



April 6, 2026
Cigna Healthcare

To: Chair Black and Members of the House Committee on Health Care

RE: S.197 An act relating to establishing a primary care payment reform program

Chair Black and Members of the House Committee on Health Care:

The Cigna Group is a global health company, focused on the health and vitality of those we serve. Through our two divisions, Cigna Healthcare and Evernorth Health Services, we are committed to enhancing the lives of our clients, customers, and patients. Cigna participates in the large group commercial insurance market and works with in-state hospitals, physicians, and behavioral health providers to ensure covered members have access to services to achieve positive health outcomes for our members.

As an organization seeking the best methods to serve our members, we have both operational and fundamental policy concerns with S.197 as passed by the Senate.

Cigna supports strengthening primary care and already invests significantly in value-based primary care models tailored to employer and patient needs. However, S.197 establish a state-mandated financing and payment structure that raises concerns for affordability, employer coverage, and federal compliance.

The language as drafted requires that a portion of commercial insurance premiums be allocated to fund a statewide primary care payment pool, without statutory limits or clarity on how those assessments will be calculated, adjusted, or offset against existing plan investments. Employers and working families ultimately pay these costs through higher premiums.

While the bill expresses the intent not to increase total health care spending, intent language does not protect Vermonters from real premium increases. S.197 relies on future oversight and reporting rather than firm fiscal controls, shifting all financial risk to payers and premium-payers—your constituents.

Cigna is also concerned by the expansion of Green Mountain Care Board authority over commercial payment structures and claims data. These provisions move Vermont further toward state-directed payment design, limiting insurers' ability to innovate, integrate medical and pharmacy benefits, and tailor care models for employers.

Finally, the bill as passed by the Senate raise serious ERISA concerns. Self-funded employer plans are governed by federal law, and states may not require those plans to finance or participate in state payment programs. The bill does not clearly exempt ERISA plans, creating legal uncertainty and the risk of litigation, while also encouraging indirect cost-shifting to large employers that sponsor coverage for thousands of Vermonters.

Cigna urges the House Health Care Committee to amend S.197 to:



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- Protect employers from new premium assessments
- Preserve voluntary participation for payers and providers
- Explicitly exempt self-funded ERISA plans
- Ensure state programs complement rather than replace existing value-based care models

Cigna promotes primary care through a mix of benefit design, provider incentives, care delivery partnerships, and member-facing tools that make primary care easier to access and more central to care. Cigna Collaborative Care® (CCC) and value-based care programs pay primary care providers based on quality, outcomes, and total cost of care, rather than visit volume. These models reward prevention, chronic disease management, and care coordination—core primary care functions. Cigna covers preventive services and annual wellness visits at no additional cost and runs outreach programs to close gaps in care (e.g., screenings, immunizations), reinforcing the PCP’s role in prevention. We believe Cigna’s approach to primary care aligns with the goals of the bill: investing in primary care and reducing administrative burdens in order to increase access to care and reduce health system costs.

Thank you for your consideration.

Best Regards,

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