Pearson amendments - 2% premium subsidy and reduced increase to provider rates

Sec. 2. 33 V.S.A. § 1812 is added to read:

§ 1812. FINANCIAL ASSISTANCE TO INDIVIDUALS

(a)(1) An individual or family eligible for federal premium tax credits under 26 U.S.C. § 36B with income less than or equal to 300 percent of the federal poverty level (FPL) shall be eligible for premium assistance from the State of Vermont.

(2) The Department of Vermont Health Access shall establish a premium schedule on a sliding scale based on modified adjusted gross income for the individuals and families described in subdivision (1) of this subsection. The Department shall reduce the premium contribution for these individuals and families by ~~1.5~~ **two** percent below the premium amount established in 26 U.S.C. § 36B.

(3) Premium assistance shall be available for the same qualified health benefit plans for which federal premium tax credits are available.

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Sec. 2a. REDUCTION IN MEDICAID COST-SHIFT

(a) It is the intent of the General Assembly to ensure that health care providers receive fair and reasonable reimbursement from the Department of Vermont Health Access for services provided to individuals eligible for Medicaid and Dr. Dynasaur. Vermont's public programs should reimburse health care providers in a manner that recognizes inflation included in hospital budgets approved by the Green Mountain Care Board in order to avoid exacerbating the shift of costs to private payers.

(b) Beginning October 1, 2013, the Agency of Human Services shall increase Medicaid reimbursements to health care providers, except nursing homes and private nonmedical

institutions (PNMI), by an amount equal to 2.9 percent of fiscal year 2012 expenditures for those providers. The Agency may vary the percentage increase to health care providers consistent with participation in payment and delivery system activities authorized under 18 V.S.A. § 9375 or with meeting health care cost and quality performance targets established by the Department of Vermont Health Access (DVHA) under the Global Commitment to Health Section 1115 waiver.