

April 13, 2018

House Committee on Health Care  
Vermont State Legislature

*RE: S.262 – Enrollment in Bronze Level Plans*

Dear Committee Members,

I regret that I am not able to provide the following information in person and I thank you for the opportunity to present the following written testimony on behalf of the Department of Vermont Health Access:

### **S.262 - Enrollment in Bronze Level Plans**

The Department of Vermont Health Access (DVHA) respectfully requests that the language related to enrollment in bronze plans (currently drafted as section 12 of S.262, Draft 3.1) be included in S.262. This language would enable the continuation of the bronze level qualified health plans (QHPs) that are currently on the market and for which there is a demand among consumers.

Act 25 (2017), amending Act 165 (2016), authorized the availability of bronze plans that do not include the out of pocket prescription drug limit (“Rx MOOP,” established in 8 V.S.A. § 4089i) for 2018 and 2019. In February of this year, DVHA submitted a report containing the results and analysis of the 2018 enrollment in these plans - <https://legislature.vermont.gov/assets/Legislative-Reports/Bronze-QHP-Enrollment-Report-to-Leg-Final-2.22.18.pdf>. The report also included the unanimous recommendation of the stakeholder advisory group that these plans remain available beyond 2019.

The recommendation is based on the following points:

- The prescription drug limit is an important consumer protection that will remain available throughout the market, for QHPs at all metal levels.
- Uptake of the new bronze-level plans was strong, indicating that the alternative benefit design meets the needs of either new or current customers.
- The 2017 open enrollment period for the 2018 coverage year showed a significant enrollment migration away from the more expensive metal levels, i.e. the platinum and certain gold level plans, in favor of the lower premium silver and particularly the bronze plans.
- The bronze plans without Rx MOOP introduced in 2018 offer covered services before the deductible such as preventive services, office visits, and generic prescriptions. These provisions appear to be especially popular among younger enrollees who often have less frequent healthcare needs and are especially cost-conscious.

*Agency of Human Services*  
**Department of Vermont Health Access**

The language currently drafted at section 12 of S.262 Draft 3.1 would enable the continuation of these bronze plans. Due to the timing of the qualified health plan certification process (which commences this fall for 2020 QHPs), we ask that you consider this recommendation during this legislative session.

Thank you.

Sincerely,

*/s/ Adaline Strumolo*

Director of Health Care  
Department of Vermont Health Access