

Date: December 15, 2023
To: Members of the Green Mountain Care Board
From: Susan Ridzon, HealthFirst Executive Director
Re: 2024 OneCare Vermont Budget

Thank you for your thoughtful analyses and the opportunity to comment on OneCare's 2024 budget. We appreciate the support shown for independent practices and primary care in this year's discussions and comments.

Our participating primary care practices¹ report that it's beneficial to be in OneCare's programs. This is particularly true for CPR-participating practices who can count on revenue stability and reimbursement levels that are slightly above traditional fee-for-service. This has enabled practices to better support and expand care coordination and mental health services for patients. The stability that this program provides practices is valuable, and its features are essential to retain as Vermont considers the federal AHEAD model and the next stage of healthcare reform. HealthFirst and our participating practices also acknowledge and value the dedication, hard work, and collaboration that OneCare staff has shown to us. It's certainly a difficult task to achieve meaningful positive change in our massive and byzantine healthcare system.

However, similar to what we expressed in last year's [comments](#), we continue to have concerns about the ACO's cost relative to demonstrated value, UVMHN ownership, and the ACO's inability to drive meaningful systemic change as it is currently designed. We also share the concerns raised by others about insufficient primary care/population health investments, declining attribution, and ACO risk levels that are much lower than are typical. With that background in mind, we add the following to this year's budget discussion.

- **We support a budget that increases support to primary care.** Primary care is a proven high value service, as is the care provided by independent practices. Both are substantially underfunded relative to the value they provide. We recommend allocating more budget dollars to increase CPR program payments as well as base population health PMPM payments.

Regarding the decision whether to increase bonus payments, we do not favor that option because primary care is not yet properly funded at a level commensurate with all that is demanded of it. It is reasonable to have bonus payments for high quality outcomes, but only after there is adequate base funding. When that situation exists, bonus payments must be tied to measures within an individual practice's ability to control and patient-level, actionable data must be available. Such data isn't currently available, though we

¹ Fifteen of HealthFirst's 26 primary care practices participate in OneCare programs; seven of those are in the capitated CPR program. Participating practices include all our larger and medium-sized practices and collectively care for 94 percent of the over 85,000 total patients receiving care at our independent primary care practices.

understand that it's coming.

In general, we need programs that increase base level reimbursement and minimize or eliminate risk on primary care until it is properly funded. A program that increases risk and reduces base level funding would most likely result in closure of more independent primary care practices. This would drive up costs and further reduce access.

- **We support a system that aims to drastically reduce administrative overhead, complexity, and expense.** The simplest way is usually the most effective and least expensive way. Independent practices live by this mantra which is a major reason why they are such a high value healthcare option. We need more in healthcare to practice that mantra, including the ACO.
- **We support more risk at the ACO and hospital/specialty care level.** Risk and incentives would be better aligned to the ACO or hospital/specialty care level and designed to incentivize provision of the highest value care possible. The ACO's current design does not assign risk or align incentives where it would be most impactful in improving access, affordability, and population health.

Thank you for the opportunity to comment. Feel free to contact me if that would be useful.