

**Act 48 (H.202) – Section by Section Summary**  
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**Sec. 1. Intent (p. 1)**

States the intent of the General Assembly in enacting H.202.

**Sec. 1a. Principles for Health Care Reform (pp. 2-4)**

Adopts 14 principles as a framework for reforming health care in Vermont.

**Sec. 1b. Coordination of Health Care System – 3 V.S.A. § 2222a (pp. 5-8)**

Creates the Director of Health Care Reform position in the Agency of Administration and expands the list of Vermont’s health care reform efforts.

**Sec. 2. Strategic Plan (pp. 8-14)**

Sets forth several of the provisions developed in detail later in the bill, including Green Mountain Care and the Vermont health benefit exchange, and requires creation of a strategic plan for health care reform, a proposal on medical malpractice reform, a work plan for the Green Mountain Care Board, and several other reports and proposals.

**Sec. 3. Green Mountain Care Board – 18 V.S.A. chapter 220, subch. 1 (pp. 14-36)**

- Restates and codifies the principles expressed in section 1a
- States the legislative intent in creating an independent board
- Creates a five-member Green Mountain Care board
- Sets forth the board’s duties
- Board to set reimbursement rates for health care professionals
- Board to be responsible for payment and delivery system reform, including evaluating payment reform pilot projects developed and implemented by the Director of Payment Reform in the Department of Vermont Health Access (DVHA)

**Sec. 3. Green Mountain Care Board Nominating Committee – 18 V.S.A. chapter 220, subchapter 2 (pp. 36-40) (see also Sec. 31, p. 138)**

Creates a nine-member nominating committee to come up with a list of names of people qualified to fill vacancies on the Green Mountain Care board. The committee submits the list to the Governor, who chooses a name from the list for appointment, subject to confirmation by the Senate.

**Sec. 3a. Health Care Ombudsman – 8 V.S.A. § 4089w(b) (p. 40)**

Requires the health care ombudsman to monitor Green Mountain Care board’s activities.

**Sec. 3b. Green Mountain Care Board and Exchange Positions (pp. 40-41)**

Creates positions for the Green Mountain Care board and its staff, as well as a Deputy Commissioner of DVHA for the Vermont health benefit exchange

**Sec. 3c. Payment Reform – 18 V.S.A. chapter 13 (p. 22), subchapter 2 (pp. 41-50)**

Codifies existing payment reform activities, including pilot projects and health insurer participation.

**Secs. 3d and 3e – Gift Ban and Disclosures - 18 V.S.A. §§ 4631a and 4632 (pp. 50-54)**

Subjects the Green Mountain Care board to the same prescribed product manufacturer gift ban and disclosure requirements as apply to health care professionals.

**Sec. 4. Vermont Health Benefit Exchange – 33 V.S.A. ch. 18, subch. 1 (pp. 54-72)**

Creates the Vermont health benefit exchange in DVHA to provide qualified individuals and qualified employers with qualified health benefit plans in compliance with federal Patient Protection and Affordable Care Act (“Affordable Care Act”) requirements.

**Sec. 4. Green Mountain Care – 33 V.S.A. chapter 18, subchapter 2 (pp. 72-89)**

Creates Green Mountain Care, a publicly financed universal health care program to be implemented after (1) Vermont receives a waiver from the federal Exchange requirement, (2) the General Assembly enacts a law to finance the program, (3) the Green Mountain Care board approves the initial benefit package, (4) the General Assembly passes the appropriations for the initial benefit package, and (5) the Green Mountain Care board makes specific determinations about the program’s effects. All Vermont residents are eligible for Green Mountain Care, which must include at least the same covered services as are available in Catamount Health. The Green Mountain Care board defines the benefit package, to be adopted by the Agency of Human Services by rule.

**Sec. 4a. Household Health Insurance Survey (p. 89)**

Requires the Department of Banking, Insurance, Securities, and Health Care Administration (BISHCA) to ask questions on its household health insurance survey about whether people have moved to Vermont to receive health services.

**Sec. 4b. Exchange Implementation (pp. 89-90)**

Requires DVHA to contract with at least two health insurers to provide qualified health benefit plans in the Vermont health benefit exchange, as long as at least two are interested in participating.

**Sec. 4c. Health Coverage Findings and Study (pp. 90-91)**

Makes findings about health coverage for undocumented immigrants, requires the Green Mountain Care board to examine and report on the costs of covering and not covering undocumented immigrants through Green Mountain Care, and directs the Secretary of Administration to work with Vermont’s congressional delegation to resolve issues regarding these immigrants.

**Sec. 5. Composition of Department – 33 V.S.A. § 401 (p. 92)**

Adds two divisions to DVHA: a health care eligibility unit (transferred from the Department for Children and Families [DCF] in Sec. 6) and the Vermont health benefit exchange.

**Sec. 6. Transfer of Positions; Health Care Eligibility Unit (p. 92)**

After March 15, 2012 but before July 1, 2013, requires the Secretary of Administration to transfer the health care eligibility unit from DCF to DVHA.

**Sec. 7. Medicaid and Exchange Advisory Committee – 33 V.S.A. § 402 (pp. 93-96)**

Creates an advisory committee to advise the DVHA Commissioner on issues related to the Exchange, Medicaid, and Medicaid-funded programs, as required by federal law. The advisory committee replaces the existing Medicaid Advisory Board (repealed in Sec. 32).

**Sec. 8. Integration Plan (pp. 96-101)**

Requires the Secretary of Administration or designee to make recommendations by January 15, 2012 on several issues related to implementation of the Vermont health benefit exchange and Green Mountain Care.

**Sec. 9. Financing Plans (pp. 101-105)**

Requires the Secretary of Administration or designee to recommend two financing plans to the committees of jurisdiction by January 15, 2013. One plan will recommend financing amounts and mechanisms for the Vermont health benefit exchange. The second financing plan will recommend the amounts and mechanisms for Green Mountain Care. Both plans will also address several financing-related issues.

**Sec. 10. Health Information Technology Plan (pp. 105-106)**

Requires the Secretary of Administration or designee, in consultation with the Green Mountain Care board and the DVHA Commissioner, to review Vermont's health information technology plan to ensure it reflects creation of the Vermont health benefit exchange and Green Mountain Care and furthers efforts toward their implementation; Secretary may contract out for some of the work.

**Sec. 11. Health System Planning, Regulation, and Public Health (pp. 106-108)**

Requires the Secretary of Administration or designee to report to the committees of jurisdiction by January 15, 2012 on how to unify Vermont's current efforts around health system planning, regulation, and public health.

**Sec. 12. Payment Reform; Regulatory Processes (p. 108)**

Requires the Green Mountain Care board, in consultation with the BISHCA Commissioner, to recommend to the committees of jurisdiction by March 15, 2012 any necessary changes to regulatory processes to align them with the payment reform strategic plan.

**Sec. 12a. Health Care Workforce; Strategic Plan – 18 V.S.A. ch. 222 (pp. 109-111)**

Requires Director of Health Care Reform in Agency of Administration to oversee development and maintenance of a current health care workforce development strategic plan to continue efforts to ensure that Vermont has necessary health care workforce to provide care to all Vermonters.

**Sec. 13. Workforce Issues (pp. 111-112)**

Directs Board of Nursing, Board of Medical Practice, and Office of Professional Regulation to review licensure issues and make joint recommendations to committees of jurisdiction by January 15, 2012 on ways to improve the primary care workforce. Requires Director of Health Care Reform or designee and others to create a plan to

address retraining needs of employees displaced by implementation of the Vermont health benefit exchange and Green Mountain Care and present the plan to the committees of jurisdiction by January 15, 2012.

**Sec. 13a. Prior Authorizations (pp. 112-113)**

Requires the Green Mountain Care board to consider (1) paying health care providers for completing requests for prior authorization and (2) exempting health care professionals from prior authorization requirements for specific services in Green Mountain Care if their requests for prior authorizations for those services are routinely granted.

**Sec. 14. Cost Estimates (pp. 113-114)**

Requires the Joint Fiscal Office and BISHCA to provide to the committees of jurisdiction an initial draft estimate by April 21, 2011 of the costs of Vermont's current health care system compared to the costs of the system upon implementation of Green Mountain Care and other reforms. Requires a final estimate by November 1, 2011. Also allows the standing committees of jurisdiction to meet when the legislature is not in session to receive updates on progress toward implementation of the act.

**Secs. 15 -15d. Rate Review – 8 V.S.A. §§ 4062, 4512(b), 4515a, 4587, and 5014(a) (pp. 114-120)**

Adds Green Mountain Care board, public participation, and disclosure requirements to the health insurance rate review process.

**Sec. 16. Health Benefit Costs – 21 V.S.A. § 2004 (p. 121)**

Requires employers to provide their employees with an annual statement of health benefit plan costs, including the employer and employee shares of the premium and out-of-pocket expenses. Exempts from the state requirement employers who comply with a similar federal requirement once the federal requirement is implemented.

**Sec. 16a. Public Health Benefit Program Costs – 33 V.S.A. § 1901(g) (p. 121)**

Requires DVHA to post on its website the per-member per-month cost for each of its health benefit programs and the state's and beneficiary's share of the cost.

**Sec. 17. Review of Ban on Discretionary Clauses (p. 122)**

Requires BISHCA Commissioner to report to the committees of jurisdiction by January 15, 2012 on the advantages and disadvantages of adopting the National Association of Insurance Commissioners' model act prohibiting discretionary clauses in health insurance contracts.

**Sec. 18. Single Formulary Recommendations (pp. 122-123)**

Requires DVHA to recommend to the committees of jurisdiction by January 15, 2012 on the feasibility of using a single prescription drug formulary.

**Secs. 19-25a. Repeal of Public Oversight Commission (pp. 124-133)**

Deletes statutory references to the Public Oversight Commission (repealed in Sec. 32).

**Sec. 26. Duties of Department of Health – 18 V.S.A. § 5 (pp. 134-135)**

Makes minor and conforming changes to the statute listing the duties of the Health Department.

**Sec. 27. VHCURES – 18 V.S.A. § 9410(a)(1) (pp. 135-136)**

Adds the Green Mountain Care board to the VHCURES statute.

**Sec. 28. Federal Health Care Reform Implementation (p. 136)**

Extends through July 1, 2014 the period during which the Commissioner of Health and the Commissioner of DVHA are directed to seek grants and other beneficial opportunities for Vermont provided by the Affordable Care Act.

**Sec. 29. Primary Care Workforce Development Committee (p. 137)**

Extends the Primary Care Workforce Development Committee established in Act 128 of 2010 through June 30, 2011.

**Sec. 30. Payment Reform; Pilots (pp. 137-138)**

Deletes a requirement that the Director of Payment Reform in DVHA not implement payment reform pilot projects until the General Assembly has approved or modified the pilot projects' strategic plan.

**Sec. 31. Green Mountain Care Board Nominations; Appointments (p. 138)**

Requires the Governor, Speaker of the House, and President Pro Tem of the Senate to appoint the first Green Mountain Care Board Nominating Committee by June 1, 2011. Allows the Governor to appoint the members of the Green Mountain Care board to begin employment no earlier than October 1, 2011.

**Sec. 32. Repeals (p. 138)**

Repeals statutes regarding the medical care advisory board and the public oversight commission.

**Sec. 33. Appropriations (p. 139)**

Appropriates sums for fiscal year 2012 to carry out the purposes of the bill.

**Sec. 33a. Compensation (p. 139)**

Specifies the salary of the chair of the Green Mountain Care board for fiscal year 2012; the salary for the remaining members of the board is two-thirds of the chair's salary.

**Sec. 34. Effective Dates (pp. 139-141)**

Sets forth the effective date for each section of the bill.