

2017 Legislative Session Updates

Vermont Medicaid and Exchange Advisory Board
April 24, 2017

Lindsay Parker, Agency of Human Services

S.4 - An act relating to publicly accessible meetings of an accountable care organization's governing body

- Passed Senate; In House Health Care
- Proposes to identify circumstances under which ACO governing body may meet in private
- Medicaid Impact: None

S.50 - An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility

- Passed Senate, Amendments passed House
- Proposes expansion of current law by requiring that insurers cover services delivered via telemedicine when provided to patients outside a health care facility (community or residential settings); Opportunity for addressing access to care issues and expanding provider networks in rural areas.
- Medicaid Impact: Expansion of Medicaid's current telemedicine policy for what providers and services will be reimbursed. DVHA programmatic changes to occur; Anticipate utilization and spend increases.

Legislative Updates, continued

S.133 - An act relating to examining mental health care and care coordination

- Passed Senate; In House Health Care
- Proposes to address several inter-related issues in the mental health system:
 - Increase in the number of individuals with a psychiatric condition waiting in emergency rooms for voluntary and involuntary inpatient psychiatric placement
 - Shortage of psychiatric care professionals and high rates of turnover and vacancies at Designated Agencies (DAs) and Specialized Service Agencies (SSAs)
 - Overall funding and payment rates to direct care staff wages for mental health services provided by the DAs/SSAs
- Medicaid Impact: TBD; Continued discussion regarding DA/SSA rates

Legislative Updates, continued

H.386 - An act relating to home health agency provider taxes

- Passed House; In Senate Finance
- Proposes to amend the current home health agency provider tax base
 - Redefines the taxable portion of home health services
 - 4.17% of net patient revenues from core home health and hospice services
 - Sunsets tax on July 1, 2019
- Medicaid Impact: JFO's Fiscal Note reports tax amendment as revenue neutral; New administrative efforts for DVHA to adopt changes

H.507 - An act relating to Next Generation Medicaid ACO pilot project reporting requirements

- Passed House; Amendments passed Senate
- Proposes to:
 - Require DVHA to report to legislative committees and Office of the Health Care Advocate on implementation of Next Generation Medicaid ACO
 - Directs GMCB to update same parties on implementation of All-Payer Model and preparing to regulate ACOs
 - Amendments to Act 165 (2016 session law) on the prescription drug out of pocket limit ("Rx MOOP"); Postpones a waiver application from DVHA to federal govt. to March 2019; Adds additional scope to the work of current advisory group and associated legislative reports
- Medicaid Impact: ACO reporting is aligned with DVHA's contract with OneCare; DVHA requested date extension for waiver

FY2018 Appropriations Bill (H.518)

Policy provisions in H.518, as passed by House:

- Extend emergency rulemaking authority for Health Benefits Eligibility & Enrollment (HBEE) rules
 - Extend to June 2018
- Timeline for Drug Utilization & Review Board review of Medicaid's Preferred Drugs List (PDL)
 - Extend review of PDL from every 12 to 24 months
- Continue to delay implementation of MAGI-like methodology for individuals enrolling in VPharm and Healthy Vermonters
 - Delayed until December 2018; Contingent on operational Integrated Eligibility (IE) system

Bills Continuing Next Session?

S.92 - An act relating to interchangeable biological products

- Passed Senate; In House Health Care
- Proposes to direct pharmacists to fill prescriptions for biological products with an interchangeable biological product (biosimilar) unless otherwise specified by the prescriber or the purchaser
- Medicaid Impact: Bill that passed Senate directs pharmacists to adhere to Medicaid's PDL for all drugs (including biological products)
 - This maintains current practice for DVHA; Medicaid would not be held to law requiring automatic substitution of generic drugs or biosimilars

S.57 - An act relating to increase consumer awareness of prescription drug prices

- Has not left Senate committee
- Proposes to:
 - Promote prescription drug price transparency by requiring pharmacy benefit managers to issue explanations of benefits (EOBs)
 - Expand pricing transparency requirements for health plans offered on Exchange and mandates that Department of Financial Regulation adopt rules – *Medicaid not included in this provision*
- Medicaid Impact: EOBs requirement would represent new administrative work and need for new appropriation