

State Health Care Resources Fund: Revenue Breakdown

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The State Health Care Resources Fund accounts for 17% of total Medicaid funding sources when federal dollars are included and 42% of state funding sources (when federal dollars are excluded).

Name	Statute	Description	Revenue (State Fiscal Year)	Notes
All Years are State Fiscal Years				
Tobacco Taxes				
Cigarette Tax (and Floor Stock Tax)	32 V.S.A §7771. <i>Rate of Tax</i>	<ul style="list-style-type: none"> Includes cigarettes, little cigars, and roll-your-own tobacco. Tax based on weight, not per pack rate. 2003: Tax surpasses the \$1 mark to \$1.19/pack. 2006: Little cigars and roll-your-own tobacco taxed as cigarettes instead of tobacco products. 2008: Increased from \$1.79 to \$1.99/pack. 2009: Increased to \$2.24/pack. 2011: Increased to \$2.62/pack. 2014: increased to \$2.75/pack. 2015: increased to \$3.08/pack 	<p>2017 Est: \$67,530,000</p> <p>2016: \$70,007,845</p> <p>2015: \$68,650,396 2014: \$64,727,535 2013: \$67,338,387 2012: \$73,361,699</p>	<p>*2016 includes floor stock tax of \$897,670</p> <p>*2015 actuals includes floor stock tax of \$347,610</p> <p>*2012 actuals includes floor stock tax of \$550,272.</p>
Tobacco Products Taxes	32 V.S.A §7811. <i>Imposition of tobacco products tax either per unit or as a percentage of the wholesale price</i>	<ul style="list-style-type: none"> Includes cigars, pipe tobacco, snuff & smokeless tobacco. 2006: Snuff tax changed from 41% of wholesale to \$1.49/ounce or a \$1.79 per container equivalent. 2008: Snuff tax increased to \$1.69/ounce or a \$1.99 per container equivalent. 2009: New smokeless tobacco added to snuff tax. Snuff tax increased to \$1.87/ounce or a \$2.24 per container equivalent. 2009: Other tobacco products tax rate increased from 41% to 92% of wholesale price. Tiered cigar tax introduced based on price. 2011: Cigar tax increased from \$1.08 to \$2.17. 2014: Snuff/smokeless tobacco tax increased to \$2.29/ounce or a \$2.75 per container equivalent. 2015: Snuff/smokeless tobacco tax increased to \$2.57/ounce or a \$3.08 per container equivalent 	<p>2017 Est: \$8,750,000</p> <p>2016: \$9,012,347</p> <p>2015: \$8,104,758 2014: \$7,125,892 2013: \$6,931,690 2012: \$6,868,340</p>	

Employer/Claims Assessment				
Health Care Fund Contribution Assessment (a.k.a. "Employer Assessment")	21 V.S.A § 2003	<ul style="list-style-type: none"> Quarterly health care fund contribution paid by employers for calendar year 2016 is <u>\$151.12</u> for every "uncovered" FTE in excess of four. It will increase to <u>\$158.77</u> in calendar year 2017. Definition of "uncovered" can be found on the Vermont Department of Labor website. January 2015: Adjusts by a percentage equal to any percentage change in premiums for the second lowest cost silver plan in the Vermont Health Benefits Exchange. 	2017 Est: \$19,094,995 2016: \$17,896,335 2015: \$15,879,665 2014: \$12,995,400 2013: \$11,886,600 2012: \$11,168,000	Link to the Vermont Department of Labor Employer Assessment page: http://labor.vermont.gov/unemployment-insurance/employers/employer-health-care-contribution-information/
Health Care Claims Tax (Includes Dental Claims)	32 V.S.A § 10402 <i>Health Care Claims Tax</i>	<ul style="list-style-type: none"> 0.999% tax on all health insurance claims paid by health insurers for its Vermont members for the previous fiscal year ending June 30, of which <u>0.8% of claims</u> are deposited into the State Health Care Resources Fund. Act 73 of 2013 moved collection of the tax from DVHA to the Department of Taxes. Claims tax also imposed on dental claims. 	2017 Est: \$13,752,670 2016: \$13,767,674 2015: \$13,978,648 2014: \$13,073,292 2013: \$12,470,283 2012: \$12,603,108	
Provider Taxes				
<i>Notes:</i> <ul style="list-style-type: none"> All provider taxes must be broad based (imposed equally throughout each individual class), uniformly imposed (each provider taxed the same), and comply with the "hold harmless" provision (tax paid is not returned to provider ensuring they are made whole for amounts paid). Vermont imposes provider taxes on 6 of the 19 specified classes of health care providers or services allowed by federally regulations. 				
Hospital Provider Tax	33 V.S.A. §1953. <i>Hospital Assessment</i>	<ul style="list-style-type: none"> Current tax rate is 6%, up from 5.9% in 2012. Tax rates have ranged between 3.6% and 6% over the last 10 years, holding at 5.5% from 2007 to 2011. Psychiatric Hospitals such as the Brattleboro Retreat are assessed at a rate of 4.21%, representing approx. \$900K (2014 estimate). 	2017 Est: \$133,570,285 2016: \$131,712,103 2015: \$125,293,302 2014: \$120,087,900 2013: \$115,505,466 2012: \$110,642,636	
Nursing Home Provider Tax	33 V.S.A. §1954. <i>Nursing Home Assessment</i>	<ul style="list-style-type: none"> Tax assessed on a per bed basis, which cannot exceed the corresponding rate. Current tax rate is 6% of net patient revenues, or \$4,919.53 per bed, which has not changed since 2012. From 2009 – 2011, per bed rate was \$4,509.57, or 5.5% of net patient revenues. 	2017 Est: \$15,245,623 2016: \$15,681,383 2015: \$15,595,924 2014: \$15,998,993 2013: \$16,268,103 2012: \$15,749,272	Annual assessment on licensed beds is prorated for the number of days the bed was actually licensed with overpayments being refunded to the facility.

ICF/DD (Intermediate Care Facilities for individuals with Developmental Disabilities) Provider Tax <i>(formerly ICF/MR)</i>	33 V.S.A §1955. <i>ICF/MR assessment</i>	<ul style="list-style-type: none"> • Tax assessed as a percentage of total direct and indirect expenses based on most recent audit of facility. • Current tax rate is 5.9% (since 2012). • From 2009 – 2011, tax rate was 5.5% of total direct and indirect expenses. 	2017 Est: \$73,708 2016: \$73,308 2015: \$73,759 2014: \$71,629 2013: \$69,695 2012: \$82,098	
Home Health Agency Provider Tax	33 V.S.A. §1955a. <i>Home health agency assessment</i>	<ul style="list-style-type: none"> • Tax assessed as a percentage of net operating revenue from core services (rather than net patient revenues). • From 2009-2011, rate was 17.69% of net operating revenue from core services or 3.8% of net patient revenues. • From 2012-2016, rate was 19.3% of net operating revenues which equaled 3.63 - 3.9% of net patient revenues. Capped at 6% of annual net patient revenue. • For FY 2017 and 2018 the assessment is 3.63% of annual net patient revenue 	2017 Est. \$4,521,602 2016: \$4,488,435 2015: \$4,373,603 2014: \$4,097,040 2013: \$4,529,917 2012: \$4,548,206	Act 143 of 2016 (H.873 Misc. Tax Bill), changed methodology from % of net operating revenue to % of net patient revenue for 2 years (FY17 & 18).
Pharmacy Prescription Tax	33 V.S.A. §1955b <i>Pharmacy assessment</i>	<ul style="list-style-type: none"> • \$0.10 monthly assessment on pharmacies for every prescription filled and refilled. • Added in 2005 with no increase in rate since that time. 	2017 Est: \$780,00 2016: \$783,689 2015: \$775,297 2014: \$780,174 2013: \$795,192 2012: \$789,877	
Ambulance Provider Tax	33 V.S.A. §1959 <i>Ambulance agency assessment</i>	<ul style="list-style-type: none"> • Tax assessed as a percentage of an agency's annual net patient revenues for services delivered to patients in Vermont during the most recent fiscal year. • Current rate is 3.3%. 	2017 Est. \$1,200,000	Act 143 of 2016 (H.873 Misc. Tax Bill).
Beneficiary Premiums				
Catamount Health Assistance Program Beneficiary Premium (CHAP) - State Share	33 V.S.A § 1984. <i>Individual Contributions</i>	<ul style="list-style-type: none"> • Coverage for uninsured adults without access to approved Employee-Sponsored Insurance. • Subsidies up to 300% of FPL. • Premiums ranged from \$60-\$267/person/month paid to state. 	2014: \$3,164,335 2013: \$4,984,683 2012: \$4,597,687	The Catamount Health program ceased in Q1 of 2014.
Vermont Health Access Plan (VHAP) Beneficiary Premium		<ul style="list-style-type: none"> • Coverage for uninsured adults up to 150% FPL without children, 185% FPL with children. • Coverage similar to Medicaid excluding dental and transportation. • Monthly premiums range from nothing to \$49/person/month depending on FPL. • ER visit = \$25, Outpatient hospital visit = \$3, Rx >\$50 = \$3. 	2014: \$1,371,854 2013: \$2,951,004 2012: \$2,858,383	VHAP was repealed at the end of CY 2013.

Dr. Dynasaur Beneficiary Premium (Includes CHIP)		<ul style="list-style-type: none"> • Coverage for pregnant women and children up to age 18. • Depending on FPL, monthly premiums range from \$0 to \$20/family/month. • SCHIP is \$60/family/month. • No prescription co-pays. 	2017 Est: \$650,000 2016: \$294,389 2015: \$1,121,057 2014: \$447,262 2013: \$720,593 2012: \$687,502	
Pharmacy Beneficiary Premiums (VPharm 1, 2, & 3, VHAP Rx, Vscript, Vscript Expanded.)		<ul style="list-style-type: none"> • VHAP Rx, VScript, VScript Expanded: coverage for aged or disabled, not eligible for Medicare, have no pharmacy coverage. • VPharm 1,2,3: “wrap” coverage for Medicare Part D. • Premiums range from \$15 PMPM to \$50 PMPM. • \$1/\$2 prescription copays. 	2017 Est: \$3,045,450 2016: \$2,918,910 2015: \$3,112,356 2014: \$3,163,777 2013: \$3,180,120 2012: \$3,160,264	PMPM = Per member per month cost

Other				
Graduate Medical Education (GME)		<ul style="list-style-type: none"> • The University of Vermont Medical School provides funds to be matched specifically for the purpose of graduate medical education. 	2017 Est: \$13,704,000 2016: \$13,491,750 2015: \$13,054,500 2014: \$13,288,943 2013: \$25,756,529	
Nursing Home Sales Assessment		<ul style="list-style-type: none"> • This is a one-time assessment on the sale of any nursing home in the state. 	2017 Est: \$3,472,000 2016: \$593,400 2014: \$746,400 2013: \$320,000	Three nursing homes sold in SFY’16. Six nursing homes expected to be sold in SFY ’17.
Recoveries		<ul style="list-style-type: none"> • This includes “pay and chase” where Medicaid is payer of last resort, fraud, and other recoveries. 	2017 Est: \$500,000 2016: \$2,831,833 2015: \$435,377 2014: \$1,279,529 2013: \$5,049,628 2012: \$625,996	
Other		<ul style="list-style-type: none"> • This includes interest income, settlements, abandoned property, and premium fees. 	2016: (\$962,512) 2015: (\$39,319) 2014: (\$166,395) 2013: (\$721,899)	