VERMONT GLOBAL COMMITMENT TO HEALTH
SECTION 1115 DEMONSTRATION
FACT SHEET

Name of Section 1115 Demonstration:	Global Commitment to Health
Waiver Number:	11-W-00194/1
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Date Amendment Submitted:	March 5, 2009
Status:	In Review

BACKGROUND:

On April 15, 2005, Vermont submitted its formal proposal for the Global Commitment to Health Section 1115(a) demonstration to CMS. The Global Commitment to Health Section 1115(a) Demonstration is designed to use a multi-disciplinary approach including the basic principles of public health, the fundamentals of effective administration of a Medicaid managed care delivery system, public-private partnership, an initiative in employer sponsored health insurance, and program flexibility. The initial Global Commitment to Health Demonstration was approved in September of 2005.

In 2006, the State passed legislation regarding development of Catamount Health, a fully insured product that will be available through private insurers in Vermont. The Catamount Health Assistance Program seeks to fill gaps in coverage for Vermonters by providing a health services delivery model for uninsured individuals.

In October 2007, a component of the Catamount program was added to the Demonstration. The offering consists of a premium subsidy to Vermonters who have been without health insurance coverage for a year or more, have income at or below 200 percent of the Federal poverty level (FPL), and who do not have access to cost effective employer-sponsored insurance as determined by the State.

The State's goal in implementing the Demonstration is to improve the health status of all Vermonters by:

- Increasing access to affordable and high quality health care
- Improving access to primary care
- Improving the health care delivery for individuals with chronic care needs
- Containing health care costs

The State will employ the following principles in achieving the above goals:

- **Program Flexibility**: Vermont has the flexibility to change benefits for the non-mandatory populations. The State may change the benefit package as long as it does not exceed five percent of the comparison year expenditures and at a minimum must provide the "Secretary Approved package" under the Health Insurance Flexibility and Accountability Act (HIFA) guidelines. Changes that exceed five percent will have to be submitted to CMS as an amendment to the demonstration. Vermont will continue to use the same process that is in place today to determine necessary changes to its Medicaid program. This process includes vetting changes with key stakeholders and then receiving legislative approval prior to requesting approval to make those changes from CMS.

- **Managed Care Delivery System:** Under the Demonstration the AHS will contract with the Office of Vermont Health Access (OVHA), which will serve as a publicly sponsored managed care organization (MCO). Vermont legislative authority was granted to create this entity. An intergovernmental agreement between the single State agency and OVHA, will outline their respective responsibilities under the demonstration. Federal regulations published at 42 CFR Part 438 shall govern the provision of Medicaid services through managed care and this includes actuarial soundness requirements. OVHA will be able to make expenditures generated from capitated revenue based for the following:

    1. Reduce the rate of uninsured and, or, underinsured in Vermont;
    2. Increase the access of quality health care to uninsured, underinsured and Medicaid beneficiaries;
    3. Provide public health approaches to improve the health outcomes and the quality of life for the Medicaid-eligible individuals in Vermont; and
    4. Encourage the formation and maintenance of public-private partnerships in health care.

- **Aggregate Budget Neutrality Cap**: Vermont will be at risk for both the caseload and the per member per month Medicaid managed care payments, as well as certain administrative costs. Vermont will have to manage this program within a total computable aggregate cap of $4.7 billion over the approved 5-year Demonstration period.

- **Premium Assistance/Catamount Health Plan:** Vermont seeks to increase access to affordable health care coverage by providing premium assistance to purchase private coverage via the Catamount Health Plan for the uninsured and by providing premium assistance to individuals with access to employer sponsored insurance (ESI).

ELIGIBILITY

The general categories of populations eligible under the Demonstration are:

Traditional Medicaid-eligible Populations

Demonstration Population 1:	Mandatory Categorically Needy
Demonstration Population 2:	Optional Categorically Needy

Vermont Health Access Plan (VHAP) Expansion Populations

Demonstration Population 3:	Underinsured children with income between 225 and 300 percent of FPL who are not otherwise eligible for Medicaid or the State Children's Health Insurance Program
Demonstration Population 4:	Adults with children with income between 150 and including 185 percent of FPL
Demonstration Population 5:	Childless Adults with income up to and including 150 percent of FPL
Demonstration Population 6:	Medicare beneficiaries with income at or below 150 percent of the FPL, not otherwise categorically eligible
Demonstration Population 7:	Medicare beneficiaries with income above 150 percent and less than 200 percent of FPL, not otherwise categorically eligible
Demonstration Population 8:	Individuals with persistent mental illness with income up to 150 percent of FPL

Premium Assistance Expansion Populations

Demonstration Population 9:	ESI Premium Assistance a. Adults with children with incomes between 185 and including 200 percent of the FPL b. Childless adults and non custodial parents with income between 150 and including 200 percent of the FPL
Demonstration Population 10:	Catamount Premium Assistance a. Adults with children with incomes between 185 and including 200 percent of the FPL b. Childless adults and non custodial parents with income between 150 and including 200 percent of the FPL

BENEFITS

Expansion Populations

Population Description	Criteria	Benefits Package
Underinsured children with income between 225 and including 300 percent of FPL who are not eligible for Medicaid or CHIP	children with income between 225 and including 300 percent of FPL	Same as Medicaid State plan benefit package
Adults with children with income between 150 and including 185 percent of the FPL	income between 150 and including 185 percent of the FPL	VHAP Limited/VHAP PC Plus*
Adults with income up to and including 150 percent of the FPL	income up to and including 150 percent of the FPL	VHAP Limited/VHAP PCPlus
Medicare beneficiaries with income at or below 150 percent of the FPL	income at or below 150 percent of the FPL	Medicaid Prescriptions, eyeglasses and related eye exams
Medicare beneficiaries with income above 150 percent and less than 200 percent of the FPL	income below 175 percent of the FPL	Maintenance Drugs
Individuals with persistent mental illness with income up to 150 percent of FPL	income up to 150 percent of FPL	Day services, diagnosis and evaluation services, emergency care, psychotherapy, group therapy, chemotherapy, specialized rehabilitative services
Adults with children with income between 185 and including 200 percent of the FPL	Income between 185 percent and including 200 percent of FPL	Premium assistance to purchase ESI
Childless adults with income between 150 and including 200 percent of the FPL	Income between 150 percent and 200 percent of FPL	Premium assistance to purchase ESI
Adults with children with income between 185 and including 200 percent of the FPL	Income between 185 percent and including 200 percent of FPL	Premium assistance to purchase the Catamount Health
Childless adults with income between 150 and including 200 percent of	Income between 150 percent and 200 percent of FPL	Premium assistance to purchase Catamount Health

the FPL		

* VHAP Limited is the interim benefit package offered to enrollees before a primary care physician (PCP) is chosen. After the PCP is chosen, the enrollee is eligible for the full VHAP benefits package, referred to as VHAP PC Plus.

Note: VHAP adults with access to cost-effective ESI are also eligible to receive premium assistance.

Services Provided by the State's Different "Home and Community Based Services" Programs offered to individuals who were previously covered under a separate 1915(c) demonstration.

Program Name	Services	Limitations
Traumatic Brain Injury (TBI)	Crisis/support services, psychological and counseling supports, case management, community supports, habilitation, respite care, supported employment, environmental and assistive technology	Any limitation on this service are defined by Vermont rules and policies
Mental Illness Under 22	Service coordination, flexible support, skilled therapy services, environmental safety devices	Any limitation on this service are defined by Vermont rules and policies
MRDD	Case management, residential habilitation, day rehabilitation, supported employment, crisis services, clinical intervention, respite	Any limitation on this service are defined by Vermont rules and policies

VHAP ESI

The VHAP adults are eligible for premium assistance to purchase ESI if deemed cost-effective by the State. The benefits offered by the plan must be substantially similar to the benefits offered by the typical benefit plans issued by the four health insurers with the greatest amount of covered in the small group market. To ensure that individuals enrolled in VHAP ESI receive the same benefits as individuals in the VHAP program, the State will provide a wrap for services not covered under the ESI plan.

Premium Assistance Catamount Health Plan Benefit Package
Comprehensive benefit as prescribed in Catamount State statute

ESI Premium Assistance (Non-VHAP) Benefit Package
The benefits covered by the plan must be substantially similar to the benefits offered by the Catamount Health Premium Assistance.

COST SHARING

Premiums, Co-Payments, and Premium Assistance. The State agrees to maintain the State Plan co-payments and premium provisions for the mandatory population. The State agrees that cost sharing for optional and expansion children eligible for Medicaid and adults whose coverage is mandated by Federal law must not exceed 5 percent of the family's gross income. The following chart provides details regarding cost sharing for Demonstration expansion populations (Demonstration Populations 4-12):

A. Premiums and Co-payments for the Expansion Populations

Population	Premiums	Deductibles	Co-Payments*
Underinsured children not otherwise eligible for Medicaid and CHIP 186-225% FPL 226-300% FPL	$15/month/family $20/month/family	$0	$0
Adults Pregnant Women 186-200% VHAP 50-75% FPL VHAP 76-100% FPL VHAP 101-150% FPL VHAP 150-185% FPL	$15/month/family $7/month $25/month $33/month $49/month	$0	**Traditional Medicaid populations: Nominal co-payments** **Prescriptions:** • $1.00: for prescriptions $29.99 or less • $2.00: for prescriptions between $30.00 to $49.99 • $3.00: for prescriptions $50.00 or more $3.00 per dental visit $3.00 per day per hospital for outpatient services** $75.00 per inpatient hospital admission** **VHAP populations** $25/emergency room visit; no charge if admitted
HCBS (TBI, MI under 22, and MR/DD)	$0	$0	$0

Medicare beneficiaries income at or below 150 percent of the FPL, not otherwise categorically eligible	$15/month	$0	$0
Medicare beneficiaries with income above 150 percent and less than 200 percent of the FPL not otherwise categorically eligible	$20/month	$0	$0
Individuals with persistent mental illness with income up to 150 percent of FPL	$0	$0	$0

* Co-payments do not apply to children under age 21, pregnant women or individuals in long-term care facilities

** These copays also apply to SSI-related beneficiaries ages 18, 19 & 20

B. Premium Assistance for VHAP, ESI and Catamount Populations is as follows:

Population	Premiums
VHAP/ESI VHAP 50-75% FPL VHAP 76-100% FPL VHAP 101-150% FPL VHAP 151-185% FPL	 $7/month $25/month $33/month $49/month
Non VHAP/ESI Childless adults 151-200% FPL All adults 186-200% FPL	 $60/month $60/month Based on lowest cost plan; premium amounts will be the same as Catamount
Catamount Childless adults 150-200% All adults 185-200%	 $60/month $60/month Based on lowest cost plan; amounts dictated in the Vermont legislation

All cost sharing related to chronic care will be waived for persons enrolled in a chronic care management program.

DELIVERY SYSTEM

Health Plans. The Vermont AHS will contract with the OVHA as a public MCO, on capitated basis, for the delivery of all Medicaid-eligible services. The OVHA must be authorized by State statute and must adhere to Federal regulations at 42 CFR section 438.

Premium Assistance. There are three programs offering premium assistance under this demonstration; VHAP-ESI, ESI premium assistance (non-VHAP), and Catamount premium assistance. As the Single State Agency for Medicaid, AHS will have authority and responsibility for eligibility determination related to these premium assistance programs. The role filled by AHS will be identical to that of Single State Agencies in other States. The methodology for providing premium assistance for each of the three programs is described below:

a. VHAP-ESI. AHS determines eligibility, processes enrollment and makes the determination that the ESI is cost effective. AHS makes a capitation payment to OVHA for premium assistance and wraparound benefits. OVHA transfers the premium assistance to the beneficiary and the employer withholds the employee premium share. The employer pays the full insurance benefit.

b. ESI Premium Assistance. AHS determines eligibility, processes enrollment, and makes the determination that the ESI is cost effective. AHS makes a capitation payment to OVHA for premium assistance. OVHA transfers the premium assistance to the beneficiary and the employer withholds the employee premium share. The employer pays the full insurance benefit. There is no additional wraparound benefit, however all cost sharing for chronic care services are waived for those enrolled in a chronic care management program.

c. Catamount Premium Assistance. AHS determines eligibility and processes enrollment in Catamount Premium Assistance. AHS makes a capitation payment to OVHA. The beneficiary pays a premium contribution to AHS and OVHA pays the total premium for the beneficiary to enroll in Catamount Health. There is no additional wraparound benefit, however all cost sharing for chronic care services are waived for those enrolled in a chronic care management program.

Catamount Health. The Catamount Health product will be offered by private health plans in the State as dictated by Title 8, Chapter 107, section 4084f. Catamount Health.

FUNDING PROJECTIONS

- Vermont will have to manage this program within a total computable aggregate cap of $4.7 billion over the approved 5-year demonstration period. The State currently projects $77 million in savings at the end of the 5 year renewal period.

AMENDMENT

- In September 2006, Vermont submitted an amendment seeking to increase access, improve quality and contain costs. The state requested to increase access to affordable health care coverage by enhancing private coverage via the Catamount Health Plan for the uninsured, providing premium assistance to individuals with access to employer sponsored insurance (ESI) and by improving outreach to the uninsured.
- **Current Status**: Amendment approved October 31, 2007.
- On March 5, 2009, Vermont submitted an amendment seeking to extend eligibility from the current level of 200 percent FPL to 300 percent FPL. In addition Extend pharmacy benefits for low income Medicare beneficiaries from the current level of 175 percent FPL to 225 percent FPL. Expand the scope of pharmacy benefits available to low-income Medicare beneficiaries and make some technical modifications related to eligibility, reporting and program design to the STC's.
- **Current Status:** In review

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