

1 TO THE HONORABLE SENATE:

2 The Committee on Health and Welfare to which was referred Senate Bill
3 No. 196 entitled “An act relating to the Agency of Human Services’ contracts
4 with providers” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 * * * Nutrition Procurement Standards for State Government * * *

8 Sec. 1. FINDINGS

9 (a) Approximately 13,000 Vermont residents are employed by the State.
10 Reducing the impact of diet-related diseases will support a more productive
11 and healthy workforce that will pay dividends to Vermont’s economy and
12 cultivate national competitiveness for State residents and employees.

13 (b) Improving the nutritional quality of food sold or provided by the State
14 on public property will support people in making healthy eating choices.

15 (c) State properties are visited by Vermont residents and out-of-state
16 visitors, and also provide care to dependent adults and children.

17 (d) Approximately 25 percent of Vermont residents are overweight or
18 obese.

19 (e) Obesity costs Vermont \$291 million each year in health care costs,
20 contributing to debilitating yet preventable diseases, such as heart disease,
21 cancer, stroke, and diabetes.

1 (f) Improving the types of foods and beverages served and sold in
2 workplaces positively affects employees' eating behaviors and can result in
3 weight loss.

4 (g) Maintaining a healthy workforce can positively affect indirect costs by
5 reducing absenteeism and increasing worker productivity.

6 Sec. 2. 29 V.S.A. § 160c is added to read:

7 § 160c. NUTRITION PROCUREMENT STANDARDS

8 (a)(1) The Commissioner of Health shall establish and post on the
9 Department's website nutrition procurement standards that:

10 (A) are consistent with nutrition standards published by the U.S.
11 General Services Administration, the American Heart Association, and the
12 National Alliance for Nutrition and Activity;

13 (B) consider both positive and negative contributions of nutrients,
14 ingredients, and food groups to diets, including calories, portion size, saturated
15 fat, trans fat, sodium, sugar, and the presence of fruits, vegetables, whole
16 grains, and other nutrients of concern in Americans' diets; and

17 (C) contain exceptions for circumstances in which State-procured
18 foods or beverages are intended for individuals with specific dietary needs.

19 (2) The Commissioner shall review and, if necessary, amend the
20 nutrition procurement standards at least every five years to reflect advances in

1 nutrition science, dietary data, new product availability, and updates to federal
2 Dietary Guidelines for Americans.

3 (b)(1) All foods and beverages purchased, sold, served, or otherwise
4 provided by the State or any entity, subdivision, or employee on behalf of the
5 State shall meet the minimum nutrition procurement standards established by
6 the Commissioner of Health.

7 (2) All bids and contracts between the State and food and beverage
8 vendors shall comply with the nutrition procurement standards. The
9 Commissioner, in conjunction with the Commissioner of Buildings and
10 General Services, may periodically review or audit a contracting food or
11 beverage vendor's financial reports to ensure compliance with this section.

12 (c) The Governor's Health in All Policies Task Force may disseminate
13 information on and conduct trainings for State employees on the
14 Commissioner's nutrition procurement standards. It may monitor compliance
15 with the nutrition procurement standards and make recommendations to the
16 Commissioner for their improvement.

17 (d) All State-owned or -operated vending machines, food or beverage
18 vendors contracting with the State, or cafeterias located on property owned or
19 operated by the State shall display nutritional labeling to the extent permitted
20 under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. ch. 9 § 301 et seq.

1 (3) how the Agency’s funding levels for designated agencies,
2 specialized service agencies, and preferred providers affect compensation
3 levels for staff relative to private and public sector pay for the same services.

4 (b) The report shall contain a plan developed in conjunction with the
5 Vermont Health Care Innovation Project and in consultation with the Vermont
6 Care Network and the Vermont Council of Developmental and Mental Health
7 Services to implement a value-based payment methodology for designated
8 agencies, specialized service agencies, and preferred providers that shall
9 improve access to and quality of care, including long-term financial
10 sustainability. The plan shall describe the interaction of the value-based
11 payment methodology for Medicaid payments made to designated agencies,
12 specialized service agencies, and preferred providers by the Agency with any
13 Medicaid payments made to designated agencies, specialized service agencies,
14 and preferred providers by the accountable care organizations.

15 (c) As used in this section:

16 (1) “Designated agency” means the same as in 18 V.S.A. § 7252.

17 (2) “Preferred provider” means any substance abuse organization that
18 has attained a certificate of operation from the Department of Health’s
19 Division of Alcohol and Drug Abuse Programs and has an existing contract or
20 grant from the Division to provide substance abuse treatment.

1 (3) “Specialized service agency” means any community mental health
2 and developmental disability agency or any public or private agency providing
3 specialized services to persons with a mental condition or psychiatric disability
4 or with developmental disabilities or children and adolescents with a severe
5 emotional disturbance pursuant to 18 V.S.A. § 8912.

6 Sec. 5. MEDICAID PATHWAY

7 (a) The Secretary of Human Services, in consultation with the Director of
8 Health Care Reform and affected providers, shall create a process for payment
9 and delivery system reform for Medicaid providers and services. This process
10 shall focus on services not included in the Medicaid equivalent of Medicare
11 Part A and Part B services.

12 (b) On or before January 15, 2017 and annually for five years thereafter,
13 the Secretary of Human Services shall report on the results of this process to
14 the Senate Committee on Health and Welfare, the House Committees on
15 Health Care and on Human Services, and the Green Mountain Care Board.

16 The Secretary’s report shall address:

17 (1) progress toward integration of services not included in the Medicaid
18 equivalent of Medicare Part A and Part B services in the previous year;

19 (2) changes to reimbursement methodology and services impacted;

20 (3) changes to quality measure collection and identifying alignment
21 efforts and analyses, if any; and

1 (4) the interrelationship of results-based accountability initiatives with
2 the quality measures in subdivision (3) of this subsection.

3 Sec. 6. EFFECTIVE DATES

4 (a) This section and Secs. 4 and 5 shall take effect on passage.

5 (b) Secs. 1–3 shall take effect on July 1, 2016.

6 and that after passage the title of the bill be amended to read: “An act relating
7 to nutrition procurement standards for State government and the Agency of
8 Human Services’ contracts with providers”

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11 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE