

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

**FY2025 VERMONT INFORMATION TECHNOLOGY LEADERS (VITL)
BUDGET ORDER**

In re: Vermont Information Technology)
Leaders (VITL) FY2025 Budget)
_____)

INTRODUCTION

On May 29, 2024, Vermont Information Technology Leaders (VITL) presented its Fiscal Year 2025 (FY2025) budget to the Green Mountain Care Board (GMCB or Board). VITL’s budget anticipates \$12,177,487 in revenue that will come from contracts with the State of Vermont and other sources and expenses totaling \$12,230,530.

On June 12, 2024, the Board unanimously voted to approve VITL’s FY2025 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.¹ Specifically, the Board must:

[a]nnually review and 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.

¹ 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.²

REVIEW PROCESS

The VITL FY2025 budget review process occurred during May and June of 2024. 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, 2024.

The GMCB approved annual guidance for VITL’s budget submission on April 14, 2021. VITL submitted its proposed budget on May 21, 2024. Members of VITL’s senior management presented the proposed budget at a public GMCB meeting on May 29, 2024. Following VITL’s presentation, the Board held a special public comment period from May 29 to June 11, 2024. On June 12, 2024, following a staff recommendation, the Board voted to approve VITL’s FY2025 budget.³

FINDINGS

1. On May 21, 2024, VITL submitted a budget proposal according to Board specifications which included the following sections:
 - Section 1: Organizational Information and Budget Narrative
 - Section 2: Proposed FY2025 Budget
 - Section 3: Financial Data from Previous Fiscal Years
 - Section 4: Contracts
 - Section 5: Presentation to GMCB
2. VITL’s FY2025 budget request includes \$12,177,487 in revenue.
 - Revenue from State Contracts: VITL’s FY2025 budget includes \$11,774,302 in funding from DVHA. This is an increase of \$2,192,417 from the FY2024 budget.

² <https://gmcboard.vermont.gov/document/vitl-budget-guidance>

³ Presentation materials are available at <https://gmcboard.vermont.gov/2024-meetings>

- Revenue from Non-State Contracts: VITL’s FY2025 budget includes \$403,185 in revenue from contracts with private sector entities, including health care organizations. This is a decrease of \$140,087 from the approved FY2024 budget.
3. VITL’s FY2025 budget request includes \$12,230,530 in expenses.
 - Labor-Related Expenses including Fringe (\$4,979,103) is VITL’s largest expense, representing 40% of total expenses.
 - Outside Support (Consulting/Contract Labor) (\$3,902,516) is VITL’s second largest expense, representing 32% of total expenses.
 - Software Server/Maintenance (\$2,384,114) represents 19% of total expenses.
 4. Under the contract VITL continues to support initiatives for better long-term alignment of HIE partners, including VITL, DVHA, the Health Department, the Blueprint for Health, and others.
 5. VITL presented its FY2025 budget request to the GMCB at a public meeting held May 29, 2024. The Office of the Health Care Advocate asked a question regarding additional revenue, which VITL responded to at the time.
 6. Though the GMCB accepts public comment at any time, the GMCB held a special public comment period regarding VITL’s FY2025 budget from May 29 through June 11, 2024. No written public comments were submitted.
 7. The GMCB discussed and approved VITL’s FY2025 budget at a public meeting held June 12, 2024. No public comments were received at this time.

CONCLUSIONS

The Board reviewed VITL’s FY2025 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 FY2025 budget request, subject to the following conditions.

- A. VITL will comply with reporting requirements as described in the Board’s Annual VITL Budget Guidance, except that reporting shall be required biannually rather than quarterly, with reports due November 15, 2024, and May 15, 2025. In addition to topics and metrics described in guidance, 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 and expanding the data available in the VHIE.

B. VITL will comply with mid-year budget update requirements as described in the Board’s Annual Budget Guidance.

SO ORDERED.

Dated: June 24, 2024
 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 24, 2024

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

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