

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Health Care to which was referred House Bill No. 696
3 entitled “An act relating to establishing a State individual mandate”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

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

8 CHAPTER 244. REQUIREMENT TO MAINTAIN

9 MINIMUM ESSENTIAL COVERAGE

10 § 10451. DEFINITIONS

11 As used in this chapter:

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

14 (A) an individual with a religious conscience exemption;

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

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

18 (2) “Eligible employer-sponsored plan” means, with respect to any
19 employee, a group health plan or group health insurance coverage offered by
20 an employer to the employee that is:

1 (A) a governmental plan within the meaning of Section 2791(d)(8) of
2 the federal Public Health Service Act; or

3 (B) any other plan or coverage offered in the small or large group
4 market within the State, including a grandfathered plan.

5 (3) “Family size” with respect to any taxpayer means the number of
6 individuals for whom the taxpayer is allowed a deduction under federal law for
7 the taxable year.

8 (4)(A) “Minimum essential coverage” means any of the following:

9 (i) Coverage under government-sponsored programs, including:

10 (I) Medicare;

11 (II) Medicaid;

12 (III) the Children’s Health Insurance Program (CHIP);

13 (IV) medical coverage under 10 U.S.C. chapter 55, including
14 coverage under the TRICARE program;

15 (V) comprehensive medical coverage through the U.S.
16 Department of Veterans Affairs health care program;

17 (VI) a health plan for Peace Corps volunteers pursuant to
18 22 U.S.C. § 2504(e); and

19 (VII) the Nonappropriated Fund Health Benefits Program of
20 the Department of Defense, established under Section 249 of the National
21 Defense Authorization Act for Fiscal Year 1995, Pub. L. No. 103-337;

- 1 (ii) coverage under an eligible employer-sponsored plan;
2 (iii) coverage under a health plan offered in the individual market;
3 (iv) coverage under a grandfathered plan issued pursuant to
4 8 V.S.A. § 4080g; and
5 (v) such other coverage as the Department of Financial
6 Regulation, in consultation with the Department of Vermont Health Access
7 and the Green Mountain Care Board, recognizes as providing minimum
8 essential coverage.

9 (B) The term “minimum essential coverage” does not include any of
10 the following:

11 (i) health insurance coverage that consists of coverage of excepted
12 benefits:

13 (I) described in Section 2791(c)(1) of the Public Health Service
14 Act; or

15 (II) described in Section 2791(c)(2), (3), or (4) of the Public
16 Health Service Act if the benefits are provided under a separate policy,
17 certificate, or contract of insurance;

18 (ii) short-term, limited duration insurance coverage; or

19 (iii) such other coverage as the Department of Financial
20 Regulation, in consultation with the Department of Vermont Health Access

1 and the Green Mountain Care Board, determines does not provide minimum
2 essential coverage.

3 § 10452. REQUIREMENT TO MAINTAIN MINIMUM ESSENTIAL
4 COVERAGE

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

8 Sec. 2. INDIVIDUAL MANDATE WORKING GROUP; REPORT

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

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

13 (1) a current member of the House of Representatives appointed by the
14 Speaker of the House;

15 (2) a current member of the Senate appointed by the Committee on
16 Committees;

17 (3) the Secretary of Human Services or designee;

18 (4) the Commissioner of Financial Regulation or designee;

19 (5) the Commissioner of Taxes or designee;

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

21 (7) the Chief Health Care Advocate or designee; and

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

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

6 (1) financial penalties for failure to maintain minimum essential health
7 coverage;

8 (2) exemptions from compliance with the individual mandate, including
9 exemptions related to religion, affordability, and hardship; and

10 (3) procedures for administration of the individual mandate and for
11 collection of financial penalties by the Department of Taxes.

12 (d) Assistance. The Working Group shall have the administrative,
13 technical, and legal assistance of the Green Mountain Care Board.

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

19 (f) Meetings.

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

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

2 (g) Compensation and reimbursement. For attendance at meetings during
3 adjournment of the General Assembly, the legislative members of the Working
4 Group shall be entitled to per diem compensation and reimbursement of
5 expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These
6 payments shall be made from monies appropriated to the General Assembly.

7 Sec. 3. EFFECTIVE DATES

8 (a) Sec. 1 (32 V.S.A. chapter 144) shall take effect on January 1, 2019.

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

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18 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE