

1 S.190

2 Representatives Black of Essex, Berbeco of Winooski, Cina of Burlington,  
3 Critchlow of Colchester, Goldman of Rockingham, Houghton of Essex  
4 Junction, and Lueders of Lincoln move that the report of the Committee on  
5 Health Care be amended as follows:

6 First: By striking out Sec. 2, 18 V.S.A. chapter 221, subchapter 7, in its  
7 entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

8 Sec. 2. LIMITATIONS ON HOSPITAL REIMBURSEMENTS FOR  
9 QUALIFIED HEALTH BENEFIT PLANS AND PLANS  
10 COVERING SCHOOL EMPLOYEES FOR HOSPITAL FISCAL  
11 YEAR 2027

12 (a) As used in this section:

13 (1) “Health benefit association” has the same meaning as in 24 V.S.A.  
14 § 4947.

15 (2)(A) “Medicare adjusted base rate” means the standardized Medicare  
16 payment amount for a hospital inpatient, outpatient, or professional service as  
17 determined under the Medicare program, calculated prior to the application of  
18 any hospital-specific, patient-specific, or policy-based payment adjustments  
19 and reflecting only the core payment methodology used by the Centers for  
20 Medicare and Medicaid Services to establish baseline payment levels, which  
21 include adjustments for geographic factors such as wages.

1           (B) For items provided and services delivered at a critical access  
2           hospital, the Medicare adjusted base rate shall be determined under the  
3           applicable Medicare prospective payment system, using the Medicare payment  
4           methodology that would apply if the hospital were not designated as a critical  
5           access hospital.

6           (3) “Qualified health benefit plan” has the same meaning as in  
7           33 V.S.A. § 1802.

8           (4) “Registered carrier” has the same meaning as in 33 V.S.A. § 1811.

9           (5) “School employee” has the same meaning as in 16 V.S.A. § 2101.

10          (b) Notwithstanding any provision of 18 V.S.A. § 9375(b)(1)(A) to the  
11          contrary, for hospital fiscal year 2027, the Board may order hospitals to reduce  
12          their commercial reimbursement rates for qualified health benefit plans and for  
13          health benefit plans offered to school employees by a health benefit association  
14          pursuant to 24 V.S.A. § 4947 based on a percentage of the Medicare adjusted  
15          base rate determined by the Board for each item provided and service delivered  
16          in Vermont to enrollees in these plans.

17          (c)(1) A registered carrier or health benefit association shall not reimburse  
18          or agree to reimburse a hospital more than the percentage of the Medicare  
19          adjusted base rate specified by the Green Mountain Care Board pursuant to  
20          subsection (b) of this section, if any, for the applicable hospital fiscal year for  
21          any item provided or service delivered in Vermont to an enrollee in a qualified

1 health benefit plan or a health benefit plan offered to school employees by a  
2 health benefit association.

3 (2) In the event that a registered carrier or health benefit association  
4 reimburses a hospital for an item or service on a capitated or other non-fee-for-  
5 service basis, the carrier or association shall ensure that its reimbursement  
6 method is adjusted to account for the reimbursement limit set forth in  
7 subdivision (1) of this subsection.

8 (d) A hospital or hospital provider that is reimbursed in accordance with  
9 subsections (b) and (c) of this section shall not charge or collect from the  
10 patient any additional amounts other than the cost-sharing amounts authorized  
11 by the terms of the health benefit plan.

12 (e) To the extent that a hospital is required by the Board's budget order to  
13 reduce its commercial reimbursement rates by amounts greater than the  
14 reductions achieved pursuant to subsection (b) of this section, the hospital shall  
15 reduce its commercial reimbursement rates that exceed 500 percent of the  
16 Medicare adjusted base rate or, if the hospital does not have any commercial  
17 reimbursement rates that exceed 500 percent of the Medicare adjusted base  
18 rate, by reducing its commercial reimbursement rates that are the highest in  
19 relation to the Medicare adjusted base rate.

20 (f)(1) In its reviews of premium rates in accordance with 8 V.S.A. § 4026,  
21 the Green Mountain Care Board shall ensure that the limitations on

1 reimbursements established in this section are appropriately reflected in the  
2 premium rates for qualified health benefit plans.

3 (2) In its review of premium rates in accordance with 8 V.S.A. § 4026  
4 and 24 V.S.A. chapter 121, subchapter 6, the Department of Financial  
5 Regulation shall ensure that the limitations on reimbursements established in  
6 this section are appropriately reflected in the premium rates for health benefit  
7 plans offered to school employees by a health benefit association.

8 Second: By striking out Sec. 3, 18 V.S.A. § 9407, in its entirety and  
9 inserting in lieu thereof a new Sec. 3 to read as follows:

10 Sec. 3. [Deleted.]

11 Third: By striking out Sec. 10, effective dates, and its reader assistance  
12 heading in their entirety and inserting in lieu thereof a new Sec. 10 and reader  
13 assistance heading to read as follows:

14 \* \* \* Effective Date \* \* \*

15 Sec. 10. EFFECTIVE DATE

16 This act shall take effect on passage.