1 H.29

2 Representative Lippert of Hinesburg moves that the House concur in the
3 Senate Proposal of Amendment with further amendment by striking out all
4 after the enacting clause and inserting in lieu thereof the following:
5 Sec. 1. 8 V.S.A. § 4080e is amended to read:
6 § 4080e. MEDICARE SUPPLEMENTAL HEALTH INSURANCE
7 POLICIES; COMMUNITY RATING; DISABILITY
8 (a) A health insurance company, hospital or medical service corporation, or
9 health maintenance organization shall use a community rating method
10 acceptable to the Commissioner for determining premiums for Medicare
11 supplemental insurance policies.
12 (b)<u>(1)</u> The Commissioner shall adopt rules for standards and procedure for
13 permitting health insurance companies, hospital or medical service
14 organizations, or health maintenance organizations that issue Medicare
15 supplemental insurance policies to use one or more risk classifications in their
16 community rating method. The premium charged shall not deviate from the
17 community rate and the rules shall not permit medical underwriting and
18 screening, except that a health insurance company, hospital or medical service
19 corporation, or health maintenance organization may set different community
20 rates for persons eligible for Medicare by reason of age and persons eligible for
21 Medicare by reason of disability.

1 (2)(A) A health insurance company, hospital or medical service
2 corporation, or health maintenance organization that issues Medicare
3 supplemental insurance policies may offer expense discounts to encourage
4 timely, full payment of premiums. Expense discounts may include premium
5 reductions for advance payment of a full year's premiums, for paperless
6 billing, for electronic funds transfer, and for other activities directly related to
7 premium payment. The availability of one or more expense discounts shall not
8 be considered a deviation from community rating.
9 (B) A health insurance company, hospital or medical service
10 corporation, or health maintenance organization that issues Medicare
11 supplemental insurance policies shall not offer reduced premiums or other
12 discounts related to a person's age, gender, marital status, or other
13 demographic criteria.
14 Sec. 2. GREEN MOUNTAIN CARE BOARD; FISCAL YEAR 2018 BILL
15 BACK ALLOCATION
16 (a) Notwithstanding any provision of 18 V.S.A. § 9374(h) to the contrary
17 and except as otherwise provided in subsection (b) of this section, for fiscal
18 year 2018 only, expenses incurred by the Green Mountain Care Board to
19 obtain information, analyze expenditures, review hospital budgets, and for any
20 other contracts authorized by the Board shall be borne as follows:
21 (1) 40 percent by the State from State monies;

1 (2) 15 percent by the hospitals; and
2 (3) 45 percent by nonprofit hospital and medical service corporations
3 licensed under 8 V.S.A. chapter 123 or 125, health insurance companies
4 licensed under 8 V.S.A. chapter 101, and health maintenance organizations
5 licensed under 8 V.S.A. chapter 139.
6 (b) The Board may determine the scope of the incurred expenses to be
7 allocated pursuant to the formula set forth in subsection (a) of this section if, in
8 the Board's discretion, the expenses to be allocated are in the best interests of
9 the regulated entities and of the State.
10 (c) Expenses under subdivision (a)(3) of this section shall be billed to
11 persons licensed under Title 8 based on premiums paid for health care
12 coverage, which for the purposes of this section shall include major medical,
13 comprehensive medical, hospital or surgical coverage, and comprehensive
14 health care services plans, but shall not include long-term care or limited
15 benefits, disability, credit or stop loss, or excess loss insurance coverage.
16 Sec. 3. EFFECTIVE DATE
17 This act shall take effect on July 1, 2017.