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February 25, 2026

Senator Ginny Lyons, Chair  
Vermont Senate Committee on Health & Welfare  
155 State Street  
Montpelier, VT 05602

**RE: Office of the Health Care Advocate Testimony regarding S.197 - An act relating to establishing a primary care payment reform program**

Dear Senator Lyons and Members of the Committee:

The Office of the Health Care Advocate (HCA) supports improving access to primary care and increasing reimbursements to primary care providers. We appreciate the opportunity to offer testimony on S.197 and believe that there are many simple things that the legislature can do now to advance its primary care goals with infrastructure or mechanisms that are already in place.

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. In this letter, we highlight **possible actions that the Legislature can take now with existing infrastructure and mechanisms** for Vermonters who are enrolled in Medicaid, Medicare, Qualified Health Plans (QHPs) and State Employee Health Insurance.

#### **Medicaid** (approx. 152,000 Vermonters)<sup>1</sup>

- Vermont's Medicaid population (all types/categories) currently pay \$0 for primary care.
  - The legislature can **lower co-pays for other primary care related services that they deem to be integral to primary care.**
- Vermont manages its own Medicaid program and sets reimbursement rates.
  - The legislature can **direct DVHA to increase reimbursement rates for primary care services paid for by Medicaid** on behalf of the approx. 152,000 Medicaid enrollees.
- Vermont's policy of waiving prior authorization requirements for the One Care attributed population [ended for Medicaid enrollees on Jan. 1, 2026.](#)
  - The legislature can **direct DVHA to eliminate Medicaid's prior authorization requirements**, a significant benefit for primary care providers and patients.

#### **Medicare**

- Vermonters with Medicare who qualify for the Medicare Savings Program "QMB" pay \$0 for primary care, as well as \$0 for hospital and out-patient care.

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<sup>1</sup> **October 2025 Medicaid & CHIP Enrollment Data Highlights:** <https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/october-2025-medicaid-chip-enrollment-data-highlights> (see Medicaid & CHIP totals for Vermont)

- While Medicare rates are set by the federal government, Vermont has the power to deliver \$0 cost-sharing to Vermonters on Medicare by further expanding its Medicare Savings Program “QMB.”
  - The legislature recently expanded the QMB program to 150% FPL on Jan. 1, 2026.
  - The legislature can **further expand the QMB program**. For example, Connecticut is the state with the highest QMB eligibility limit in the nation (211% FPL).

#### **Qualified Health Plan (QHP) Market** (*approx. 70,000 Vermonters*)

- Each year Vermont establishes standardized plan design for QHPs offered through VHC and directly through BCBS-VT and MVP. This process determines covered services and cost sharing for approx. 70,000 Vermonters.
  - The legislature can require that, beginning in Plan Year 2027, **all QHPs provide first-dollar coverage (\$0 deductible and \$0 cost-sharing) for primary care office visits**.
  - The legislature can **direct GMCB to condition approval of QHP premiums on carriers demonstrating meaningful investment in primary care**, such as by establishing minimum reimbursement requirements or minimum primary care spending targets.

#### **Vermont State Employee’s Health Plan** (*approx. 24,000 Vermonters*)

- The State of Vermont offers a self-insured health plan to its employees and their family members.
  - The legislature can **work with the State of Vermont and the Vermont State Employee’s Union** to ensure that the health plan(s) offered:
    - **Provide first-dollar coverage (\$0 deductible and \$0 cost-sharing) for primary care office visits, and**
    - **Increase reimbursement rates for primary care services** paid for by the plan(s).

We recognize that the Legislature does not have an existing, direct mechanism to advance its primary care goals for Vermonters who are uninsured or who have self-funded employer insurance, Medicare without QMB, or TRICARE or another federal program. Where there is no existing mechanism, we recommend designing a **simple and cost-effective delivery model** for the remaining population that will:

- Maximize dollars going to primary care providers,
- Ensure 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.

Thank you for your consideration.

Sincerely,

/s/ Emma Zavez

Consumer Research & Policy Analyst  
Office of the Health Care Advocate

/s/ Mike Fisher

Chief Health Care Advocate  
Office of the Health Care Advocate