



Chair Black and Members of the Committee,

Blue Cross and Blue Shield of Vermont shares the urgency around affordability. As Vermont's only local nonprofit insurer, our mission and statutory obligation require us to focus on sustainable affordability for all Vermonters, not just one segment of the market. That is why sequencing matters.

Last year, through [ACT 68](#), the Legislature established statewide affordability reform and reference-based pricing as Vermont policy direction. Importantly, Act 68 did not create a QHP affordability strategy. It created a statewide affordability strategy focused broadly on controlling commercial insurance costs, managing hospital spending, and reducing premiums over time.

The current proposed version of S.190 risks narrowing that vision significantly.

Additionally, if Vermont lowers QHP premiums to these levels before establishing a coordinated 1332 waiver strategy (as your committee recommended in the Budget), we also risk permanently resetting the federal baseline and losing tens of millions of dollars in future federal pass-through funding that could otherwise support reinsurance, subsidies, and broader affordability investments for years.

At the same time, [18 V.S.A. § 9371](#) is clear that Vermont's affordability reforms should be equitable, sustainable, and designed to benefit ALL Vermonters.

That is why we continue to support a broader statewide approach consistent with our mission, our statutory obligation, Act 68, and 18 V.S.A. § 9371:

- targeting the highest-cost services first,
- phasing implementation responsibly over time,
- preserving hospital stability and access,
- and delivering affordability improvements for ALL Vermonters, not just subgroups of the market.

The question is no longer whether Vermont should pursue affordability reform. The question is whether we do it narrowly for some Vermonters, or strategically and sustainably for all Vermonters.

Thank you,

Courtney Harness

Director of Legislative and Government Relations