

1 H.152

2 Introduced by Representatives Cina of Burlington, Donahue of Northfield, and
3 Houghton of Essex

4 Referred to Committee on

5 Date:

6 Subject: Health; health insurance; income-sensitized premiums

7 Statement of purpose of bill as introduced: This bill proposes to direct a
8 working group of interested stakeholders to design a program of income-
9 sensitized health insurance premiums for individuals and families.

10 An act relating to income-sensitized health insurance premiums

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

12 Sec. 1. INCOME-SENSITIZED HEALTH INSURANCE PREMIUMS;

13 WORKING GROUP; REPORT

14 (a) Creation. There is created a working group to design a program of
15 income-sensitized health insurance premiums for individuals and families in
16 Vermont.

17 (b) Membership. The working group shall be composed of the following
18 members:

19 (1) the Commissioner of Vermont Health Access or designee, who
20 shall be the Chair;

1 (2) the Commissioner of Taxes or designee;

2 (3) the Chief Health Care Advocate or designee from the Office of the
3 Health Care Advocate;

4 (4) a representative of Vermonters with low income, selected by the
5 Vermont Low-Income Advocacy Council;

6 (5) a representative of Vermont employers that offer health insurance
7 to their employees, selected by Vermont Businesses for Social
8 Responsibility; and

9 (6) other interested stakeholders.

10 (c) Powers and duties. The working group shall consider mechanisms for
11 making health insurance affordable for all Vermont residents and shall design
12 a program for using income-sensitized premiums. The working group's
13 considerations shall include the following:

14 (1) the maximum percentage of an individual's or family's income that
15 the individual or family should be required to pay for health insurance
16 premiums;

17 (2) the impact of cost-sharing requirements, including deductibles, co-
18 payments, and coinsurance, on the total cost of care that is borne by
19 individuals with a chronic illness or condition;

1 (3) ways to encourage and incentivize the use of preventive care to
2 avoid the need for costlier services that may be necessary if preventable
3 illnesses and conditions are left untreated;

4 (4) how to link the cost of health insurance to an individual's or
5 family's income;

6 (5) ways to generate the revenue needed to subsidize premiums for
7 Vermont residents to ensure that no individual or family pays more than the
8 maximum percentage identified in subdivision (1) of this subsection;

9 (6) whether there should be any restrictions on the types of health
10 insurance plans that an individual or family may purchase using an income-
11 sensitized premium; and

12 (7) whether the amount of the subsidy should be based on the premium
13 amount for a specified plan.

14 (d) Assistance. The working group shall have the administrative,
15 technical, and legal assistance of the Department of Vermont Health Access.

16 (e)(1) Report. On or before January 15, 2020, the working group shall
17 provide its program design for income-sensitized premiums to the House
18 Committees on Health Care, on Appropriations, and on Ways and Means and
19 the Senate Committees on Health and Welfare, on Appropriations, and on
20 Finance, as well as its findings and recommendations regarding the
21 considerations set forth in subdivisions (c)(1)–(7) of this section.

1 (2) The working group shall cease to exist following submission of its
2 program design, findings, and recommendations.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on passage.