



## Legislative Report for the Week Ending January 12, 2018

The House and Senate Health Care Committees began the Legislative Session by taking stock of the federal health care changes since adjournment last May, of which there have been many, discussing a Blue Cross and Blue Shield of Vermont (BCBSVT) proposal to address the defunding of the federal cost sharing reduction (CSR) program, and receiving information on newly introduced legislation.

This week's discussion delved into the details of the federal defunding of the cost sharing reduction (CSR) program and the BCBSVT and consensus group of stakeholders' proposal, called the "Silver Solution", for the 2019 plan year. The GMCB and DFR-led Federal Issues Work Group issued a statement of support. [CSR Work Group Statement](#) This proposal would follow the model adopted by 37 other states in 2018 to use a Silver Loading approach to offset the elimination of CSR payments with the Advanced Premium Tax Credit (APTC). This is an attempt to protect the stability of the Vermont health insurance marketplace and mitigate any financial impact on Vermonters, whether or not they previously benefitted from CSR payments. This solution does not result in any additional costs to the state and maximizes the portion of ACA subsidies borne by the federal government. In order to successfully implement this strategy, legislative changes need to occur during the early part of the legislative session. Three legislative Committees took testimony and discussed the proposal this week: House Health Care, Senate Health and Welfare, and Senate Finance. Legislative leadership has discussed possible vehicles for this proposal, including the FY 2018 Budget Adjustment Act (FY18 BAA), however, on Friday morning the language was approved in a strike-all to S.19 in the Senate. This bill will need to go through the Senate Finance Committee which has jurisdiction over health insurance issues before moving through the rest of the process. BCBSVT will continue to work with all of the stakeholders as the legislation makes its way to the House.

The House Health Care Committee also heard informative testimony from the Department of Financial Regulation (DFR) on the federal changes to Short-Term Limited Duration Insurance, Association Health Plans, and Health Reimbursement Accounts, all of which were the subject of a federal Executive Order this fall to introduce revised rules which were released last week. There were no specific proposals regarding these federal changes, but the House Health Care Committee members expressed concern about the potential impact on the Vermont health insurance marketplace and discussed possible future action to address these issues.

The House Health Care Committee also dedicated several hours to hearing a report with a number of significant recommendations for reforming the Vermont Information Technology Leaders (known as VITL) and an evaluation of state-funded health information technology (HIT) program. [VITL Report](#)

The Senate Health and Welfare Committee discussed a number of bills during the first full week of the session. These included a group of bills (listed below) relating to prescription drug cost containment. Each piece of legislation was introduced by its sponsor and Legislative Counsel walked-through the bills. Finally, the Committee dedicated several hours to a proposal for a universal, publicly financed primary care system. The focus of the discussion was S.53 that was introduced by twelve members of the Senate and all except one member of the Senate Health and Welfare Committee. Several advocates also spoke on behalf of universal primary care (UPC).

[S.53](#) Universal, Publicly Financed Primary Care System

[S.146](#) Prescription Drug Pricing Standards for State Purchasers

[S.163](#) Creation of Multistate Public Pharmacy Benefit Management Program

[S.164](#) Establishing the Unused Prescription Drug Repository Program

[S.223](#) Administration of Intravenous Prescription Drugs to Cancer Patients through Local Physician Practices

[S.224](#) Co-payment Limits for Visits to Chiropractors

All of these health care issues, among many others, will likely receive attention during the 2018 legislative session. For more information, call Sara Teachout at (802) 371-3254 or Kathy McNally at (802) 371-3205. If you wish to discontinue receiving these updates or know of anyone else who would like to receive it, please call Kathy McNally or send an e-mail to [mcnallyk@bcbsvt.com](mailto:mcnallyk@bcbsvt.com)

If you are interested in this week's Legislative Committee Meeting schedules, agendas, and a listing of other meetings and activities, please visit the Vermont Legislature's website at <http://legislature.vermont.gov/>. Committee meetings are normally updated daily, and are subject to change without notice. If you plan on attending, you may want to call ahead to verify the agenda.