

# HCA Testimony on S.197



## The Office of the Health Care Advocate

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# Current Legislative Power



The Vermont legislature has the power to set or influence reimbursement rates and cost-sharing amounts for primary care services that cover a significant portion of the population now:

- Medicaid (*approx. 152,000 enrolled as of Oct. 2025*)
- Medicare with QMB (*approx. 10,000 given MSP expansion*)
- Qualified Health Plans (QHPs) on- and off-exchange (*approx. 70,000*)
- Vermont State Employee's Health Plan (*approx. 24,000*)

Insurance Type & Population	Possible Actions
<p><b>Medicaid</b> (152,000)</p>	<ul style="list-style-type: none"> <li>• <b>Lower co-pays for other primary care related services</b> that they deem integral to primary care.</li> <li>• Direct DVHA to <b>increase reimbursement rates for primary care services</b> paid for by Medicaid.</li> <li>• Direct DVHA to <b>eliminate Medicaid’s prior authorization requirements</b>, a significant benefit for primary care providers and patients.</li> </ul>
<p><b>Medicare</b></p>	<ul style="list-style-type: none"> <li>• Further <b>expand eligibility for VT’s QMB program.</b></li> </ul>

Insurance Type & Population	Possible Actions
<p><b>QHP Market</b> (70,000)</p>	<ul style="list-style-type: none"> <li>• <b>Require that, beginning in Plan Year 2027, all QHPs provide first-dollar coverage (\$0 deductible and \$0 cost-sharing) for primary care office visits.</b></li> <li>• Direct GMCB to <b>condition approval of QHP premiums on carriers demonstrating meaningful investment in primary care</b>, such as by establishing minimum reimbursement requirements or minimum primary care spending targets.</li> </ul>
<p><b>VT State Employee's Health Plan</b> (24,000)</p>	<ul style="list-style-type: none"> <li>• <b>Work with the State of Vermont and the Vermont State Employee's Union</b> to ensure that the health plan(s) offered: <ul style="list-style-type: none"> <li>• Provide <b>first-dollar coverage (\$0 deductible and \$0 cost-sharing)</b> for primary care office visits, and</li> <li>• <b>Increase reimbursement rates for primary care services</b> paid for by the plan(s).</li> </ul> </li> </ul>



# Lack of Existing Mechanism



Legislators do not have an existing direct mechanism to advance their primary care goals for Vermonters who are uninsured or have:

- Self-funded employer insurance,
- Medicare and are over the income limit for QMB, or
- TRICARE or another federal program.

# HCA Recommendation



The HCA recommends designing a **simple** and **cost-effective** delivery model that:

- Maximizes dollars going to primary care providers,
- Ensures low cost or free primary care to Vermonters who do not have it already, and
- Creates the least amount of *new* administrative overhead and burden for providers and patients.



# Questions

