S.252 - An act relating to financing for Green Mountain Care
Section by Section summary of House Health Care Committee report
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Sec. 1. Legislative intent; findings; purpose

- Expresses intent to continue toward implementation of Green Mountain Care (GMC)
- Expresses intent not to change benefits in Medicare, Federal Employees Health Benefit Program, TRICARE, retiree health programs, other health programs
- Makes findings regarding recent health care reform initiatives, current health care spending, and the continuing need for a GMC financing plan
- Identifies need for greater understanding of existing health care reform efforts, access to accurate data, and consideration of impact of GMC on businesses

Sec. 2. Principles for care financing

- Details six principles to guide health care financing

Secs. 3–5. Vermont Health Benefit Exchange

- If federal government allows (which it currently does, through the end of 2015), small employers and their employees can buy health plans through Exchange website or navigator, by phone, or directly from a carrier

Sec. 6. Optional Exchange coverage for employers with 51–100 employees

- If permitted under federal law (which it currently is not), employers with 51–100 employees would be allowed, but not required, to purchase insurance through the Exchange prior to January 1, 2016

Sec. 7. Updates on transition to Green Mountain Care

- Secretary of Administration or designee to provide updates at least quarterly to House Health Care (HHC), House Ways and Means (HWM), Senate Health and Welfare (SHW), and Senate Finance (SFin) regarding progress on determining which elements of GMC to contract out and on developing a GMC transition and implementation proposal
- Green Mountain Care Board to provide updates at least quarterly to HHC, HWM, SHW, and SFin regarding the Board’s progress on defining the GMC benefit package; deciding whether GMC should include dental, vision, hearing, and long-term care; determining whether and to what extent there should be cost-sharing in GMC; and making the determinations necessary for GMC implementation

Sec. 8. Green Mountain Care benefits

- Changes the minimum benefits for GMC from at least the covered services Catamount Health to at least the covered services in Exchange plans
- Requires any cost-sharing requirements to be income-sensitized

Sec. 9. Administration of and enrollment in Green Mountain Care
- Repeals provision requiring Agency of Human Services to seek federal permission to be administrator of Medicare in Vermont
- Makes GMC the payer of last resort, instead of the secondary payer, for any health service covered in whole or in part by any other health benefit plan

Sec. 10. Conceptual waiver application
- Requires Secretary of Administration or designee to submit a conceptual waiver application to the federal government by November 15, 2014 expressing Vermont's intent to apply for a Waiver for State Innovation and its interest in beginning the application process

Sec. 11. Employer assessment
- Updates the employer assessment law to reflect the current, indexed amount and the accurate number of exempt employees
- Changes calculation of employer assessment from fiscal year to calendar year

Secs. 12–14. Green Mountain Care Board
- Includes in Green Mountain Care Board's review of the Health Resource Allocation Plan the duties of conducting regular assessments of Vermonters' health needs and developing a plan to allocate resources to meet those needs
- Allows the Board to include its Medicaid cost shift reporting in its annual report and adds the Joint Fiscal Committee as a recipient of the annual report

Sec. 15. Standardized health insurance claims and edits
- Delays for two years, until January 1, 2017, the date on which health care providers and health insurers must begin using the standardized edits and payment rules to be adopted by the Green Mountain Care Board and Department of Vermont Health Access by rule

Secs. 16–19. Pharmacy benefit managers
- Requires pharmacy benefit managers (PBMs) to disclose annually to health insurers, the Department of Financial Regulation, and the Green Mountain Care Board the aggregate amount the PBM kept on all prescription drug claims for which PBM charged the insurer during the previous calendar year in excess of the amount the PBM paid to pharmacies
- Requires PBMs to pay pharmacy claims or notify the pharmacy that a claim is contested or denied within 14 calendar days of receipt of the claim
- Requires PBMs to provide pharmacists with a list of all drugs subject to maximum allowable cost (MAC), the MAC for each drug on the list, and the source of the MAC, and to update the list at least every seven days
- Prohibits PBMs from imposing higher co-payments than the co-payment applicable under an insured's policy, from imposing a higher co-payment than the MAC, and from requiring pharmacies to pass through any portion of a co-payment to the PBM
- Except for the annual disclosure requirement, PBM provisions take effect on July 1, 2014 and apply to contracts entered into or renewed on or after that date.

Secs. 20–25. Adverse childhood experiences

- Expresses General Assembly's belief that controlling health care costs requires consideration of population health, particularly adverse childhood experiences (ACEs)
- The greater the number of ACEs experienced by a respondent, the greater the risk for many health conditions and behaviors
- Directs the Agency of Human Services (AHS), through its Integrated Family Services initiative and in partnership with the Vermont Center for Children, Youth, and Families at the University of Vermont (UVM), to fully implement the Vermont Family Based Approach in one pilot region by January 1, 2015
- By December 15, 2014, the Director of the Blueprint for Health must submit a report to HHC and SHW with recommendations for incorporating screening for ACEs and trauma-informed care into Blueprint medical practices and community health teams
- Recommends that UVM's College of Medicine and School of Nursing consider adding or expanding information in their curricula about ACEs and their impacts
- By January 15, 2015, the Board of Medical Practice must develop materials regarding the ACE Study for physicians, physician assistants, and advanced practice registered nurses. By July 1, 2016, the Board of Medical Practice and Office of Professional Regulation must distribute the materials to all physicians, naturopathic physicians, physician assistants, and advanced practice registered nurses.
- By November 1, 2014, the Department of Health, in consultation with the Department of Mental Health, must submit a written report with recommendations about incorporating ACE education, treatment, and prevention into medical practices and the Department of Health's programs; about screening tools and interventions; and about security protections for patient information to the Green Mountain Care for its review and comments about impacts on public health and health care costs. The Board must submit the report with its comments to the General Assembly by January 1, 2015.

Sec. 26. Green Mountain Care financing and coverage report

- By February 3, 2015, Secretary of Administration must submit to HHC, HWM, SHW, and SFin a proposal to transition to and fully implement GMC. The report must include:
    - a detailed analysis of how much individuals and businesses currently spend on health care
    - recommendations for the amounts and necessary mechanisms to finance GMC
    - wraparound benefits for people for whom GMC will be the payer of last resort
    - a thorough economic analysis of the impact of changing from a premium-based health care system to the system recommended in the proposal
    - recommendations for addressing cross-border delivery issues
    - establishing provider rates in GMC
    - estimates of administrative savings to providers and payers
    - efforts to obtain a federal Waiver for State Innovation
- If Secretary of Administration does not submit proposal by February 3, 2015, the unencumbered remainder of the Agency of Administration's FY 2015 appropriation

for GMC planning and implementation will be frozen until the Secretary submits a plan recommending specific amounts and necessary mechanisms to finance GMC

Sec. 27. Blueprint for Health

- By October 1, 2014, Secretary of Administration or designee must provide to HHC, House Human Services, SHW, and SFin a proposal for changing payment structure to providers and community health teams for participating in the Blueprint, recommendation on whether to expand the Blueprint to additional services or chronic conditions, and recommendations on ways to strengthen and sustain advanced practice primary care

Sec. 28. Health insurer surplus

- Department of Financial Regulation, in consultation with Attorney General's Office, must identify legal and financial issues if a major medical health insurer were to stop operating in Vermont, including what happens to the insurer's surplus funds.
- Department of Financial Regulation to report findings by July 15, 2014

Sec. 29. Transition plan for union employees

- Commissioners of Labor and of Human Resources to consult with labor groups and develop a plan for transitioning union employees with collectively bargained health benefits into GMC

Sec. 30. Financial impact of health care reform initiatives

- Secretary of Administration or designee to consult with Joint Fiscal Office regarding distribution of current health care spending, costs of and savings from current health care reform initiatives, and updated costs estimates for GMC
- By December 1, 2014, the Secretary of Administration must present the analysis to General Assembly
- By January 15, 2015, the Joint Fiscal Office must evaluate the analysis and indicate areas of agreement and disagreement

Sec. 31. [Deleted.]

Sec. 32. Increasing Medicaid rates

- By January 15, 2015, Secretary of Administration or designee, in consultation with Green Mountain Care Board, must report to HHC, HWM, SHW, and SFin on potential impact of increasing Medicaid reimbursement rates to Medicare levels.

Sec. 33. Health care expenses in other forms of insurance

- Secretary of Administration or designee, in consultation with Departments of Labor and of Financial Regulation, must collect most recent available data on health care expenses paid for by workers' compensation, automobile insurance, and property and casualty insurance, and other non-medical insurance
- Secretary must consolidate data and present it to General Assembly by December 1, 2014.

Sec. 34. Health care workforce symposium

- Secretary of Administration or designee, in collaboration with stakeholders, must hold a symposium by November 15, 2014 addressing impacts of moving toward GMC on Vermont's health care workforce and projected workforce needs.

Sec. 35. Repeal

- Repeals section making legislators and session-only legislative employees eligible to purchase the State Employees Health Benefit Plan at full cost. Repeal takes effect on passage and applies retroactively to January 1, 2014, except that people who were enrolled on that date may continue to receive coverage under the plan through the end of the 2014 plan year.

Sec. 36. Effective dates