

**GMCB General Advisory Committee**  
Hospital Budget Review Process:  
Assessment and Recommendations RFP Summary  
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**OVERVIEW**

Scope and Background: Through this Request for Proposal (RFP), the State of Vermont, Green Mountain Care Board (GMCB or State) is seeking to establish contracts with one or more companies to assess the current hospital budget review process and identify areas for potential enhancements to modify the GMCB's statutory authority and regulatory decisions in order to provide greater alignment with payment and delivery system reform efforts in the state.

The GMCB is an independent five-member Board whose mission is to improve the health of Vermonters through a high-quality, accessible, affordable, and sustainable health care system. See 18 V.S.A. §§ 9372, 9374. More information regarding the GMCB and its work is available at <https://gmcboard.vermont.gov/>. [Rule 3.000](#) and the Board's policies on net patient revenue, non-financial reporting, physician transfers, and enforcement can be found in [Hospital Budget Reporting Requirements](#). More information on GMCB's hospital budget process is available in the [Hospital Budget Review guide](#).

**DETAILED REQUIREMENTS AND DESIRED OUTCOMES**

The GMCB is seeking contract support to develop and prioritize recommendations for changes to the hospital budget process. Contractor shall recommend modifications to statute and rule, GMCB policies, and GMCB regulatory guidance that addresses the GMCB's mission and duties, with emphasis on balancing cost containment, quality, commercial consumer affordability, and sustainability in an environment of payment and delivery system reform. The expectation is that this guidance could be used for the hospital budget process over time with minimal modifications, such as to targets, caps, or benchmarks when needed.

1. Facilitate stakeholder engagement for the following purposes:
  - a. Identify areas of administrative inefficiency, information needs or gaps, and other issues for regulated entities and GMCB Board members and key staff.
  - b. Establish suggested goals for revising the hospital budget process with a qualitative or quantitative evaluation of how well these goals relate to the current regulatory duties of the Board and to health care reform efforts in the state.

GMCB and Contractor will meet to confirm the stakeholder engagement list which shall include, but not be limited to all 14 of Vermont's hospitals, the Vermont Health and Hospital Systems Association, Office of the Health Care Advocate, Vermont Program for Quality and Health Care, Health Insurers, One Care Vermont (the State's Accountable Care Organization (ACO)), Agency of Human services leadership and departments (Health Access, Health Care Reform, Health Department) as well as current GMCB Contractors, who are providing assistance for other regulatory duties.

2. Review related work streams and deliverables below and provide recommendations for enhancing regulatory alignment and alignment with health care reform efforts, as directed by GMCB. Specific deliverables related to this section shall be identified in a project task order (Attachment E).
  - a. GMCB Hospital Sustainability Work

- i. Sustainability report submitted February 2022
- ii. Contractor reports completed in 2021
- b. Additional reports produced by and for Vermont legislature as specified by the GMCB
  - iii. Act 159 Provider Sustainability report
- c. Regulatory alignment white papers
- d. Information gathered in support of the Health Resource Allocation Plan and Certificate of Need
- e. Accountable Care Organization (ACO) budget and certification materials, specifically related to hospital fixed payments and risk arrangements
- f. Health insurance rate review information
- g. Expectation to coordinate efforts with relevant GMCB contractors working on separate projects that will inform this work.

3. Integrate stakeholder input with review of current hospital budget process. Identify:

- a. Informational and data gaps
- b. Opportunities to ease administrative burden
- c. Opportunities to increase efficiency, which may include recommendations for alternative data sources, documentation, and submission automation.
- d. Opportunities for further alignment with health care reform, including payment and delivery system reform.
- e. Opportunities for alignment with other GMCB regulatory responsibilities and duties, in particular health insurance rate review and ACO oversight.

4. Recommend alternative methodologies for hospital budget regulation with the goal of cost containment while maintaining or improving access and quality of care. The contractor will consider and suggest:

- a. Opportunities to incentivize value-based care and alternative payment mechanisms, such as fixed prospective payments and global payments to hospitals and affiliated providers;
- b. Potential measurement on a per-capita basis or other alternatives to Net Patient Revenue and commercial charge caps;
- c. How to adjust methodologies for differences in Medicare hospital reimbursements, such as for critical access hospitals;
- d. Data sources and analysis needed to support the new methodologies with the intent to relieve regulatory burden and improve information available for decision-making;
- e. Payment reform activities/incentives

5. GMCB has work underway in areas related to this scope of work (listed below). Upon direction from the GMCB, contractor may be asked to include consider these efforts as part of the recommendations included scope of this RFP, tasks 2.1-2.4 above. As part of this potential need, vendor should highlight potentially relevant work measuring or other assessment that falls within the following content areas:

- a. Equity
- b. Access
- c. Quality / Value Based Care
- d. Affordability