GOVERNMENT RELATIONS UPDATE

Dartmouth Health

2025 New Hampshire and Vermont Legislative Update

New Hampshire

Medicaid Enhancement Tax (MET) - Disproportionate Share Hospital (DSH) payments

49 states use provider taxes to help fund their Medicaid programs. In NH, the Medicaid Enhancement Tax is assessed on 5.4% of hospitals' net patient service revenue. That revenue, approximately $320 million last year, is then matched with federal funds both to support the state's Medicaid program and also to defray a portion of the uncompensated care hospitals provide (DSH or Disproportionate Share Hospital payments).

The NH legislature began its session in January having to revisit this policy. Before resolution, however, hospitals were required to pay their MET obligation on April 15. Dartmouth Health joined a lawsuit to ensure there was an equitable DSH structure in place prior to paying the MET. Dartmouth Health and other hospitals worked with Governor Ayotte's Office to negotiate a new agreement, which was then codified in state law, SB 249, and is heading to Governor Ayotte's desk for signature.

FY 2026 & 2027 Budget

Every other year, the NH Governor and Legislature engage in their biennium budget process. In mid-February, Governor Ayotte presented her first state budget to the NH House. Governor Ayotte gave state agencies a modest haircut, decreasing the overall budget by 3.5%. And her budget reflected her policy priorities: She proposed targeted investments in special education and the developmental disabilities continuum of care, increased investments in our Community Mental Health Centers by $10 million, and investments in child advocacy centers.

Taking a much more austere position, the House projected state revenues to be approximately $660 million less than Governor Ayotte's projections. Revenues are lower due, in part, to the elimination of the interest and dividends tax. In an effort to balance the budget, House finance proposed a number of significant reductions and changes to current funding programs, including:

- 3% cut to all Medicaid reimbursement (hospitals were included in this cut notwithstanding their consent to forego the last 3% Medicaid rate increase in order to support other providers in the continuum of care)
- Elimination of a number of state offices, including the Commission on Aging, the Office of the Child Advocate, and the Prescription Drug Affordability Board
- Changing the Alcohol Fund structure and tapping into the opioid settlement funds, restricting eligibility for the use of these funds and, likely, reducing prevention, treatment and recovery efforts
- Defunding the Tobacco Control Program and removing all law enforcement positions at the NH Liquor Commission

The Senate received the bill and, with stronger revenue estimates, moved to restore a number of these changes. Their first acts were to remove the 3% cut to Medicaid and restore investments in the Community Mental Health Centers. The Senate did maintain some cuts, including the elimination of the Prescription Drug Affordability Board, reorganizing the Office of the Child Advocate, and reducing the annual budget of the Commission on Aging. The Senate also incorporated investments to maternal mental health (SB 246) and our childcare scholarship infrastructure (SB 243).

The House and the Senate meet in a Committee of Conference to negotiate their differences. The Committee agreed to level funding Medicaid and require premiums for Granite Advantage Health Care and Children's Health Insurance Program (CHIP) based on household size and agreed to increased cost sharing for pharmacy costs for the Medicaid populations. In the final days of negotiation, the Committee also agreed to ensure funding to meet the needs of people with disabilities to ensure there is no waitlist for needed services and restored funding for the community behavioral health system. But these provisions were paired with efforts to reduce state expenditures. The Committee agreed to sell the Philbrook Building, a Concord facility currently being used as transitional housing for people stepping down from acute psychiatric care. The Committee also agreed to repeal the Prescription Drug Affordability Board in its entirety. And, the Committee agreed to maintain the Tobacco Control Program in statute but only fund with $1, effectively eliminating the program.

One June 27th, the Governor signed HB 1 and HB 2 into law.

GOVERNMENT RELATIONS UPDATE

Dartmouth Health

Right Care, Right Time

Every day in NH, there are more than 100 patients that are clinically ready for discharge but are stuck in a hospital bed. Some patients lack the ability to make sound decisions and are unable to assist in their discharge planning. Others are victims of an inadequate long-term care infrastructure. This legislative session, we partnered with a number of external stakeholders to identify policy levers that would better support the needs of post-acute care patients. A number of the standalone bills that we were championing have been incorporated into the budget, including:

- Expanding eligibility for public guardians to ensure patients struck in a hospital post-acute care are able to access a public guardian and a $550,000 appropriation to the Office of Public Guardian
- $3 million appropriation for NH DHHS to support Long-Term Medicaid application processing to ensure timely approval for eligible patients
- A long-term care advisory council lead by the Commission on Aging to define the post-acute care discharge challenge and necessary data to map a solution, then make legislative and administrative recommendations to improve timely access to appropriate care after a hospital stay

SB 131 – Establishes a long-term care facility fund
Financially fragile long-term care facilities cannot receive patients whom have a pending long-term Medicaid application because they are not reimbursed until the application is approved. This fund will allow the receiving long-term care facility to seek reimbursement from the fund and then lapse funds back to the fund once the patient's application has been approved and the facility received the retroactive reimbursement.
Status – Passed the Senate; tabled by the Senate and not taken up due to lack of revenue
Dartmouth Health position – **Supported**

Workforce

In order to support our current workforce and ensure our ability to attract and recruit, we worked to advance legislation that will streamline licensing processes, provide for workforce supports, and expand capacity. In addition to the legislation listed below, DH has monitored and supported several bills that would pave pathways to expand housing infrastructure in NH.

SB 285 – changing the term "physician assistant" to "physician associate"
Status – Signed into law
Dartmouth Health position – **Monitored**

SB 243 – streamlines the NH Child Care Scholarship for parents and providers, ensuring better access
Status – Passed the Senate, tabled to be incorporated into the Senate budget
Dartmouth Health position – **Supported**

HB 82 – relative to the regulation of various occupations
Updates Medical Imaging and Radiation Therapy license statute
Status – Passed in the House and the Senate, awaiting gubernatorial action
Dartmouth Health position – **Supported**

HB 85 – relative to temporary licensure for student respiratory therapist
Status – Passed in the House and the Senate, awaiting gubernatorial action
Dartmouth Health position – **Supported**

HB 493 – requiring education on child abuse and neglect for certain healthcare providers as a condition for licensure
Status – Failed in the House
Dartmouth Health position – **Monitored**

Pharmacy

We proactively engage in pharmacy policy debate to ensure patient access to essential medications.

SB 253 – prohibiting pharmaceutical manufacturers from discriminating against contract pharmacies in the 340B program
Status – Failed in the Senate
Dartmouth Health position – **Supported**

Date updated – July 1, 2025

SB 256 – prohibiting brown bagging medications; requiring providers administrating prescription medication to seek reimbursement from a patient's pharmacy benefit as opposed to medical benefit
Status – Failed in the Senate
Dartmouth Health position – **Supported**

SB 247 – prohibiting network exclusion for pharmacies that refuse to dispense a prescription of the PBM reimbursement that is below the pharmacy's acquisition cost
Status – Passed in the Senate; retained in House
Dartmouth Health position – **Supported**

LGBTQIA+

Last legislative session, the NH Legislature debated more than two dozen bills that would have impacted the LGBTQIA+ community. Of those, a couple of bills passed the Legislature and were signed into law. 2024 HB 619 banned gender affirming bottom surgery for minors and the referral of such care. The majorities in both the House and Senate continue to support legislation that will restrict access to gender affirming care for minors. Dartmouth Health continues to advocate for inclusive communities that advance population health; as such, we have been working closely with external partners to oppose discriminatory legislation. We have also affirmatively opposed legislation that would directly impact a person's ability to access medical care.

HB 712 – Prohibits gender affirming top surgery for minors and prohibits referrals for such care
*****HB 712 does remove the referral prohibition from RSA 332-M
Status – Passed the House and Senate, awaiting gubernatorial action
Dartmouth Health position – **Opposed**

HB 377 – prohibits the prescribing of gender affirming puberty blockers and hormone therapy for minors
Status – Passed the House and Senate, awaiting gubernatorial action
Dartmouth Health position – **Opposed**

Maternal health and women's healthcare

Early in the session, the Senate and House each heard several bills that would have positively (or negatively) impacted access to women's reproductive healthcare. Most of the bills relative to reproductive care, either pro or con, were killed early in the session.

SB 246 – NH Momnibus 2.0
A bipartisan, bicameral bill centered on supporting new mothers and addressing maternal mental health challenges, including:
- Requiring depression screening for new mothers
- DHHS to establish a perinatal psychiatric provider consult line
- DHHS to develop a plan for a perinatal peer support certification program
- DOS support for rural maternal health EMS services
- insurance coverage for home visiting, and
- employee protections for postpartum and infant care

Status – Signed into law in HB 2
Dartmouth Health position – **Supported**

SB 36 – requiring the collection and reporting of abortion statistics by health care providers and medical facilities
Status – Amended in the Senate; added to HB 712 - Passed the House and Senate, awaiting gubernatorial action
Dartmouth Health position – **Opposed as introduced; neutral on the requirement to provide statistics and opposed to criminalizing providers and/or health care professionals**

SB 137 – requiring Medicaid to cover an extended length of stay for postpartum patients whose newborn remains inpatient for monitoring post in utero exposure to substances
Status – Passed the Senate; failed in the budget negotiations
Dartmouth Health position – **Supported**

HB 621 – change information collected and process of collecting information for a live birth worksheet
Status – Retained in House Health and Human Services
Dartmouth Health position – **Opposed**

SB 92 – relative to the collection of birth worksheet information
Drafted with input from DHHS, providers, and privacy advocates
Status – Signed into law
Dartmouth Health position – **Monitored**

Population health

We track, monitor, and provide testimony on legislation that impacts the health of our communities. This legislative session we have worked to oppose several bills that would impede population health efforts, such as the elimination of NH Vaccine Association and vaccine requirements in childcare centers. We have also worked to advance several bills that would positively impact population health.

HB 524 – repeal the NH Vaccine Association
Status – Retained in House Ways & Means
Dartmouth Health position – **Opposed**

HB 679 – provides that no childhood immunization requirement shall require a vaccine that has not been shown in clinical trials to prevent transmission of any disease
Status – Passed House; killed in the Senate
Dartmouth Health position – **Opposed**

SB 102 – making informational materials regarding type 1 diabetes available on the NH Dept of Education website
Status – Passed Senate and House, awaiting gubernatorial action
Dartmouth Health position – **Supported**

SB 190 – state health assessment and state health improvement plan advisory council and the Commission on the Interdisciplinary Primary Care Workforce
Status – Signed into law
Dartmouth Health position – **Supported**

SB 202 – relative to Alzheimer's disease and other related dementia training for first responders
Status – Passed Senate and House, awaiting gubernatorial action
Dartmouth Health position – **Supported**

SB 251 – establishing a Commission to study the delivery of public health services through regional public health networks and the continued development of coordinated responses to public health incidents and emergencies in NH
Status – Passed Senate; killed in the House
Dartmouth Health position – **Supported**

SB 293 – using enrollment in Medicaid as a measure of eligibility for school lunches
Status – Failed in the Senate
Dartmouth Health position – **Supported**

SB 120 – requiring insurance coverage for biomarker testing
Status – Laid on the Senate table
Dartmouth Health position – **Supported**

GOVERNMENT RELATIONS UPDATE

Dartmouth Health

Administration

There are several bills that would impact our operations as a health care organization.

HB 10 – parental bill of rights & SB 72 – parental bill of rights
While the majority of this bill is related to public education, several provisions contemplate parental consent to treatment and access to medical records
Status – , Signed into law
Dartmouth Health position – **Initially opposed due to conflicting legal standards; neutral after health care requirements amended out**

HB 560 –relative to parental access to a minor child's medical records
Status – Passed the House, Passed the Senate amended; failed in Committee of Conference
Dartmouth Health position – **Opposed original bill; working with policymakers on an amendment**

SB 245 – regulating ground ambulance reimbursement
Requires payors to reimburse for ground ambulance services at a temporary rate of 3.25x the Medicare rate from 1/1/26 through 12/31/27. Requires NH Insurance Department to obtain an independent actuary to study and inform the rates to be set by the Commissioner beginning 1/1/28.
Status – Passed in the Senate and House, awaiting gubernatorial action
Dartmouth Health position – **Supported**

GOVERNMENT RELATIONS UPDATE

Dartmouth Health

Vermont

Dartmouth Health Office of Government Relations closely monitors Vermont legislation. Collaborating with partners, including our system members, the Vermont Association for Hospitals and Health Systems and other health care stakeholders, we engage in relevant Vermont legislation when appropriate.

Vermont Budget

The Governor signed a nearly $9.1 billion FY2026 budget bill on May 21, 2025. Act 27 includes a one-time allocation for property tax reductions, tax relief initiatives, and increased funding for health care spending. It includes appropriations that were part of the FY2025 Budget Adjustment Act (BAA) bills (H.141 and H.489), which the Governor had vetoed. Additionally, the budget includes several one-time spending initiatives. Unless otherwise noted, all amounts are listed in total funds. Highlights from the conference committee report can be found here.

Base funding:

- $2.79 million to support funding for the 2023 home and community-based services rate study.
- $300,000 to fund 3 new positions at the Green Mountain Care Board (GMCB) to enhance regulatory capabilities and oversee health care reform efforts.

One-time funding:

- $4.45 million to provide bridge funding for Support and Services at Home (SASH), Primary Care Medical Home (PCMH), and Community Health Teams (CHT) under the Blueprint for Health, in preparation for the AHEAD model.
- $840,000 to continue funding for the Comprehensive Payment Reform (CPR) program.
- $3.12 million to support the OneCare primary care model transition.
- $10 million for provider stabilization grants.
- $4 million for the global hospital payment program to cover tail end claims and to bring additional hospitals into the program.

Health Care Reform

Much of the activity in the Vermont health care space remains centered around the GMCB and their efforts to control costs.

H.482, which would give the GMCB the authority to adjust hospital reimbursement rates with commercial insurers if certain financial conditions are met – of both the insurer and the hospitals.
Status –Signed by the Governor on 6/5/2025, Act 49.

S.126, which is intended to further reform Vermont's health care system by, among other things, managing hospitals' costs through mechanisms like reference based pricing and global hospital budgets.

Status –Signed by the Governor on 6/12/2025, Act 68

H.266, which prohibits pharmaceutical manufacturers from discriminating against contract pharmacies in the 340B program (good) but also caps what hospitals can charge for certain outpatient drugs at 120% of the average sales price, effective January 1, 2026.

Status –Signed by the Governor on 6/11/2025, Act 55

These bills are discussed further below. Also, the state continues to pursue the AHEAD model, which envisions a transition to global budgets. While our Vermont members continue to navigate this regulatory environment smoothly, there are likely to be pain points along the way.

GOVERNMENT RELATIONS UPDATE

Dartmouth Health

Population Health

S.27 – Medical Debt Relief
Reallocates $1 million from state bond redemption fund to support medical debt relief for health care services and goods. Eligibility is limited to VT residents with a household income at or below 400% FPL or those whose medical debt exceeds 5% of their income.
Status –Signed by the Governor on 5/15/2025, Act 21.

H.80 – Policy updates to the Office of the Health Care Advocate
Streamlines HCA's access to confidential material and its obligation not to disclose information.
Status - Signed by the Governor on 4/23/2025, Act 6.

S.36 –related to the delivery and payment of certain services provided through the Agency of Human Services, services for persons who are incapacitated, and Human Services Board proceedings
Status: Signed by the Governor on 5/15/2025, Act 22.

Workforce

H.259 –establishes a workforce violence incident reporting system and mandates hospitals implement an incident reporting system and security plan to prevent incidents
Status: Signed by the Governor on 4/29/2025, Act 9.

H.237 – Psychologist prescribing authority
Establish a specialized prescribing authority for licensed psychologists who hold a doctoral-level qualification
Status: Passed House; in Senate Health and Welfare Committee.

Maternal health and women's healthcare

S.28 – access to certain legally protected healthcare services, including reproductive healthcare
Changing accessibility processes for pregnancy termination prescriptions
Status: Signed by the Governor on 5/13/2025, Act 20.

S. 18 – licensing framework for freestanding birth centers in VT
Status: Signed by the Governor on 5/13/2025, Act 19.

S.53 – certification of community-based perinatal doulas and Medicaid coverage for doula services
Status: Signed by the Governor on 6/9/2025, Act 50.

Pharmacy

H.266 – prohibiting pharmaceutical manufacturers from discriminating against contract pharmacies in the 340B program and caps what hospitals can charge for certain outpatient drugs at 120% of the average sales price, effective Jan. 1, 2026.
This is significant as the resulting reimbursement for drugs could be well below actual acquisition cost.
Status: Signed by the Governor on 6/11/2025, Act 55.

Date updated – July 1, 2025

GOVERNMENT RELATIONS UPDATE

Dartmouth Health

Administration

H.96 – Certification of Need Reform
Modifies the spending thresholds for certificate of need (CON). The law increases the threshold amounts for projects that would require a certificate of need (CON) and excluding state funded projects from the CON process.
Status: Signed by the Governor on 5/13/2025, Act 15.

H.13 – Home and Community Based Service Rate Study
Requires AHS to conduct home and community base service rate study, including rates for long-term care and visiting nurse providers.
Status: Signed by the Governor on 5/13/2025, Act 14.

H.233 – improve state grant process and requirements
Updates procedures for grants to align with federal uniform guidance compliance.
Status: In House Government Operations and Military Affairs Committee.

H.482 – Green Mountain Care Board (GMCB) authority to adjust a hospital's reimbursement rates and to appoint a hospital observer.
Grants the Green Mountain Care Board (GMCB) the authority to adjust hospital reimbursement rates and appoint a hospital observer under specified conditions. The bill is broadly considered essential to addressing the financial stability of Blue Cross Blue Shield of Vermont (BCBSVT). It clarifies that a reduction of hospital reimbursement to address BCBSVT's financial condition is not considered a contested case under the Vermont Administrative Procedures Act, but hospitals may request that the GMCB reconsider the action.
Status: Signed by the Governor on 6/5/2025, Act 49.

S.63 – Modifying the regulatory duties of the Green Mountain Care Board (GMCB)
Lawmakers approved legislation that streamlines the Green Mountain Care Board's (GMCB) regulatory responsibilities. It eliminates the GMCB's role in Medicaid advisory rate cases, alters its oversight of Accountable Care Organizations, revises hospital budget reviews (including shifting the Brattleboro Retreat to a calendar year), removes the requirement to approve Vermont's Health Information Technology Plan, and eliminates the duty to review and approve the budget of the Vermont Information Technology Leaders (VITL).
Status: Signed by the Governor on 6/12/2025, Act 62.

S.71 – Consumer data privacy and online surveillance
Includes an entity level exemption for Health Insurance Portability and Accountability Act (HIPAA) covered entities, as well as an exemption for nonprofits. This is in contrast to the bill as originally introduced, which contained a data level HIPAA exemption and a private right of action. The House Committee on Commerce and Economic Development reviewed the status and next steps for S.71. The committee introduced a "strike-all" amendment that restores and updates the original language, with key updates such as higher thresholds to protect small Vermont businesses and broader definitions for data brokers.
Status: Passed Senate; Being considered in House Commerce and Development Committee

S.126 – Health care payment and delivery system reform
Aims to create a Statewide Health Care Delivery Plan, establish hospital global budgets (starting with non-critical access hospitals), and begin reference-based pricing pinned to Medicare for hospitals. To address immediate affordability concerns, the Agency of Human Services (AHS) will lead efforts to reduce hospital budgets by at least 2.5% in FY2026. The bill expands the GMCB's authority over hospital operations and budgets, improves data integration, and requires AHS to provide progress reports on preserving elements of OneCare VT.
Status: Signed by the Governor on 6/12/2025, Act 68.