

DELIVERED ELECTRONICALLY

May 1, 2025

State of Vermont
Green Mountain Care Board
144 State Street
Montpelier, VT 05602

RE: Lake Champlain ACO Confidentiality Request for FY25 Semi-Annual Budget Report

Dear Green Mountain Care Board:

Enclosed please find confidential and redacted versions of the Lake Champlain ACO, LLC (“Lake Champlain ACO” or “Lake Champlain”) semi-annual budget report for FY25. This is the first semi-annual budget report submitted by Lake Champlain ACO. No prior confidentiality determination has been made by the Green Mountain Care Board (“GMCB”). As such, Lake Champlain ACO asks that the GMCB treat certain identified information in this report as confidential and exempt from public inspection and copying under the Vermont Public Records Act. *See* 1 V.S.A. § 315 et seq; *see also* GMCB Rule 5.106. The Office of the Health Care Advocate has been copied in this submission, as required. GMCB Rule 5.105. Both the confidential and redacted versions of this semi-annual budget report meet the formatting criteria described in the FY25 Medicare-Only ACO Budget Guidance.

The portions of the FY25 semi-annual budget report for which Lake Champlain seeks exemption constitute trade secrets under the Vermont Public Records Act. 1 V.S.A. § 317(c)(9). These portions are trade secrets because they disclose the following key terms related to the proprietary ACO participant contracts between Lake Champlain and its participant primary care practices:

1. Upside and downside risk assumed by VT primary care practices
2. Shared savings and shared risk methodology
3. Shared savings retained by Lake Champlain ACO
4. Shared savings retained by VT primary care practices

1 V.S.A. § 317(c)(9) holds that the trade secret exemption applies to information that a commercial concern has made “efforts that are reasonable under the circumstances to keep secret, and which gives its user or owner an opportunity to obtain business advantage over competitors who do not know it or use it.” Vermont courts have held that the trade secrets exemption may apply to items such as balance sheets, income statements, profit and loss statements, assets and liabilities, revenue histories, names of customers, stockholder information, employee information, market feasibility studies, and financial projections and projected costs. *See Springfield Terminal Ry. Co. v. Agency of Transp.*, 174 Vt. 341, 816 A.2d 448 (2002); *see also Long v. City of Burlington*, 208 Vt. 418, 199 A.3d 542 (2018). Vermont courts have also held that information is exempt where it could be “reverse engineered” by competitors to discover trade secret information. *See Long* at 430, 199 A.3d at 550-51.

While Lake Champlain ACO is one of only four Medicare-only ACOs in Vermont, it is one of about 500 Medicare Shared Savings Program (“MSSP”) ACOs in the United States. While Lake Champlain ACO is regionally focused in Chittenden County, it operates in a competitive and crowded multistate environment

with competing ACOs that could obtain business advantage over Lake Champlain if certain information were disclosed.

In particular, Lake Champlain ACO's overall business model is to distribute and share in savings obtained when local primary care practices decrease the cost of care for Medicare beneficiaries. How these savings are calculated—or, in the alternative, how risk is shared if the cost of care exceeds the benchmark target—is the foundation for the participant contracts that comprise this model. If Item 1 (upside and downside risk assumed by VT primary care practices) or Item 2 (shared savings and shared risk methodology) were made available through a public records inquiry or posted to the GMCB's website, competitors in Vermont or elsewhere could undercut Lake Champlain's risk methodologies to obtain business advantage that would otherwise be unavailable. Similarly, while Item 3 (shared savings retained by Lake Champlain ACO) and Item 4 (shared savings retained by VT primary care practices) do not directly disclose information within Lake Champlain's participant contracts, another MSSP could use these shared savings figures, along with readily available attribution data, to reverse engineer these contract terms between Lake Champlain and its ACO participants. This information would give other ACOs an opportunity to obtain business advantage over Lake Champlain, as well as other business competitors that did not know or use this information.

For information to constitute a trade secret, 1 V.S.A. § 317(c)(9) requires that efforts have been made that are reasonable under the circumstances to keep the information secret. The GMCB is welcome to review Lake Champlain's website and other public filings. The information relevant to this request has not been otherwise disclosed or publicly shared elsewhere. Lake Champlain ACO has made reasonable efforts to keep this information secret, and so asks that this request for confidentiality be granted.

Sincerely,

Lake Champlain ACO

Cc: Office of the Health Care Advocate