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Submitted via e-mail to AHS.MedicaidPolicy@vermont.gov

Thank you for the opportunity to comment on Global Commitment Register (GCR) proposed policy 21-060.

Bi-State Primary Care Association (Bi-State) is a 501(c)3 nonprofit organization, formed by two health and social service leaders in 1986 to advance access to comprehensive primary care and preventive services for all, with special emphasis on those most in need in New Hampshire and Vermont. Today, Bi-State represents 28 member organizations across both states that provide comprehensive primary care services to over 300,000 patients at 146 locations. Our members include Federally Qualified Health Centers (FQHCs), Vermont Free and Referral Clinics, Area Health Education Center programs, and Planned Parenthood of Northern New England. The following comment is specific to Bi-State's FQHC members and their perspective payment system (PPS) in light of rising pressures on the cost of providing care. The following comment is specific to Bi-State's FQHC members and their Prospective Payment System in light of rising pressures on the cost of providing care.

The GCR proposed policy 21-060 announced that Medicaid FQHC Prospective Payment System (PPS) rates will increase by the Medicare Economic Index (MEI) inflation factor of 1.4% in 2022. Federal statute established MEI as a minimum floor to increase FQHC Medicaid PPS rates. A 1.4% MEI increase is substantially below the rising cost of providing primary care at a health center. All emerging data points to dramatically higher costs. For example, consumer prices grew by 6.8% between 2020 and 2021, the Social Security cost of living adjustment was set at 5.9% for 2022, and Doximity, a professional medical network, estimated that physician compensation grew by 3.8% from 2020 to 2021. Our members report substantial cost increases, particularly for staff.

Insufficient rates only serve to worsen the local and national health care workforce shortage and cause health centers to struggle to maintain the workforce necessary for their mission, which is to provide community-based and patient-centered primary care to Vermonters regardless of insurance status or ability to pay. Workforce shortages in both clinical and non-clinical positions existed before the COVID-19 pandemic; however, these shortages have only been exacerbated in the intervening 21 months as providers and staff have faced increased risk to themselves, risk to

their families, burnout, and the need to care for family members such as children with reduced access to childcare or school. The cost of recruiting, training, and retaining our workforce is high and increasing. It is also jeopardizing the ability of FQHCs to serve as safety net providers in their communities and provide services ranging from physical health, mental health, substance use disorder treatment, oral health, care coordination, food access, and interpretation.

In addition, FQHCs operate under strict operating and reporting requirements. To receive recognition as an FQHC, health centers must meet a stringent set of requirements required by the Health Resources and Services Administration (HRSA). Further, FQHCs in Vermont are all recognized as patient-centered medical homes (PCMH) by the National Committee for Quality Assurance (NCQA). This recognition requires that health centers regularly meet NCQA standards. Meeting both HRSA and NCQA standards require substantial resources in terms of time, staff, and technology and data systems.

Finally, robust primary care is a key part of the health care system. At a minimum, funding for primary care needs to cover the cost of providing that care and flexibly cover clinically appropriate modalities of care. Preferably, funding should be sufficient for primary care to continue to play the central role in improving population health and shifting health care utilization away from high-cost services consistent with the State of Vermont's stated health care reform goals.

On behalf of our members that serve nearly one-third of all Vermonters, Bi-State Primary Care respectfully requests that the Agency of Human Services consider a higher inflation factor to close the gap between the cost of providing care and the reimbursement that covers that care.

Sincerely,



Mary Kate Mohlman, PhD, MS
Director, Vermont Public Policy