

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2013

Bill Number: H.549 Name of Bill: An act relating to increasing Exchange cost-sharing subsidies

Agency/ Dept: DVHA Author of Bill Review: Devon Green

Date of Bill Review: 2/13/14

Status of Bill: (check one):

☒ Upon Introduction ☐ As passed by 1st body ☐ As passed by both bodies

Recommended Position:

☐ Support ☒ Oppose ☐ Remain Neutral ☐ Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

The bill will increase cost sharing subsidies for Vermonters with individual plans in Vermont Health Connect who are between 200%-300% FPL. It gets people in a plan that looks like Catamount Health's plan design.

2. Is there a need for this bill? *Please explain why or why not.*

Depends. A lot of people were surprised by the out of pocket maximums of plans in the 200%-300% FPL range. On the other hand, only about 30% of people on Catamount would hit Catamount's out of pocket maximum. Under Act 48, Green Mountain Care is supposed to have an 87% AV level, so this could be a step towards that. People at 300%-400% FPL will have 70% AV plans, so creates a benefits cliff.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

Vermont's cost-sharing subsidies are currently all fully state-funded. Under our actuarial model from last year, it would be an added \$10 million.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

May affect DFR and interactions with the federal government for purposes of reconciliation, risk corridors, etc.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

Will likely increase utilization for health care. May affect health insurance carriers and the federal government in terms of reinsurance, risk corridor, etc.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

Worker's Center because it provides

6.2 Who else is likely to oppose the proposal and why?

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7. Rationale for recommendation: *Justify recommendation stated above.*

This is not Medicaid match funds, all state dollars. DVHA already has a budget hole.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

Secretary/Commissioner has reviewed this document: _____ **Date:** _____