

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?**

Please return this bill review as a Microsoft Word or PDF document to laura.gray@state.vt.us

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:** _____