

1 S.55

2 Introduced by Senators Hardy and Gulick

3 Referred to Committee on

4 Date:

5 Subject: Health; Green Mountain Care Board; hospitals; reference-based
6 pricing

7 Statement of purpose of bill as introduced: This bill proposes to direct the
8 Green Mountain Care Board to develop a plan for implementing reference-
9 based pricing for hospital services in Vermont.

10 An act relating to reference-based pricing for hospital services

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

12 Sec. 1. REFERENCE-BASED PRICING PLAN; GREEN MOUNTAIN
13 CARE BOARD; REPORT

14 (a) The Green Mountain Care Board shall develop a plan for implementing
15 reference-based pricing for inpatient and outpatient hospital services in
16 Vermont, including:

17 (1) a timeline for implementing reference-based pricing that would
18 extend gradually to include all inpatient and outpatient hospital services across
19 all health insurance plans and payer types, to the extent permitted under federal
20 law;

1 (2) recommendations for initial benchmark rates for reference-based
2 pricing, expressed as a percentage of Medicare rates, and a methodology for
3 making future adjustments to the rates and referenced prices, including a
4 recommendation on whether future adjustments should be varied for different
5 types of services;

6 (3) estimated potential savings from using reference-based pricing;

7 (4) methods for using reference-based pricing to ensure quality of care
8 and access to care;

9 (5) recommendations for protecting Vermonters against balance billing
10 by providers for amounts in excess of the reference-based prices;

11 (6) methods for measuring the impacts of using reference-based pricing
12 on hospitals and recommendations for mitigating any adverse impacts to these
13 providers;

14 (7) how reference-based pricing would align with the State's health care
15 reform efforts, including any agreements with the federal government
16 involving Medicare or Medicaid, or both, and other payment reform initiatives;

17 (8) how the Board would integrate reference-based pricing into its
18 hospital budget and health insurance rate review processes; and

19 (9) the Board's additional staffing and other resource needs in order to
20 successfully implement reference-based pricing.

1 (b) On or before February 1, 2026, the Board shall submit its reference-
2 based pricing implementation plan to the House Committee on Health Care
3 and the Senate Committees on Health and Welfare and on Finance, along with
4 a recommendation regarding whether reference-based pricing should be
5 implemented for nonhospital services, as well and, if so, a proposed timeline
6 for broader implementation.

7 Sec. 2. EFFECTIVE DATE

8 This act shall take effect on passage.