

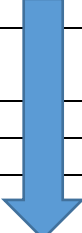

State Fiscal Year 2020 (SFY2020) Budget

The [budget bill](#) includes a 2% across the board increase for home health agencies and a 2% increase for Choices for Care providers. The bill also restores a cut to the SASH program proposed by the Administration.

Section 22 of the [revenue bill](#) extends the sunset on the home health provider tax for two more years. The tax will be in effect for state fiscal years 2020 and 2021, but will have to be reauthorized before it can be imposed for state fiscal year 2022. This issue was also considered by the Senate as part of a stand-alone bill, [S.27](#). The House incorporated the Senate’s stand-alone bill into the tax bill.

Employer Mandates

Both the House and the Senate passed versions of [S.23](#), a bill that increases the **minimum wage** but ultimately adjourned before coming to agreement. As originally passed by the Senate, the bill makes no provision for Medicaid increases to help health care providers fund higher wages. As passed by the House, the bill calls for studying the cost to implement increases for health care workers in Medicaid-funded programs like Choices for Care. On the final day of the session, the Senate sent a new proposal to the House that includes the Medicaid study. Because 2019 was the first year of the biennium, the legislative process picks up where it left off in January. The table below compares the proposals.

	As Passed by Senate	As Passed by House	Last Senate Proposal (2020 session starts here)
January 1, 2020	\$11.50	Lower of CPI x 2.25 or 5.5%	\$11.50
January 1, 2021	\$12.25		\$12.20
January 1, 2022	\$13.10		Lower of CPI (inflation) or 5% increase
January 1, 2023	\$14.05		
January 1, 2024	\$15.00		
Subsequent years	Lower of CPI (inflation) or 5% increase		
Medicaid Cost Study	No	Yes	Yes

Both the House and Senate passed versions of a **paid family and medical leave bill**, but ultimately adjourned before coming to agreement. The [bill](#) passed by the House includes a payroll tax of .55% and allows the employer to determine what proportion of the tax to contribute, if any. The House bill includes both family and personal medical leave. The Senate version of the bill reduces the contribution to .20% that would be split evenly by employers and employees and eliminated the medical leave program. Because 2019 was the first year of the biennium, the legislative process picks up where it left off in January.

Health Care Reform

[S.14](#), a **5-year extension to the existing moratorium on new home health or hospice agency certificates of need**, was signed into law in April as Act 5.

The House and Senate both passed [S.7](#), a bill that directs the Agency of Human Services and the Green Mountain Care Board to develop a series of reports **evaluating the integration of mental health, substance abuse and home and community-based social services into the all-payer model** and OneCare Accountable Care Organization and evaluating **maternal-child health** programs.

The Senate passed [S.42](#), a bill that **requires one member of the Green Mountain Care Board to be a health care professional**. The House did not take up the bill.

[S.53](#), signed into law as Act 17, directs the Green Mountain Care Board and the Department of Vermont Health Access to determine the **percentage of health care spending that is currently allocated to primary care and the services that constitute primary care**.

Workforce

The House and Senate passed [H.104](#), a miscellaneous Office of Professional Regulation (OPR) bill, *without* a provision to include Vermont in the **Nurse Licensure Compact**. Last year, the legislature directed OPR to study whether Vermont should join the compact. OPR released a report in March supporting the compact, but noting that it will have a financial impact because of lost licensing fees.

The House and Senate passed [H.533](#), a miscellaneous workforce bill. The final bill addresses non-college educated workers, the nursing shortage and the governor's worker relocation program. It also mandates that the Agency of Commerce and Community Development allocate Vermont Training Program funding to increase apprenticeships and to fund more training for small businesses. The bill also calls on the Department of Labor to increase the availability of training programs in the health care, construction, manufacturing and childcare industries. To address the shortage of nurses in the state, the legislation calls on the Office of Professional Regulation to review the standards for nursing programs and identify barriers to recruitment of nursing educators. Finally, the bill includes a provision recognizing the contribution of the Vermont Talent Pipeline Management program and encouraging state agencies to work closely with the initiative.

Other Bills

[S.86](#) which **increases the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age**, was signed into law by the Governor. At this writing, the bill does not yet have an act number.

The House and Senate came to agreement on [H.524](#) which addresses a variety of issues related to **health insurance regulation**, codifying provisions of the Affordable Care Act in Vermont law, regulating association health plans and studying health care market mergers.

[H.528](#), which creates a **Rural Health Care Taskforce** to develop a report on rural health care delivery and sustainability, was signed into law by the Governor. At this writing the bill does not yet have an act number. Home health and hospice agencies are included on the Taskforce. At the request of the Senate, the bill also directs the Department of Mental Health and others to evaluate the need for residential mental health services and housing programs for individuals with mental health needs.

(Continue to next page.)

Reports of Interest

Subject of Study/Taskforce	Lead Agency(ies)	Due Date	Explicit Home Health and Hospice Seat/Reference
Evaluation of social service integration with accountable care organizations (S.7)	Agency of Human Services and the Green Mountain Care Board	September 1, 2019	Yes
Barriers to recruitment of nursing program faculty (H.533)	Office of Professional Regulation	December 15, 2019	
Rural Health Care Taskforce (H.528)	Agency of Human Services Green Mountain Care Board	December 31, 2019	Yes
Evaluation of integration of social services in the ACO and (S.7)	Director of Trauma Prevention and Resilience Development Director of Maternal Child Health	January 15, 2020	
Primary care spending (S.53)	Green Mountain Care Board DVHA	January 15, 2020	
Financing and delivery of mental health, substance abuse and Medicaid home- and community-based services with the all-payer financial target services (S.7)	Agency of Human Services	November 1, 2020	Yes