data or regulatory leverage, for example, self-funded groups that do not report data to the State and Medicare Advantage plans. In addition to reporting on Vermont's scale performance, the 2020 (PY3) report offers additional measures of scale to provide a fuller picture of the Model's statewide scope and adoption.

Vermont's Agency of Human Services laid out strategies for improving scale in the Agency's [APM Implementation Improvement Plan](#) published in November 2020.

[Vermont's All-Payer Accountable Care Organization Model Agreement](#) (APM Agreement) is a five-year (2018-2022) arrangement between Vermont and the federal government that allows Medicare to join Medicaid and commercial insurers to pay differently for health care, with the goal of keeping the state's health care spending in check and improving the health of Vermonters. The APM is shifting payments from a fee-for-service system that rewards the delivery of high-volume high-cost services, to a value-based payment system that is more stable and predictable, striving for high quality care and good health outcomes at a lower cost.

