

Vermont's health care reform has lessons for other states

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Vermont's aggressive health care reform initiatives can serve as a roadmap for other states, according to a Master of Public Health candidate at The University of Texas Health Science Center at Houston (UTHealth). The paper, "Lessons from Vermont's Health Care Reform," will appear tomorrow in the *New England Journal of Medicine*.

The study's author, Laura Grubb, M.D., of The University of Texas School of Public Health, part of UTHealth, wrote that Vermont is well ahead of most other [states](#) in implementing federal and state [health care](#) reforms.

"Vermont is progressive," said Grubb, also a fellow in [adolescent medicine](#) at the UTHealth Medical School. "They didn't wait until each step of the [Affordable Care](#) Act had to be implemented. They voted on their own state-based reform system."

The Affordable Care Act mandates that states establish their own insurance exchanges or default to the federal exchange. Twenty-four states and the District of Columbia have declared their intent to establish their own insurance exchange, or a joint state-federal exchange.

Grubb proposes four main lessons for other states as they implement [health care reform](#): engage the stakeholders, coordinate implementation efforts through a centralized administrative board, develop state-specific insurance exchanges and capitalize on federal financing opportunities. With these lessons, Grubb said, states may realize cost savings, reduce

redundancy and waste, increase residents' satisfaction and deliver state-specific health care innovations.

Vermont's establishment of a central administrative board, the Green Mountain Care Board, will result in lower costs because it works "smarter, not harder," Grubb wrote. Instead of having numerous agencies across the state duplicating efforts, all parties are working together under one administrative body, resulting in reduced costs.

"Vermont is proud to be a leader in the implementation of the federal Affordable Care Act and in taking on health care reform at the state level," said Robin Lunge, Vermont's director of health care reform. "We are pleased to gain recognition of our path to single payer health care and our Vermont-style solutions in the *New England Journal of Medicine*."

Stakeholders were engaged from the start through Vermont's health care reform interactive webpage, town meetings and webinars.

Grubb said Vermont chose to expand Medicaid, another lesson for other states. "The Medicaid expansion will bring in a lot of federal dollars and will improve coverage of the state's residents," said Grubb. "Vermont expanded its program beyond the Affordable Care Act's proposed income eligibility and is expecting to gain \$259 million through their Medicaid expansion."

Vermont's health care reform has a long-term vision of establishing a universal health care system that is publically funded. The state also wants to create a "single payer," state-financed system that would replace all other insurance providers, yet another idea that other states can borrow, Grubb said.

"Other states should also look into developing a state-based insurance

exchange because they can tailor it to their individual needs and they will get additional federal money to fund it," she said. "Private insurers spend nearly 20 percent of premiums on administrative costs while physician offices and hospitals are spending money and resources on trying to deal with private and government insurers."

While it is one of the smallest states, Vermont has been awarded \$250 million in federal funding for its state exchange, the fifth-highest in the nation, according to the paper.

"At this time, the Affordable Care Act is here to stay. Policy makers need to learn and act to empower their states while implementing the required reforms," Grubb said.

The study originally started out as a class project at The University of Texas School of Public Health. "This project combined my three academic loves: medicine, policy and writing," said Grubb. "It was a great learning experience to integrate these three disciplines and it really allowed me to learn about the national health care reform."

Elizabeth Gammon, Ph.D., Grubb's former professor said "What's remarkable about Laura is she's already a doctor and now she's getting her Master of [Public Health](#). The master's degree expands her field of expertise beyond medicine to health administration, bringing her far beyond her peers."

Provided by University of Texas Health Science Center at Houston

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