

**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

**FY2024 VERMONT INFORMATION TECHNOLOGY LEADERS (VITL)  
BUDGET ORDER**

In re: Vermont Information Technology )  
Leaders (VITL) FY2024 Budget )  
\_\_\_\_\_ )

**INTRODUCTION**

On May 17, 2023, Vermont Information Technology Leaders (VITL) presented its Fiscal Year 2024 (FY2024) budget to the Green Mountain Care Board (GMCB or Board). VITL’s budget anticipates \$11,270,664 in revenue that will come from contracts with the State of Vermont and other sources and expenses totaling \$11,172,927.

On May 31, 2023, the Board unanimously voted to approve VITL’s FY2024 budget for the reasons set forth below.

**LEGAL FRAMEWORK**

VITL operates Vermont’s statewide health information exchange network (VHIE) – a critical component of Vermont’s Health Information Technology Plan (HIT Plan or HIE Plan). 18 V.S.A. § 9352(c)(1); *see also* 18 V.S.A. § 9351. The Vermont Legislature has tasked the Board with oversight of VITL’s annual budget.<sup>1</sup> Specifically, the Board must:

[a]nnually approve the budget, consistent with available funds, of the Vermont Information Technology Leaders, Inc. (VITL). This review shall take into account VITL’s responsibilities pursuant to section 9352 of this title and the availability of funds needed to support those responsibilities.

18 V.S.A. § 9375(b)(2)(C); *see also* 18 V.S.A. § 9352(c)(1).

VITL’s budget has been subject to the Board’s review since FY2017.

The Board’s review of VITL’s budget is governed by four principles, set out in the VITL Budget Guidance approved on April 14, 2021:

- **Transparency**: The review process will be transparent.

---

<sup>1</sup> In its 2015 session, the Vermont Legislature charged the Board with oversight of VITL’s budget *and* its core activities. 2015 Sess., No. 54. The Legislature amended the statute in 2018, limiting the Board’s oversight of VITL to reviewing and approving VITL’s annual budget. *See* 2018 Sess., No. 187 (effective May 28, 2018).

- Public/Stakeholder Input: The review process will allow for stakeholder and public input.
- Alignment with HIE Plan Goals: The Board will review VITL’s budget in order to determine whether it reflects a strategy and priorities consistent with the State’s health care reform goals and the Health Information Technology (HIT) Plan. The Board will not direct the technical details of VITL’s work or the details of VITL’s contractual relationship with the State.
- Alignment with VITL/DVHA Process:
  - The Board’s review process will be structured and timed in order to assist the Department of Vermont Health Access (DVHA) and VITL in negotiating timely, effective agreements each year.
  - The process will result in Board decisions that are sufficiently clear to enable VITL to do its work and DVHA to support that work without requiring repeated clarification or intervention by the Board.

See GMCB Website: VITL Budget Guidance, *available at* <https://gmcboard.vermont.gov/document/vitl-budget-guidance> (VITL Budget Guidance).

### **REVIEW PROCESS**

The VITL FY2024 budget review process occurred during May of 2023. This timing was selected in consultation with DHVA and VITL to ensure that the Board’s vote would occur prior to the start of VITL’s fiscal year, as well as the DVHA and VITL contract, which begins on July 1, 2023.

The GMCB approved annual guidance for VITL’s budget submission on April 14, 2021. VITL submitted its proposed budget on May 10, 2023. Members of VITL’s senior management presented the proposed budget at a public GMCB meeting on May 17, 2023. Following VITL’s presentation, the Board held a special public comment period from May 17 to May 29, 2023. On May 31, 2023, following a staff recommendation, the Board voted to approve VITL’s FY2024 budget.<sup>2</sup>

### **FINDINGS**

1. On May 10, 2023, VITL submitted a budget proposal according to Board specifications which included the following sections:
  - Section 1: Organizational Information and Budget Narrative
  - Section 2: Proposed FY2024 Budget
  - Section 3: Financial Data from Previous Fiscal Years
  - Section 4: Contracts
  - Section 5: Presentation to GMCB
  
2. VITL’s FY2024 budget request includes \$11,270,664 in revenue.

---

<sup>2</sup> Presentation materials are available at <https://gmcboard.vermont.gov/2023-meetings>

- *Revenue from State Contracts:* VITL’s FY2024 budget includes \$10,788,782 in funding from DVHA and the Vermont Department of Health. This is an increase of \$116,322 from the FY2023 amended budget.
  - *Revenue from Non-State Contracts:* VITL’s FY2024 budget includes \$429,996 in revenue from contracts with private sector entities, including health care organizations. This is an increase of \$35,829 from the approved FY2023 amended budget.
3. VITL’s FY2024 budget request includes \$11,172,927 in expenses.
    - Labor-Related Expenses including Fringe (\$4,343,447) is VITL’s largest expense, representing 39% of total expenses.
    - Outside Support (Consulting/Contract Labor) (\$2,758,533) is VITL’s second largest expense, representing 25% of total expenses.
    - Software Server/Maintenance (\$2,596,203) is the third largest expense line, representing 23% of total expenses.
  4. Under the contract VITL continues to support initiatives for better long-term alignment of HIE partners, including VITL, DVHA, OneCare Vermont, the Blueprint for Health, and others.
  5. VITL plans to reinvest funds to complete the transition from the legacy messaging system and create a new message archive.
  6. VITL presented its FY2024 budget request to the GMCB at a public meeting held May 17, 2023. One member of the public provided a comment at this meeting related to VITL’s FY2024 budget request, which VITL responded to at that time.
  7. Though the GMCB accepts public comment at any time, the GMCB held a special public comment period regarding VITL’s FY2024 budget from May 17 through May 29, 2023. No written public comments were submitted.
  8. The GMCB discussed and approved VITL’s FY2024 budget at a public meeting held May 31, 2023. No public comments were received at this time.

### **CONCLUSIONS**

The Board reviewed VITL’s FY2024 budget request in accordance with statutory requirements, the Board’s approved VITL Budget Guidance, and the four enumerated review principles. The Board’s review process was transparent and incorporated public comment. The Board reviewed VITL’s budget to ensure it reflects a strategy and priorities consistent with the State’s health care reform goals and the Health Information Technology (HIT) Plan. The Board’s review did not direct the technical details of VITL’s work or the details of its contractual relationship with the State. The Board’s review process did not interfere with VITL and DVHA’s ability to negotiate

timely, effective contracts and grants. *See Review Process, supra; Findings, ¶¶ 6-7.*

### ORDER

Based on the foregoing findings and conclusions, the Board approves the Vermont Information Technology Leaders FY2024 budget request, subject to the following conditions.

- A. VITL will comply with quarterly reporting requirements as described in the Board’s Annual VITL Budget Guidance. In addition to topics and metrics described in guidance, quarterly reporting should include updates on:
- a. VITL’s strategic planning process and progress including work to design a future financial model that would diversify revenue sources;
  - b. Key projects including patient education and consent, expanding the data available in the VHIE;
  - c. Response to recommendations from the HIE cost benchmarking work underway with the Department of Vermont Health Access.
- B. VITL will comply with mid-year budget update requirements as described in the Board’s Annual Budget Guidance.

### SO ORDERED.

Dated: June 30, 2023  
Montpelier, Vermont

s/ Owen Foster, Chair )  
 )  
s/ Jessica Holmes )  
 )  
s/ Robin Lunge )  
 )  
s/ David Murman )  
 )  
s/ Thom Walsh )

GREEN MOUNTAIN  
CARE BOARD  
OF VERMONT

Filed: June 30, 2023

Attest: s/ Jean Stetter  
Green Mountain Care Board  
Administrative Services Director

*NOTICE TO READERS: This document is subject to revision of technical errors. Readers are requested to notify the Board (by email, telephone, or in writing) of any apparent errors, so that any necessary corrections may be made.*