

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: S. 255 Name of Bill: [An act relating to regulation of hospitals, health insurers, and managed care organizations](#)

Agency/ Dept: AoA Author of Bill Review: Jordan Keene/Robin Lunge

Date of Bill Review: 5/13/16 Related Bills and Key Players: Insurers, VAHHS, HCA, VMS, DFR, GMCB, DMH, VDH

Status of Bill: (check one): ☐ Upon Introduction ☐ As passed by 1st body ☒ As passed by both

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.*

Sec. 1-9: Largely, this bill is the product of a report under Act 54 requiring AoA, DVHA, GMCB, and DFR to meet with stakeholders to update outdated MCO provisions, transition to ACO leadership, and other provisions that DFR can no longer staff. Instead of enforcing requirements through reports submitted by the MCOs, DFR will enforce requirements through a complaint process. Bill language implementing greater authority of the HCA is consistent with H. 812.

Sec. 10: AOA with the same stakeholders will make another recommendation in Dec 2017 on how to modify these provisions in order to make them consistent with the evolving ACO regulation. DVHA will ensure that their utilization review is consistent with the existing rules for private insurers.

Sec. 11 – 14: VDH will adopt rules for newborn screenings. This is a VDH proposal.

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

Yes. The health care reform landscape has shifted away from MCOs to ACOs, and these provisions are outdated. Also, DFR does not have the resources to maintain a number of the reporting requirements in current provisions.

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

None.

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?

DFR—DFR will have fewer reports to collect and analyze, but may have to report on complaints if advocates are successful with legislators.

DVHA—Has to ensure that their utilization review is consistent with private insurance market.

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)

Private insurers—should have less reporting or more efficient reporting requirements.

6. Other Stakeholders:

1.1. Who else is likely to support the proposal and why?

Health Care Advocate, VAHHs, Vermont Medical Society—they were all a part of the stakeholder group and should support the bill.

1.2. Who else is likely to oppose the proposal and why? None

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

This bill updates outdated information and satisfies the requirements of Act 54 of 2015.

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.*

9. Gubernatorial appointments to board or commission?

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