Journal of the House

Friday, February 24, 2012

At nine o'clock and thirty minutes in the forenoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Sydney Lea, Poet Laureate of Vermont from Newbury, VT.

Senate Bill Referred

S. 116

Senate bill, entitled

An act relating to probate proceedings

Was read and referred to the committee on Judiciary.

Remarks Journalized

On motion of **Rep. Andrews of Rutland City**, the following remarks by **Rep. Davis of Washington** were ordered printed in the Journal:

"Mr. Speaker:

We all know there were plenty of heroic and moving stories in the initial hours after Irene hit Vermont. I am particularly appreciative of what happened at the State Hospital. When the storm did arrive, State Hospital employees not only had to worry about their building's safety and their own safety, they also had 50 Vermonter's suffering with very serious mental illnesses needing their assistance to get out safely – and relocated quickly. There was not a single injury or incident despite the flooding. It's times like "Irene" that we realize some of the worse situations bring out the best in Vermont and her people AND when we realize that our devoted Vermont State Employees really shine.

Today we learned that the Department of Mental Health plans to issue reductions in force for approximately seventy (70) employees of the Vermont State Hospital. I am especially proud of all the men and women working at the Vermont State hospital for the way they pulled together on August 29 and every day since to ensure that even our state's most vulnerable citizens received the help and protection they needed. I would like to say "Thank You"! You do us proud!

Third Reading; Bill Passed

H. 556

House bill, entitled

An act relating to creating a private activity bond advisory committee Was taken up, read the third time and passed.

Bill Amended, Consdieration Interrupted by Recess

H. 559

House bill, entitled

An act relating to health care reform implementation

Was taken up and pending third reading of the bill, **Rep. Hebert of Vernon** moved to amend the bill as follows:

- In Sec. 3, 33 V.S.A. § 1811, in subsection (f), by striking out subdivisions (1) and (2)(A) in their entirety and inserting in lieu thereof the following:
- (f)(1) A registered carrier shall use an adjusted community rating method for determining premiums for health benefit plans. Except as provided in subdivision (2) of this subsection, the following risk classification factors are prohibited from use in rating individuals, small employers, or employees of small employers, or the dependents of such individuals or employees:
 - (A) demographic rating, including age and gender rating;
 - (B) industry rating;
 - (C) medical underwriting and screening;
 - (D) experience rating;
 - (E) tier rating; or
 - (F) durational rating.
- (2)(A)(i) The commissioner shall, by rule, adopt standards and a process to permit registered carriers to use one or more of the following risk classifications in their community rating method, to the extent allowed under the Patient Protection and Affordable Care Act (Public Law 111-148):
 - (I) geographic rating area;
- (II) age, except that the maximum rate variation for adults shall be 3:1 across the age rating bands established by the Secretary of the U.S. Department of Health and Human Services; and

(III) tobacco use, except that the maximum rate variation shall be 1.5:1.

(ii) The commissioner's rules may not permit any medical underwriting and screening and shall give due consideration to the need for the affordability and accessibility of health insurance.

Thereupon, **Rep. Hebert of Vernon** asked and was granted leave of the House to withdraw his amendment.

Pending third reading of the bill, **Rep. Koch of Barre Town** moved to amend the bill as follows:

<u>First</u>: In Sec. 2c, Exchange Options, in the second sentence, preceding the word "<u>otherwise</u>", by striking the word "<u>to</u>"

<u>Second</u>: In Sec. 3, 33 V.S.A. § 1811(f)(2)(B), in the first sentence, preceding the word "<u>otherwise</u>", by striking the word "<u>to</u>"

<u>Third</u>: In Sec. 4, 8 V.S.A. § 4080g(c)(8)(B)(ii), in the first sentence, preceding the word "<u>otherwise</u>", by striking the word "<u>to</u>"

<u>Fourth</u>: In Sec. 4, 8 V.S.A. § 4080g(c)(9), in the second sentence, following "<u>permit insurers to</u>", by striking out "<u>correspondingly limit community rating provisions from applying</u>" and inserting in lieu thereof "<u>limit community rating provisions accordingly as applicable</u>"

<u>Fifth</u>: In Sec. 15, 18 V.S.A. § 9433(a), in the second sentence, following "deny", by striking out "certificatesl" and inserting in lieu thereof "<u>certificates</u>"

<u>Sixth</u>: In Secs. 32a and 32b, 18 V.S.A. §§ 4631a(d) and 4632(c), in the first sentence of each, following "bring an action in", by striking out "Washington superior court" and inserting in lieu thereof "the civil division of the Washington unit of the superior court"

<u>Seventh</u>: In Sec. 33, Dual Eligible Project Proposal, in subdivision (b)(3)(F), following "<u>within the individual's ISP and a</u>", by striking out "<u>choices</u>" and inserting in lieu thereof "<u>choice</u>"

Which was agreed to.

Recess

Pending third reading of the bill, at ten o'clock and five minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

At eleven o'clock and fifteen minutes in the forenoon, the Speaker called the House to order.

Consdieration Interrupted by Recess

H. 559

Consideration resumed on House bill, entitled

An act relating to health care reform implementation;

Pending third reading of the bill, **Rep. Browning of Arlington** moved to amend the bill as follows:

First: By adding a Sec. 5b to read:

Sec. 5b. FINANCING ANALYSIS

- (a) By September 1, 2012, the legislative joint fiscal office shall provide to the general assembly an analysis of possible financing systems for Green Mountain Care.
- (b) The analysis shall contain a variety of scenarios and possible funding mechanisms, using the benefit package of the state employees' health insurance plan with the highest enrollment as a proxy for the Green Mountain Care benefit package, and shall be designed to address both projected costs and combinations of potential funding sources. The analysis shall also explore the sustainability of Green Mountain Care in the event of changing economic conditions and changes in the availability of federal funds.
- (c) The legislative joint fiscal office may consult or contract with such persons as the office deems necessary to create the analysis required by this section; provided, however, that the office shall not consult or contract with any person outside the legislative joint fiscal office who was involved in developing the health care system design proposal and implementation plan pursuant to Sec. 6 of No. 128 of the Acts of the 2009 Adj. Sess. (2010).

<u>Second</u>: In Sec. 42, Effective Dates, in subsection (a), following "<u>5a</u> (bill-back report)", by inserting ", <u>5b</u> (Green Mountain Care financing analysis)"

Pending the question, Shall the bill be amended as recommended by Rep. Browining of Arlington? **Rep. Browning of Arlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as recommended by Rep. Browining of Arlington? was decided in the negative. Yeas, 48. Nays, 88.

Those who voted in the affirmative are:

Acinapura of Brandon Brennan of Colchester Canfield of Fair Haven
Bouchard of Colchester Browning of Arlington * Clark of Vergennes
Branagan of Georgia Burditt of West Rutland Conquest of Newbury

Consejo of Sheldon
Degree of St. Albans City
Devereux of Mount Holly
Dickinson of St. Albans
Town
Donaghy of Poultney
Donahue of Northfield *
Fagan of Rutland City
Greshin of Warren
Hebert of Vernon
Helm of Fair Haven
Higley of Lowell
Howard of Cambridge
Hubert of Milton

Johnson of Canaan
Koch of Barre Town
Komline of Dorset
Krebs of South Hero
Larocque of Barnet
Lawrence of Lyndon
Lewis of Berlin
Lewis of Derby
Marcotte of Coventry
McAllister of Highgate
McNeil of Rutland Town
Myers of Essex
Olsen of Jamaica
Pearce of Richford

Peaslee of Guildhall
Perley of Enosburgh
Potter of Clarendon
Reis of St. Johnsbury
Savage of Swanton
Scheuermann of Stowe
Shaw of Pittsford
Smith of New Haven
Strong of Albany *
Townsend of Randolph
Turner of Milton
Winters of Williamstown

Those who voted in the negative are:

Ancel of Calais Andrews of Rutland City Aswad of Burlington Atkins of Winooski Bartholomew of Hartland Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Christie of Hartford Clarkson of Woodstock Condon of Colchester Copeland-Hanzas of Bradford Corcoran of Bennington Courcelle of Rutland City Dakin of Chester Davis of Washington Donovan of Burlington Ellis of Waterbury **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury * French of Randolph Gilbert of Fairfax Grad of Moretown

Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lenes of Shelburne Lippert of Hinesburg Lorber of Burlington Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane * Martin of Wolcott Masland of Thetford McCullough of Williston McFaun of Barre Town Miller of Shaftsbury Mook of Bennington Moran of Wardsboro Mrowicki of Putney

Munger of South Burlington Nuovo of Middlebury O'Brien of Richmond O'Sullivan of Burlington Partridge of Windham Pearson of Burlington Peltz of Woodbury Poirier of Barre City Ralston of Middlebury Ram of Burlington Russell of Rutland City Shand of Weathersfield Sharpe of Bristol Spengler of Colchester Stevens of Waterbury Stuart of Brattleboro Sweaney of Windsor Taylor of Barre City Till of Jericho Toll of Danville Trieber of Rockingham Waite-Simpson of Essex Webb of Shelburne Wilson of Manchester Wizowaty of Burlington Woodward of Johnson Wright of Burlington Yantachka of Charlotte Young of Glover Zagar of Barnard

Those members absent with leave of the House and not voting are:

Batchelor of Derby	Edwards of Brattleboro	Smith of Morristown
Cheney of Norwich	Kilmartin of Newport City	South of St. Johnsbury
Crawford of Burke	Martin of Springfield	Stevens of Shoreham
Doon of Westminster	Marrissay of Pannington	

Deen of Westminster Morrissey of Bennington Eckhardt of Chittenden Pugh of South Burlington

Rep. Browning of Arlington explained her vote as follows:

"Mr. Speaker:

I vote yes because Vermonters deserve more information and better analysis of the policy choices before us in a timely way. I vote yes in the name of transparency and accountability."

Rep. Donahue of Northfield explained her vote as follows:

"Mr. Speaker:

It is regrettable that we will not even provide reasonable estimates of costs and benefits of the grand experiment that we want Vermonters to believe in and support. All health care, including health care reform, should be governed by informed consent."

Rep. French of Shrewsbury explained his vote as follows:

"Mr. Speaker:

Asking our JFO to conduct an in-house analysis of a highly charged political issue knowing that any conclusions are purely speculative in the name of transparency seems like a waste of time. There is no appropriation for contracting the analysis out of house. Exactly what informed decisions can be made by having a published scenario of what might or might not be a funding mechanism?"

Rep. Marek of Newfane explained his vote as follows:

"Mr. Speaker:

This amendment would have required production of a totally unnecessary and duplicative report at an arbitrary date to be made by a group without the needed expertise, possibly combined with an unfunded consultant. Since no Vermonters, no Vermont business and no Vermont governmental agency has any decision to make on its subject between September and January, its only possible value is for election-year politics."

Rep. Strong of Albany explained her vote as follows:

"Mr. Speaker:

I would like to commend the Rep from Arlington for this proposed amendment. It mentions in sec. b that an analysis should be done to explore the sustainability of Green Mountain Care in the event of changing economic conditions and changes in the availability of federal funds. We are living in very uncertain economic times."

Pending third reading of the bill, **Rep. Browning of Arlington** moved to amend the bill as follows:

<u>First</u>: By adding a Sec. 36a to read as follows:

Sec. 36a. Sec. 50 of No. 160 of the Acts of the 1991 Adj. Sess. (1992) is amended to read:

Sec. 50. EFFECTIVE DATE

Secs. 46, 47, 48, and 49, amending 12 V.S.A. chapter 215 of Title 12 to provide for mandatory arbitration in medical malpractice cases and admission of practice guidelines, shall take effect on the effective date of a universal access health care system enacted by the general assembly July 1, 2014.

<u>Second</u>: In Sec. 42, Effective Dates, by adding a subsection (i) to read as follows:

(i) Sec. 36a (medical malpractice arbitration) shall take effect on July 1, 2014.

Pending the question, Shall the bill be amended as recommended by Rep. Browning of Arlington? **Rep. Browning of Arlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as recommended by Rep. Browning of Arlington? was decided in the negative. Yeas, 51. Nays, 83.

Those who voted in the affirmative are:

Acinapura of Brandon
Andrews of Rutland City
Bouchard of Colchester
Branagan of Georgia
Brennan of Colchester
Browning of Arlington *
Burditt of West Rutland
Canfield of Fair Haven
Clark of Vergennes
Consejo of Sheldon
Dakin of Chester
Degree of St. Albans City

Larocque of Barnet
Lawrence of Lyndon
Lewis of Berlin
Lewis of Derby
Manwaring of Wilmington
Marcotte of Coventry
McAllister of Highgate
McFaun of Barre Town
McNeil of Rutland Town
Myers of Essex
Pearce of Richford
Peaslee of Guildhall

Krebs of South Hero

Perley of Enosburgh Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe Shaw of Pittsford Smith of New Haven Strong of Albany Till of Jericho Townsend of Randolph

Townsend of Randolph *
Turner of Milton

Waite-Simpson of Essex Wilson of Manchester Winters of Williamstown Young of Glover

Those who voted in the negative are:

Ancel of Calais Aswad of Burlington Atkins of Winooski Bartholomew of Hartland * Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Christie of Hartford Clarkson of Woodstock Conquest of Newbury Copeland-Hanzas of Bradford Corcoran of Bennington Courcelle of Rutland City Davis of Washington Donovan of Burlington Ellis of Waterbury **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Gilbert of Fairfax Grad of Moretown

Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Cambridge Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Malcolm of Pawlet Marek of Newfane Martin of Wolcott Masland of Thetford McCullough of Williston Miller of Shaftsbury Mook of Bennington Moran of Wardsboro Mrowicki of Putney

Munger of South Burlington Nuovo of Middlebury O'Brien of Richmond O'Sullivan of Burlington Partridge of Windham Pearson of Burlington Peltz of Woodbury Poirier of Barre City Potter of Clarendon Ralston of Middlebury Ram of Burlington Russell of Rutland City Shand of Weathersfield Sharpe of Bristol Spengler of Colchester Stevens of Waterbury Stuart of Brattleboro Sweaney of Windsor Taylor of Barre City Toll of Danville Trieber of Rockingham Webb of Shelburne * Wizowaty of Burlington Woodward of Johnson Wright of Burlington Yantachka of Charlotte * Zagar of Barnard

Those members absent with leave of the House and not voting are:

Batchelor of Derby Cheney of Norwich Condon of Colchester Crawford of Burke Deen of Westminster

Greshin of Warren

Devereux of Mount Holly Eckhardt of Chittenden Edwards of Brattleboro Kilmartin of Newport City Martin of Springfield Morrissey of Bennington Olsen of Jamaica Pugh of South Burlington South of St. Johnsbury Stevens of Shoreham

Rep. Bartholomew of Hartland explained his vote as follows:

"Mr. Speaker:

I voted no on this amendment because I believe the issue of tort reform needs careful consideration and appropriate committee review. This is not possible through floor debate of a bill amendment. This important matter deserves a separate bill."

Rep. Browning of Arlington explained her vote as follows:

"Mr. Speaker:

I vote yes to put in place a better system for addressing malpractice claims to help Vermonters, to help Vermont doctors and to further the process of health care reform."

Rep. Townsend of Randolph explained his vote as follows:

"Mr. Speaker:

Tort Reform. If not us, then who? If not 2014, then when?"

Rep. Webb of Shelburne explained her vote as follows:

"Mr. Speaker:

Medical malpractice reform is extremely important and I support the amendment's intention, but not the process to get there. Last year's Act 48 requested a study on this very subject. This report was completed on January 31, 2012 and I was able to find it on the House Health Care website under 'Act 48 Documents'. Appendix A contains a four-part recommendation for medical malpractice reform. I am willing to wait for the committees of jurisdiction to complete their thoughtful and deliberative process to make sure we get this complicated reform correct."

Rep. Yantachka of Charlotte explained his vote as follows:

"Mr. Speaker:

I agree that tort reform is required as part of a reform of the health care system. However, this amendment activates a 20-year-old concept which I believe should be re-evaluated in detail by appropriate committees before we agree to implement it. This could not be done with such short notice. For this reason I do not support this amendment."

Recess

At twelve o'clock and thirty minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At one o'clock and fifteen minutes in the afternoon, the Speaker called the House to order.

Consdieration Resumed; Bill Amended; Read the Third Time and Passed H. 559

Consideration resumed on House bill, entitled

An act relating to health care reform implementation;

Pending third reading of the bill, **Rep. Olsen of Jamaica** moved to amend the bill as follows:

By striking subsection (g) in its entirety and inserting in lieu thereof the following:

(g) No. 2 of the Acts of 2005 (I-SaveRx prescription drug program) is repealed on passage. Notwithstanding any provision of Sec. 2 of No. 2 of the Acts of 2005 to the contrary, repeal of such act shall constitute Vermont's withdrawal from the I-SaveRx agreement and terminate its related cooperative relationship with the state of Illinois.

Which was agreed to.

Pending third reading of the bill, **Rep. Olsen of Jamaica** moved to amend the bill as follows:

First: By adding a Sec. 32c to read:

Sec. 32c. I-SaveRx PRESCRIPTION DRUG PROGRAM; REPORT

- (a) No later than December 1, 2012, the legislative joint fiscal office shall submit a report to the house committee on health care and the senate committee on health and welfare regarding Vermont's participation in the I-SaveRx prescription drug program enacted in No. 2 of the Acts of 2005.
- (b) The joint fiscal office's report shall contain an analysis of the total cost to the state of implementing and administering the I-SaveRx program, the total number of participants in the program by year and in the aggregate, and an estimate of the total savings realized by program participants during the program's operation. The office shall also identify the program's successes and failures and provide an assessment of the relative merits to the state of pursuing similar efforts in the future.

<u>Second</u>: In Sec. 42, Effective Dates, in subsection (a), following "<u>29 (HMO reporting requirements</u>", by inserting "<u>, 32c (I-SaveRx report)</u>,"

Pending the question, Shall the House amend the bill as recommended by Rep. Olsen of Jamaica? **Rep. Deree of St. Albans City** moved to amend the recommendation of amendment offered by Rep. Olsen of Jamaica as follows:

<u>First</u>: In subsection (a), following the word "<u>regarding</u>", by inserting "Catamount Health and"

<u>Second</u>: In subsection (b), following the word "<u>administering</u>", by inserting "<u>Catamount Health and</u>", following "<u>participants in</u>", by striking out the word "<u>the</u>" and inserting in lieu thereof "<u>Catamount Health and the I-SaveRx</u>", following "<u>during the</u>", by inserting "<u>I-SaveRx</u>", and in the second sentence, following "<u>identify</u>", by striking out the word "<u>the</u>" and inserting in lieu thereof "Catamount Health's and the I-SaveRx

Thereupon, **Rep. Degree of St. Albans City** asked and was granted leave of the House to withdraw his amendment.

Thereupon, the recurring question, Shall the House amend the bill as recommended by Rep. Olsen of Jamaica? Was disagreed to on a Division vote. Yeas, 30. Nays, 69.

Pending third reading of the bill, **Reps. Sharpe of Bristol and Wizowaty of Burlington** moved to amend the bill as follows:

First: By adding a Sec. 3a to read as follows:

Sec. 3a. 8 V.S.A. § 4085 is amended to read:

§ 4085. REBATES <u>AND COMMISSIONS</u> PROHIBITED <u>FOR NONGROUP</u> AND SMALL GROUP POLICIES

- (a) No insurer doing business in this state and no insurance agent or broker shall offer, promise, allow, give, set off, or pay, directly or indirectly, any rebate of or part of the premium payable on the a nongroup or small group policy, or on any nongroup or small group policy or agent's commission thereon or earnings, profits, dividends, or other benefits founded, arising, accruing or to accrue thereon or therefrom, or any special advantage in date of policy or age of issue, or any paid employment or contract for services of any kind or any other valuable consideration or inducement to or for insurance on any risk in this state, now or hereafter to be written, or for or upon any renewal of any such insurance, which is not specified in the policy contract of insurance, or offer, promise, give, option, sell, purchase any stocks, bonds, securities, or property or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith, or any renewal thereof, which is not specified in the policy.
- (b) No insured person under a nongroup or small group policy or party or applicant for nongroup or small group insurance shall directly or indirectly receive or accept, or agree to receive or accept any rebate of premium or of any part thereof or all or any part of any agent's or broker's commission thereon, or any favor or advantage, or share in any benefit to accrue under any nongroup or small group policy of insurance, or any valuable consideration or inducement, other than such as is specified in the policy.

- (c) Nothing in this section shall be construed as prohibiting the payment of commission or other compensation to any duly licensed agent or broker; or as prohibiting any insurer from allowing or returning to its participating policyholders dividends, savings, or unused premium deposits; or as prohibiting any insurer from returning or otherwise abating, in full or in part, the premiums of its policyholders out of surplus accumulated from nonparticipating insurance, or as prohibiting the taking of a bona fide obligation, with interest at not exceeding six percent per annum, in payment of any premium.
- (d) No insurer shall pay any commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a nongroup or small group health insurance policy, nor shall an insurer include in a nongroup or small group health insurance rate any sums related to services provided by an agent, broker, or other individual other than a bona fide employee of the insurer.

Second: By adding a Sec. 3b to read as follows:

Sec. 3b. 8 V.S.A. § 4085a is added to read:

§ 4085a. REBATES PROHIBITED FOR GROUP INSURANCE POLICIES

- (a) As used in this section, "group insurance" means any policy described in section 4079 of this title, except that it shall not include any small group policy issued pursuant to section 4080a of this title or to 33 V.S.A. § 1811.
- (b) No insurer doing business in this state and no insurance agent or broker shall offer, promise, allow, give, set off, or pay, directly or indirectly, any rebate of or part of the premium payable on a group insurance policy, or on any group insurance policy or agent's commission thereon or earnings, profits, dividends, or other benefits founded, arising, accruing or to accrue thereon or therefrom, or any special advantage in date of policy or age of issue, or any paid employment or contract for services of any kind or any other valuable consideration or inducement to or for insurance on any risk in this state, now or hereafter to be written, or for or upon any renewal of any such insurance, which is not specified in the policy contract of insurance, or offer, promise, give, option, sell, purchase any stocks, bonds, securities, or property or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith, or any renewal thereof, which is not specified in the policy.
- (c) No insured person under a group insurance policy or party or applicant for group insurance shall directly or indirectly receive or accept, or agree to receive or accept any rebate of premium or of any part thereof or all or any part

of any agent's or broker's commission thereon, or any favor or advantage, or share in any benefit to accrue under any policy of insurance, or any valuable consideration or inducement, other than such as is specified in the policy.

- (d) Nothing in this section shall be construed as prohibiting the payment of commission or other compensation to any duly licensed agent or broker; or as prohibiting any insurer from allowing or returning to its participating policyholders dividends, savings, or unused premium deposits; or as prohibiting any insurer from returning or otherwise abating, in full or in part, the premiums of its policyholders out of surplus accumulated from nonparticipating insurance, or as prohibiting the taking of a bona fide obligation, with interest not exceeding six percent per annum, in payment of any premium.
- (e) An insurer that pays a commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a group insurance policy shall clearly disclose to the purchaser of such group policy the amount of any such commission, fee, or compensation paid or to be paid.

<u>Third</u>: By adding a Sec. 3c to read as follows:

Sec. 3c. DISCLOSURE OF COMMISSIONS FOR NONGROUP AND SMALL GROUP POLICIES

- (a) An insurer that pays a commission, fee, or other compensation, directly or indirectly, to a licensed or unlicensed agent, broker, or other individual other than a bona fide employee of the insurer in connection with the sale of a nongroup or small group insurance policy shall clearly disclose to the purchaser of such policy the amount of any such commission, fee, or compensation paid or to be paid.
- (b) The disclosure requirement in subsection (a) of this section shall apply to all health insurers offering nongroup or small group insurance policies, or both, beginning July 1, 2012, until the insurer no longer pays any commission, fee, or other compensation in connection with the sale of a nongroup or small group insurance policy in compliance with the provisions of 8 V.S.A. § 4085.

Fourth: In Sec. 42, Effective Dates, by adding a subsection (i) to read:

- (i)(1) Sec. 3a (prohibition on brokers' fees) shall take effect on January 1, 2014 and shall apply to all health insurers on and after January 1, 2014 on such date as a health insurer issues, offers, or renews a health insurance policy, but in no event later than January 1, 2015.
 - (2) Secs. 3b and 3c shall take effect on July 1, 2012.

Thereupon, **Rep. Sharpe of Bristol** asked and was granted leave of the House to withdraw his amendment.

Pending third reading of the bill, **Rep. Degree of St. Albans City** moved to amend the bill as follows:

First: By adding a Sec. 32c to read:

Sec. 32c. CATAMOUNT HEALTH; REPORT

- (a) No later than December 1, 2012, the legislative joint fiscal office shall submit a report to the house committees on health care and on appropriations and the senate committees on health and welfare, on appropriations, and on finance regarding Catamount Health.
- (b) The joint fiscal office's report shall contain an analysis of the costs to the state of implementing and administering Catamount Health, including the Catamount Health assistance program, and the total number of participants in Catamount Health and the Catamount Health assistance program by year and in the aggregate. The office shall also identify the successes and failures of Catamount Health and provide an assessment of the relative merits to the state of pursuing similar efforts in the future.

<u>Second</u>: In Sec. 42, Effective Dates, in subsection (a), following "29 (HMO reporting requirements", by inserting ", 32c (Catamount Health report),"

Pending the question, Shall the bill be amended as recommended by Rep. Degree of St. Albans City? Rep. Degree of St. Albans City demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as recommended by Rep. Degree of St. Albans City? was decided in the negative. Yeas, 40. Nays, 93.

Those who voted in the affirmative are:

Acinapura of Brandon
Bouchard of Colchester
Branagan of Georgia
Brennan of Colchester
Burditt of West Rutland
Canfield of Fair Haven
Clark of Vergennes
Degree of St. Albans City
Dickinson of St. Albans
Town
Donahue of Northfield
Fagan of Rutland City
Greshin of Warren
Hebert of Vernon

Higley of Lowell
Howard of Cambridge
Hubert of Milton
Johnson of Canaan
Koch of Barre Town
Komline of Dorset
Lawrence of Lyndon
Lewis of Berlin
Lewis of Derby
Marcotte of Coventry
McAllister of Highgate
McFaun of Barre Town
McNeil of Rutland Town

Helm of Fair Haven

Myers of Essex Olsen of Jamaica Pearce of Richford Peaslee of Guildhall Perley of Enosburgh Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe Shaw of Pittsford Smith of New Haven Strong of Albany Winters of Williamstown Wright of Burlington

Those who voted in the negative are:

Ancel of Calais Andrews of Rutland City Atkins of Winooski Bartholomew of Hartland Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Browning of Arlington Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Christie of Hartford Clarkson of Woodstock Condon of Colchester Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Courcelle of Rutland City Dakin of Chester Davis of Washington Devereux of Mount Holly Donovan of Burlington Ellis of Waterbury **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Gilbert of Fairfax

Grad of Moretown Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Kitzmiller of Montpelier Klein of East Montpelier Krebs of South Hero Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane * Martin of Wolcott Masland of Thetford McCullough of Williston Miller of Shaftsbury Mook of Bennington Moran of Wardsboro Mrowicki of Putney Munger of South Burlington

Nuovo of Middlebury O'Brien of Richmond O'Sullivan of Burlington Partridge of Windham Pearson of Burlington Peltz of Woodbury Poirier of Barre City Potter of Clarendon Ralston of Middlebury Ram of Burlington Russell of Rutland City Shand of Weathersfield Spengler of Colchester Stevens of Waterbury Stevens of Shoreham Stuart of Brattleboro Sweaney of Windsor Taylor of Barre City Till of Jericho Toll of Danville Townsend of Randolph Trieber of Rockingham Turner of Milton Waite-Simpson of Essex Webb of Shelburne Wilson of Manchester Wizowaty of Burlington * Woodward of Johnson Yantachka of Charlotte Young of Glover Zagar of Barnard

Those members absent with leave of the House and not voting are:

Aswad of Burlington	Eckhardt of Chittenden
Batchelor of Derby	Edwards of Brattleboro
Cheney of Norwich	Keenan of St. Albans City
Crawford of Burke	Kilmartin of Newport City
Deen of Westminster	Larocque of Barnet
Donaghy of Poultney	Martin of Springfield

Morrissey of Bennington Pugh of South Burlington Sharpe of Bristol South of St. Johnsbury

Rep. Marek of Newfane explained his vote as follows:

"Mr. Speaker:

This amendment asks for a report to provide information which already is being furnished to the legislature and which is available to any Vermonter who wants it in our public documents. It is hard to conceive of a greater waste of the hard-earned dollars of Vermont's taxpayers."

Rep. Wizowaty of Burlington explained her vote as follows:

"Mr. Speaker:

As someone who is pleased with her health insurance through Catamount Green Mountain Care, I am glad we are not wasting money looking at why it is a 'failure' and instead focusing our efforts on building the exchange to streamline and simplify this process for more Vermonters."

Thereupon, the bill was read the third time.

Pending the question, Shall the bill pass? **Rep. Savage of Swanton** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 88. Nays, 38.

Those who voted in the affirmative are:

Ancel of Calais Atkins of Winooski Bartholomew of Hartland Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Christie of Hartford Clarkson of Woodstock Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Courcelle of Rutland City Dakin of Chester Davis of Washington Devereux of Mount Holly Donovan of Burlington Ellis of Waterbury Emmons of Springfield Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Gilbert of Fairfax Grad of Moretown Greshin of Warren

Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Jerman of Essex Jewett of Ripton Johnson of South Hero Kitzmiller of Montpelier Klein of East Montpelier Krebs of South Hero Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Wolcott Masland of Thetford McCullough of Williston Miller of Shaftsbury Mook of Bennington Moran of Wardsboro Mrowicki of Putney * Munger of South Burlington

O'Brien of Richmond O'Sullivan of Burlington Partridge of Windham Pearson of Burlington Poirier of Barre City Potter of Clarendon Ram of Burlington Russell of Rutland City Shand of Weathersfield Sharpe of Bristol Spengler of Colchester Stevens of Waterbury * Stevens of Shoreham Stuart of Brattleboro Sweaney of Windsor Taylor of Barre City * Till of Jericho Toll of Danville Townsend of Randolph Trieber of Rockingham Waite-Simpson of Essex Webb of Shelburne Wilson of Manchester Wizowaty of Burlington Woodward of Johnson Wright of Burlington Yantachka of Charlotte Young of Glover Zagar of Barnard

Nuovo of Middlebury

Those who voted in the negative are:

Fagan of Rutland City Hebert of Vernon *	McFaun of Barre Town McNeil of Rutland Town Myers of Essex
Higley of Lowell	Olsen of Jamaica
Howard of Cambridge Hubert of Milton *	Pearce of Richford Perley of Enosburgh
Johnson of Canaan Koch of Barre Town	Savage of Swanton * Scheuermann of Stowe *
Lawrence of Lyndon	Shaw of Pittsford *
Lewis of Berlin Lewis of Derby Marcotte of Coventry McAllister of Highgate	Smith of New Haven Strong of Albany Turner of Milton * Winters of Williamstown
	Hebert of Vernon * Helm of Fair Haven Higley of Lowell Howard of Cambridge Hubert of Milton * Johnson of Canaan Koch of Barre Town Lawrence of Lyndon Lewis of Berlin Lewis of Derby Marcotte of Coventry

Those members absent with leave of the House and not voting are:

Andrews of Rutland City	Eckhardt of Chittenden	Morrissey of Bennington
Aswad of Burlington	Edwards of Brattleboro	Peaslee of Guildhall
Batchelor of Derby	Howrigan of Fairfield	Peltz of Woodbury
Browning of Arlington	Keenan of St. Albans City	Pugh of South Burlington
Cheney of Norwich	Kilmartin of Newport City	Ralston of Middlebury
Crawford of Burke	Komline of Dorset	Reis of St. Johnsbury
Deen of Westminster	Larocque of Barnet	South of St. Johnsbury
Donaghy of Poultney	Martin of Springfield	

Rep. Bouchard of Colchester explained his vote as follows:

"Mr. Speaker:

There is so much unknown about H. 559 that we are forced to put faith and trust in 5 people. We do have to have blind faith. Mr. Speaker, I prefer my blind faith in a brown bottle."

Rep. Donovan of Burlington explained her vote as follows:

"Mr. Speaker:

At Senator Ted Kennedy's funeral, his grandson offered a petition. "For what grandpa called the cause of his life that every American will have a decent quality health care as a fundamental right and not a privilege, we pray to the Lord." Our action today moves us closer to the answer to that prayer."

Rep. Hubert of Milton explained his vote as follows:

"Mr. Speaker:

I am bothered by the way this bill has been done. It would seem to me that the single party rule in Vermont is not working for all Vermonters. With the administration running the debate on the floor yesterday it would seem that there is no longer a separation of powers. I am voting no for all the Vermonters who are not getting their voice heard."

Rep. Mrowicki of Putney explained his vote as follows:

"Mr. Speaker:

Thank you for facilitating two days of luminous debate on your health care bill. I was enlightend by several items including support for the sitting president I didn't expect, and a reminder of how uncomfortable these chairs we sit in are.

Musician, Bruce Springsteen has a new song some speculate is a message to the governor of his home state. It's call "We Take Care of Our Own". That is what this bill says to me, "we take care of our own". This bill takes us another step towards universal health care access, controlling costs and achieving better outcomes. It moves us close to ensuring health care dollars are spent on health care and puts little ole Vermont as a leader in health reform shows the way forward to a better future for all Vermonters."

Rep. Marek of Newfane explained his vote as follows:

"Mr. Speaker:

With passage of this bill Vermont takes a major step toward providing affordable health care coverage for its residents. There always will be those who question every step toward change. Fortunately, today optimism triumphed over fear."

Rep. Scheuermann of Stowe explained her vote as follows:

"Mr. Speaker:

The Vermont House just voted to de-couple health insurance benefits from employment. As our small businesses adjust to this significant change in public policy, they expect, and frankly deserve, a commitment from us that Montpelier will not in the future try to recouple health insurance benefits to employment in any way – financially or otherwise."

Rep. Savage of Swanton explained his vote as follows:

"Mr. Speaker:

I have heard and overheard conversations over the past week from members of this body from all sides of the political spectrum. The overall consensus of these conversations has been that the members do not understand this very complicated bill. I agree I do not understand it very well either.

The last time I personally had a conversation with a member of this body who voted in favor of a bill he did not understand but voted for it anyhow, was Act 60.

I thought to myself at that time, how odd, and that if I ever was honored to serve in this body, I would never vote for a bill that I do not understand fully and can explain to, and answer questions of my constituents, with full confidence."

Rep. Shaw of Pittsford explained his vote as follows:

"Mr. Speaker:

I have here listening carefully for the past two days and yet when I return home this evening I still cannot answer my constituents' most often asked questions of who is going to pay, how much is it going to cost and what is going to be covered. Hence my no vote."

Rep. Stevens of Waterbury explained his vote as follows:

"Mr. Speaker:

Make no mistake opposing a health care exchange promises relief for Vermonters who are being choked by rising health insurance premiums is the equivalent of proudly supporting the status quo, which the majority of Vermonters know is aligned against them. I support fulfilling our federal requirements, and I honor the committee for doing so."

Rep. Taylor of Barre City explained her vote as follows:

"Mr. Speaker:

I vote yes today because I believe that we need health care reform that benefits all Vermonters. This bill is closer to that goal.

I am particularly supportive of section 31 of this bill because it levels the playing field for consumers."

Rep. Turner of Milton explained his vote as follows:

"Mr. Speaker:

Allowing an Exchange to be a robust marketplace where individuals and businesses may purchase healthcare is consistent with the Federal health care reform act of 2010. Vermont could have created an Exchange that encouraged everyone to purchase in this marketplace without forcing them into an untested system with few details regarding the costs and benefits. It's about giving Vermonters the choice to decide what is best for them and their families instead of forcing it upon them. Keeping one's current health insurance

coverage may provide stability and should be an option for all. We remain committed to ensuring that there is a flexibility, stability and transparency built into any and all plans that the Governor proposes as he moves forth with his healthcare reform experiments for Vermont."

Rep. Hebert of Vernon explained his vote as follows:

"Mr. Speaker:

The last time we tried a "Blind Faith" Health Care Plan it was the Catamount Plan. Many members of this body expressed the same concerns and asked the same questions that we have asked now. Catamount passed with many unanswered questions about costs and sustainability. Catamount failed. H. 559 is another "Blind Faith" health care scheme destined for failure. H. 559 asks that we blindly place our faith and trust in the government and trust the government to take care of us.

I cannot support the "Blind Faith" approach in health care planning for the following reasons. I do know what we don't know! We don't know the cost, don't know who's covered; don't know what the coverage is, don't know about waivers. Most importantly no one could explain to me the true impact on my constituents. Will this bill harm them or help them?"

Action on Bill Postponed

H. 577

House bill, entitled

An act relating to public water systems

Was taken up and pending the reading of the report of the committee on Fish, Wildlife & Water Resources, on motion of **Rep. Fagan of Rutland City**, action on the bill was postponed until the next legislative day.

Rules Suspended; Bill Committed

H. 759

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to permitting the use of secure residential recovery facilities for continued involuntary treatment

Was taken up for immediate consideration.

Pending the reading of the report of the committee on Judiciary, on motion of **Rep. Turner of Milton**, the bill was committed to the committee on Human Services.

Message from the Senate No. 20

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered joint resolution originating in the House of the following title:

J.R.H. 24. Joint resolution strongly supporting continuing and enhancing the mutually beneficial bilateral economic and trade relationship between the state of Vermont and Canada.

And has adopted the same in concurrence.

The Senate has on its part adopted Senate concurrent resolution of the following title:

S.C.R. 38. Senate concurrent resolution honoring the six fire chiefs past and present who have given over 280 years of combined service to the Marshfield Volunteer Fire Department.

The Senate has on its part adopted concurrent resolutions originating in the House of the following titles:

- **H.C.R. 272.** House concurrent resolution congratulating Harriette B. Lerrigo-Leidich of North Bennington on her 100th birthday.
- **H.C.R. 273.** House concurrent resolution designating February 29, 2012 as Afterschool, Summer, and Expanded Learning Day at the State House.
- **H.C.R. 274.** House concurrent resolution in memory of Garry Chalmers Simpson, a master of the cinematic, performing, and television arts.
- **H.C.R. 275.** House concurrent resolution in memory of former Representative Carl H. Reidel of North Ferrisburgh.
- **H.C.R. 276.** House concurrent resolution commemorating the 250th anniversary of the town of Hinesburg.
- **H.C.R. 277.** House concurrent resolution in memory of former East Montpelier Town Clerk and Treasurer Sylvia Tosi.

Adjournment

At four o'clock and forty minutes in the afternoon, on motion of **Rep. Turner of Milton**, the House adjourned until Tuesday, February 28, 2012, at ten o'clock in the forenoon, pursuant to the provisions of J.R.S. 48.

Concurrent Resolutions Adopted

The following concurrent resolutions, having been placed on the Consent Calendar on the preceding legislative day, and no member having requested floor consideration as provided by Joint Rules of the Senate and House of Representatives, are herby adopted in concurrence.

H.C.R. 272

House concurrent resolution congratulating Harriette B. Lerrigo-Leidich of North Bennington on her 100th birthday;

H.C.R. 273

House concurrent resolution designating February 29, 2012 as Afterschool, Summer, and Expanded Learning Day at the State House;

H.C.R. 274

House concurrent resolution in memory of Garry Chalmers Simpson, a master of the cinematic, performing, and television arts;

H.C.R. 275

House concurrent resolution in memory of former Representative Carl H. Reidel of North Ferrisburgh;

H.C.R. 276

House concurrent resolution commemorating the 250th anniversary of the town of Hinesburg;

H.C.R. 277

House concurrent resolution in memory of former East Montpelier Town Clerk and Treasurer Sylvia Tosi;

S.C.R. 37

Senate concurrent resolution honoring the military valor of United States Army Staff Sgt. Dylan J. Maynard;

[The full text of the concurrent resolutions appeared in the House Calendar Addendum on the preceding legislative day and will appear in the Public Acts and Resolves of the 2012, seventy-second Adjourned session.]