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October 21, 2016

The Honorable Peter Shumlin  
Governor of Vermont  
109 State Street, Pavilion Building  
Montpelier, VT 05609

Al Gobeille, Chair  
Green Mountain Care Board  
89 Main Street  
Montpelier, VT 05020

Dear Governor Shumlin and Chairman Gobeille,

Bi-State Primary Care Association and its membership of Vermont federally qualified health centers (FQHCs) stand ready to support an all-payer waiver for Vermont and contribute to its success. We appreciate the tireless dedication you and your teams brought to this effort, and we're proud of Vermont's ongoing tradition of being a national leader in health care initiatives.

As you know, the State of Vermont and Vermont's Congressional delegation have worked together to expand the footprint of federally qualified health centers in Vermont. In 2005, the legislature set a goal to establish an FQHC in each county of the state. With commitment from the state and federal investment through the Affordable Care Act, FQHCs currently provide care to 1 in 4 Vermonters at 60 sites around the state. We see the APW as an opportunity to build on this strategic investment, adding capacity to the Vermont FQHCs to increase patient access, and expand on their successful comprehensive model of care.

More importantly, FQHCs continue to assess needs in their communities and expand services and access to meet community needs in a cost-effective way. A recent national study found FQHCs had 24 percent lower total cost of care per Medicaid patient when compared to other providers. (Nocon, et. al., 2016 "Health Care Use and Spending for Medicaid Enrollees in Federally Qualified Health Centers versus Other Primary Care Settings." *American Journal of Public Health*, 106(11).) Further, the study found health center Medicaid patients had lower spending on specialty and inpatient care and fewer inpatient admissions. The authors examined data from 13 states (including Vermont) in conducting their research. Locally, the FQHCs and their CHAC partners saved the state over \$10 million in the first two years of CHAC's operations, and the CHAC per member per month cost for Medicaid patients was lower in 2015

than 2014. These results demonstrate the value of the FQHCs in Vermont, and the critical role we look forward to playing in keeping Vermonters healthy and ensuring the success of Vermont's all-payer waiver.

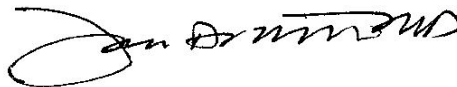
In our "Ten Critical Points to Transform Vermont's Health System" document, attached for your reference, the FQHCs advocated for the all-payer waiver to invest in primary care and build strong community-based partnerships. We support, then, the all-payer waiver goals of limiting health care cost growth by investing in primary and mental health care to improve the health of all Vermonters. We understand there are many, many details yet to be developed, and we will continue to bring primary care expertise and leadership to the table through the development and implementation process. We recognize that success on the all-payer waiver initiative ultimately relies on strong partnership across the delivery system and communities.

We look forward to our continued work together.

Sincerely,



Gail Auclair, CEO  
Little Rivers Health Care



John Matthew, M.D., Director  
The Health Center



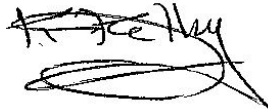
Grace Gilbert Davis, CEO  
Battenkill Valley Health Center



Martha Halnon, Executive Director  
Mountain Health Center



Shawn Tester, CEO  
Northern Counties Health Care, Inc.



Kevin Kelley, President and CEO  
Community Health Services of Lamoille Valley



Timothy Ford, President and CEO  
Springfield Medical Care Systems, Inc.



Dan Bennett, President and CEO  
Gifford Health Care



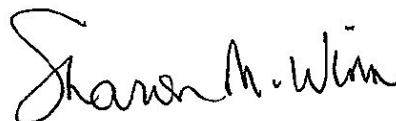
Pamela Parsons, Executive Director  
Northern Tier Center for Health



Grant Whitmer, Executive Director  
Community Health Centers of the Rutland Region



Tess Kuening, President and CEO  
Bi-State Primary Care Association



Sharon Winn, Policy Director  
Bi-State Primary Care Association



## Ten Critical Points to Transform Vermont's Health System

Vermont's federally qualified health centers (FQHCs) recognize and value the work of the past year on payment reform. However, Vermonters will be healthier and better off only if the system transforms to address social determinants as a priority, commits to comprehensive primary care, invests in strong community-based care systems, and builds capacity to accomplish these goals.

A successfully transformed health system has the following characteristics:

1. Primary care practices are strong and well-supported patient-centered medical homes, with the resources they need to prevent chronic disease, promote wellness, and manage patient care outside the hospital setting.
2. Primary care practitioners have the time they need to address the issues underlying chronic disease and mental health and the resources to maximize primary care practitioner time in direct patient care.
3. Mental health, behavioral health, and primary care work together to provide seamless care to patients.
4. Home health services and primary care practices work together to provide seamless care to patients, and home health is available without regard to Medicare or Medicaid legacy rules around coverage for home health services.
5. Community-based social service agencies are fully-integrated or tightly coordinated with primary care practices, including:
  - Area Agencies on Aging who serve as the eyes and ears of the system, working to keep vulnerable elders housed and out of impoverished living conditions.
  - Mental Health Centers who offer integrated services and supports to Vermonters affected by developmental disabilities, mental health conditions and substance use disorders.
  - The Vermont Food Bank and local food shelves with a pulse on food insecurity in the community, working to feed low-income and underserved Vermonters.
  - Parent Child Centers, shaping solutions to meet the needs of working families.
6. Primary care practices work with community partners to offer a "health coach" option to help patients in making better health decisions and following a healthy lifestyle.
7. Communities integrate wellness-initiatives with schools, employers, community centers, etc.; i.e. meet people where they are.
8. Hospitals are stable and positioned to meet the acute inpatient and outpatient needs of the community, and participate as equals in the delivery system.
9. Systems of care are focused on the local and regional levels, with resources deployed efficiently to meet the needs of the community, and with local strategic and project plans that roll up to a statewide plan.
10. Vermont's Blueprint team retains independence and neutrality to lead the transformation effort, using community collaboration boards (e.g. Blueprint UCCs) with broad community representation to shape and drive the transformation at the local level.