



STATE OF VERMONT
GENERAL ASSEMBLY
SENATE COMMITTEE ON HEALTH AND
WELFARE

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MEMORANDUM

To: Green Mountain Care Board and Vermont Legal Aid Health Care Advocate

From: Senator Claire Ayer, Chair, Senate Committee on Health and Welfare

Date: April 13, 2016

Subject: Rate Review Process

This year the Health Care Advocate asked the Senate Health and Welfare committee to address some challenges with the current statutes and past practices that give the HCA the ability to ask questions in the Rate Review process. We heard clearly that there have been challenges in the way this process has worked.

I understand in the last few weeks that there have been a number of conversations about how to improve on this process to ensure that the Advocate has the ability to ask important questions, and to ensure that the process is not overly burdensome for the carriers.

The Senate Health and Welfare committee did not move in the direction of updating the statutes this year. We are pausing on this action because we understand that there is engagement on the part of the Board and the HCA to improve on this process.

I would like to draw your attention to an element of the rate review process that concerns me related to the HCA's ability to ask carriers questions. The Board should develop a process to pass on to the carriers non-actuarial policy questions that are linked to the board's statutory factors for reviewing rates. In the instance that an HCA question is not passed on to the carrier, the board should inform the HCA of the reasons for its decision. I am hopeful that next year, when the legislature returns, the reports from the stakeholders indicate that improvements were made to the rate review process so that the HCA is able to access the information it requests of carriers while not unjustifiably increasing the administrative burdens on insurers.

We will address any potential needs for updating this area of statutes in the next legislative session.

Thank you for your attention to this.