



May 29, 2025

Senate Health and Welfare Committee
Vermont State House
115 State Street
Montpelier, VT 05633

Dear Chair Lyons and Members of the Senate Health and Welfare Committee,

On behalf of the Vermont Chamber of Commerce, we write to you as you work to finalize important and difficult decisions about the future of health care in our state. As the committees continue to finalize policy solutions, we urge you to keep at the forefront of these conversations the lived reality of Vermont's solopreneurs, entrepreneurs, small businesses, and employees who are relying on Vermont's health care system to work more effectively and sustainably for everyone.

This letter follows the recent rate filings proposing unsustainably high premium increases for the small group and individual commercial insurance markets. These proposals mark the fourth consecutive year of double-digit increases. This trend is alarming and underscores the urgent need to address rising health care costs and the broader economic consequences for Vermont's communities.

These proposed increases come at a time when affordability remains a top concern across sectors. Health insurance, one of the most essential benefits employers offer to attract and retain workers, is rapidly becoming unaffordable. Small businesses, which make up the vast majority of Vermont employers are being forced into untenable choices: reduce or eliminate coverage or pass more of the cost to employees. In every scenario, affordability and access to care erode. This trajectory is not sustainable and places growing strain on both business viability and workforce well-being.

At the same time, we recognize and deeply value the essential role of Vermont's health care providers and hospitals. Many are at a financial breaking point, facing rising operational costs, workforce shortages, and increased demand for care. Vermont cannot thrive without a strong, stable, and well-resourced provider network. We share your commitment to ensuring their long-term viability.

Still, the status quo of year-over-year double-digit premium increases, cannot continue without devastating economic and social consequences. These rate hikes reflect deeper structural challenges within Vermont's health care financing and delivery systems. Without action to

address underlying cost drivers, the system will remain unsustainable for patients, providers, employers, and employees alike.

We respectfully urge the Legislature to continue taking meaningful action in the remaining week of the session. We recognize that addressing the root causes of rising costs will require bold leadership and the participation of all stakeholders. We are grateful for the progress already made and for the thoughtful leadership shown this session.

Thank you for your continued attention to this critical issue. The Vermont Chamber of Commerce stands ready to partner with you in this work to build a more affordable, equitable, and sustainable health care system for all Vermonters.

Sincerely,

A handwritten signature in black ink that reads "Megan Sullivan". The signature is written in a cursive, flowing style.

Megan Sullivan
Vice President of Government Affairs
Vermont Chamber of Commerce