

1 S.53

2 Introduced by Senators Ayer, Lyons, Balint, Bray, Brooks, Clarkson,
3 Cummings, Ingram, MacDonald, McCormack, Pollina,
4 Sirotkin, and White

5 Referred to Committee on

6 Date:

7 Subject: Health; primary care; public financing

8 Statement of purpose of bill as introduced: This bill proposes to establish a
9 system of universal, publicly financed primary care for all Vermonters
10 beginning in 2019.

11 An act relating to a universal, publicly financed primary care system

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

13 Sec. 1. PURPOSE

14 It is the purpose of this act to establish the framework for a system of
15 universal, publicly financed primary care. The system will ensure that all
16 Vermonters have access to primary health care without facing financial
17 barriers that would discourage them from seeking necessary care.

18 Sec. 2. FINDINGS

19 The General Assembly finds that:

1 (1) Universal access to primary care will advance the health of
2 Vermonters by preventing disease and by addressing Vermonters' health care
3 problems before they become more serious and more costly. A large volume
4 of research from throughout the United States concludes that increased access
5 to primary care enhances the overall quality of care and improves patient
6 outcomes.

7 (2) Universal access to primary care will reduce systemwide health care
8 spending. This conclusion is well documented. A study completed in
9 accordance with 2016 Acts and Resolves No. 172, Sec. E.100.10 and
10 submitted on November 23, 2016 found significant cost savings in a review of
11 data from nonuniversal public and private primary care programs in the United
12 States and around the world. One reason for these savings is that better access
13 to primary care reduces the need for emergency room visits and hospital
14 admissions.

15 (3) The best primary care program is one that provides primary care for
16 all residents without point-of-service patient cost-sharing or insurance
17 deductibles for primary care services. The study completed in accordance with
18 2016 Acts and Resolves No. 172, Sec. E.100.10 found that primary care
19 cost-sharing in many locales decreased health care utilization and affected
20 individuals with low income disproportionately.

1 (4) A universal primary care program will support existing health care
2 reform efforts, such as the Blueprint for Health and the all-payer model.

3 (5) A universal primary care program can be structured in such a way as
4 to create model working conditions for primary care physicians, who are
5 currently overburdened with paperwork and administrative duties, and who are
6 reimbursed at rates disproportionately lower than those of other specialties.

7 (6) The costs of a universal primary care program for Vermont were
8 estimated in a study ordered by the General Assembly in 2015 Acts and
9 Resolves No. 54, Secs. 16–19 and submitted on December 16, 2015.

10 Sec. 3. 33 V.S.A. chapter 18, subchapter 3 is added to read:

11 Subchapter 3. Universal Primary Care

12 § 1851. DEFINITIONS

13 As used in this section:

14 (1) “Health care facility” shall have the same meaning as in
15 18 V.S.A. § 9402.

16 (2) “Health care provider” means a person, partnership, or corporation,
17 including a health care facility, that is licensed, certified, or otherwise
18 authorized by law to provide professional health care services in this State to
19 an individual during that individual’s medical care, treatment, or confinement.

20 (3) “Health service” means any treatment or procedure delivered by a
21 health care professional to maintain an individual’s physical or mental health

1 or to diagnose or treat an individual’s physical or mental condition or
2 intellectual disability, including services ordered by a health care professional,
3 chronic care management, preventive care, wellness services, and medically
4 necessary services to assist in activities of daily living.

5 (4) “Primary care” means health services provided by health care
6 professionals who are specifically trained for and skilled in first-contact and
7 continuing care for individuals with signs, symptoms, or health concerns, not
8 limited by problem origin, organ system, or diagnosis. Primary care does not
9 include dental services.

10 (5) “Vermont resident” means an individual domiciled in Vermont as
11 evidenced by an intent to maintain a principal dwelling place in Vermont
12 indefinitely and to return to Vermont if temporarily absent, coupled with an act
13 or acts consistent with that intent. The Secretary of Human Services shall
14 establish specific criteria for demonstrating residency.

15 § 1852. UNIVERSAL PRIMARY CARE

16 (a) All Vermont residents shall receive primary care services financed by
17 the State of Vermont.

18 (1) The following service categories shall be included in universal
19 primary care when provided by a health care provider in one of the primary
20 care specialty types described in subdivision (2) of this subsection:

21 (A) new or established patient office or other outpatient visit;

- 1 (B) initial new or established patient preventive medicine evaluation;
- 2 (C) other preventive services;
- 3 (D) patient office consultation;
- 4 (E) administration of vaccine;
- 5 (F) prolonged patient service or office or other outpatient service;
- 6 (G) prolonged physician service;
- 7 (H) initial or subsequent nursing facility visit;
- 8 (I) other nursing facility service;
- 9 (J) new or established patient home visit;
- 10 (K) new or established patient assisted living visit;
- 11 (L) other home or assisted living facility service;
- 12 (M) alcohol, smoking, or substance abuse screening or counseling;
- 13 (N) all-inclusive clinic visit at a federally qualified health center or
- 14 rural health clinic; and
- 15 (O) behavioral health.
- 16 (2) Services provided by a licensed health care provider in one of the
- 17 following primary care specialty types shall be included in universal primary
- 18 care when providing services in one of the primary care service categories
- 19 described in subdivision (1) of this subsection:
- 20 (A) family medicine physician;
- 21 (B) registered nurse;

1 (C) internal medicine physician;

2 (D) pediatrician;

3 (E) physician assistant or advanced practice registered nurse;

4 (F) psychiatrist;

5 (G) obstetrician/gynecologist;

6 (H) geriatrician;

7 (I) registered nurse certified in psychiatric or mental health nursing;

8 (J) social worker;

9 (K) psychologist;

10 (L) clinical mental health counselor; and

11 (M) alcohol and drug abuse counselor.

12 (b) For Vermont residents covered under Medicare, Medicare shall
13 continue to be the primary payer for primary care services, but the State of
14 Vermont shall cover any co-payment or deductible amounts required from a
15 Medicare beneficiary for primary care services.

16 § 1853. UNIVERSAL PRIMARY CARE FUND

17 (a) The Universal Primary Care Fund is established in the State Treasury as
18 a special fund to be the single source to finance primary care for Vermont
19 residents.

1 (b) Into the Fund shall be deposited:

2 (1) transfers or appropriations from the General Fund, authorized by the
3 General Assembly;

4 (2) revenue from any taxes established for the purpose of funding
5 universal primary care in Vermont;

6 (3) if authorized by waivers from federal law, federal funds from
7 Medicaid and from subsidies associated with the Vermont Health Benefit
8 Exchange established in subchapter 1 of this chapter; and

9 (4) the proceeds from grants, donations, contributions, taxes, and any
10 other sources of revenue as may be provided by statute or by rule.

11 (c) The Fund shall be administered pursuant to 32 V.S.A. chapter 7,
12 subchapter 5, except that interest earned on the Fund and any remaining
13 balance shall be retained in the Fund. The Agency of Human Services shall
14 maintain records indicating the amount of money in the Fund at any time.

15 (d) All monies received by or generated to the Fund shall be used only for
16 payments to health care providers for primary care health services delivered to
17 Vermont residents and to cover any co-payment or deductible amounts
18 required from Medicare beneficiaries for primary care services.

1 (3) The Board shall determine whether a rate is affordable, promotes
2 quality care, promotes access to health care, protects insurer solvency, and is
3 not unjust, unfair, inequitable, misleading, or contrary to the laws of this State.
4 In making this determination, the Board shall consider the analysis and opinion
5 provided by the Department of Financial Regulation pursuant to subdivision
6 (2)(B) of this subsection. The Board shall also consider the impact of the
7 universal primary care program established in 33 V.S.A. chapter 18,
8 subchapter 3 on the cost of health insurance.

9 Sec. 5. WAIVER; EXCHANGE SUBSIDIES

10 On or before October 1, 2017, the Secretary of Administration or designee
11 shall begin negotiations with the U.S. Department of Health and Human
12 Services for a waiver under the Patient Protection and Affordable Care Act,
13 Pub. L. No. 111-148, as amended by the Health Care and Education
14 Reconciliation Act of 2010, Pub. L. No. 111-152, that would allow the State to
15 fund in part the universal, publicly financed primary care proposal established
16 in this act using federal funds that otherwise would have supported primary
17 care for eligible Vermonters in health insurance plans offered through the
18 Vermont Health Benefit Exchange.

19 Sec. 6. REVENUE PROPOSALS; JOINT FISCAL OFFICE

20 On or before October 1, 2017, the Joint Fiscal Office shall propose to the
21 Joint Fiscal Committee, the Health Reform Oversight Committee, the House

1 Committees on Appropriations, on Health Care, and on Ways and Means, and
2 the Senate Committees on Appropriations, on Health and Welfare, and on
3 Finance three tax financing mechanisms for universal primary care.

4 Sec. 7. OFFICE OF LEGISLATIVE COUNCIL

5 On or before December 1, 2017, the Office of Legislative Council shall
6 provide to the House Committees on Appropriations, on Health Care, and on
7 Ways and Means and the Senate Committees on Appropriations, on Health and
8 Welfare, and on Finance draft legislation necessary to finance universal
9 primary care, including:

10 (1) language enacting one or more of the tax financing mechanisms
11 developed by the Joint Fiscal Office pursuant to Sec. 6 of this act and
12 recommended by the Joint Fiscal Committee; and

13 (2) an appropriation to occur early in fiscal year 2019 to ensure that
14 funds will be available to pay health care providers for primary care services
15 delivered on and after January 1, 2019.

16 Sec. 8. EFFECTIVE DATES

17 (a) Secs. 3 (universal primary care) and 4 (insurance rate review) shall take
18 effect on January 1, 2019.

19 (b) The remaining sections shall take effect on passage.