



# Health Care Reform Work Group: Subgroup on System Stabilization

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JULY 15, 2022 MEETING SUMMARY

# Health Care Reform Work Group: Work Stream for this Subgroup

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**Short-Term  
Provider  
Stability**

Impact of  
Regulatory  
Environment  
on Stability

Financial and  
Care Model

Model for  
Long-Term  
Hospital  
Stability

# Short-Term Provider Stability

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**1115 Model – rate methodologies targeted at stability**



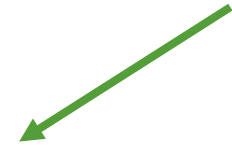
**Study of Inflationary Costs – national trends in hospital rates and impacts of inflationary costs**



**Convening Partners – pressure areas identified through the pandemic**

Hospital Rates  
MH/SUD  
Long-Term Care

**Subgroup focus**



# Short-Term Provider Stability

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“**Short-term action**” refers to actions taken during the next 18 months with the understanding that there is a pressing need for substantive action within the next six months.

# Summary of Solutions Discussion

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# Principles to Guide Solutions Discussion

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1. Invest in strategies focused on high-value care that align with our long-term health care reform goals and objectives.
2. Work to balance cost with needed care for Vermonters, and to align revenue with access to necessary care.
3. Be predictable and flexible, measure outcomes, and adapt strategies if not achieving agreed-upon goals.
4. Maintain or improve current quality of care and access, including making it possible/evolving for patients to receive care in the most appropriate setting possible.
5. Strengthen primary care, mental health, post-acute and long-term care.

# Solutions Discussion

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- Prior to the meeting Subgroup members received a list of possible strategies to address short-term delivery system stabilization needs.
- Subgroup members were invited to consider the list and identify other ideas they may wish to put forth.
- The Subgroup commenced its review of possible solutions, addressing the first two in a list of eight:
  1. Create a statewide approach to the phasedown of traveling health care workers across the system of care.
  2. Create incentives for Vermont-based travelers to enter permanent/full-time positions.

# Solutions Discussion

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- Subgroup members generated multiple ideas, some that are likely to have nearer-term impact and others medium and longer-term impact. Four strategies were highlighted at the end of the meeting.
  - 1. Prioritize rate increases for SNFs and home health, specifically Choices for Care to maintain and, hopefully, grow capacity.**
    - Rationale: Capacity is in danger of being lost. Improved capacity will help to improve patient flow from higher-intensity settings to lower-intensity care settings.
      - Within cost-based rate methodologies for SNF, PNMI, and residential care, address inflationary costs, including staffing.
      - Under Choices for Care, allow providers a short-term rational method for targeting services to the highest need, e.g., focusing on personal care vs homemaker services.
  - 2. Avert the proposed federal rate cut that will harm home health providers.**
    - Rationale: A Medicare rate cut for high acuity care will further weaken home health agency financial stability.
      - Escalate to CMS a package of measures to address stability including, Medicare rates for HHS and SNF, nursing home medical director and primary care providers oversight and current APM limits requests. Include acknowledgement of the Medicaid wins in 1115 as an example of partnership.



# Solutions Discussion

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## **3. Develop childcare and housing capacity.**

- Rationale: Lack of affordable childcare and housing are a deterrent to hiring workers.

## **4. Develop specialized care sites for patients with higher acuity behavioral, mental health and substance use needs**

- Rationale: Lack of trained specialty providers is leading to individuals boarding in hospitals.

# Solutions Discussion

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Other ideas mentioned during the meeting included the following:

- Outreach to workers who took early retirement and encourage their return.
- Encourage Vermont educational institutions to expand the number of health care workers they train.
- Grow internship programs.
- Improve the efficiency of system service capacity.
- Make it attractive for travelers from afar to stay in Vermont; emphasize inclusion practices to make them feel welcome.
- Recruit foreign workers.