



## THE UNION OF VERMONT EDUCATORS

June 13, 2023

Owen Foster  
Chairperson Green Mountain Care Board  
144 State Street, Montpelier, VT 05602

On behalf of the Vermont-National Education Association and its nearly 12,000 members, I respectfully offer this commentary on OneCare Vermont's 2023 Revised ACO Budget.

I am the union's trust administrator to the Vermont Education Health Initiative (VEHI), a self-insured risk pool with approximately 35,000 active and retired school employees and their members. My formal introduction to OCV came in 2018, when the matter of attributing VEHI lives to it was first broached, along with a hefty PMPM administrative charge proposed by OCV. The VEHI management team declined this first attribution invitation and its attendant costs. One moment in particular stands out in my memory. When I asked why VEHI would attribute lives to a hospital-centric entity that was yet unproven, and why it would pay handsomely for the privilege, especially as commercial insurance costs were rising for school boards, school employees and the Vermont State Teachers' Retirement System, I was told: "It *may* bend the cost curve for VEHI in future years."

In early 2020, the VEHI Board of Directors declined a second attribution initiative, this time without the earlier requirement of a PMPM administrative fee. After considerable research in 2019, speaking for Vermont-NEA, I told my VEHI management team colleagues and our Board of Directors that I could find no compelling evidence to justify giving material support or attributing lives to OCV. Since then, to put it mildly, there has been no "bending of cost curves" that are positively impactful to public schools and to active and retired school employees. Heading into year seven of OCV's existence, the union is still resolved that OCV is not, and will never be, the structural vehicle to achieve affordable access to high-quality health care for Vermonters and their employers, or to address the critical needs of our community care providers and small rural hospitals.

After amassing \$83 million in total operating costs since its inception (approximately \$13 million of which was absorbed by administrative services with lucrative compensation packages for certain executives), OCV still encompasses only a sliver of the commercially insured market and, in the immediate future, predicts it will serve just 29 percent of all Vermonters. It has lost the foundational support of Blue Cross and Blue Shield of Vermont. More important and revealing, the affordability and access crisis in health care is much worse statewide, and levels of potentially avoidable care are shockingly high in the hospital sector. Our primary care practices, mental health counselors, nurses, and home health care providers are grossly under-resourced and struggling with well-documented staff shortages. (I asked OCV executives in

2019 what concrete measures they were taking to substantially bolster the ranks of primary care doctors after they assured me primary care was at the core of their mission. They had no response.)

GMCB has already reduced by two percent OneCare's Operating Costs as originally budgeted. I urge you to make a deeper reduction given that OCV is serving fewer people and, again, affordable access to high-quality health care in Vermont is beyond the reach of many Vermonters. I also wish to reiterate three important points made by Julie Wasserman in her public comments on this matter. First, consistent with ACO budget review protocols, OCV must "be held accountable for not expanding capacity in existing primary care practices nor recruiting additional primary care providers throughout the last 6 years." Second, the board should "determine the percent of OneCare's Population Health Management Payments paid to hospitals (who own the large majority of Vermont's primary care practices) and the percent paid to Independent Primary Care Practices for whom these funds are most critical." Finally, please investigate if OCV's budgetary allocations to hospital-owned, primary care practices reached those practices and benefited patients. If not, until the day comes when we end the failed model of OneCare Vermont, please put in place reporting systems to ensure that every OCV dollar intended for primary care reaches its destination. I cannot stress enough how often I have heard from school employees about the difficulties they encounter searching for a primary care provider or the sadness and anxieties they experience when a trusted relationship with a family doctor is lost.

Thank you.

Sincerely,

Mark Hage  
Director of Benefit Programs  
Vermont-NEA  
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