

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred Senate Bill No.
3 252 entitled “An act relating to financing for Green Mountain Care”
4 respectfully reports that it has considered the same and recommends that the
5 House propose to the Senate that the bill as amended by the Committee on
6 Health Care be further amended as follows:

7 First: In Sec. 1, legislative intent; findings; purpose, by striking out
8 subsection (d) in its entirety and inserting in lieu thereof a new subsection (d)
9 to read as follows:

10 (d) Before making final decisions about the financing for Green Mountain
11 Care, the General Assembly must have accurate data on the direct and indirect
12 costs of the current health care system and how the new system will impact
13 individual decisions about accessing care.

14 Second: In Sec. 1, legislative intent; findings; purpose, by striking out
15 subsections (f) and (g) in their entirety and inserting in lieu thereof new
16 subsections (f) and (g) to read as follows:

17 (f) The General Assembly must ensure that Green Mountain Care does not
18 go forward if the financing is not sufficient, fair, predictable, transparent,
19 sustainable, and shared equitably.

1 (g) The General Assembly must be satisfied that an appropriate plan of
2 action is in place in order to accomplish the transitions needed for successful
3 implementation of Green Mountain Care.

4 Third: By striking out Sec. 2, principles for health care financing, and
5 inserting in lieu thereof a new Sec. 2 to read as follows:

6 Sec. 2. PRINCIPLES FOR HEALTH CARE FINANCING

7 The General Assembly adopts the following principles to guide the
8 financing of health care in Vermont:

9 (1) All Vermont residents have the right to high-quality health care.

10 (2) All Vermont residents shall contribute to the financing for Green
11 Mountain Care through taxes that are levied equitably, taking into account an
12 individual's ability to pay and the value of the health benefits provided so that
13 access to health care will not be limited by cost barriers.

14 (3) The financing system shall maximize opportunities to take advantage
15 of federal tax credits and deductions.

16 (4) As provided in 33 V.S.A. § 1827, Green Mountain Care shall be the
17 payer of last resort for Vermont residents who continue to receive health care
18 through plans provided by an employer, by a federal health benefit plan, by
19 Medicare, by a foreign government, or as a retirement benefit.

1 (5) Vermont’s system for financing health care shall raise revenue
2 sufficient to provide medically necessary health care services to all Vermont
3 residents, including:

4 (A) ambulatory patient services;

5 (B) emergency services;

6 (C) hospitalization;

7 (D) maternity and newborn care;

8 (E) mental health and substance use disorder services, including
9 behavioral health treatment;

10 (F) prescription drugs;

11 (G) rehabilitative and habilitative services and devices;

12 (H) laboratory services;

13 (I) preventive and wellness services and chronic care
14 management; and

15 (J) pediatric services, including oral and vision care.

16 Fourth: By striking out Sec. 11, 21 V.S.A. § 2003(b), in its entirety and
17 inserting in lieu thereof a new Sec. 11 to read as follows:

18 Sec. 11. 21 V.S.A. § 2003(b) is amended to read:

19 (b) For ~~any~~ each quarter in fiscal ~~years 2007 and 2008~~ year 2015, the
20 amount of the Health Care Fund contribution shall be ~~\$91.25~~ \$133.30 for each
21 full-time equivalent employee in excess of ~~eight~~ four. For each fiscal year

1 after fiscal year 2008, ~~the number of excluded full-time equivalent employees~~
2 ~~shall be adjusted in accordance with subsection (a) of this section, and 2015,~~
3 the amount of the Health Care Fund contribution shall be adjusted by a
4 percentage equal to any percentage change in premiums for the second lowest
5 cost silver-level plan in the Vermont Health Benefit Exchange.

6 Fifth: By striking out Sec. 26, Green Mountain Care financing and
7 coverage; report, in its entirety and inserting in lieu thereof a new Sec. 26 to
8 read as follows:

9 Sec. 26. GREEN MOUNTAIN CARE FINANCING AND COVERAGE;

10 REPORT

11 (a) Notwithstanding the January 15, 2013 date specified in 2011 Acts and
12 Resolves No. 48, Sec. 9, no later than January 15, 2015, the Secretary of
13 Administration shall submit to the House Committees on Health Care and on
14 Ways and Means and the Senate Committees on Health and Welfare and on
15 Finance a proposal to transition to and fully implement Green Mountain Care.
16 The report shall include the following elements, as well as any other topics the
17 Secretary deems appropriate:

18 (1) a detailed analysis of the direct and indirect financial impacts of
19 moving from the current health care system to a publicly financed system,
20 including the impact by income class and family size for individuals and by

1 business size, economic sector, and total sales or revenue for businesses, as
2 well as the effect on various wage levels and job growth;

3 (2) recommendations for the amounts and necessary mechanisms to
4 finance Green Mountain Care, including:

5 (A) proposing the amounts to be contributed by individuals and
6 businesses;

7 (B) recommending financing options for wraparound coverage for
8 individuals with other primary coverage, including evaluating the potential for
9 using financing tiers based on the level of benefits provided by Green
10 Mountain Care; and

11 (C) addressing cross-border financing issues;

12 (3) wraparound benefits for individuals for whom Green Mountain Care
13 will be the payer of last resort pursuant to 33 V.S.A. § 1827(f), including
14 individuals covered by the Federal Employees Health Benefit Program,
15 TRICARE, Medicare, retiree health benefits, or an employer health plan;

16 (4) recommendations for addressing cross-border health care delivery
17 issues;

18 (5) establishing provider reimbursement rates in Green Mountain Care;

19 (6) developing estimates of administrative savings to health care
20 providers and payers from Green Mountain Care; and

1 (7) information regarding Vermont’s efforts to obtain a Waiver for State
2 Innovation pursuant to Section 1332 of the Patient Protection and Affordable
3 Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education
4 Reconciliation Act of 2010, Pub. L. No. 111-152, including submission of a
5 conceptual waiver application as required by Sec. 10 of this act.

6 (b) If the Secretary of Administration does not submit the Green Mountain
7 Care financing and coverage proposal required by this section to the General
8 Assembly by January 15, 2015, no portion of the unencumbered funds
9 remaining as of that date in the fiscal year 2015 appropriation to the Agency of
10 Administration for the planning and the implementation of Green Mountain
11 Care shall be expended until the Secretary submits the required proposal.

12 Sixth: By striking out Sec. 29, transition plan for union employees, in its
13 entirety and inserting in lieu thereof a new Sec. 29 to read as follows:

14 Sec. 29. TRANSITION PLAN FOR UNION EMPLOYEES

15 The Commissioners of Labor and of Human Resources; one representative
16 each from the Vermont League of Cities and Towns, the Vermont School
17 Boards Association, and the Vermont School Board Insurance Trust; and five
18 representatives from a coalition of labor organizations active in Vermont, in
19 consultation with other interested stakeholders, shall develop a plan for
20 transitioning employees with collectively bargained health benefits from their
21 existing health insurance plans to Green Mountain Care, with the goal that

1 union employees shall be enrolled in Green Mountain Care upon
2 implementation, which is currently targeted for 2017. The transition plan shall
3 be consistent with State and federal labor relations laws and public and private
4 sector collective bargaining agreements and shall ensure that total employee
5 compensation does not decrease significantly, nor financial costs to employers
6 increase significantly, as a result of the transition of employees to Green
7 Mountain Care.

8 Seventh: By striking out Sec. 30, financial impact of health care reform
9 initiatives, in its entirety and inserting in lieu thereof a new Sec. 30 to read as
10 follows:

11 Sec. 30. FINANCIAL IMPACT OF HEALTH CARE REFORM

12 INITIATIVES

13 The Joint Fiscal Committee shall:

14 (1) determine the distribution of current health care spending by
15 individuals, businesses, and municipalities, including the direct and indirect
16 costs by income class, family size, and other demographic factors for
17 individuals and by business size, economic sector, and total sales or revenue
18 for businesses;

19 (2) for each proposal for health care system reform, evaluate the direct
20 and indirect impacts on individuals, businesses, and municipalities, including
21 the direct and indirect costs by income class, family size, and other

1 demographic factors for individuals and by business size, economic sector, and
2 total sales or revenue for businesses;

3 (3) estimate the costs of and savings from current health care reform
4 initiatives; and

5 (4) update the cost estimates for Green Mountain Care, the universal and
6 unified health care system established in 33 V.S.A. chapter 18, subchapter 2.

7 Eighth: In Sec. 36, effective dates, by inserting a new subdivision (1) to
8 read as follows:

9 (1) Sec. 11, 21 V.S.A. § 2003(b), shall take effect on passage and shall
10 apply beginning with the calculation of the Health Care Fund contributions
11 payable in the first quarter of fiscal year 2015, which shall be based on the
12 number of an employer’s uncovered employees in the fourth quarter of fiscal
13 year 2014.

14 and by renumbering the remaining subdivisions to be numerically correct.

15

16

17 (Committee vote: _____)

18

19

20

Representative _____

FOR THE COMMITTEE