## An Open Letter to Vermont Lawmakers

## Say "No" to AHEAD

March 7, 2024

The state's latest health care reform efforts, once again, do not appear to address the most urgent problems Vermonters now face - access and affordability. Rather, they represent a doubling down on the failed approaches of the past eight years.

It is critical that legislators block these efforts until clear descriptions and measurable goals are provided on how this proposed initiative will solve the very real and worsening problems we are experiencing.

The Centers for Medicare and Medicaid (CMS) has issued an invitation to states to participate in a model named "AHEAD." This model, unfortunately, is not fundamentally new. It asks states to focus on the same failed tactics, using jargon like "total cost of care" and "value-based payments."

In a <u>79-slide power point</u> by the Vermont Agency of Human Services (AHS) to the Green Mountain Care Board, the Scott administration outlined the requirements of AHEAD and how the state will apply for approval. The AHS presentation, however, provides scant details on how the state, using this model, would actually improve health care and make it more affordable. The proposed plan represents an overly bureaucratic approach that will take years to implement and cost millions.

Here is a partial list of the problems with AHEAD:

- 1. The timeline for implementation is nine years. Vermonters should not have to wait that long to solve health care problems we can and should be working on today.
- 2. The model focuses almost exclusively on hospitals, which will only maintain the status quo. For example, it calls for "global budgets" for hospitals, but does not describe how these budgets will reduce costs. The <a href="model">model</a> instead would "bake in" historically high hospital costs, instead of rigorously analyzing them first to determine how to reduce waste and avoidable costs.
- 3. While there is a mention in the model of primary care, there is nothing in the AHS power point that describes how Vermont will strengthen primary care, even though plans for how to do that have been described to state officials and the Green Mountain Care Board for years.
- 4. There is also no mention of how the model will address the severe crises in mental health services, or how home health or social services will be strengthened, despite the fact these services are critical to reducing hospital costs.
- 5. The model anticipates continuing to fund and rely on the failed accountable care organization, OneCare Vermont.

6. The model potentially transfers oversight of hospital budgets to the Agency of Human Services, thus eroding the independent authority of the Green Mountain Care Board.

For a more detailed and critical assessment of the AHEAD model, see Julie Wasserman's <u>submission</u> to the Green Mountain Care Board.

The AHEAD application is progressing while our health care system continues to crumble. Recently, the Howard Center in Burlington announced it was closing two programs for lack of staffing. Additionally, a group of Emergency Room physicians submitted a commentary to Vermont Digger that describes how chaotic their emergency rooms are because of elderly persons with no place to get care, people with disabilities who can't find support services, and the medical plight of the homeless. The kind of services and support systems necessary to address these systemic problems are nowhere to be found in the state's AHEAD plans.

It is also deeply concerning that the state is intent on submitting its AHEAD application within weeks without first seeking and obtaining public input on the specifics. Last fall, the Green Mountain Care Board held over 100 public events to hear from Vermonters about the problems they experience with our health care system. Over 1,800 Vermonters, including physicians and other clinicians, participated in these meetings. It is obvious to us that the AHS AHEAD plan did not take into account the comments of these Vermonters.

Proceeding with the AHEAD application is especially foolish since we have known for years what needs to be done to give Vermonters better access to essential health care services that are affordable, timely, and equitable:

- 1. expand and strengthen primary care, including by recruiting more primary care physicians;
- expand and strengthen the ranks of nursing;
- 3. expand and strengthen mental health and substance use disorder services and resources;
- 4. expand and strengthen support services like home health to keep people out of the hospital or to get them home safely and sooner;
- center equity as a governing principle in all domains of medical care;
- 6. control escalating hospital costs through mechanisms like Reference-Based Pricing benchmarked to Medicare rates, which will **save** the state tens of millions of dollars; and
- 7. create a Prescription Drug Affordability Board to control the high cost of prescription medications.

All these initiatives could be implemented now and bring relief to Vermonters.

We, the undersigned, ask legislators to pause the state's plans for the AHEAD model until such time as the proposal addresses the issues above in a truly meaningful and effective fashion.

## **Signatories:**

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