

# **OneCare Vermont FY25 Risk Mitigation Plan**

## **GMCB Staff Presentation**

June 19, 2024

## Rule 5.403(b)



If an ACO wishes to bear risk during the next Budget Year, the ACO must propose and the Board must establish as part of the ACO's budget, a Risk Cap that the ACO can cover. The ACO must support its proposed Risk Cap with the following information as part of the ACO's budget proposal or during the next Budget Year or both, as required by the Board:

1. information specified by the Board regarding the ACO's maximum potential losses under the Risk Contracts it is a party to or seeks to become a party to and the threat that these losses may pose to the ACO's solvency, which information may include reports, certifications, and other representations prepared by an Actuary, a certified public accountant, an auditor, or other financial professional;
2. a full risk mitigation plan describing how the ACO would cover the losses it could incur under the Risk Cap (e.g., through reserves, collateral, or other liquid security; risk transfers to ACO Participants; or reinsurance, withholds, or other risk management mechanisms); and
3. 3. any other information requested by the Board, which may include information on the ACO's plans to monitor the utilization of Contracted Services under its Risk Contracts.

## OneCare Presentation (June 12, 2024)



- OneCare was conceived to connect desired healthcare outcomes with financial outcomes for participating organizations
- OneCare was not conceived to shield provider organizations from financial accountability for healthcare outcomes
- OneCare proposes a continuation of its delegated risk model, in which:
  - shared savings and losses are allocated to the provider network
  - OneCare is authorized to offer exceptions to this model in the spirit of sustaining provider participation

## OneCare Presentation (June 12, 2024)



- OneCare will maintain reserves based on targets established in its reserve policy
  - Risk reserve: 10% of total program risk estimate
  - Liquidity reserve: 45 days of operation cash
  - Medicare contract requires a financial guarantee of 1% of the total cost of care, which OneCare fulfills through a line of credit
- OneCare provides prospective risk estimates in April preceding the performance year, with maximum risk levels established through a contract addendum with each hospital

# Template Motion



*“OneCare shall implement the risk mitigation plan as presented on June 12, 2024. OneCare must request and receive approval from the GMCB prior to changing this plan and prior to implementing a risk strategy inconsistent with this plan.”*