

Health care issues under consideration in 2015 legislative session

Prepared by Jennifer Carbee, Legislative Council, and Nolan Langweil, Joint Fiscal Office

April 17, 2015

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
Increasing Exchange cost-sharing subsidies	H.481 Secs. 1 and 2	\$761K (base) + \$2M (increased subsidy)	Same	
Medicaid rate increases for primary care providers, professional services, Dartmouth Hitchcock	H.481 Secs. 3 and 4	\$6.2M	\$13.2M	
Medicaid rate increases for other providers and prospective payments to home health agencies	H.481 Sec. 5	\$3.1M (rate increases) + \$90K (prospective payments for home health)	\$6.8M for rate increases + \$200K (prospective payments for home health)	S.139 as passed SH&W included \$1.25 million for home health agencies and transition to prospective payments. This was removed in Senate Appropriations.
Household health insurance survey	H.481 Sec. 5a	\$150,000	Same	
Blueprint for Health increases	H.481 Sec. 6	\$2.6M	\$5.7M	
Loan repayment (AHEC)	H.481 Sec. 7	\$300K	\$700K	
Health Care Advocate	H.481 Sec. 8	\$40K	Same	
GMCB to evaluate potential models for consumer information and price transparency	H.481 Sec. 9	--	--	S.135, Sec. 12 requires insurers to develop online price and quality comparison tool for members
Green Mountain Care Board (GMCB); all-payer waiver, rate-setting; adding 6 positions at GMCB	H.481 Secs. 10 and 11	\$1.1M	\$3M	
GMCB duties with respect to VITL	H.481 Sec. 12	\$60K (HIT Fund)	Same	Similar language in S.135, Sec. 4

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
VITL governance	H.481 Sec. 14	--	--	Similar language in S.135, Sec. 5
Referral registry of mental health and addiction service providers	H.481 Sec. 15	--	--	
Task force on achieving universal health care coverage	H.481 Sec. 16	Per diem for 2 legislative members		
JFO estimate of costs of universal primary care	H.481 Secs. 17-21	Up to \$200,000	Same	
DVHA evaluation of ambulance reimbursement	H.481 Sec. 22	--	--	
Excise tax of \$0.005 per ounce on naturally and artificially sweetened beverages	H.481 Sec. 23	New Revenue = \$14.6M		
Monitoring impact of sweetened beverage tax	H.481 Sec. 24	\$0 - \$100K	Same	
Increasing cigarette tax by \$0.25 per pack	H.481 Secs. 25 and 25b	New Revenue = \$2M		
Increasing tax on other tobacco products (snuff, snuz)	H.481 Sec. 25a	New Revenue = \$500K		
Eliminating sales tax exemption for dietary supplements	H.481 Sec. 25c	New Revenue = \$1.2M		
Adding revenue from sweetened beverage tax to State Health Care Resources Fund	H.481 Sec. 26	--	--	
Tax Department implementation of sweetened beverage tax	H.481 Sec. 27	\$810,000	Same	
Direct enrollment for individuals in Exchange plans	H.487 Secs. 1 and 1a	--	--	S.135, Secs. 7 and 8 use the same language
Extending presuit mediation in medical malpractice claims through 2018	H.487 Secs. 2, 5	--	--	S.92 (extends through 2020); now in House Judiciary
2016 Blueprint report to include analysis of outcomes from new funds	H.487 Sec. 3	--	--	

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
GMCB considerations in implementing all-payer model and provider rate-setting to include expediting payment reform in primary care, hospital acquisitions of independent practices, and differential payments to providers	H.487 Sec. 4	--	--	S.135, Sec. 16 addresses provider payment parity; S.27 requires payment parity for chiropractors
Joint Fiscal Committee consideration of moving to a federally supported State-based marketplace (FSSBM)	H.487 Sec. 6	--	--	
Administration and GMCB to explore all-payer model	S.135 Sec. 1	--	--	
GMCB to start global hospital budgets if no all-payer waiver by January 1, 2016	S.135 Sec. 2	TBD		
Global pilot project for St. Johnsbury health service area	S.135 Sec. 3	TBD		
GMCB duties with respect to VITL	S.135, Sec. 4	\$60K		Similar language in H.481, Sec. 12
VITL governance	S.135 Sec. 5	--	--	Similar language in H.481, Sec. 14
Medicaid coverage for telemedicine delivered in residential setting	S.135 Sec. 6	-- (must be budget neutral)	--	
Direct enrollment for individuals in Exchange plans	S.135 Secs. 7, 8	--	--	H.487, Secs. 1 and 1a use the same language
Delaying large group market entry into Exchange until 2018, requiring GMCB to do market impact analysis	S.135 Secs. 9-11	TBD		
Health insurers to develop online tool for members to compare health care quality and price	S.135 Sec. 12	--	--	H.481, Sec. 9 requires GMCB to evaluate potential models
Report on providing health care coverage to all public employees, including State employees, teachers, municipal employees, and retirees	S.135 Sec. 13	TBD		Health care coverage for teachers under consideration in House Education

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
GMCB authority over Medicaid rates and Blueprint provider payments	S.135 Secs. 14, 15	TBD		
Provider payment parity	S.135 Sec. 16	TBD		H.487, Sec. 4 requires GMCB to look at hospital acquisitions of independent practices and differential payments to providers
Minor changes to GMCB insurance rate review provisions	S.135 Sec. 17	--	--	
Deleting requirement for health insurance annual report cards on care for mental and substance abuse conditions and related revenue loss and expense ratios	S.135 Sec. 18	--	--	
Technical corrections regarding GMCB jurisdiction	Sec. 135 Sec. 19	--	--	
Repealing Health Care Administration Regulatory and Supervision Fund	S.135 Sec. 20	--	--	
Eliminating DFR authority to require health insurers to file consumer health care price and quality information plan; transferring authority over household health insurance survey from DFR to Health Department	S.135 Sec. 21	--	--	
Reducing the scope of DFR's review of quality assurance for managed care organizations	S.135 Sec. 22	--	--	
Eliminating references to DFR rules relating to claims administration and adjudication standards and to payment methodologies	S.135 Secs. 23, 24	--	--	
Replacing DFR's authority over conversion of nonprofit hospital with GMCB authority	S.135 Sec. 25	--	--	
Replacing public notice for CON in newspapers with notice on GMCB website and adjusting timelines for expedited CON review and interested party status	S.135 Sec. 26	--	--	

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
Clarifying GMCB's authority over violations of the CON laws	S.135 Sec. 27	--	--	
Technical correction to hospital budget review statute	S.135 Sec. 28	--	--	
Suspending DFR authority to modify certain common forms, procedures, and rules prior to January 1, 2017, and requiring evaluation of continuing need for them	S.135 Secs. 29, 30	--	--	
Repealing sections on DFR Commissioner's other powers and duties, DFR bill-back authority	S.135 Sec. 31	--	--	
GMCB must develop a financing plan by December 1, 2015 for a publicly financed, universal health care system	SH&W proposal	\$1M?		
Director of Health Care Reform must report on State laws re managed care organizations (MCOs) compared with federal requirements on DVHA as a private MCO	Lyons proposal	--	--	
Secretary of Administration and GMCB to develop proposal to make Medicaid rate setting more transparent	Lyons proposal	--	--	
GMCB must analyze designated agency (DA) budget(s), recommend whether GMCB should review all DA budgets annually and whether DAs should be included in all-payer model	Lyons proposal	TBD		
Pharmacy benefit managers (PBM) to provide information about maximum allowable cost (MAC), update MAC list at least every 7 calendar days, maintain appeals process	S.139 Secs. 1-2	--	--	H.97 includes this language and additional PBM provisions
Hospitals must provide notice to people placed on observation status	S.139 Secs. 3-4	--	--	
(Prospective payment for home health agencies - struck by Senate Appropriations amendment)	(S.139 Sec. 5)	N/A (language removed)		H.481 appropriates \$200,000 for similar prospective payment

Subject	Bill/Sec. No(s).	SFY'16 Fiscal impact (State)	SFY'16 Fiscal Impact (Gross)	Similar provisions in other bills?
(Reestablishing Health Care Oversight Committee - struck by Senate Appropriations amendment)	(Sec. 139, Sec. 6)	N/A (language removed)		
(Reestablishing Mental Health Oversight Committee - struck by Senate Appropriations amendment)	(S.139 Sec. 7)	N/A (language removed)		
(Long-Term Care Evaluation Task Force - struck by Senate Appropriations amendment)	(S.139 Sec. 8)	N/A (language removed)		
Quarterly updates on Vermont Health Care Innovation Project (use of SIM grant)	S. 139 Sec. 9	--	--	
Agency of Human Services report on reducing duplication/gaps in services	S. 139 Sec. 10	--	--	
(Chemicals of high concern to children - struck on Senate floor)	(S.139 Secs. 11-12)	N/A (language removed)		
(Appropriation to increase Medicaid reimbursement rates to home health agencies and implement prospective payments – struck in Senate Appropriations)	(S.139 Sec. 13)	N/A (language removed)		
(Repealing 2017 sunset of the portion of the claims tax directed to health information technology - struck in House Ways & Means)	(H.481 Sec. 29)	(Impacts HIT fund in SFY '18)		
(Repealing employer assessment - struck in House Ways & Means)	(H.481 Sec. 29)	\$4.4M (one quarter revenue impact in SFY'16). \$18.3M (annualized) in SFY'17		