

H.696

An act relating to establishing a State individual mandate

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

Sec. 1. 32 V.S.A. chapter 244 is added to read:

CHAPTER 244. REQUIREMENT TO MAINTAIN

MINIMUM ESSENTIAL COVERAGE

§ 10451. DEFINITIONS

As used in this chapter:

(1) “Applicable individual” means, with respect to any month, an individual other than the following:

(A) an individual with a religious conscience exemption;

(B) an individual not lawfully present in the United States; or

(C) an individual for any month if for the month the individual is incarcerated, other than incarceration pending the disposition of charges.

(2) “Eligible employer-sponsored plan” shall have the same meaning as in 26 U.S.C. § 5000A, as amended, and as in effect on December 31, 2017, and any related regulations.

(3) “Minimum essential health coverage” shall have the same meaning as in 26 U.S.C. § 5000A, as amended, and as in effect on December 31, 2017, and any related regulations.

§ 10452. REQUIREMENT TO MAINTAIN MINIMUM ESSENTIAL

COVERAGE

An applicable individual shall ensure that the individual and any dependent of the individual who is also an applicable individual is covered at all times under minimum essential coverage.

Sec. 2. INDIVIDUAL MANDATE WORKING GROUP; REPORT

(a) Creation. There is created the Individual Mandate Working Group to develop recommendations regarding administration and enforcement of the individual mandate to maintain minimum essential health coverage.

(b) Membership. The Working Group shall be composed of the following members:

(1) the Secretary of Human Services or designee;

(2) the Commissioner of Financial Regulation or designee;

(3) the Commissioner of Taxes or designee;

(4) the Chair of the Green Mountain Care Board or designee;

(5) the Chief Health Care Advocate or designee; and

(6) one representative of each health insurer offering qualified health benefit plans through the Vermont Health Benefit Exchange.

(c) Powers and duties. The Working Group shall develop recommendations regarding administration and enforcement of the individual mandate to maintain minimum essential health coverage, including:

(1) enforcement mechanisms, such as financial penalties for failure to maintain minimum essential health coverage;

(2) additional forms of coverage that should or should not be considered minimum essential coverage;

(3) exemptions from compliance with the individual mandate, including exemptions related to religion, affordability, hardship, and short gaps in coverage; and

(4) procedures for administration of the individual mandate and for collection of any financial penalties by the Department of Taxes.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Green Mountain Care Board, the Department of Vermont Health Access, the Department of Financial Regulation, and the Department of Taxes.

(e) Report. On or before November 1, 2018, the Working Group shall provide its recommendations for administration and enforcement of the individual mandate to the House Committees on Health Care and on Ways and Means, the Senate Committees on Health and Welfare and on Finance, the Joint Fiscal Committee, and the Health Reform Oversight Committee.

(f) Meetings.

(1) The Chair of the Green Mountain Care Board or designee shall call the first meeting of the Working Group to occur on or before July 1, 2018.

(2) The Working Group shall cease to exist on January 1, 2019.

Sec. 3. EFFECTIVE DATES

(a) Sec. 1 (32 V.S.A. chapter 244) shall take effect on January 1, 2019.

(b) Sec. 2 (Individual Mandate Working Group) and this section shall take effect on passage.