

**Section by Section Summary of S.152, An act relating to the
Green Mountain Care Board's rate review authority - As Passed the Senate**
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Sec. 1. Rate review process

- Moves all rate review for major medical insurance policies to the Green Mountain Care Board (GMCB) to replace the current two-step process, which involves a recommendation from the Commissioner of the Department of Financial Regulation (DFR) to the GMCB
- GMCB has 90 calendar days to approve, modify, or disapprove a rate request
- DFR must provide the GMCB with an analysis and opinion on the impact of the proposed rate on the insurer's solvency and reserves
- Requires an insurer to file a plain language summary, and provides an opportunity for public comment, on all proposed rates, not just rate increases of 5 percent or more as under current law
- GMCB must establish a mechanism by which members of the public can request automatic notification every time a proposed rate is filed with the GMCB
- A consumer representative may submit to the GMCB suggested questions about a rate filing for the GMCB to provide to its actuary
- Within 60 days after receiving a rate request, the GMCB must make publicly available the rate filing, the DFR solvency analysis and opinion, and the actuary's analysis and opinion
- GMCB must post on its website all questions it poses to its actuary and the actuary's responses, as well as all questions the GMCB, the actuary, or DFR poses to the insurer and the insurer's responses
- 30 days after making the rate filing and analyses available to the public, the Board must:
 - conduct a public hearing at which it calls DFR and the actuary as witnesses unless all parties agree to waive that testimony, and also provide opportunities for the insurer, Health Care Ombudsman, consumer representative, and public to testify
 - at a public hearing, announce the GMCB's rate decision
 - issue the GMCB's rate decision in writing
- Insurer must notify policyholders of GMCB's decision in a timely manner
- Rates take effect on the date specified in the insurer's rate filing
- If Board has not issued its rate decision by the effective date specified in the filing, the insurer must notify its policyholders of the pending rate request and the effective date the insurer has proposed
- An insurer, the consumer representative, and any member of the public with party status (as defined by the Board by rule) may appeal the GMCB's decision to the Vermont Supreme Court
- DFR retains rate review authority over all policies other than major medical
- GMCB may establish by rule a streamlined rate review process for certain rate decisions, including proposed rates affecting only a few covered lives and

proposed rates for which a de minimis increase (as defined by the Board by rule) is sought

Sec. 2. Filing fees

- Increases the fee for filing health insurance policies, contracts, forms, and rates with the Commissioner of DFR or the GMCB, as appropriate, from \$50 to \$150

Secs. 3 - 9. Rate review for different types of health insurers

- Makes conforming changes to reflect the revised the rate review process in the statutes for mental health carve-outs (Sec. 3), hospital service corporations (Secs. 4 - 6), medical service corporations (Secs. 7 and 8), and health maintenance organizations generally (Sec. 9)

Sec. 10. Green Mountain Care Board duties

- Makes conforming changes to the rate review process in the statute detailing the duties of the GMCB

Secs. 11 - 13. Bill-back allocation

- Provides flexibility to GMCB (Sec. 11) and the Commissioner of DFR (Sec. 12) to determine the scope of expenses to be allocated using bill-back based on what the GMCB/Commissioner believes to be in the best interests of the regulated entities and the State
- Sec. 13 requires GMCB and DFR to report annually the total amount of expenses eligible for bill-back during the previous state fiscal year and the total amount of expenses that were actually billed back to the regulated entities during that year

Sec. 14. Appeals from GMCB decisions

- Amends the GMCB appeals statute to conform to the new rate review process
- Makes clear that a decision of the GMCB in a rate review case is considered a final action and may be appealed directly to the Vermont Supreme Court

Sec. 15. Plans offered through the Vermont Health Benefit Exchange

- Makes conforming changes to the rate review provisions of the law governing medical loss ratios for plans offered through the Vermont Health Benefit Exchange

Sec. 16. Applicability and effective dates

- Rate review provisions take effect on January 1, 2014, except that the GMCB and DFR can amend their rules and take other actions necessary to ensure that the new rate review process will be operational by January 1, 2014
- Bill-back reallocation provisions take effect on July 1, 2013