



## 2018 Legislative Preview

The 2018 legislative session is the second year of the 2017-2018 biennium meaning that the Committees have a few changes due to member turnover in-between elections and all of the bills that were introduced last year are carried forward for consideration this year as well. The legislators began meeting on Wednesday and Governor Scott delivered his [2018 State of the State address](#) on Thursday. The Governor intends to continue the discussion on many of the issues he focused on last year; from affordability for Vermont residents, his focus on property tax reform, improving the mental health system, and treatment for opioid addiction. There were some specific ideas pertaining to tuition assistance for members of the national guard and increasing benefits for Veterans, but the majority of the details about new proposals and initiatives will be included in the Budget Address in a couple of weeks. The Governor reiterated his commitment to passing a balanced budget and supporting any new initiatives without increasing state taxes or fees.

Broadly speaking, the ongoing state budget constraints are expected to limit state policy options in a number of areas. Addressing the estimated \$45 million budget shortfall for FY 2019 will again be a primary concern and will likely dominate the discussion and limit the ability to begin new initiatives or expand programs. Legislative leadership has indicated a few top priority issues for 2018 including: Marijuana Legalization; a major push for a \$15 Minimum Wage; returning to education cost containment; as well as responding to federal funding cuts across state government programs and assessing the impact of the recent federal tax cuts. The House got off to a swift start on its agenda by passing a new version of marijuana legislation (H.511) on Thursday morning.

A number of significant health care policy discussions are anticipated in the Vermont Statehouse over the next few months. The Senate has indicated a desire to return to the discussion of a universal, publicly financed primary care system, an avenue supported by many advocates as a first step toward an incremental “single payer” approach. There are a number of recent studies and the Legislature would need to delve into the details of a specific proposal. The health care committees are expected to discuss the possibility of implementing a state-level Individual Mandate now that the federal penalty for not having health insurance coverage is reduced to zero, or effectively eliminating the federal individual mandate, beginning in 2019. This discussion will be occurring in a number of states across the country. Lastly, many members of the policy committees have expressed interest in the All Payer Model and taking more testimony about the implementation of this effort in Vermont, beginning with the OneCare initiatives in 2018 and the GMCB oversight of this effort.

The health care committees in both the Senate and the House began the session by hearing about the impact of numerous federal changes on the State and Vermont residents. The Joint Fiscal Office created a [Watch List: Federal Issues Related to Health Care](#) of issues with direct or indirect state budget impact. The list is grouped into three sections covering: Medicaid, Health Insurance, and Health Care Providers. Of particular importance to BCBSVT were the list of issues impacting health insurance. These include discontinuing the cost sharing reduction (CSR) payments to health insurance companies beginning in October of 2017 and possible responses to mitigate the impact; the elimination of the Individual Mandate in the recently passed Tax Cuts and Jobs Act was highlighted as an issue impacting the state health insurance marketplace.; and lastly the three components to the federal Executive Order to expand the availability of and access to association health plans, short-term, limited duration insurance and health reimbursement accounts (HRAs).

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.