

Submitted on Fri, 11/20/2020 - 09:51

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Town/City

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Topic

Accountable Care Organization

Comment

Kevin Mullin, Chairman
Green Mountain Care Board (GMCB)
144 State Street
Montpelier, Vt. 05602

Dear Chairman Mullin:

Currently I am the Medical Director of the Good Neighbor Health Clinic. It is one of Vermont's free clinics in White River Junction, Vermont.

I would like to thank you for soliciting comments on OneCare's, Vermont's Affordable Care Organization (ACO), proposed budget. I would like to begin by saying that I support the State's effort in attempting to reform how our health care is delivered. I was incredibly disappointed when then Governor Peter Shumlin was unable to actualize Dr. Hsiao's single payer proposal. I do realize, and support the need to move from a fee-for-service model to a value based system, hoping to attain better health outcomes at reduced cost. This needs to occur through better care coordination, a culture of continuous quality improvement and robust population health.

I realize that accomplishing these goals will take time and was glad to see that OneCare has been showing, over time, a decrease in their operating budget, and that OneCare was able to expand coverage to more Vermonters.

I am also supportive of the initiatives directed at the Social and Behavior Determinants of Health (SBDH), but more needs to be done. The State needs to consider leveraging Medicaid dollars to address more of the SBDH. As an example, "Housing First" initiatives in some States (i.e., Hawaii) place individuals who are homeless and who are "frequent flyers" to ERs, in supportive housing with embedded mental health care workers/social workers. These programs have been shown to lower Medicaid costs while improving the wellbeing of the residents.

With the election behind us, I do not see much hope on the Federal legislative front to expand the Affordable Care Act (ACA). But with Biden seeming to be our next President, I am hopeful that individual States may be able to make reforms to make health care affordable for their residents while assuring better health outcomes.

I am afraid that without proper reforms, I do not see how OneCare will be sustainable. I am concerned about the fiscal sustainability moving forward. One overlying principle, which needs to be emphasized, is that all residents need to contribute in underwriting the cost of health care, it is not a matter of if we will be consumers of health care but when will we be consumers? We all need to pay to the best of our ability.

As you know, currently Vermonters are covered either by Medicare, Medicaid, 3rd party payers from employers, insurance on the exchange, including those with subsidies, or those who are “bare”, who forgo coverage and pay for medical services as needed. The State should request a Medicaid waiver for a Vermont Public Option to cover those who are currently not purchasing and/or not covered by insurance. If they are not able to show proof of coverage they need to be automatically enrolled in a Vermont Public Option plan with the “premiums” being automatically withdrawn through a Vermont Health Care Payroll Tax.

In Section I of the ACO Information and background (page 3/92), It was mentioned “Total Cost of Care (TCOC) trend to reflect true costs” ...but reading Section IV (page 19/92), I don’t understand how trend rates are arrived at? It seems that they are looking at charges not the cost of doing business?

The recent report of the Rand study in the Vtdigger concerning the UVM was very disturbing. They reported that compared to hospitals nationally, UVM Medical Center “certainly is a higher-priced hospital,” They noted that Medicare did give the hospital a quality rating of just three out of five stars. It is hard to wrap your mind around how hospitals come up with their “charges”. Unfortunately terms like charges and costs get tossed around; they are confusing, and guarantee that no one is able to see “under the curtain” as to what is really going on. Hospitals need to bring clarity as to how they “charge” individuals or payers, what do services actually cost? Hospitals cannot continue to ask for a 1,2,3.... percent increases. They will never be incentivized to look at how outcomes can be improved while lowering cost, and it is only then that they will be able to decrease charges. GMCB needs to know how much it costs UVM to be in the business of health care. They then can decide upon a “global budget” and bundled procedural packages with which UVM can then seek ways to improve health and do it more efficiently. There are numerous examples of low lying fruit: individual departments need to standardize equipment in the operating rooms; decide whether or not to hire mid-level providers; can telemedicine substitute for face-to-face visits; can the build environment be re-designed to conserve energy and reduce waste, etc. These can only be addressed by the individual medical institutions working under fiscal constraints.

Thanks in advance for your consideration of my concerns.

Sincerely yours,

Paul

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