

# Health Reform in Vermont

## Transformation to a High Value and Affordable Health Care System

	<b>COVERAGE Reform</b>	<b>INSURANCE Reform</b>	<b>CARE Reform</b>	<b>PAYMENT Reform</b>	<b>FINANCING &amp; COST Reform</b>	<b>INFRASTRUCTURE Reform</b>
<b>Goals and Messages</b>	<ul style="list-style-type: none"> <li>• <i>Get people covered</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Ensure value for premium dollars – for consumers and businesses</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Improve health of population</i></li> <li>• <i>Improve patient satisfaction</i></li> <li>• <i>Reduce per capita cost of care</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Pay more for health and prevention</i></li> <li>• <i>Pay for quality and value, not throughput and procedures</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Control costs</i></li> <li>• <i>Simplify administration</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Provide new tools and resources needed to transform system</i></li> </ul>
<b>Major programs or initiatives underway</b>	<ul style="list-style-type: none"> <li>➤ Dr. Dynasaur, VHAP, and other Medicaid expansions</li> <li>➤ Catamount, Catamount ESI</li> <li>➤ 92-93% Vermonters covered</li> <li>➤ Premium subsidies – sliding scale up to 300% FPL</li> </ul>	<ul style="list-style-type: none"> <li>➤ Community rating and guaranteed issue</li> <li>➤ Premium and Rate regulation (some new Fed \$\$)</li> <li>➤ Consumer protection</li> <li>➤ State coverage mandates</li> <li>➤ Federal coverage mandates <ul style="list-style-type: none"> <li>▪ Young adult coverage to age 26</li> <li>▪ Eliminate Pre-existing conditions exclusion for children</li> <li>▪ No lifetime or annual benefit limits</li> <li>▪ Limits on amounts insurers can spend on non-medical costs</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Blueprint for Health → strengthening primary care, medical homes, community health teams, initial payment reforms, evaluation, continuous learning and improvement</li> <li>➤ No cost sharing allowed for recommended preventive care &amp; immunizations (Catamount &amp; Fed)</li> <li>➤ Increased focus on wellness and prevention</li> <li>➤ Practice variation studies and corrections – Act 49</li> </ul>	<ul style="list-style-type: none"> <li>➤ Blueprint/ all payers enhanced payments to primary care providers and community health teams</li> <li>➤ Medicare participation (incl. \$\$) in VT reforms (application pending)</li> <li>➤ Payment reform initiatives in Act 128 – moving toward a “single system of payments”</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hospital budget review and targets</li> <li>➤ Certificate of Need review of capital expenditures</li> <li>➤ Healthcare spending data &amp; analysis</li> <li>➤ Common claims initiatives and rules</li> <li>➤ Standard rules and procedures (e.g., disease management, provider credentialing, contracts)</li> <li>➤ Lower uncompensated care</li> <li>➤ Consumer price and quality information</li> <li>➤ Prescription drug cost and market regulation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Health Information Technology (HIT) <ul style="list-style-type: none"> <li>▪ Elec. Health Records</li> <li>▪ VITL - VT Tech Asst.</li> <li>▪ ARRA \$\$ and requirements</li> <li>▪ VT HIT Fund</li> <li>▪ HIT Exchange Network → connecting it all together</li> </ul> </li> <li>➤ Healthcare Workforce <ul style="list-style-type: none"> <li>▪ Enhance primary care</li> <li>▪ Community health teams</li> <li>▪ Needs assessment &amp; recommendations due 11/10</li> </ul> </li> <li>➤ New and streamlined AHS eligibility and claims processing systems</li> </ul>
<b>Future new or expanded programs</b>	<ul style="list-style-type: none"> <li>➤ Hsiao Report coverage recommendations</li> <li>➤ Individual Mandate (Fed)</li> <li>➤ Premium subsidies/ tax credits (Fed)</li> <li>➤ Single application and eligibility process for public and private plans - thru Insurance Exchange (Fed)</li> <li>➤ Medicaid Eligibility Changes (Fed)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hsiao Report insurance recommendations</li> <li>➤ Insurance Exchange (Fed \$\$) <ul style="list-style-type: none"> <li>▪ Design by 2012</li> <li>▪ Effective date – 1/1/14</li> </ul> </li> <li>➤ Eliminate Pre-existing conditions exclusion for adults and other market reforms (Fed - 2014)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hsiao Report care system recommendations</li> <li>➤ Blueprint Expansion statewide by 10/1/2013</li> <li>➤ Expansion of Blueprint to other care settings (mental health, home health, nursing homes, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hsiao Report payment recommendations</li> <li>➤ Payment Reform strategic plan by 2/1/11</li> <li>➤ Payment Reform pilots (3+ by 2012)</li> <li>➤ Federal payment reform programs and pilots (ACOs and others)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hsiao Report financing &amp; cost containment recommendations</li> <li>➤ Hospital budget targets for FY 12</li> <li>➤ Address structural deficits in Medicaid and Catamount budgets</li> </ul>	<ul style="list-style-type: none"> <li>➤ Hsiao Report infrastructure recommendations</li> <li>➤ Large-scale EHR adoption by hospitals and practices</li> <li>➤ Federal “meaningful use” incentives payments to providers (2011 – 2015)</li> <li>➤ Extension of EHRs to other care settings (mental health, home health, nursing homes, etc.)</li> </ul>

