

H.107 - Senator Lyons amendment summary

1st instance: Clarifies that provisions on step therapy and off-label use of medication apply to pharmacy benefit managers working for private insurers and not for Medicaid

2nd instance: Changes requirement that insurers respond to non-urgent prior authorization requests from 48 hours after receipt to 2 business days after receipt. Current law requires within 120 hours for non-urgent requests and 48 hours for urgent requests.

3rd, 4th, and 5th instance: Delays requirement for Vermont's Medicaid program to participate in standardized edits and payment rules from January 1, 2015 until January 1, 2017.

6th, 7th, and 8th instance: Substitutes role of Office of Health Care Ombudsman in health insurance rate review with Office of Health Care Advocate, allows Health Care Advocate to submit written comments to the Green Mountain Care Board on insurers' rate requests and requires the Board to post the comments on its website and consider them before making a decision.

9th instance: Creates the Office of the Health Care Advocate (HCA), which is modeled on the existing State Health Care Ombudsman. Directs Agency of Administration to establish HCA by contract with a nonprofit organization.

- Requires HCA to:
 - assist individuals with information and assistance in getting health insurance coverage
 - assist health insurance consumers understand their insurance plan rights
 - provide information to the public and government about health insurance problems and concerns and recommendations for addressing them
 - identify, investigate, and resolve insurance complaints for individuals
 - provide information about individuals' duties and responsibilities under the federal Affordable Care Act
 - analyze, monitor, and facilitate public comment on relevant laws, rules, and policies
 - suggest policies, procedures, or rules to GMCB to protect patient/consumer interests
 - promote development of citizen and consumer organizations
 - ensure time access to HCA's services
 - submit annual report to General Assembly and Governor
- Allows HCA to:
 - review health insurance records with the patient's consent
 - pursue remedies on behalf of health insurance consumers

- represent interests of the State in cases requiring hearing before GMCB
- adopt necessary policies and procedures
- take any other necessary action
- Specifies that HCA may speak on behalf of consumers and carry out its duties without being subject to retaliatory action (except that HCA is still bound by the terms of the contract with the Agency of Administration)
- Requires state agencies to comply with reasonable requests from the HCA
- Requires HCA to specify in its annual report the amounts it spent carrying out its duties, including the specific amount spent on actuarial services
- Expresses legislative intent that HCA maximize federal and grant funds
- Makes conforming changes to replace Health Care Ombudsman with HCA throughout statutes

10th instance: Allows Green Mountain Care Board and Dept of Financial Regulation to use their bill back authority to provide financial support for the HCA for three years (through June 30, 2016). For fiscal year, specifies that the maximum amount that can be billed back is \$300,000. By February 1, 2014, requires Director of Health Care Reform in Agency of Administration to present to committees of jurisdiction sustainable funding options for the HCA, including options based on sources other than bill back.

11th instance: Requires the Green Mountain Care Board to develop and implement one or more pilot programs to measure the change in primary care system costs associated with eliminating certain prior authorization requirements. Also makes a clarifying change regarding the current requirement that health insurers file an annual report on their denied claims and requires DVHA to present data to the committees of jurisdiction by February 1, 2014 on claims denied by the Department.

12th instance: Repeals Office of Health Care Ombudsman to conform to conversion to new Office of Health Care Advocate

13th instance: Makes conforming changes to the effective dates section