

Health Reform Update- **March, 2011**

**H. 202 / S. 57: Vermont Businesses Form Employer Coalition**

Over the past few weeks, VT employers have grouped into grass roots coalitions concerning Vermont health reform. Employers are being encouraged to write their senators in response to the current H.202 /S.57 bill that now resides in the Senate. Employers that have joined the Coalition are in support of the following amendments to the bill and have sent this letter to their senator.

Dear Senator:

Over the past few weeks, dozens of employers have come together voicing concerns about Vermont health reform. We have endorsed the following message:

We support health care reform, universal coverage and the important sections of H. 202 that take steps to lower costs, produce better outcomes, and improve health by:

- Reforming health care delivery in a manner that is supportive of primary care based preventive medicine
- Reforming provider payments to support evidence based medical practice
- Reducing waste and duplication

However, we oppose H.202/S.57 as it is currently drafted because:

- There is reliance on moving to a single payer to achieve goals that can be accomplished through better organization and coordination of existing payer mechanisms.
- The Exchange is set up only as a stepping stone to the single payer, rather than to fulfill the goals of federal reform and offer consumers and businesses rational choices and a more transparent, competitive marketplace.
- If the state cannot proceed to Green Mountain Care, the Exchange will have to continue indefinitely. It must be designed to assure availability of affordable coverage.
- By limiting Vermont carriers to only one, the Exchange could even limit self-insured employer choices for plan administration and provider contracts.
- H. 202 creates a Board with expansive powers, standing between the citizens and legislature, and our health care delivery system.
- The plan envisions universal coverage will be supported via a payroll tax that creates a competitive disadvantage for VT employers

For all these reasons, we are strongly recommending these amendments to the bill:



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- Adapting the language to keep a vibrant market place concerning the insurance exchange. This will preserve the market for VT employers of all sizes
- Allow “qualified” and “non-qualified” plans to be sold outside the Exchange.
- Ensure that at least two carriers offer qualified plans inside the Exchange.
- Define the employer group size that can purchase through the Exchange as Employers < 50 until 2016, as provided in federal law.  
Add language to make clear that future financing plans for the state run system include only those health benefit plans regulated by the state
- Delaying implementation of the Green Mountain Health Board for one year, so employers can help the state create a viable solution concerning the goals of the board and a plan to assure adequate oversight and public input to their decisions.

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