



February 19, 2026
Cigna Healthcare

To: Chair Lyons and Members of the Senate Committee on Health and Welfare

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

Chair Lyons and Members of the Senate Committee on Health and Welfare:

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.

S.197 creates a state-run primary care payment reform program with financing by allocating a portion of commercial premiums. Cigna's model relies on *integrated medical + pharmacy + care management* offerings through Evernorth/Express Scripts and plan customization (benefit design, network strategies, value-based contracts). The public pooling proposed in the bill can limit our ability to differentiate through innovative provider arrangements and integrated programs.

The bill establishes a per member per month capitated payment for routine primary care with no cost sharing. Many employer/ASO plan sponsors want options such as copay waivers for high-value services. A statutory zero-cost-sharing mandate can increase premium pressure if not paired with offsetting savings.

S.197 adds primary care financing reforms on top of Vermont's broader payment reforms trajectory. Last year, Vermont enacted major reforms in S.126 (Act 68) that included reference-based pricing and movement toward global budgeting and other payment reforms. Layering reforms can increase operational complexity for payers that already manage value-based and alternative payment models across multiple states.

While supportive of the intent to drive consumers to primary care, we would ask the Committee to consider the following in your policy discussions moving forward:

- Preserve payer flexibility to contract and innovate
- Encourage primary care models and value-based payments

[Textbox text]



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 accountable 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.

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Best Regards,

Margaret Reynolds
Government Affairs Senior Director
margaret.reynolds@evernorth.com