

1 S.162

2 Introduced by Senator Lyons

3 Referred to Committee on

4 Date:

5 Subject: Health; Department of Vermont Health Access; Medicaid

6 Statement of purpose of bill as introduced: This bill proposes to modify
7 several provisions affecting the Department of Vermont Health Access. It
8 would eliminate the Department's duty to create annual lists of prescription
9 drugs that have recently experienced significant price increases and provide
10 those lists to the Green Mountain Care Board and the Office of the Attorney
11 General. The bill would modify the membership of the Medicaid and
12 Exchange Advisory Committee and eliminate the Commissioner's ability to
13 reappoint members to that Committee for additional terms. The bill would
14 update language about reflective health plans to reflect the unmerging of the
15 individual and small group health insurance markets and would modify the
16 composition and term length of members of the Department's Clinical
17 Utilization Review Board. The bill would also increase the amount of the
18 burial funds exclusion for Medicaid eligibility purposes and would extend the
19 time period within which the Department must seek federal approval for and
20 begin Medicaid coverage of doula services.

1 An act relating to miscellaneous provisions affecting the Department of
2 Vermont Health Access

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

4 Sec. 1. 18 V.S.A. § 4635 is amended to read:

5 § 4635. PRESCRIPTION DRUG COST TRANSPARENCY

6 (a) As used in this section:

7 (1) “Health insurer” means a health insurer, as defined in section 9402
8 of this title, with more than 5,000 covered lives in this State for major medical
9 health insurance, as defined in 8 V.S.A. § 4011. The term does not include
10 Vermont Medicaid.

11 (2) “Manufacturer” ~~shall have~~ has the same meaning as “pharmaceutical
12 manufacturer” in section 4631a of this title.

13 ~~(2)(3)~~ (3) “Prescription drug” means a drug as defined in 21 U.S.C. § 321.

14 ~~(b)(1)(A) The Department of Vermont Health Access shall create annually~~
15 ~~a list of 10 prescription drugs on which the State spends significant health care~~
16 ~~dollars and for which the wholesale acquisition cost has increased by 50~~
17 ~~percent or more over the past five years or by 15 percent or more during the~~
18 ~~previous calendar year, creating a substantial public interest in understanding~~
19 ~~the development of the drugs’ pricing. The list shall include at least one~~
20 ~~generic and one brand name drug and shall indicate each of the drugs on the~~
21 ~~list that the Department considers to be specialty drugs. The Department shall~~
22 ~~include the percentage of the wholesale acquisition cost increase for each drug~~

1 ~~on the list; rank the drugs on the list from those with the largest increase in~~
2 ~~wholesale acquisition cost to those with the smallest increase; indicate whether~~
3 ~~each drug was included on the list based on its cost increase over the past five~~
4 ~~years or during the previous calendar year, or both; and provide the~~
5 ~~Department's total expenditure for each drug on the list during the most recent~~
6 ~~calendar year.~~

7 ~~(B) The Department of Vermont Health Access shall create annually~~
8 ~~a list of 10 prescription drugs on which the State spends significant health care~~
9 ~~dollars and for which the cost to the Department of Vermont Health Access,~~
10 ~~net of rebates and other price concessions, has increased by 50 percent or more~~
11 ~~over the past five years or by 15 percent or more during the previous calendar~~
12 ~~year, creating a substantial public interest in understanding the development of~~
13 ~~the drugs' pricing. The list shall include at least one generic and one brand-~~
14 ~~name drug and shall indicate each of the drugs on the list that the Department~~
15 ~~considers to be specialty drugs. The Department shall rank the drugs on the~~
16 ~~list from those with the greatest increase in net cost to those with the smallest~~
17 ~~increase and indicate whether each drug was included on the list based on its~~
18 ~~cost increase over the past five years or during the previous calendar year, or~~
19 ~~both.~~

20 ~~(C)(i) Each health insurer with more than 5,000 covered lives in this~~
21 ~~State for major medical health insurance shall create annually a list of 10~~

1 prescription drugs on which its health insurance plans spend significant
2 amounts of their premium dollars and for which the cost to the plans, net of
3 rebates and other price concessions, has increased by 50 percent or more over
4 the past five years or by 15 percent or more during the previous calendar year,
5 or both, creating a substantial public interest in understanding the development
6 of the drugs' pricing. The list shall include at least one generic and one brand-
7 name drug and shall indicate each of the drugs on the list that the health insurer
8 considers to be specialty drugs. The health insurer shall rank the drugs on the
9 list from those with the greatest increase in net cost to those with the smallest
10 increase and indicate whether each drug was included on the list based on its
11 cost increase over the past five years or during the previous calendar year, or
12 both.

13 ~~(ii)(B)~~ Each health insurer creating a list pursuant to subdivision
14 ~~(i)(A)~~ of this subdivision (b)(1)~~(C)~~ shall provide to the Office of the Attorney
15 General the percentage by which the net cost to its plans increased over the
16 applicable period or periods for each drug on the list, as well as the insurer's
17 total expenditure, net of rebates and other price concessions, for each drug on
18 the list during the most recent calendar year. Information provided to the
19 Office of the Attorney General pursuant to this subdivision (b)(1)~~(C)~~~~(ii)(B)~~ is
20 exempt from public inspection and copying under the Public Records Act and
21 shall not be released.

1 (2) ~~The Department of Vermont Health Access and the~~ health insurers
2 shall provide to the Office of the Attorney General and the Green Mountain
3 Care Board the lists of prescription drugs developed pursuant to ~~subdivisions~~
4 ~~(1)(A), (B), and (C)~~(i) subdivision (1) of this subsection annually on or before
5 June 1. The Office of the Attorney General and the Green Mountain Care
6 Board shall make all of the information available to the public on their
7 respective websites.

8 (c)(1)(A) Of the prescription drugs listed by the ~~Department of Vermont~~
9 ~~Health Access and the~~ health insurers pursuant to ~~subdivisions (b)(1)(B) and~~
10 ~~(C)~~ subdivision (b)(1) of this section, the Office of the Attorney General shall
11 identify 15 drugs as follows:

12 (i) of the drugs appearing on more than one payer's list, the Office
13 of the Attorney General shall identify the top 15 drugs on which the greatest
14 amount of money was spent across all payers during the previous calendar
15 year, to the extent information is available; and

16 (ii) if fewer than 15 drugs appear on more than one payer's list,
17 the Office of the Attorney General shall rank the remaining drugs based on the
18 amount of money spent by any one payer during the previous calendar year, in
19 descending order, and select as many of the drugs at the top of the list as
20 necessary to reach a total of 15 drugs.

* * *

1 (a) A The Medicaid and Exchange Advisory Committee is created for the
2 purpose of advising the Commissioner of Vermont Health Access with respect
3 to policy development and program administration for the Vermont Health
4 Benefit Exchange, Medicaid, and Medicaid-funded programs, consistent with
5 the requirements of federal law.

6 (b)(1) The Commissioner of Vermont Health Access shall appoint
7 members of the Advisory Committee established by this section, who shall
8 serve staggered three-year terms. The total membership of the Advisory
9 Committee shall be at least 22 members and shall include individuals who are
10 also members of the Beneficiary Advisory Committee, as required by 42
11 C.F.R. § 431.12. The Commissioner may remove members of the Committee
12 who fail to attend three consecutive meetings and may appoint replacements.
13 ~~The Commissioner may reappoint members to serve more than one term.~~

14 (2)(A) The Commissioner of Vermont Health Access shall appoint one
15 representative of health insurers licensed to do business in Vermont to serve on
16 the Advisory Committee. The Commissioner of Health shall also serve on the
17 Advisory Committee.

18 (B) Of the remaining members of the Advisory Committee, one-
19 quarter of the members shall be from each of the following constituencies:

- 1 (i) beneficiaries of Medicaid or Medicaid-funded programs;
- 2 (ii) representatives of those eligible for or enrolled in qualified
- 3 health plans, such as individuals, self-employed individuals, health insurance
- 4 brokers and agents, and ~~representatives of businesses eligible for or enrolled in~~
- 5 ~~the Vermont Health Benefit Exchange~~ small business owners and employees;
- 6 (iii) advocates for consumer organizations; and
- 7 (iv) health care professionals and representatives from a broad
- 8 range of health care professionals.

9 * * *

10 Sec. 3. 33 V.S.A. § 1813 is amended to read:

11 § 1813. REFLECTIVE HEALTH BENEFIT PLANS

12 (a)(1) In the event that federal cost-sharing reduction payments to insurers

13 are suspended or discontinued, registered carriers may offer to individuals ~~and~~

14 ~~employees of small employers~~ nonqualified reflective health benefit plans that

15 do not include funding to offset the loss of the federal cost-sharing reduction

16 payments. These plans shall be similar to, but contain at least one variation

17 from, qualified health benefit plans offered through the Vermont Health

18 Benefit Exchange that include funding to offset the loss of the federal cost-

19 sharing reduction payments.

20 * * *

1 Sec. 4. 33 V.S.A. § 2031 is amended to read:

2 § 2031. CREATION OF CLINICAL UTILIZATION REVIEW BOARD

3 (a) ~~No later than June 15, 2010, the~~ The Department of Vermont Health
4 Access shall ~~create a~~ maintain the Clinical Utilization Review Board to
5 examine existing medical services, emerging technologies, and relevant
6 evidence-based clinical practice guidelines and make recommendations to the
7 Department regarding coverage, unit limitations, place of service, and
8 appropriate medical necessity of services in the State's Medicaid programs.

9 (b) The Board shall comprise a minimum of 10 members with diverse
10 medical experience, to be appointed by the Governor upon recommendation of
11 the Commissioner of Vermont Health Access. The Board shall solicit
12 additional input as needed from individuals with expertise in areas of relevance
13 to the Board's deliberations. The Chief Medical ~~Director~~ Officer of the
14 Department of Vermont Health Access shall serve as the State's liaison to the
15 Board. Board member terms ~~shall~~ may be staggered, ~~but in no event longer~~
16 ~~than three years from the date of appointment. The~~ and the Board shall meet at
17 least quarterly, ~~provided that the Board shall meet no less frequently than once~~
18 ~~per month for the first six months following its formation.~~

19 * * *

1 Sec. 5. INCREASE TO PREPAID BURIAL ARRANGEMENTS FOR
2 MEDICAID ELIGIBILITY PURPOSES; RULEMAKING

3 (a) Subject to approval from the Centers for Medicare and Medicaid
4 Services, the Agency of Human Services shall amend its rules and procedures
5 allowing Medicaid applicants and recipients to preserve monies for funeral and
6 burial expenses to increase from \$10,000.00 to \$15,000.00 the limit on the
7 amount that may be preserved through an irrevocable prepaid funeral
8 arrangement, as described in 26 V.S.A. § 1271, provided that:

9 (1) the written contract for the arrangement, as described in 26 V.S.A.
10 § 1273, includes a provision specifying that Vermont Medicaid shall receive
11 all amounts remaining after payment of the deceased individual's expenses up
12 to an amount equal to the total Medicaid amount paid on behalf of the
13 deceased individual; and

14 (2) in the event that the person responsible for making the funeral
15 arrangements for the deceased individual fails to have funeral services
16 provided, after the retention of assets by the funeral director as set forth in
17 26 V.S.A. § 1274(c), Vermont Medicaid shall receive all amounts remaining
18 up to an amount equal to the total Medicaid amount paid on behalf of the
19 deceased individual.

1 (b) Subject to approval from the Centers for Medicare and Medicaid
2 Services, the Agency's amended rules and procedures shall apply to prepaid
3 funeral arrangements entered into on or after July 1, 2027.

4 Sec. 6. 2025 Acts and Resolves No. 50, Sec. 7 is amended to read:

5 Sec. 7. STATE PLAN AMENDMENT

6 Not later than July 1, ~~2026~~ 2028, the Department of Vermont Health Access
7 shall seek a state plan amendment from the Centers for Medicare and Medicaid
8 Services to allow Vermont's Medicaid program to provide coverage for doula
9 services in accordance with 33 V.S.A. § 1901n, as added by this act.

10 Sec. 7. 2025 Acts and Resolves No. 50, Sec. 8 is amended to read:

11 Sec. 8. EFFECTIVE DATES

12 (a) Secs. 1–4 (establishing certification program for community-based
13 perinatal doulas) shall take effect on July 1, 2026, provided that the Director of
14 the Office of Professional Regulation shall commence the rulemaking process
15 prior to that date in order to ensure that the rules will be in effect on July 1,
16 2026.

17 (b) Sec. 5 (33 V.S.A. § 1901n; Medicaid coverage for doula services) shall
18 take effect on the later of July 1, ~~2026~~ 2028, or approval of the state plan
19 amendment requested pursuant to Sec. 7 of this act.

20 (c) The remaining sections shall take effect on passage.

1 Sec. 8. EFFECTIVE DATE

2 This act shall take effect on July 1, 2026.