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H.181

Introduced by Representatives Morrissey of Bennington, Bancroft of Westford, Batchelor of Derby, Beck of St. Johnsbury, Beyor of Highgate, Branagan of Georgia, Browning of Arlington, Burditt of West Rutland, Corcoran of Bennington, Cupoli of Rutland City, Dame of Essex, Devereux of Mount Holly, Dickinson of St. Albans Town, Fagan of Rutland City, Fiske of Enosburgh, Gage of Rutland City, Gamache of Swanton, Hebert of Vernon, Helm of Fair Haven, Higley of Lowell, Hubert of Milton, Juskiewicz of Cambridge, LaClair of Barre Town, Lawrence of Lyndon, Lefebvre of Newark, Lewis of Berlin, Murphy of Fairfax, Myers of Essex, Parent of St. Albans City, Pearce of Richford, Purvis of Colchester, Quimby of Concord, Savage of Swanton, Shaw of Pittsford, Shaw of Derby, Smith of New Haven, Strong of Albany, Tate of Mendon, Terenzini of Rutland Town, Van Wyck of Ferrisburgh, and Willhoit of St. Johnsbury

Referred to Committee on

Date:

Subject: Health; health care reform; Medicare; Vermont Health Benefit Exchange

1 Statement of purpose of bill as introduced: This bill proposes to remove
2 Medicare from the strategic plan for a universal and unified health system and
3 from global hospital budget pilot projects, and to specify that any benefits
4 offered to Medicare beneficiaries through the Vermont Health Benefit
5 Exchange would be in the form of Medicare supplemental plans.

6 An act relating to limiting the role of Medicare in certain health care reform
7 initiatives

8 It is hereby enacted by the General Assembly of the State of Vermont:

9 Sec. 1. 2011 Acts and Resolves No. 48, Sec. 2 is amended to read:

10 Sec. 2. STRATEGIC PLAN; UNIVERSAL AND UNIFIED HEALTH
11 SYSTEM

12 (a) Vermont must begin to plan now for health care reform, including
13 simplified administration processes, payment reform, and delivery reform, in
14 order to have a publicly financed program of universal and unified health care
15 operational after the occurrence of specific events, including the receipt of a
16 waiver from the federal Exchange requirement from the U.S. Department of
17 Health and Human Services. A waiver will be available in 2017 under the
18 provisions of existing law in the Patient Protection and Affordable Care Act
19 (Public Law 111-148) (“Affordable Care Act”), as amended by the federal
20 Health Care and Education Reconciliation Act of 2010 (Public Law 111-152),

1 and may be available in 2014 under the provisions of two bills, H.R. 844 and
2 S.248, introduced in the 112th Congress. In order to begin the planning efforts,
3 the director of health care reform in the agency of administration shall
4 establish a strategic plan, which shall include time lines and allocations of the
5 responsibilities associated with health care system reform, to further the
6 containment of health care costs, to further Vermont's existing health care
7 system reform efforts as described in 3 V.S.A. § 2222a, and to further the
8 following:

9 (1) As provided in Sec. 4 of this act, all Vermont residents shall be
10 eligible for Green Mountain Care, a universal health care program that will
11 provide health benefits through a single payment system. To the maximum
12 extent allowable under federal law and waivers from federal law, Green
13 Mountain Care shall include health coverage provided under the health benefit
14 exchange established under 33 V.S.A. chapter 18, subchapter 1; under
15 Medicaid; ~~under Medicare~~; by employers that choose to participate; and to
16 state employees and municipal employees, including teachers. In the event of
17 a modification to the Affordable Care Act by congressional, judicial, or federal
18 administrative action which prohibits implementation of the health benefit
19 exchange; eliminates federal funds available to individuals, employees, or
20 employers; or eliminates the waiver under Section 1332 of the Affordable Care
21 Act, the director of health care reform shall continue, and adjust as appropriate,

1 the planning and cost-containment activities provided in this act related to
2 Green Mountain Care and to creation of a unified, simplified administration
3 system for health insurers offering health benefit plans, including identifying
4 the financing impacts of such a modification on the state and its effects on the
5 activities proposed in this act.

6 * * *

7 (6) The director, in collaboration with the agency of human services,
8 shall obtain waivers, exemptions, agreements, legislation, or a combination
9 thereof to ensure that, to the extent possible under federal law, all federal
10 payments provided within the state for health services are paid directly to
11 Green Mountain Care. Green Mountain Care shall assume responsibility for
12 the benefits and services previously paid for by the federal programs, including
13 Medicaid, ~~Medicare~~, and, after implementation, the Vermont health benefit
14 exchange. In obtaining the waivers, exemptions, agreements, legislation, or
15 combination thereof, the secretary shall negotiate with the federal government
16 a federal contribution for health care services in Vermont that reflects medical
17 inflation, the state gross domestic product, the size and age of the population,
18 the number of residents living below the poverty level, the number of
19 Medicare-eligible individuals, and other factors that may be advantageous to
20 Vermont and that do not decrease in relation to the federal contribution to other

1 states as a result of the waivers, exemptions, agreements, or savings from
2 implementation of Green Mountain Care.

3 * * *

4 Sec. 2. 2014 Acts and Resolves No. 144, Sec. 23 is amended to read:

5 Sec. 23. GREEN MOUNTAIN CARE BOARD; GLOBAL HOSPITAL
6 PILOT PROJECTS

7 * * *

8 (b) The Green Mountain Care Board may take such steps as are necessary
9 to include all payers in the global hospital budget pilot projects, including
10 negotiating with the federal Center for Medicare & Medicaid Innovation to
11 involve ~~Medicare and Medicaid~~.

12 * * *

13 Sec. 3. 33 V.S.A. § 1803(b)(2) is amended to read:

14 (2) To the extent allowable under federal law, the Vermont Health
15 Benefit Exchange may offer health benefits to populations in addition to those
16 eligible under Subtitle D of Title I of the Affordable Care Act, including:

17 * * *

18 (C) ~~Medicare Supplemental~~ benefits in the form of Medicare
19 supplement plans to individuals ~~who are eligible, upon approval by the Centers~~
20 ~~for Medicare and Medicaid Services and~~ covered by Medicare, provided that

1 including these individuals in the Health Benefit Exchange would not reduce
2 their Medicare benefits; and

3 (D) State employees and municipal employees, including teachers.

4 Sec. 4. EFFECTIVE DATE

5 This act shall take effect on passage.