

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 29  
3 entitled “An act relating to permitting Medicare supplemental plans to offer  
4 expense discounts” respectfully reports that it has considered the same and  
5 recommends that the Senate propose to the House that the bill be amended by  
6 striking out Sec. 2, effective date, in its entirety, and inserting in lieu thereof  
7 the following:

8 Sec. 2. 18 V.S.A. § 9374(h) is amended to read:

9 (h)(1) Except as otherwise provided in subdivision (2) of this subsection,  
10 expenses incurred to obtain information, analyze expenditures, review hospital  
11 budgets, and for any other contracts authorized by the Board shall be borne as  
12 follows:

13 (A) 40 percent by the State from State monies;

14 (B) 15 percent by the hospitals; and

15 (C) ~~15~~ 45 percent by nonprofit hospital and medical service

16 corporations licensed under 8 V.S.A. chapter 123 or 125;

17 ~~(D) 15 percent by~~ health insurance companies licensed under

18 8 V.S.A. chapter 101 $\frac{1}{2}$ ; and

19 ~~(E) 15 percent by~~ health maintenance organizations licensed under

20 8 V.S.A. chapter 139.

1           (2) The Board may determine the scope of the incurred expenses to be  
2 allocated pursuant to the formula set forth in subdivision (1) of this subsection  
3 if, in the Board's discretion, the expenses to be allocated are in the best  
4 interests of the regulated entities and of the State.

5           (3) Expenses under subdivision (1)(C) of this subsection shall be billed  
6 to persons licensed under Title 8 based on premiums paid for health care  
7 coverage, which for the purposes of this section shall include major medical,  
8 comprehensive medical, hospital or surgical coverage, and comprehensive  
9 health care services plans, but shall not include long-term care or limited  
10 benefits, disability, credit or stop loss, or excess loss insurance coverage.

11   Sec. 3. EFFECTIVE DATE

12       This act shall take effect on July 1, 2017.

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15       (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE