

The Administration proposes the following changes to H. 107:

H.107

An act relating to health insurance, Medicaid, the Vermont Health Benefit Exchange, and the Green Mountain Care Board

It is hereby enacted by the General Assembly of the State of Vermont:

* * * Vermont Health Benefit Exchange * * *

Sec. 28. 33 V.S.A. § 1804 is amended to read:

§ 1804. QUALIFIED EMPLOYERS

(a)(1) Until January 1, 2016, a qualified employer shall be an ~~employer~~ entity which, on at least 50 percent of its employed an average of not more than 50 employees on working days during the preceding calendar year, ~~employed at least one and no more than 50 employees,~~ and the term “qualified employer” includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a qualified employer shall not include a part-time employee who works fewer than 30 hours per week **and shall not include seasonal employees.**

* * *

(b)(1) From January 1, 2016 until January 1, 2017, a qualified employer shall be an ~~employer~~ entity which, on at least 50 percent of its employed an average of not more than 100 employees on working days during the preceding

calendar year, ~~employed at least one and no more than 100 employees,~~ and the term “qualified employer” includes self-employed persons to the extent permitted under the Affordable Care Act. ~~Calculation of the number of employees of a qualified employer shall not include a part-time employee who works fewer than 30 hours per week~~ The number of employees shall be calculated using the method set forth in 26 U.S.C. § 4980H(c)(2)(E).

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Sec. 30. 33 V.S.A. § 1811(a) is amended to read:

(a) As used in this section:

* * *

(3)(A) Until January 1, 2016, “small employer” means an ~~employer~~ entity which, on at least 50 percent of its employed an average of not more than 50 employees on working days during the preceding calendar year, ~~employs at least one and no more than 50 employees.~~ The term includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a small employer shall not include a part-time employee who works fewer than 30 hours per week **and shall not include seasonal employees.** An employer may continue to participate in the ~~exchange~~ Exchange even if the employer’s size grows beyond 50 employees as long as the employer continuously makes qualified health benefit plans in the

Vermont ~~health benefit exchange~~ Health Benefit Exchange available to its employees.

(B) Beginning on January 1, 2016, “small employer” means an ~~employer~~ entity which, on at least 50 percent of its employed an average of not more than 100 employees on working days during the preceding calendar year, ~~employs at least one and no more than 100 employees.~~ The term includes self-employed persons to the extent permitted under the Affordable Care Act. ~~Calculation of the number of employees of a small employer shall not include a part-time employee who works fewer than 30 hours per week~~ The number of employees shall be calculated using the method set forth in 26 U.S.C. § 4980H(c)(2)(E). An employer may continue to participate in the ~~exchange~~ Exchange even if the employer’s size grows beyond 100 employees as long as the employer continuously makes qualified health benefit plans in the Vermont ~~health benefit exchange~~ Health Benefit Exchange available to its employees.

* * * Medicaid and CHIP * * *

Sec. 31. 33 V.S.A. § 2003(c) is amended to read:

(c) As used in this section:

(1) “Beneficiary” means any individual enrolled in the Healthy Vermonters program.

(2) “Healthy Vermonters beneficiary” means any individual Vermont resident without adequate coverage:

(A) who is at least 65 years of age, or is disabled and is eligible for Medicare or Social Security disability benefits, with household income equal to or less than 400 percent of the federal poverty level, as calculated ~~under the rules of the Vermont health access plan, as amended~~ using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B); or

(B) whose household income is equal to or less than 350 percent of the federal poverty level, as calculated ~~under the rules of the Vermont Health access plan, as amended~~ using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B).

* * *

Sec. 32. 33 V.S.A. § 2072(a) is amended to read:

(a) An individual shall be eligible for assistance under this subchapter if the individual:

(1) is a resident of Vermont at the time of application for benefits;

(2) is at least 65 years of age or is an individual with disabilities as defined in subdivision 2071(1) of this title; and

(3) has a household income, when calculated ~~in accordance with the rules adopted for the Vermont health access plan under No. 14 of the Acts of~~

1995, as amended using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B), no greater than 225 percent of the federal poverty level.

* * * Special Funds * * *

Sec. 35. 18 V.S.A. § 9382 is added to read:

§ 9382. REGULATORY AND SUPERVISION FUND

(a) There is hereby created a fund to be known as the Green Mountain Care Board Regulatory and Supervision Fund for the purpose of providing the financial means for the Green Mountain Care Board to administer this chapter and chapter 221 of this title. The Fund shall be managed pursuant to 32 V.S.A. chapter 7, subchapter 5.

(1) All fees and assessments received by the Board in the course of administering its duties shall be credited to the Green Mountain Care Board Regulatory and Supervision Fund.

(2) All fines and administrative penalties received by the Board in the course of administering its duties shall be deposited directly into the General Fund.

(b) All payments from the Green Mountain Care Board Regulatory and Supervision Fund for the maintenance of staff and associated expenses, including contractual services as necessary, shall be disbursed from the State Treasury only upon warrants issued by the Commissioner

~~of Finance and Management after receipt of proper documentation regarding services rendered and expenses incurred.~~

~~(c) The Commissioner of Finance and Management may anticipate receipts to the Green Mountain Care Board Regulatory and Supervision Fund and issue warrants based thereon.~~

~~*** Financial Audit ***~~

~~Sec. 36a. 18 V.S.A. § 9383 is added to read:~~

~~§ 9383. AUDIT~~

~~(a) On or before January 15 of each year, the Green Mountain Care Board shall provide to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare, on Finance, and on Appropriations the results of an independent financial audit of the Board's income and expenditures and an accounting of its use of the funds appropriated to the Board by the General Assembly for the preceding state fiscal year.~~

~~(b) The Board shall contract with one or more certified public accountants or other qualified independent auditing firms to carry out the audit required by this section.~~

~~*** Hospital Community Reports ***~~

Sec. 39. TEMPORARY SUSPENSION

~~(a) Notwithstanding the requirements of 18 V.S.A. § 9405b, the Commissioner of Financial Regulation and Vermont hospitals may suspend publication of the hospital community reports in calendar year 2013 in order to effectuate the transfer of responsibility from the Department of Financial Regulation to the Department of Health. publish the June 1, 2013 hospital community reports on or before October 1, 2013.~~

~~(b) During the temporary suspension of the publication of the hospital community reports, hospitals shall:~~

~~(1) continue to collect all data required by the Department of Financial Regulation for the statewide report published on the Department's website on June 1, 2012;~~

~~(2) continue to report on their individual hospital websites all of the information required by the Department of Financial Regulation to be reported on individual hospital websites on June 1, 2012;~~

~~(3) provide on their individual hospital websites a link to the Department of Financial Regulation's June 1, 2012 hospital community report; and~~

~~(4) provide on their individual hospital websites a link to the Centers for Medicare and Medicaid Services's hospital comparison website.~~

~~(c) During the period of temporary suspension, the Department of Health shall:~~

~~(1) provide guidance to hospitals about compliance with the provisions of subsection (b) of this section; and~~

~~(2) maintain the data reporting mechanisms developed by the Department of Financial Regulation for the June 1, 2012 report to enable hospitals to continue to submit their data during the period of temporary suspension.~~

* * * Emergency Rulemaking * * *

Sec. 51. EMERGENCY RULEMAKING

The Agency of Human Services may adopt emergency rules pursuant to 3 V.S.A. § 844 prior to **April 1, 2014 the operation of the Vermont Health Benefit Exchange in order** to conform Vermont's rules regarding operation of the **Vermont Health Benefit Exchange** to ~~emerging~~ federal guidance and regulations implementing the provisions of the Patient Protection and Affordable Care Act (Pub. L. No. 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152) **and to implement No. 48 of the Acts of 2011 and No. 171 of the Acts of 2012. The Agency of Human Services may adopt emergency rules in order to implement eligibility, enrollment, renewals, public availability of program**

information, and coordination across health benefits programs, including revision and consolidation of existing AHS health benefits program eligibility rules into a single, integrated and updated code. The need for timely compliance with state and federal laws and guidance, in addition to the coordination and consolidation of current AHS health benefits program eligibility rules, prior to for the effective launch and operation of the Vermont Health Benefit Exchange shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

* * * Effective Dates * * *

Sec. 53. EFFECTIVE DATES

(a) Secs. 2 (mental health care services review), 3 (prescription drug deductibles), 33–34a (health information exchange), 39 (temporary suspension of hospital reports), 40 (VHCURES), 43 and 44 (workforce planning), 46 (DVHA antitrust provision), 48 (Exchange options), 49 (correction to payment reform pilot repeal), 50 (transfer of positions), 51 (emergency rules), and 52 (repeals) of this act and this section shall take effect on passage.

(b) Sec. 1 (interstate employers) and Secs. 28–30 (employer definitions) shall take effect on October 1, 2013 for the purchase of insurance plans effective for coverage beginning January 1, 2014.

- (c) Secs. 4 (newborn coverage), 5 (grace period for premium payment), 6–27 (Catamount and VHAP), **31 (Healthy Vermonters), 32 (VPharm), and 47 (pharmacy program enrollment)** shall take effect on January 1, 2014.
- (d) All remaining sections of this act shall take effect on July 1, 2013.