This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Council without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 63 (H.524). Health; health insurance; individual mandate; association health plans

An act relating to health insurance and the individual mandate

The act requires each individual filing a Vermont income tax return to indicate whether the individual maintained minimum essential coverage in accordance with Vermont's individual mandate for the entire taxable year or was exempt from the coverage requirement. Any individual indicating that he or she had minimum essential coverage must provide to the Department of Taxes, upon request, a copy of the statement of coverage provided to the individual in accordance with federal law. The act directs the Department of Vermont Health Access to use information from the Department of Taxes about Vermont residents without minimum essential coverage to provide targeted outreach to help these individuals to enroll in appropriate and affordable health coverage.

The act establishes in Vermont law certain consumer protections for health insurance plans that are currently in place pursuant to federal law: a prohibition on preexisting condition exclusions, the setting of annual limitations on cost sharing, a ban on annual and lifetime limits on the dollar amount of essential health benefits, a prohibition on cost sharing for certain preventive services, and a requirement that major medical health insurance plans cover an insured's adult child up to 26 years of age.

The act allows an association health plan that provided coverage for the 2019 plan year to be renewed for coverage of existing association employer members for subsequent plan years to the extent allowed under federal law, but not to enroll any new employer members for coverage after the 2019 plan year. It prohibits any new association health plans from being offered or issued for plan years 2020 and after. The act also prohibits a licensed insurance broker from accepting payment for enrolling a Vermont resident in any arrangement involving the sharing of health-related expenses that does not qualify as insurance under Vermont law.

The act specifies that the Green Mountain Care Board must include the impact of the Medicaid and Medicare cost shifts and uncompensated care on health insurance premiums in the Board's annual report to the General Assembly. The act requires the Agency of Human Services, in consultation with interested stakeholders, to look at ways to make health insurance more affordable for all Vermont residents, to explore requiring certain Medicaid beneficiaries to pay

higher co-payments for their health care services and using the State funds saved to increase access to affordable health insurance for Vermonters with lower incomes, and to explore the potential for establishing a regional, publicly financed, universal health care program in cooperation with other states. The Agency must submit its findings and recommendations to the General Assembly by December 1, 2019. The act also directs the Agency of Human Services, in consultation with interested stakeholders, to evaluate Vermont's health insurance markets and recommend to the General Assembly by December 1, 2019 whether there should be any modifications to the current market structure.

Multiple effective dates, beginning on June 17, 2019