

S.135 - Mullin/Ayer amendments

* * * Appropriations * * *

Sec. A. MEDICAID RATE INCREASES

(a) The sum of \$50,000,000.00 in Global Commitment funds is appropriated to the Department of Vermont Health Access in fiscal year 2016 to increase reimbursement rates to providers for services provided to Vermont Medicaid beneficiaries. In allocating the funds appropriated pursuant to this subsection: the Department of Vermont Health Access shall direct:

(1) \$29,000,000.00 to rate increases for hospital outpatient services provided to Medicaid beneficiaries by hospitals in Vermont; and

(2) \$21,000,000.00 in Global Commitment funds to rate increases for primary care and professional services provided to Medicaid beneficiaries.

(b) The sum of \$9,059,656 in Global Commitment funds is appropriated to the Agency of Human Services in fiscal year 2016 for the purpose of increasing reimbursement rates for providers under contract with the Departments of Disabilities, Aging, and Independent Living, of Mental Health, of Corrections, of Health, and for Children and Families to provide services to Vermont Medicaid beneficiaries.

Sec. B. GREEN MOUNTAIN CARE BOARD; APPROPRIATION

(a) The sum of \$1,102,767.00 is appropriated to the Green Mountain Care Board in fiscal year 2016, of which \$304,636.00 comes from the General Fund, \$224,774.00 is in Global Commitment funds, and \$573,357.00 comes from the Board's bill-back authority pursuant to 18 V.S.A. § 9374(h).

(b) Of the funds appropriated pursuant to this section, the Board shall use:

(1) \$502,767.00 for positions and operating expenses related to the Board's provider rate-setting authority, the all-payer model, and the Medicaid cost shift; and

(2) \$600,000.00 for contracts and third-party services related to the all-payer model, provider rate-setting, and the Medicaid cost shift.

Sec. C. STATE OF VERMONT FISCAL LIABILITY AS EMPLOYER

The sum of \$1,583,000.00 is appropriated from the General Fund to the Agency of Administration in fiscal year 2016 for the State of Vermont's obligations as an employer for the claims tax and employer assessment.

* * * Creation of Positions * * *

Sec. D. GREEN MOUNTAIN CARE BOARD; POSITIONS

(a) On July 1, 2015, two classified positions are created for the Green Mountain Care Board.

(b) On July 1, 2015, one exempt position, attorney, is created for the Green Mountain Care Board.

* * * Cigarette Tax * * *

Sec. E. 32 V.S.A. § 7771 is amended to read:

§ 7771. RATE OF TAX

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(d) The tax imposed under this section shall be at the rate of ~~137.5~~ 187.5 mills per cigarette or little cigar and for each 0.0325 ounces of roll-your-own tobacco. The interest and penalty provisions of section 3202 of this title shall apply to liabilities under this section.

Sec. F. 32 V.S.A. § 7814(b) is amended to read:

§ 7814. FLOOR STOCK TAX

(b) Cigarettes, little cigars, or roll-your-own tobacco. Notwithstanding the prohibition against further tax on stamped cigarettes, little cigars, or roll-your-own tobacco under section 7771 of this title, a floor stock tax is hereby imposed upon every dealer of cigarettes, little cigars, or roll-your-own tobacco in this State who is either a wholesaler, or a retailer who at 12:01 a.m. on July 1, ~~2014~~ 2015, has more than 10,000 cigarettes or little cigars or who has \$500.00 or more of wholesale value of roll-your-own tobacco, for retail sale in his or her possession or control. The amount of the tax shall be the amount by which the new tax exceeds the amount of the tax already paid for each cigarette, little cigar, or roll-your-own tobacco in the possession or control of the wholesaler or retail dealer at 12:01 a.m. on July 1, ~~2014~~ 2015, and on which cigarette stamps have been affixed before July 1, ~~2014~~ 2015. A floor stock tax is also imposed on each Vermont cigarette stamp in the possession or control of the wholesaler at 12:01 a.m. on July 1, ~~2014~~ 2015, and not yet affixed to a cigarette package, and the tax shall be at the rate of ~~\$0.13~~ \$1.00 per stamp. Each wholesaler and retail dealer subject to the tax shall, on or before July 25, ~~2014~~ 2015, file a report to the Commissioner in such form as the Commissioner may prescribe showing the cigarettes, little cigars, or roll-your-own tobacco and stamps on hand at 12:01 a.m. on July 1, ~~2014~~ 2015, and the amount of tax due thereon. The tax imposed by this section shall be due and payable on or before July 25, ~~2014~~ 2015, and thereafter shall bear interest at the rate established under section 3108 of this title. In case of timely payment of the tax, the wholesaler or retail dealer may deduct from the

tax due two and three-tenths of one percent of the tax. Any cigarettes, little cigars, or roll-your-own tobacco with respect to which a floor stock tax has been imposed under this section shall not again be subject to tax under section 7771 of this title.

* * * Claims Tax * * *

Sec. G. 32 V.S.A. § 10402 is amended to read: (*effective July 1, 2015*)

§ 10402. HEALTH CARE CLAIMS TAX

(a) There is imposed on every health insurer an annual tax in an amount equal to ~~0.999 of one~~ 1.939 percent of all health insurance claims paid by the health insurer for its Vermont members in the previous fiscal year ending June 30. The annual fee shall be paid to the Commissioner of Taxes in one installment due by January 1.

(b) Revenues paid and collected under this chapter shall be deposited as follows:

(1) 0.199 of one percent of all health insurance claims into the Health IT-Fund established in section 10301 of this title; and

(2) ~~0.8 of one~~ 1.74 percent of all health insurance claims into the State Health Care Resources Fund established in 33 V.S.A. § 1901d.

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Sec. H. 32 V.S.A. § 10402 is amended to read: (*effective July 1, 2017*)

§ 10402. HEALTH CARE CLAIMS TAX

(a) There is imposed on every health insurer an annual tax in an amount equal to ~~0.8 of one~~ 1.74 percent of all health insurance claims paid by the health insurer for its Vermont members in the previous fiscal year ending June 30. The annual fee shall be paid to the Commissioner of Taxes in one installment due by January 1.

(b) Revenues paid and collected under this chapter shall be deposited into the State Health Care Resources Fund established in 33 V.S.A. § 1901d.

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* * * Employer Assessment * * *

Sec. 36. 21 V.S.A. § 2003 is amended to read:

§ 2003. HEALTH CARE FUND CONTRIBUTION ASSESSMENT

(a) The Commissioner of Labor shall assess and an employer shall pay a quarterly Health Care Fund contribution for each full-time equivalent uncovered employee employed during that quarter ~~in excess of:~~

- ~~(1) eight full-time equivalent employees in fiscal years 2007 and 2008;~~
- ~~(2) six full-time equivalent employees in fiscal year 2009; and~~
- ~~(3) four full-time equivalent employees in fiscal years 2010 and thereafter.~~

(b) ~~For any quarter in fiscal years 2007 and 2008, the amount of the Health Care Fund contribution shall be \$ 91.25 for each full-time equivalent employee in excess of eight. For each fiscal year after fiscal year 2008, the number of excluded full-time equivalent employees shall be adjusted in accordance with subsection (a) of this section, and the amount of the Health Care Fund contribution shall be adjusted by a percentage equal to any percentage change in premiums for the second lowest cost silver-level plan in the Vermont Health Benefit Exchange.~~

(1) For any quarter of calendar year 2016, the amount of the Health Care Fund contribution shall be calculated as follows:

(A) for employers with at least one but no more than 49 full-time equivalent employees, the amount of the Health Care Fund contribution shall be \$140.84 for each uncovered full-time equivalent employee in excess of four;

(B) for employers with at least 50 but no more than 249 full-time equivalent employees, the amount of the Health Care Fund Contribution shall be \$228.13 for each uncovered full-time equivalent employee in excess of four; and

(C) for employers with 250 or more full-time equivalent employees, the amount of the Health Care Fund Contribution shall be \$319.38 for each uncovered full-time equivalent employee in excess of four.

(2) For each calendar year after calendar year 2016, the Health Care Fund contribution amounts described in subdivision (1) of this subsection shall be adjusted by a percentage equal to any percentage change in premiums for the second lowest cost silver-level plan in the Vermont Health Benefit Exchange.

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