



## **LEGISLATIVE REPORT For the Week Ending January 11, 2008**

Governor James Douglas identified health care reform as his number one priority for the 2008 legislative session in his annual State of the State address delivered to lawmakers Thursday afternoon. The speech was the highlight of the week as the Vermont General Assembly returned to Montpelier for the second year of the biennial session.

Douglas urged the legislature to adopt those recommendations of the bipartisan Legislative Health Care Reform Commission on which there is general agreement and send him a bill before Town Meeting Day in March. Douglas listed those areas of agreement, including:

- elimination of the requirement that at least 75 percent of employees participate in an employer's benefit plan,
- allow young adults to remain on their parent's plan until age 26,
- creation of a state reinsurance plan to lower the cost of insurance,
- enhance the focus on chronic conditions, including obesity, and
- improve health information technology to improve quality and reduce costs.

Noticeably absent from Douglas' list was a key recommendation by the Commission to create a new small group/individual benefit plan financed in part by a reinsurance plan. Douglas called new programs unnecessary. "We agree a reinsurance mechanism can lower the cost of insurance. This is an idea I've advocated in the past," Douglas explained. "Any such proposal should neither require employers to drop their existing insurance nor establish a new and complex government program."

The Democratic leadership of the legislature intends to build upon Catamount Health by continuing a step-by-step march toward health care system reform this year. Committees

will rely on the framework recommended by the Commission to guide their work. The Commission spent the summer and fall in five workgroups to develop strategies to:

- expand affordable coverage to more Vermonters,
- improve the prevention of chronic illness by reducing obesity,
- reduce the rate of increase in costs while improving the health of Vermonters
- use IT as a catalyst for reform, and
- determine what investments need to be made in the capacity of the health care system to ensure the success of reform.

The first week of the 2008 session was devoted mostly to committee updates on the status of issues they are likely to address this year and establishing priorities. Committees will get to work on specific bills and proposals this week.

The House Health Care Committee this week will hear updates on the new Catamount Health plan for the uninsured, and from the state's major insurers on premium trends and other issues. Senate Health and Welfare has scheduled hearings on end-of-life care, prescription drugs, S.257, S.328, and S.280.

#### **New Bills of Interest:**

##### **S.255** Introduced by Senator Nitka of Windsor District

This bill proposes to provide an income tax credit for the cost of health insurance premiums.

##### **S.280** Introduced by Senator Racine and Senator Lyons of Chittenden District

This bill proposes to require health insurers to provide coverage for prosthetic devices under the same general terms and conditions applicable to other durable medical equipment.

##### **S.282** Introduced by Senator Miller of Chittenden District and others

This bill proposes to mandate that Catamount Health cover clinically necessary chiropractic care, whether provided inside or outside an insurer's provider network; and to disallow the insurer from forcing doctors of chiropractic to bundle bill for services.

##### **S.283** Introduced by Senator Racine of Chittenden District

This bill proposes to require all health insurance plans available to Vermont to be offered, issued, and administered consistent with the Blueprint for Health; and to allow the commissioner of banking, insurance, securities and health care administration to conduct comprehensive examinations of managed care organizations.

##### **S.284** Introduced by Senator Cummings of Washington District

This bill proposes numerous "housekeeping" changes within the department of banking, insurance, securities, and health care administration (BISHCA).

##### **S.314** Introduced by Senator McCormack of Windsor District

This bill proposes to extend eligibility for Catamount Health to persons who have private insurance with premiums equal to more than 10 percent of their monthly income.

**S.340** Introduced by Senator Campbell of Windsor District

This bill proposes to require insurers to cover the full cost of a mammogram, less a co-payment.

**H.593** Introduced by Representative O'Donnell of Vernon and others

This bill proposes to mandate that health insurance companies pay for ambulance services, even when a patient is not transported.

For more information on legislative proposals, visit the Blue Cross and Blue Shield of Vermont website at [www.bcbsvt.com](http://www.bcbsvt.com) or call Leigh Tofferi at (802) 223-6131 or Kathy Parry 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 Parry or send an e-mail to [parryk@bcbsvt.com](mailto:parryk@bcbsvt.com)