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*Robin Lunge, Director*

April 25, 2016

Dawn Horner,  
Acting Deputy Director,  
State Exchange Group, CCIIO, CMS

Transmitted by electronic mail

Dear Dawn,

As you know, Vermont initially submitted its Section 1332 waiver on March 15, 2016. Subsequent to our submission, on April 18, 2016, CCIIO released new guidance providing helpful new information on Section 1332 waivers related to direct enrollment and an extension of direct enrollment for two years. We very much appreciate the additional information on how the federal government views these types of Section 1332 waivers.

In order to ensure that we are addressing the issues raised in this guidance, we would like to resubmit our application. We understand this will trigger a new 45 day review period. Please note that the waivers requested by the State remain the same as in the original request. More specifically, Vermont is asking to maintain direct enrollment with insurers in lieu of establishing an Internet portal for eligibility and enrollment. Vermont is currently operating this system of direct enrollment with insurers, so the resubmission will not be a problem for implementation.

Thank you very much.

Sincerely,

A handwritten signature in blue ink, appearing to be "RL", written over a light blue horizontal line.

Robin Lunge  
Director of Health Care Reform

# Vermont’s Proposal to Waive Affordable Care Act Requirement to Establish an Internet Portal for the Small Business Health Options Program (SHOP) Per Section 1332, Waivers for State Innovation

Submitted by the Department of Vermont Health Access with assistance from the Director of Health Care Reform, March 15, 2016; Amended April 25, 2016

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## Executive Summary

Vermont has long been at the forefront of health care reform. It has set up its health benefits exchange to ensure sustainability, full consumer protection, portability, and choice. As a result, it had the highest total small group enrollment out of all of the state-based exchanges in 2014. This success occurred in part because employers could enroll directly with health insurance issuers instead of through an Internet portal. Unlike the rest of the nation, Vermont saw a reduction in small employer coverage between 2013 and 2015. The state also has one of the lowest uninsured rates in the country, leaving few employees to cover. Lastly, the Vermont market is simple – just 2 insurers with a total of about 20 qualified health plans available to small employers. This makes our plans easy to shop and compare without a portal.

As a result, Vermont is seeking to maintain its current system by requesting a waiver of the federal requirement that employers enroll through an Internet portal. Under a 1332 Waiver for State Innovation:

- The only plans available for purchase are qualified health plans with Vermont Health Connect (VHC) certification
- Enrollment takes place through the issuer instead of through a VHC website
- There is no minimum participation requirement
- Full employee choice of QHPs is available
- Insurance carriers administer premium processing
- Insurance carriers provide required employer and employee notices
- Vermont provides an appeal process as needed for eligibility concerns as well as certification of eligibility for purposes of the small business tax credit
- Health insurance issuers report enrollment data to the federal government

Vermont will meet the all of the 1332 waiver parameters:

- Equivalent or greater scope of coverage: Vermont's proposal will maintain seamless coverage for all small employers currently covered and allow streamlined access for any new small employers offering coverage in 2017 and beyond through direct enrollment.
- Equivalent or greater affordability of coverage: Vermont's proposal will provide coverage that is as affordable as coverage offered through an Internet portal by requiring enrollment in QHPs subject to rigorous rate review oversight. The cost sharing will be the same regardless of whether or not there is an Internet portal. Furthermore, plans offered through an Internet portal using the SHOP federal platform will be less affordable for Vermonters due to a 3% fee.
- Equivalent comprehensiveness of coverage: Vermont's proposal will maintain coverage with the same essential health benefits as provided today.

- Deficit neutral: Vermont’s proposal will not increase the federal deficit because it will maintain its current enrollment system and funding mechanism.
- No impact on federally-facilitated marketplace: Because Vermont maintains a state-based marketplace, this proposal will not impact the federally-facilitated marketplace.
- No impact on other public programs: Vermont’s proposal to forego a separate Internet portal designed for small employer coverage will not impact public coverage programs, such as Medicaid and the Children’s Health Insurance Program because Vermonters will continue to access Vermont Health Connect for eligibility determinations regardless of whether there is a SHOP Internet portal.
- Meaningful public input: Vermont provided and will continue to provide opportunities for public input prior to and after submission of its 1332 application.

It should be noted that because employers and employees will only have the choice of VHC QHPs regardless of whether or not there is a SHOP Internet portal, affordability and comprehensiveness data will remain the same whether or not there is a waiver. The only factors that could be impacted by a SHOP Internet portal would be coverage and deficit neutrality. As analyzed, below, Vermont does not anticipate an impact to coverage or deficit neutrality.

## Characteristics of Vermont’s Health Insurance Market

Vermont is a rural state with a population of approximately 625,000 people.<sup>1</sup> It consistently ranks near the top of the list for healthiest state in the nation<sup>2</sup> and lowest uninsured rate in the country.<sup>3</sup> It has a long history of health care innovation and had such consumer protections as guaranteed issue and community rating in the individual and small group market well before the ACA put them into place.<sup>4</sup>

Vermont’s insurance market is unique. It currently has only two health insurance issuers offering individual and small group coverage to a total of approximately 75,000 lives in the small group and individual market: Blue Cross Blue Shield of Vermont<sup>5</sup> (BCBSVT) and MVP Health Care<sup>6</sup> (MVP). Vermont merged its small group and individual markets in 2014 with the implementation of the ACA. It also required that all individual or small group plans be sold through its health benefits exchange, Vermont Health Connect (VHC).<sup>7</sup>

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<sup>1</sup> <http://quickfacts.census.gov/qfd/states/50000.html>

<sup>2</sup> Vermont ranked second behind Hawaii for healthiest state. <http://www.americashealthrankings.org/reports/annual>

<sup>3</sup> Vermont ranked second or the same as Massachusetts for lowest uninsured rate at 3.7 percent. [http://www.leg.state.vt.us/jfo/healthcare/Uninsured\\_Rate\\_in\\_Vermont\\_and\\_Massachusetts.pdf](http://www.leg.state.vt.us/jfo/healthcare/Uninsured_Rate_in_Vermont_and_Massachusetts.pdf)

<sup>4</sup> These protections were established in 1992.

<sup>5</sup> As of January 2016, BCBSVT has a total small employer and individual count of 69,794 lives.

<sup>6</sup> As of January 2016, MVP has a total small employer and individual count of 5,816 lives

<sup>7</sup> This changed pursuant to Act 54 of 2015. Vermonters may purchase QHPs off the exchange but these are the only products available in the individual market. 33 V.S.A. § 1803(b)(4).

As of January 2016, 4,025 out of 21,349 Vermont small businesses offer qualified health plans to their employees, representing 44,347 covered lives. Vermont has the highest employer enrollment in the nation in its small business QHPs.<sup>8</sup> Although Vermont has a large amount of employees enrolled in QHPs and a low uninsured rate of 3.7 percent, the actual trend for all employer-sponsored insurance in Vermont has decreased by 6 percent in the last 14 years.<sup>9</sup>

## Implementation of a State-Based Marketplace and Lessons Learned

The Affordable Care Act mandated the establishment of a health benefits exchange in all states by 2014. Since October 1, 2013, Vermont Health Connect has been operational as Vermont's health benefits exchange. Prior to this federally mandated launch date, the State executed contracts and took internal steps to implement all required exchange functions, including qualified health plan (QHP) certification, customer support, and streamlined eligibility and enrollment. Vermont designed its state-based exchange to determine Medicaid eligibility, provide additional state subsidies, process premium payments and provide small employers with full choice of QHPs.

With respect to the development of the information technology (IT) system, in December 2012, the state entered into a contract with CGI Technologies and Solutions, Inc. (CGI), to perform software integration and hosting services for the exchange. While VHC provided open enrollment for 2014 coverage as required, it was limited by deficiencies in functionality of the VHC IT platform, inhibiting several operations for individual plans and group market enrollment altogether. In particular, functionality to allow employers and their employees to enroll in VHC plans (the VHC SHOP) was not deployed successfully in time for employers to enroll employees into coverage for January 1, 2014. As a result, after consultation with CCIIO, employers in the small group market were encouraged to enroll directly in QHPs through Vermont's insurance carriers. Due in part to this direct enrollment with the insurance carriers, Vermont had the highest total small group enrollment out of all of the state-based exchanges in 2014.<sup>10</sup>

For 2015 and 2016, Vermont took advantage of CCIIO's transitional flexibilities for State-based SHOP direct enrollment<sup>11</sup> and small employers continued to directly enroll with health insurance issuers. This allowed Vermont to concentrate its resources on developing a fully functional marketplace for the individual market. During this time, VHC, in partnership with health insurance issuers:

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<sup>8</sup> In 2014, Vermont had 33,696 individuals enrolled in its SHOP QHPs. The next highest state was Utah with over 20,000 fewer people at 10,900. GAO, "Small Business Health Insurance Exchanges: Low Initial Enrollment Likely Due to Multiple Evolving Factors, Nov.2014, <http://gao.gov/assets/670/666873.pdf>

<sup>9</sup> <http://governor.vermont.gov/sites/governor/files/2014%20VHHIS%20Initial%20Findings%20Presentation.pdf>

<sup>10</sup> In 2014, Vermont had 33,696 individuals enrolled in its SHOP QHPs. The next highest state was Utah with over 20,000 fewer people at 10,900. GAO, "Small Business Health Insurance Exchanges: Low Initial Enrollment Likely Due to Multiple Evolving Factors, Nov.2014, <http://gao.gov/assets/670/666873.pdf>

<sup>11</sup> Flexibilities for State-based SHOP Direct Enrollment—Frequently-Asked Questions (FAQs) <https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/SBM-SHOP-Transitional-Flexibility-FAQ-Rev-5-29-2015.pdf>

- made full choice of VHC’s QHP plans available to employers to offer to their employees, regardless of metal level or QHP health insurance issuer. QHP health insurance issuers must allow employers to offer the full range of their QHPs to employees.<sup>12</sup> Employers may also offer QHPs from both QHP health insurance issuers by administering the plan selection internally.
- ensured seamless transition between small group plans and individual qualified health plans, so that any cost sharing paid under a qualified health plan during the calendar year would be credited to an individual’s new qualified health plan during the course of the calendar year, in the event the individual moved from the individual to the small group market and vice-versa.

Few Vermont employers availed themselves of the small business tax credit with 21 requests in 2014 and only 3 as of March 25, 2016.

While federal flexibility for state-based SHOP direct enrollment has been extended to 2019, Vermont still faces the choice of: (1) building a SHOP Internet portal with uncertain IT outcomes and likely disruption of the small group market; or (2) waiving the requirement for an Internet portal and continuing small business direct enrollment into VHC QHP plans while maintaining all of the ACA’s market reforms as well as Vermont’s merged risk pool, full employee choice, and seamless transition between plans.

### Proposed Waiver: Direct Purchase of Vermont Health Connect Plans from Health Insurance Carriers for Small Employers

Under a 1332 waiver, the state would seek to maintain the current configuration of its small group market by eliminating the requirement to have a SHOP Internet portal for enrollment and premium processing. Specifically:

- The only plans available for purchase are qualified health plans with VHC certification
- Enrollment takes place through the issuer instead of through a VHC website
- There is no minimum participation requirement
- Full employee choice of QHPs is available
- Insurance carriers administer premium processing
- Insurance carriers provide required employer and employee notices
- Vermont provides an appeal process as needed for eligibility concerns as well as certification of eligibility for purposes of the small business tax credit
- Health insurance issuers report enrollment data to the federal government

Waiving the SHOP Internet portal while maintaining each of the items listed above would maintain Vermont’s current comprehensiveness and affordability of coverage, total number of

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<sup>12</sup> Health Benefits Eligibility and Enrollment 34.00.

Vermonters covered, without negatively affecting the federal deficit. Instead, the waiver would streamline access to a small group market that is already robust while saving costs and avoiding market disruption associated with implementation of other ACA small business exchange requirements.

The specific sections<sup>13</sup> for which Vermont requests a waiver and the reason for each request are outlined below:

**Table 1. Waiver Requests and Rationale**

Section	Summary	Explanation
§ 1311(b)(1)(B)	Requires establishment of an American Health Benefit Exchange, including a Small Business Health Options Program (SHOP) that is designed to assist qualified employers in facilitating the enrollment of their employees in QHPs and details responsibilities of the exchange	Vermont proposes to waive the requirement that it design a SHOP Internet portal to enroll employers and employees for small group QHPs. Instead, it will avoid disruption to its market through maintaining its current process of direct enrollment through insurance carriers while maintaining full employee choice.
§ 1311(c)(3)	Rating system based on quality and price of plan	This provision will continue to apply to QHPs for individuals. Small employer plans will be rated because they must be the same QHPs as offered to individuals. Vermont is requesting to waive the requirement that the ratings be available through a separate SHOP Internet portal. Health insurance issuers can continue to collect this data for the small group qualified health plan market, irrespective of the state operating a SHOP Internet portal.
§ 1311(c)(4)	Enrollee satisfaction system	This provision will continue to apply to QHPs for individuals. Vermont is requesting to waive the requirement that the

<sup>13</sup> For an overview of all waivable provisions, see Appendix B.

		satisfaction system be available through a separate SHOP Internet portal.
<b>§ 1311(c)(5)</b>	Internet portals may be used to direct qualified individuals and qualified employers to QHPs	This provision will continue to apply to QHPs for individuals. Vermont is requesting to waive the requirement that small employer plans be available through a separate SHOP Internet portal.
<b>§ 1311(d)(1)</b>	Specifies which entities are eligible to carry out responsibilities of the Exchange	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(2)</b>	Exchange shall make QHPs available to qualified individuals and qualified employers and offer stand-alone dental plans.	This provision will continue to apply to QHPs for individuals and small employers. All small employers will have access to QHPs and standalone dental plans, but Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(A)</b>	Requirement that Exchange shall implement procedures for certification of plans	Vermont proposes to retain these provisions. Because QHPs will remain the same for individuals and small employers, these provisions will also apply to small employer plans.
<b>§ 1311(d)(4)(B)</b>	Requirement that Exchange shall provide for the operation of a toll-free telephone hotline	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement. QHP health insurance issuers will be the primary source of customer service for small employers.
<b>§ 1311(d)(4)(C)</b>	Requirement that Exchange shall maintain an Internet website	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.

<b>§ 1311(d)(4)(D)</b>	Requirement that Exchange shall assign a quality rating to each QHP	This provision will continue to apply to QHPs for individuals. To the extent the quality ratings must be posted on a website, Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(E)</b>	Requirement that Exchange shall utilize a standardized format for presentation of plans	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement, but notes that this information will be available on the individual Internet portal because small employer QHPs are the same as individual QHPs.
<b>§ 1311(d)(4)(G)</b>	Requirement that Exchange shall post to the website a calculator to determine premium tax credits and cost sharing reductions	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(k)</b>	Exchange may not establish rules that conflict with or prevent the application of regulations promulgated by the Secretary of Human Services	To the extent the rules are not waived, Vermont proposes to retain these provisions.
<b>§ 1312(a)(2)</b>	Provisions for employee choice among QHPs through an exchange, including requirement that employer may specify metal level and employee may choose a plan within metal level	Vermont proposes maintaining current consumer total choice through direct enrollment with insurance carriers of employer and employee's choosing without use of a SHOP Internet portal. QHP health insurance issuers must continue to allow employers to offer the full range of their QHPs to employees. Employers may also offer QHPs from both QHP health insurance issuers by administering the plan selection internally.
<b>§ 1312(f)(2)(A)</b>	Definition of qualified employer	Vermont does not propose to waive this provision but notes

that this (and the incorporated definition of small employer at § 1304(b)) will be determined through employer self-attestation to or eligibility determination by the QHP health insurance issuer.

In waiving the above provisions, Vermont also requests waiver of the corresponding implementing regulations.<sup>14</sup> Under the proposed Vermont model, QHP health insurance issuers will handle small business enrollment processes according to existing market practice. This includes application, noticing, enrollment periods, effective dates, and termination. QHP health insurance issuers will also perform all premium functions.

At the same time, the State will continue to provide the essential consumer protections within the SHOP regulations including:

- Employee choice
- QHP certification
- Rate review
- Customer assistance tools including a “small business toolkit” for employers and in person assistance, educational materials, an affordability estimator, and an online plan comparison tool for employees
- Eligibility appeals

The Vermont small group rules generally exceed the federal minimum standards for SHOP. Full choice is available to employers. Vermont actively selects the QHPs that are available across the merged market and approves rates that must be maintained for the full plan year.

Eligibility for coverage will be determined by the QHP health insurance issuer based on employer attestation or information collected by the QHP health insurance issuer.<sup>15</sup> Employers may request an eligibility determination directly from VHC on a voluntary basis. This would generally be for the purpose of claiming the small business tax credit. In that case, VHC will review the employer’s application, issue an eligibility determination, and maintain a record thereof for records requests by the IRS. This procedure is currently operational at VHC.

Finally, data sharing is inherently limited in the direct enrollment model as the State does not have access to issuer enrollment records. Therefore, Vermont requests waiver of the following:

1. Coordination with individual market. 45 CFR 155.330(d)(2)(iii), 155.705(c).

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<sup>14</sup> Appendix C lists the related SHOP regulations.

<sup>15</sup> If an employer receives an adverse eligibility determination from the QHP issuer, it can appeal to VHC. The State has found this scenario to be exceedingly rare.

- VHC will not have small group enrollment data for use in eligibility determinations or verification related to employer-sponsored coverage.
2. Reporting for tax administration. 45 CFR 155.720(i).
    - While the State can request aggregate enrollment figures from the QHP health insurance issuers, it cannot provide the level of detail currently required in the IRS monthly schema. Moreover, health insurance issuers report enrollment data to the IRS via the 1095B process as of tax year 2015.
  3. Other federal reporting requests.
    - Vermont receives periodic “SHOP” reporting requests from CMS that it is unable to fulfill because it does not have access to the level of detail requested. To the extent that CMS requires other than aggregate (lump sum) small group enrollment data, such a request would be most efficiently made directly to Vermont’s QHP health insurance issuers.

### Description of Marketplace without the Waiver

Without the waiver, Vermont would build an Internet portal for the SHOP Exchange. Vermont has several options for building an Internet portal.<sup>16</sup>

The first option is for Vermont to correct defects in the existing solution under the existing time-and-materials contract, with little incentive to deliver a fully operational and adequately tested solution within the time available. Limitations to the original solution include an inability to upload employee rosters, employers not being able to make changes to their accounts, the lack of automated notices, the lack of change of circumstance capability, and inadequate training, among others. These are substantial defects to correct. The cost of completing the original solution and correcting its defects has been roughly estimated as \$10-12 million. This amount is greater than the approved \$4.1 million approved by CMS for a small business exchange. Vermont is unlikely to pursue this option

A second option envisions developing a small business solution without utilizing the existing product. Vermont went out to bid for an off the shelf solution and would be able to pursue this option within the \$4.1 million approved by CMS. This solution, however, would have an on-going operational cost to the state, which is greater than currently spent through direct enrollment.<sup>17</sup>

Another option is to use the SHOP federal information technology platform for eligibility and enrollment functions for SHOP Marketplaces as described in the final Health and Human Services (HHS) Notice of Benefit and Payment Parameters for 2017. This option would likely not allow for state-specific functions, such as portability between individual and employer

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<sup>16</sup> For more information, see Vermont Health Connect: Exchange Options for 2017. [http://www.leg.state.vt.us/jfo/jfc/2015/2015\\_11\\_13/Vermont%20Health%20Connect%20Exchange%20Options%20FINAL%20110215.pdf](http://www.leg.state.vt.us/jfo/jfc/2015/2015_11_13/Vermont%20Health%20Connect%20Exchange%20Options%20FINAL%20110215.pdf).

<sup>17</sup> There was an active procurement that is on hold, so we are not including the specific information in this public document in order to maintain the integrity of the procurement process.

plans. Additionally, this option would require Vermonters to pay a user fee, which they would not have to pay if they enrolled directly with an insurer.

The most likely option Vermont would pursue in the absence of a waiver is building a SHOP Internet as a commercial-off-the-shelf (COTS) solution. This would be an Internet portal that is completely separate from Vermont Health Connect's individual marketplace and Medicaid portal. Because the COTS Internet portal would be separated from the portal that performs Medicaid eligibility determinations, there is unlikely to be an effect on Medicaid due to a separate SHOP Internet portal.

Under Vermont's current law, health insurance issuers must offer the same plans to small employers as are offered through Vermont Health Connect's individual marketplace.<sup>18</sup> Accordingly, introduction of an Internet portal would have no effect on the plans offered in the small group market.

### **Description of Post-Waiver Marketplace**

With implementation of the waiver, Vermont's small group marketplace will remain exactly the same as it is today. Vermont will also continue to have plan comparison tools of all available QHPs on its website for employers<sup>19</sup> and will direct employers to health insurance issuers as appropriate. It will continue to meet all other ACA requirements as well as a merged risk pool, full employee choice, and seamless transition between plans.

### **Coverage: Number of Employers Offering Coverage and Number of Employees Covered With or Without the Waiver Remains the Same**

As of January 2016, 4,025 out of 21,349 Vermont small businesses offer qualified health plans to their employees, representing 44,347 covered lives. Vermont does not anticipate a change in coverage for the small group market in the absence or the presence of an Internet portal. Although the availability of a consumer-friendly online portal successfully facilitated increased enrollment in insurance coverage through HealthCare.gov, especially in the individual market, Vermont's employers are an exception to this trend because: (1) despite employer-sponsored insurance increasing nationwide, Vermont has a 14-year trend of declining employer-sponsored insurance; (2) Vermont has one of the lowest uninsured rates in the nation, creating a saturated insurance market, making increased coverage by employers unlikely; (3) Vermont's employers have worked directly with two insurance companies for years and will be offered the same simple plan selection as those offered through the portal, leaving little incentive to go through new technology.

*Employer-sponsored insurance is on the decline in Vermont*

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<sup>18</sup> 33 V.S.A. § 1811. Vermont law would allow for the continuation of direct enrollment should Vermont create an internet portal, but would still ensure consistency of plans regardless of the method of purchasing.

<sup>19</sup> See <http://info.healthconnect.vermont.gov/healthplans>.

Nationally, after the ACA was implemented, small employer insurance take-up increased.<sup>20</sup> Vermont, however, had the opposite experience, which has been a consistent trend for employer-based coverage over the past 14 years, even after implementation of the ACA. Table 2 shows the Vermont coverage trends from 2000 to 2014, which illustrates a reduction in private insurance.

**Table 2. Trends in Primary Source of Health Insurance Coverage, 2000-2014<sup>21</sup>**

	Rate						Count					
	2000	2005	2008	2009	2012	2014	2000	2005	2008	2009	2012	2014
<b>Private Insurance</b>	60.1%	59.4%	59.9%	57.2%	56.8%	54.4%	366,213	369,348	370,981	355,358	355,857	341,077
<b>Medicaid</b>	16.1%	14.7%	16.0%	17.6%	17.9%	21.2%	97,664	91,126	99,159	109,353	111,833	132,829
<b>Medicare</b>	14.4%	14.5%	14.3%	15.3%	16.0%	17.7%	87,937	90,110	88,915	95,182	100,506	110,916
<b>Military</b>	0.9%	1.6%	2.4%	2.2%	2.5%	3.0%	5,626	9,754	14,910	13,917	15,478	18,578
<b>Uninsured</b>	8.4%	9.8%	7.6%	7.6%	6.8%	3.7%	51,390	61,057	47,286	47,460	42,760	23,231

*Data Sources: 2000, 2005, 2008, 2009, 2012 and 2014 Vermont Household Health Insurance Surveys*

The 14-year trend in Vermont of fewer employers offering coverage was not reversed by the implementation of the Affordable Care Act. Table 3 shows further decline in employer-sponsored insurance in the small group market between 2012 and 2017. This is likely attributable to Vermont’s extensive outreach efforts to educate small employers and their employees on the availability of the premium tax credits and Vermont’s enhanced subsidies in the individual market. As a result, the decrease in employer-sponsored coverage in the small group market was a conscious decision by small employers and their employees that would likely not be reversed by the presence of an Internet portal.

**Table 3. Estimated Employer Insurance Offer Rates in Vermont, 2012 and 2017<sup>22</sup>**

<sup>20</sup> Kaiser Family Foundation, Issue Brief, Comparison of the Availability and Cost of Coverage for Workers in Small Firms and Large Firms, <http://kff.org/private-insurance/issue-brief/a-comparison-of-the-availability-and-cost-of-coverage-for-workers-in-small-firms-and-large-firms-update-from-the-2015-employer-health-benefits-survey/>

<sup>21</sup> Vermont Household Health Insurance Survey (VHHIS), available here: <http://governor.vermont.gov/sites/governor/files/2014%20VHHIS%20Initial%20Findings%20Presentation.pdf>

<sup>22</sup> Eibner, Christine, et al. The Economic Incidence of Health Care Spending in Vermont. RAND Corporation, 2015, at [http://www.rand.org/content/dam/rand/pubs/research\\_reports/RR900/RR901/RAND\\_RR901.pdf](http://www.rand.org/content/dam/rand/pubs/research_reports/RR900/RR901/RAND_RR901.pdf). This data also

Number of Employees	2012	2017
<50	46%	37%
50-99	96%	84%
100-499	100%	99%
500+	100%	100%

*The number of uninsured in Vermont has decreased with implementation of the ACA*

Despite a decrease in employer-sponsored coverage, Vermont's uninsured rate was cut in half after implementation of the Affordable Care Act from 6.8 percent in 2012 to 3.7 percent (about 23,000 people) in 2014.<sup>23</sup> Only 22.9 percent of the uninsured in 2014 had access to employer coverage, less than 4,000 Vermonters.<sup>24</sup> In addition, 79 percent of uninsured adults have incomes under the eligibility levels for Medicaid or premium tax credits.<sup>25</sup> For 2017, the uninsured rate is projected to decline even further, to 2 percent.

**Table 4. Projected Changes in Health Insurance Coverage Sources in Vermont, 2012 and 2017<sup>26</sup>**

	2012		2017	
	Number of Individuals	Share of Population	Number of Individuals	Share of Population
<b>Employer-sponsored insurance</b>	307,032	49%	285,345	45%
<b>Medicaid and CHIP</b>	85,400	14%	134,095	21%
<b>VHAP</b>	39,698	6%	N/A	N/A
<b>Medicare</b>	86,866	14%	103,228	16%
<b>Dual Medicare and Medicaid</b>	33,399	5%	36,776	6%
<b>Non-group/Catamount Exchange</b>	19,331	3%	49,384	8%
<b>Military</b>	10,693	2%	10,464	2%
<b>Uninsured</b>	43,534	7%	11,741	2%
<b>Total</b>	625,953	100%	631,032	100%

includes association data. There remain about 50,000 lives in grandfathered association lives. Green Mountain Care Board.

<sup>23</sup> Vermont Household Health Insurance Survey (VHHIS), available here:

<http://governor.vermont.gov/sites/governor/files/2014%20VHHIS%20Initial%20Findings%20Presentation.pdf>

<sup>24</sup> VHHIS, slide 61.

<sup>25</sup> VHHIS, slide 59.

<sup>26</sup> Eibner, Christine, et al. The Economic Incidence of Health Care Spending in Vermont. RAND Corporation, 2015, at [http://www.rand.org/content/dam/rand/pubs/research\\_reports/RR900/RR901/RAND\\_RR901.pdf](http://www.rand.org/content/dam/rand/pubs/research_reports/RR900/RR901/RAND_RR901.pdf)

Taken together, the low uninsured rate, the offer rates among small businesses, and the potentially high levels of eligibility for affordable coverage through Medicaid or the individual market point to a highly saturated small business marketplace with little likelihood of much change or growth over the next 5 years.

*An Internet portal offers little incentive for employers to change when their plan selection process has already been simplified and they are comfortable working with Vermont's two insurers*

In addition to a decrease in employer-sponsored insurance and a saturated market, the number of employers offering coverage with or without the waiver is anticipated to remain the same because the plans will remain the same as those offered through VHC regardless of whether or not they are offered through an internet portal. Vermont Health Connect has eight standard plan designs to assist with direct comparison between health insurance issuers, including two standard catastrophic insurance plans offered to those under 30. The insurance carriers are also encouraged to submit a limited number of their own innovative plan designs, with a focus on quality and wellness. Vermont would not anticipate adding additional plan designs.<sup>27</sup> By standardizing all plans as QHPs in 2014 and choosing a manageable number of plans, Vermont has already promoted the ability of employers and employees to comparison shop without a web portal for enrollment. While an interactive web portal might enhance this experience in a state with a multitude of insurers and plans, it would not likely add any ease of shopping when there are a small number of plans that can already be easily compared through VHC's online comparison tool, especially when employers have worked directly with Vermont's two health insurance issuers for many years. Employees will continue to have an easy means of comparing plans through this online comparison tool, as well. In addition, employees currently have a full choice of plans through their employer with or without the waiver. As a result, there is little motivation for employers and employees to go through a SHOP Internet portal when they can easily enroll with the carrier and have the same benefits.

It is possible that employers who want to provide their employees with full choice of plans would be motivated to go through an Internet portal for the purpose of administering premiums; however, this is unlikely to change the amount of employees who are covered by plans. Premium administration, on its own, is also unlikely to motivate employers who currently fail to offer health insurance to start offering health insurance. This is especially true given the continuing issues with premium processing that the state has experienced. While a new SHOP portal may not have the same issues, the widespread media coverage of the issue will be a deterrent to both employers and employees. Therefore, the waiver will provide

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<sup>27</sup> 33 V.S.A. § 1811.

coverage to at least a comparable number of Vermonters as would be provided coverage absent the waiver.

Moreover, under the waiver, VHC assisters would still work with small businesses to facilitate enrollment. Maintaining the current market structure instead of building the SHOP Internet portal would allow VHC to focus on outreach and education in the small business community as well as continued work with registered agents and brokers to encourage participation.

In summary, while the guidance notes that the “experience operating HealthCare.gov, particularly with respect to the individual market, has indicated that availability of a consumer-friendly online portal successfully facilitates increased enrollment in insurance coverage” Vermont has not had the same experience in the small group market, so national experience may not be applicable to the unique nature of Vermont’s small and saturated insurance marketplace. Given the high level of insurance in the state, there are few lives to entice into the marketplace. In addition, there are few, if any, additional incentives for small businesses to want to enroll through a website as opposed to directly with the insurer. Most small group lives are already enrolled in a QHP. The small business tax credit will not be available for much longer. The prices and the plans are the same and with two insurers and about 20 plans, so additional transparency is not necessary for comparison-shopping. Lastly, while VHC has been substantially improved since it was launched, the negative media attention will result in employers being skeptical and wary of a new online solution.

Below is the baseline and estimated change in coverage with and without the waiver.

**Table 5. Coverage of small employer employees with or without waiver<sup>28</sup>**

Year	2016	2017	2018	2019	2020	2021
	With or Without Waiver					
<b>Number of Employees</b>	44,347	44,085	43,824	43,565	43,308	43,052

### **Affordability of Coverage Remains the Same or Is More Affordable**

Vermont has rigorous oversight of its small group and individual market. As mentioned earlier, all plans offered must be qualified health plans that are certified by VHC. Vermont Health Connect has eight standard plan designs to assist with direct comparison between health insurance issuers, including two standard catastrophic insurance plans offered to those under

<sup>28</sup> Using 14-year trend from Vermont Household Health Insurance Survey (VHHIS), available here: <http://governor.vermont.gov/sites/governor/files/2014%20VHHIS%20Initial%20Findings%20Presentation.pdf>

30. The insurance carriers are also encouraged to submit a limited number of their own innovative plan designs, with a focus on quality and wellness.

All standard plan are designed through a stakeholder process and are presented to Vermont's independent health care oversight entity, the Green Mountain Care Board (GMCB), where they go through a public process before board approval. Non-standard plan designs that are developed by QHP health insurance issuers are reviewed by Vermont's Department of Financial Regulation for compliance and then go through a certification process with the Department of Vermont Health Access. These plan designs and cost sharing will remain the same throughout each year of the proposed waiver regardless of whether or not there is an internet portal.<sup>29</sup>

Once plan design and benefits are established, the plans are subject to the rate review process. The health insurance issuers file their rates with the GMCB and the GMCB posts the filed rate requests on its website. Vermont's nonprofit health care advocacy organization, the Health Care Advocate, may enter an appearance as a party to the rate review on behalf of Vermont's consumers. All Vermonters may submit public comments on the proposed rates. Next, the GMCB posts on its website an actuarial analysis of the requested rates, based on statutory criteria, as well as an opinion from Vermont's Department of Financial Regulation regarding the solvency of the health insurance carrier. Within 30 days, the GMCB holds a public hearing on the filing and will decide to approve, modify, or disapprove the rate.<sup>30</sup>

After the plans are approved through the GMCB, they then must go through a selection process with Vermont's health program agency, the Department of Vermont Health Access (DVHA)<sup>31</sup> before they are offered through VHC. Here, DVHA will certify that the plans meet all state access requirements and promote quality and wellness.<sup>32</sup> Affordability of coverage will not change with or without the waiver. The rates for QHPs in the small group market will be the same with or without the waiver because health insurance issuers are currently required to offer the same plans as are offered through Vermont Health Connect. Vermont does not currently fund Vermont Health Connect technology with a fee on plans, and it is unlikely that Vermont's population could sustain a SHOP Internet portal through a fee on plans, so rates would likely remain the same for all small employer plans if Vermont builds a state SHOP Internet portal. Because funding for the SHOP Internet portal technology is unclear, the waiver is more likely to ensure that Vermont's merged market remains robust and affordable. Furthermore, Vermont's intensive and transparent rate review process will remain in place to maintain affordability.

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<sup>29</sup> See Appendix I for 2016 base plans.

<sup>30</sup> Green Mountain Care Board, "How Rates Are Reviewed," [http://ratereview.vermont.gov/how\\_reviewed](http://ratereview.vermont.gov/how_reviewed)

<sup>31</sup> Vermont Health Connect is located within the Department of Vermont Health Access (DVHA).

<sup>32</sup> 33 V.S.A. § 1806.

Vermont’s QHP premiums have a 6 percent growth rate trend.<sup>33</sup> Due to the low number of uninsured, this trend will likely remain stable over the years of the waiver as we do not anticipate substantially more covered individuals that will change the risk pool. The premium will remain the same for each year of the waiver for plans going through the Internet portal or outside the internet portal, unless Vermont chooses to go with the federal information technology platform.<sup>34</sup> If Vermont chooses to go with the federal information technology platform, QHPs offered through the Internet portal will be subject to a 3.0 percent fee.<sup>35</sup> This fee will likely be passed on to subscribers and will create additional cost to Vermonters than they would experience under the waiver.

**Table 6. Increased Monthly Costs for Consumers in the Federal Exchange<sup>36</sup>**

Monthly Cost of 3% Federal Fee on SHOP Internet Portal Plans						
Household Size	2016	2017	2018	2019	2020	2021
Single	\$ 15	\$ 15	\$ 16	\$ 17	\$ 18	\$ 19
Couple	\$ 29	\$ 31	\$ 33	\$ 35	\$ 37	\$ 39
Family	\$ 41	\$ 43	\$ 46	\$ 49	\$ 52	\$ 55

As a result, employer coverage under the waiver will cost the same or be more affordable than coverage without the waiver, unless the state chooses to join the federal exchange, at which point it will become less affordable.

### Comprehensiveness: No Impact on Covered Services

There is no anticipated impact on small employer insurance coverage with or without the waiver because the waiver would maintain Vermont’s current process for enrollment with insurance carriers and would maintain QHPs with VHC certification. Every health plan available to small businesses would continue to include all essential health benefits and ACA consumer protections for each year of the waiver.<sup>37</sup> Therefore, the waiver would provide coverage that is as comprehensive as the coverage offered through VHC.

### 10-Year Waiver Budget Projection: Maintaining Deficit Neutrality

The proposed waiver will maintain Vermont’s current enrollment process for small businesses. As a result, the infrastructure for enrollment is already in place and will require no additional

<sup>33</sup> Cycle II Rate Review Grant Evaluation Submitted to the Green Mountain Care Board, Dec. 2015, <http://www.gmcboard.vermont.gov/sites/gmcboard/files/Press/GMCB-Cycle%20II-Grant-Rate-Review-Report-Final.pdf>.

<sup>34</sup> See Appendix I for baseline premiums and cost sharing.

<sup>35</sup> As proposed in the final Health and Human Services (HHS) Notice of Benefit and Payment Parameters for 2017, Mar. 8, 2016, at <https://www.regulations.gov/#!documentDetail;D=CMS-2015-0128-0001>.

<sup>36</sup> See Appendix G. Assumes 6% growth trend based on Cycle II Rate Review Grant Evaluation Submitted to the Green Mountain Care Board, Dec. 2015, <http://www.gmcboard.vermont.gov/sites/gmcboard/files/Press/GMCB-Cycle%20II-Grant-Rate-Review-Report-Final.pdf>

<sup>37</sup> See Appendix D for more details.

funds from the federal government. Without the waiver, Vermont will need to use the \$4.1 million dollars in federal funds allotted to develop a SHOP Internet portal, adding an additional \$4.1 million to the federal deficit.<sup>38</sup>

Furthermore, unlike the federal Exchange, Vermont does not tie its state funding source for VHC to QHP plans. Vermont will continue to fund VHC through its Health Care Resources Fund and no additional state funding will be required.

#### **No Impact on Other Sections of the ACA or Other Public Coverage Programs**

Vermont's only request is to waive the SHOP Internet portal requirement of the ACA and any attendant reporting requirements in order to maintain Vermont's current enrollment process for small employers. Accordingly, Vermont can identify no other sections of the ACA that would be affected by the proposed waiver.

#### **No Impact on Federally-Facilitated Marketplace**

Vermont marketplace is a state-based marketplace. As a result, waiver of the Internet portal requirement will not impact the federally-facilitated marketplace. Should Vermont's individual market use a federally-facilitated marketplace in the future, Vermont requests that direct enrollment continue for SHOP under the 1332 waiver.

#### **No Request for Federal Pass-Through Funding**

Vermont is not requesting federal pass-through funding with its request to waive the Internet portal for SHOP.

#### **No Impact on Administrative Burden**

Implementation of the waiver would likely reduce administrative burden compared to building a new IT infrastructure for a SHOP Internet portal. With a waiver, employers will continue to enroll as they do now. Health insurance issuers will maintain the same infrastructure they use now without having to adapt to a new Internet portal. Federal agencies would provide the same oversight they currently provide and receive the same information subject to the reporting limitations discussed herein.

#### **No Impact on Residents Obtaining Health Care Out-of-State**

Waiver of the SHOP Internet portal will not affect Vermont residents who need to obtain health care services out-of-state. Covered services and benefits will not be affected, so Vermont residents may obtain coverage in any other state from which they are able to obtain coverage today.

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<sup>38</sup> See Appendix H for more details.

## Data and Analysis, Actuarial Certifications, Assumptions, Targets

The attached certification shows that under a waiver of an Internet portal for small employer enrollment, Vermont's coverage, affordability, and comprehensive benefits will remain the same than without a waiver.<sup>39</sup> In addition, such a waiver will not increase the federal deficit.

The data and assumptions used in this analysis are contained in footnotes throughout this request. Web links are provided for all surveys, reports, or other data sources.

It should be noted that because employers and employees will only have the choice of VHC QHPs regardless of whether or not there is a SHOP Internet portal, affordability and comprehensiveness data will remain the same whether or not there is a waiver. The only factors that could be impacted by a SHOP Internet portal would be coverage and deficit neutrality. To show no change in coverage or deficit neutrality, Vermont used the following data sources:

- Information on number of covered lives and offering employers from Blue Cross Blue Shield of Vermont and MVP
- Vermont Household Health Insurance Survey (VHHIS), available here: <http://governor.vermont.gov/sites/governor/files/2014%20VHHIS%20Initial%20Findings%20Presentation.pdf>
- Eibner, Christine, et al. The Economic Incidence of Health Care Spending in Vermont. RAND Corporation, 2015, at [http://www.rand.org/content/dam/rand/pubs/research\\_reports/RR900/RR901/RAND\\_RR901.pdf](http://www.rand.org/content/dam/rand/pubs/research_reports/RR900/RR901/RAND_RR901.pdf).
- Cycle II Rate Review Grant Evaluation Submitted to the Green Mountain Care Board, Dec. 2015, <http://www.gmcboard.vermont.gov/sites/gmcboard/files/Press/GMCB-Cycle%20II-Grant-Rate-Review-Report-Final.pdf>
- "Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2016 to 2026," Mar. 2016, Congressional Budget Office, <https://www.cbo.gov/sites/default/files/51298-2016-03-HealthInsurance.pdf>

## Ensuring Compliance, Reducing Waste and Fraud

As previously mentioned, Vermont has a robust regulatory framework overseeing all individual and small employer QHPs. Not only are the QHP benefits and plan designs put through a public process overseen by an independent health care oversight entity, the GMCB, but all rates are rigorously reviewed by the GMCB with input from Vermont's Department of Financial Regulation, the Office of the Health Care Advocate, and the public.<sup>40</sup> Once these plans are

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<sup>39</sup> See Appendix E.

<sup>40</sup> 8 V.S.A. § 4062.

approved, DVHA selects the plans to offer through VHC based on wellness, access, and quality.<sup>41</sup>

In addition to the QHP rate review and selection process, Vermont's Department of Financial Regulation has strong investigatory and regulatory authority, including subpoena powers and the ability to issue penalties and fines for violations of Vermont's consumer protections and provisions of the ACA where applicable.<sup>42</sup> This oversight would continue after the waiver, ensuring compliance and reducing waste and fraud.

## Implementation Timeline and Process

Vermont is currently using direct enrollment for SHOP and proposes to waive the SHOP Internet portal, which will result in continued direct enrollment in health plans for small employers. As a result, Vermont will implement the waiver immediately upon notification that it has been granted. The process will include providing public information about the waiver and the expectation of continuing to enroll directly with health insurance issuers.

## Meaningful Public Input Prior to and After Waiver Application

On February 24, 2016, Vermont passed Act 67 of 2016<sup>43</sup> which authorizes the Department of Vermont Health Access, with assistance from the Director of Health Care Reform, to seek a waiver of the SHOP Internet portal.

On February 8, 2016, the Department of Vermont Health Access posted a draft waiver and notice for public comment on its website and sent by e-mail to interested stakeholders. The notice for public comment was also published in the Burlington Free Press on February 11, 2016. Interested parties were given until March 11, 2016 to provide written comments. The Department of Vermont Health Access held two meetings for public comments: one on February 22, 2016 from 3:00 p.m. to 4:00 p.m. at the Department of Vermont Health Access in Williston, VT with conference call capability and one on February 25, 2016 from 3:00 p.m. to 4:00 p.m. at state offices in Waterbury, VT with conference call capability. The Department of Vermont Health Access received written comments from BlueCross BlueShield of Vermont and incorporated almost all of the suggested changes.<sup>44</sup> There were no attendees either by person or by phone at the two meetings for public comment.

As required, Vermont will hold public forums six months after the proposed waiver is granted and annually thereafter. The date, time, and location of each forum will be posted in the newspaper and on the VHC and DVHA websites and shared with consumer and business advocacy organizations.

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<sup>41</sup> 33 V.S.A. § 1806.

<sup>42</sup> See 8 V.S.A. § 13.

<sup>43</sup> For more details, see Appendix A.

<sup>44</sup> For more details, see Appendix F. Tribal government notification of the public process was unnecessary because Vermont has no federally recognized Indian tribes or groups.

While Vermont is amenable to providing quarterly reports to the Secretary, the proposed waiver does not seem to warrant such scrutiny. Alternatively, Vermont proposes to report upon the completion of the first six months of the waiver and annually thereafter 90 days after the anniversary of the date on which the waiver was granted. Vermont will cooperate fully with any independent evaluation conducted by the Secretary or the Secretary of the Treasury.

In its reports, Vermont proposes to include:

- Evidence of compliance with public forum requirements, including date, time, place, description of attendees, and the substance of the public comment and Vermont's response, if any.
- Information about any challenges Vermont may face in implementing and sustaining the waiver program and its plan challenges.
- Any other information consistent with the terms and conditions in the State's approved waiver.

Appendix A. Vermont's Enabling Waiver Legislation

**No. 67. An act relating to seeking a waiver to permit businesses to continue to purchase Exchange plans directly from insurers.**

(H.524)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. SHOP WAIVER

The Commissioner of Vermont Health Access, with assistance from the Director of Health Care Reform, shall seek a waiver under Section 1332 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, for the purpose of waiving the federal requirement to establish an Internet-based Small Business Health Options Program (SHOP) and permitting qualified employers to purchase qualified health benefit plans offered by the Vermont Health Benefit Exchange directly from a registered carrier.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

Date Governor signed bill: February 24, 2016

## Appendix B. Section by Section Consideration of Waivable Provisions

Part I of Subtitle D: Establishment of Qualified Health Plans		
<b>Section 1301: Definition of QHPs</b>		
<b>§ 1301(a)(1)</b>	The definition of “Qualified Health Plan” including providing EHB, and offering plans conforming to metal levels (bronze, silver, gold, and platinum)	Vermont proposes to retain these provisions.
<b>§ 1301(a)(2)</b>	Inclusion of Co-Op and Multi- State Plans	Vermont proposes to retain these provisions.
<b>§ 1301(a)(3)</b>	Treatment of Qualified Direct Primary Care Medical Home Plans	Vermont proposes to retain these provisions.
<b>§ 1301(a)(4)</b>	Variation based on rating area	Vermont proposes to retain these provisions. It will continue to have community rating throughout the state.
<b>§ 1301(b)</b>	Exceptions for Self-Insured Plans and MEWAS (multiple employer welfare arrangements)	Vermont proposes to retain these provisions.
<b>Section 1302: Essential Health Benefit requirements</b>		
<b>§ 1302(a) &amp; (b)</b>	Defines Essential Health Benefits	Vermont proposes to retain these provisions.
<b>§ 1302(c)</b>	Annual limitations on cost- sharing	Vermont proposes to retain these provisions.
<b>§ 1302(d)</b>	Definition of metal levels by actuarial value	Vermont proposes to retain these provisions.
<b>§ 1302(e)</b>	Availability of catastrophic plans	Vermont proposes to retain these provisions.
<b>§ 1302(f)</b>	Availability of child-only plans	Vermont proposes to retain these provisions.
<b>§ 1302(g)</b>	Defines payment to federally- qualified health centers	Vermont proposes to retain these provisions.
<b>Section 1303: Special rules related to abortion services</b>		
<b>§ 1303</b>	Details special rules related to abortion services	Vermont proposes to retain these provisions.
<b>Section 1304: Definitions related to: group and individual markets; large and small employers; and rules related to determining the size of an employer</b>		

§ 1304(a)	Defines small and large group markets	Vermont proposes to retain these provisions.
§ 1304(b)	Defines large and small employers. Specifies rules for aggregation treatment of employers, employers not in existence in preceding year, and predecessor employers. Defines when a “growing” small employer that purchased employee coverage through SHOP may continue to do	Vermont proposes to retain these provisions.

Part II of Subtitle D: Consumer choices and Insurance Competition through Health Benefit Exchanges

Section 1311: Affordable health plan choices via establishing exchanges

§ 1311(b)	Requires establishment of an American Health Benefit Exchange, including a Small Business Health Options Program (SHOP) that is designed to assist qualified employers in facilitating the enrollment of their employees in QHPs and details responsibilities of the exchange	Vermont proposes to waive the requirement that it design a SHOP Internet portal to enroll employers and employees for small group QHPs. Instead, it will retain its current process of direct enrollment through insurance carriers while maintaining full employee choice.
§ 1311(c)(1)	Responsibilities of the Secretary of HHS to establish criteria around certification of plans, including: marketing requirements, sufficient choice, ensuring networks with essential community providers, accreditation, quality improvement, uniform enrollment forms, standardized health benefit plan options, information on quality measures, reporting on pediatric quality measures	Vermont proposes to retain these provisions. All health insurance issuers offering small group plans will be required to offer certified QHPs.
§ 1311(c)(3)	Rating system based on quality and price of plan	This provision will continue to apply to QHPs for individuals. Small employer plans will be rated because they must be the same QHPs as offered to individuals. Vermont is requesting to waive the requirement that the ratings be

		available through a separate SHOP Internet portal.
<b>§ 1311(c)(4)</b>	Enrollee satisfaction system	This provision will continue to apply to QHPs for individuals. Vermont is requesting to waive the requirement that the satisfaction system be available through a separate SHOP Internet portal.
<b>§ 1311(c)(5)</b>	Internet portals may be used to direct qualified individuals and qualified employers to QHPs	This provision will continue to apply to QHPs for individuals. Vermont is requesting to waive the requirement that small employer plans be available through a separate SHOP Internet portal.
<b>§ 1311(c)(6)</b>	Enrollment periods	Vermont proposes to retain these provisions.
<b>§ 1311(d)(1)</b>	Specifies which entities are eligible to carry out responsibilities of the Exchange	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(2)</b>	Exchange shall make QHPs available to qualified individuals and qualified employers and offer stand-alone dental plans.	This provision will continue to apply to QHPs for individuals and small employers. All small employers will have access to QHPs and standalone dental plans, but Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(3)</b>	States must assume cost for additional benefits	Vermont proposes to retain these provisions.
<b>§ 1311(d)(4)(A)</b>	Requirement that Exchange shall implement procedures for certification of plans	Vermont proposes to retain these provisions. Because QHPs will remain the same for individuals and small employers, these provisions will also apply to small employer plans.
<b>§ 1311(d)(4)(B)</b>	Requirement that Exchange shall provide for the operation of a toll-free telephone hotline	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the

		SHOP Internet portal requirement.
<b>§ 1311(d)(4)(C)</b>	Requirement that Exchange shall maintain an Internet website	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(D)</b>	Requirement that Exchange shall assign a quality rating to each QHP	This provision will continue to apply to QHPs for individuals. To the extent the quality ratings must be posted on a website, Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(E)</b>	Requirement that Exchange shall utilize a standardized format for presentation of plans	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(F)</b>	Requirement that Exchange shall inform individuals of eligibility requirements for Medicaid	Vermont proposes to retain these provisions.
<b>§ 1311(d)(4)(G)</b>	Requirement that Exchange shall post to the website a calculator to determine premium tax credits and cost sharing reductions	This provision will continue to apply to QHPs for individuals. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(d)(4)(H)</b>	Requirement that Exchange shall provide certification for individuals exempt from shared responsibility payment	Vermont proposes to retain these provisions.
<b>§ 1311(d)(4)(I)</b>	Requirement that Exchange shall transfer to the Secretary of the Treasury a: (i) list of individuals who are issued an exemption certificate; (ii) the name and taxpayer identification number of each individual who was an employee of an employer but who determined to be eligible for the premium tax credit due to lack of affordable or adequate minimum essential coverage; (iii) the name and taxpayer identification number of each	Vermont proposes to retain these provisions, noting that (i) is not applicable to VHC which has elected to adopt HHS exemption eligibility determinations under 45 CFR § 155.625.

	individual who does not have affordable or adequate minimum essential coverage from her employer and notifies the Exchange that they have changed employers and each individual who ceases coverage under a QHP during a plan year and the effective date of cessation	
<b>§ 1311(d)(4)(J)</b>	Requirement that Exchange shall provide to each employer the names of employees who ceases coverage under a QHP during a plan year and effective date of cessation	Vermont proposes to retain these provisions.
<b>§ 1311(d)(4)(K)</b>	Requirement that Exchange shall establish a Navigator program	Vermont proposes to retain these provisions.
<b>§ 1311(e)</b>	Exchange certification of QHPs	This provision will continue to apply to QHPs for individuals and small employers because both groups will have access to the same QHPs. Vermont proposes to waive the SHOP Internet portal requirement.
<b>§ 1311(f)</b>	Flexibility in regional or other interstate exchanges, subsidiary exchanges, and authority to contract	Vermont proposes to retain these provisions.
<b>§ 1311(g)</b>	Rewarding quality through market-based incentives—providing increased reimbursement or other incentives for improving health outcomes	Vermont proposes to retain these provisions.
<b>§ 1311(h)</b>	Quality improvement through enhancing patient safety—requiring QHPs to contract with hospitals that uses certain safety standards	Vermont proposes to retain these provisions.
<b>§ 1311(i)</b>	Requirements for Navigators	Vermont proposes to retain these provisions.
<b>§ 1311(j)</b>	Applicability of mental health parity	Vermont proposes to retain these provisions.
<b>§ 1311(k)</b>	Exchange may not establish rules that conflict with or prevent the application of regulations promulgated by the Secretary of Human Services	To the extent the rules are not waived, Vermont proposes to retain these provisions.

[Section 1312: Consumer choice](#)

<p><b>§ 1312(a)</b></p>	<p>Provisions for employee choice among QHPs through an exchange, including requirement that employer may specify metal level and employee may choose a plan within metal level</p>	<p>Vermont proposes maintaining current consumer total choice through direct enrollment with insurance carriers of employer and employee’s choosing without use of a SHOP Internet portal.</p>
<p><b>§ 1312(c)</b></p>	<p>Establishes that: all enrollees in the individual market are in a single risk pool; all enrollees in the small group market are in a single risk pool; allows states to merge individual and small group insurance in a single risk pool if the state deems it appropriate; and prevents state law from requiring grandfathered plans to be in the individual or small group risk pool</p>	<p>Vermont proposes to retain these provisions, and will continue its merged individual and small group market risk pool.</p>
<p><b>§ 1312(d)(1)</b></p>	<p>Allows health insurance issuers to offer coverage outside an exchange, and allows individuals and qualified employers to purchase coverage outside an exchange</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(d)(2)</b></p>	<p>Maintains state control of plans outside of the exchange</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(d)(3)</b></p>	<p>Provides choice to qualified individuals as to whether or not to enroll via an exchange and which plan to choose and describes health plan choices for members of Congress and Congressional staff</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(d)(4)</b></p>	<p>Ensures that individuals who cancel enrollment on the exchange in favor of employer coverage will not be penalized</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(e)</b></p>	<p>Allows enrollment through agents and brokers</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(f)(1)(A)</b></p>	<p>Limits enrollment through an exchange to citizens and lawful residents</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(f)(1)(B)</b></p>	<p>Excludes incarcerated individuals</p>	<p>Vermont proposes to retain these provisions.</p>
<p><b>§ 1312(f)(2)(A)</b></p>	<p>Definition of qualified employer</p>	<p>Vermont does not propose to waive this provision but notes that this (and the incorporated definition of small employer at</p>

		§ 1304(b)) will be determined through employer self-attestation to the QHP issuer.
<b>§ 1312(f)(2)(B)</b>	Allows coverage via the exchange for the large group market	Vermont proposes to retain these provisions.
<b>§ 1312(f)(3)</b>	Provides that access to coverage through an exchange may be denied to those who are not lawful residents for the entire enrollment period	Vermont proposes to retain these provisions.
<b>Section 1313: Financial integrity</b>		
<b>§ 1313</b>	Details financial management and protections against fraud and abuse for an exchange	Vermont proposes to retain these provisions as they pertain to VHC.
<b>Premium tax credits and reduced cost-sharing</b>		
<b>Section 1402: Cost-sharing reductions via enrollment in QHPs</b>		
<b>§ 1402</b>	Details provisions and eligibility for reductions in cost-sharing and out-of-pocket costs for qualified individuals who enroll in a QHP	Vermont proposes to retain these provisions.
<b>Section 36B of the IRS Code: Refundable credits/premium assistance for coverage in a QHP</b>		
<b>I.R.C. § 36B</b>	Details provisions and eligibility for a premium tax credit for qualified individuals who enroll in a QHP	Vermont proposes to retain these provisions.
<b>Individual and employer responsibility requirements</b>		
<b>Section 4980H of the IRS Code: Shared responsibility for employee health insurance</b>		
<b>I.R.C. § 4980H</b>	Defines and details requirements for offering health insurance coverage by applicable large employers	Vermont proposes to retain these provisions.
<b>Section 5000A of the IRS Code</b>		
<b>I.R.C. § 5000A</b>	Requirement to maintain minimum coverage (Section 1501), definition of minimum essential coverage, penalties, exemptions	Vermont proposes to retain these provisions.

## Appendix C. Relevant Implementing Regulations

Regulation	Requested Action
<b>§155.700 Standards for the establishment of a SHOP.</b>	Vermont requests to waive this provision.
<b>§155.705 Functions of a SHOP.</b>	
(a) Exchange functions that apply to SHOP.	Vermont requests to waive this provision.
(b) Unique functions of a SHOP.	
(1) Enrollment and eligibility functions.	Vermont requests to waive this provision.
(2) Employee choice requirements.	Vermont proposes to retain these provisions. Full employee choice is available under state law.
(3) SHOP options with respect to employee choice requirements.	Full employee choice is available under state law.
(4)(i) Premium aggregation.	Vermont requests to waive this provision. The QHP health insurance issuer would perform all premium processing, but would be unable to do premium aggregation. If an employer wishes to offer plans from multiple QHP health insurance issuers, the employer would have to administer the premiums separately to each QHP health insurance issuer.
(5) QHP Certification.	Vermont will certify QHPs.
(6) Rates and rate changes.	QHP rates are approved for the entire plan year.
(7) QHP availability in merged markets.	QHPs are available throughout the merged market
(8) QHP availability in unmerged markets. If a State does not merge the individual and small group market risk pools, the SHOP must permit each qualified employee to enroll only in QHPs in the small group market.	n/a
(9) SHOP expansion to large group market.	Vermont law allows for large group expansion in 2018.
(10) Participation rules.	n/a

(11) Premium calculator.	Vermont provides plan comparison tools including an affordability calculator on its informational website
(c) Coordination with individual market Exchange for eligibility determinations.	Vermont requests to waive this provision.
(d) Duties of Navigators in the SHOP.	n/a
<b>§155.710 Eligibility standards for SHOP.</b>	Eligibility will be established through employer self-attestation; Employers may request an eligibility determination from VHC on a voluntary basis for purposes of claiming the small business tax credit. State will supply all necessary documentation for small business tax credit. Vermont's QHP health insurance issuers may be able to provide more robust monitoring of employer eligibility.
<b>§155.715 Eligibility determination process for SHOP.</b>	Vermont requests to waive this provision. Eligibility will be established through employer self-attestation; QHP health insurance issuers will follow current market practice. Vermont's QHP health insurance issuers may be able to provide more robust monitoring of employer eligibility.
<b>§155.720 Enrollment of employees into QHPs under SHOP.</b>	Vermont requests to waive this provision to the extent it applies to a SHOP Internet portal. QHP health insurance issuers will follow current market practice and will continue to send notices to employers as required by federal law.
(i) Reporting requirement for tax administration purposes. The SHOP must report to the IRS employer participation, employer contribution, and employee enrollment information in a time and format to be determined by HHS.	Vermont requests to waive this provision. QHP health insurance issuers will submit enrollment data to IRS through 1095B reporting process
<b>§155.725 Enrollment periods under SHOP.</b>	Vermont requests to waive this provision. QHP health insurance issuers will follow current market practice. <a href="#">Note that this includes the</a>

	availability of ACA special enrollment periods and employer/employee election periods consistent with this regulation. All plans are calendar year due to merged market.
<b>§155.730 Application standards for SHOP.</b>	Vermont requests to waive this provision. QHP issuer will use its own application; however, Vermont will establish eligibility if requested for purposes of the small business tax credit using HHS approved application
<b>§155.735 Termination of coverage.</b>	Vermont requests to waive this provision. QHP health insurance issuers will follow current market practice
<b>§155.740 SHOP employer and employee eligibility appeals requirements.</b>	Vermont will hear eligibility appeals

Appendix D. Vermont's Essential Health Benefits

## VERMONT EHB BENCHMARK PLAN

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### SUMMARY INFORMATION

<b>Plan Type</b>	Plan from largest small group product, Health Maintenance Organization
<b>Issuer Name</b>	The Vermont Health Plan, LLC
<b>Product Name</b>	CDHP-HMO
<b>Plan Name</b>	BlueCare, The Vermont Health Plan, LLC, CDHP
<b>Supplemented Categories</b> (Supplementary Plan Type)	<ul style="list-style-type: none"><li>• Pediatric Oral (State CHIP)</li><li>• Pediatric Vision (FEDVIP)</li></ul>
<b>Habilitative Services Included Benchmark</b> (Yes/No)	No
<b>Habilitative Services Defined by State</b> (Yes/No)	No

## BENEFITS AND LIMITS

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
1	Primary Care Visit to Treat an Injury or Illness	Covered	Primary Care Visit to Treat an Injury or Illness	No							No
2	Specialist Visit	Covered	Specialist Visit	No							No
3	Other Practitioner Office Visit (Nurse, Physician Assistant)	Covered	Other Practitioner Office Visit (Nurse, Physician Assistant)	No							No
4	Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	Covered	Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	No							No
5	Outpatient Surgery Physician/Surgical Services	Covered	Outpatient Surgery Physician/Surgical Services	No							Yes
6	Hospice Services	Covered	Hospice Services	No						Must meet hospice requirements for benefit eligibility.	Yes
7	Non-Emergency Care When Traveling Outside the U.S.	Covered	Non-Emergency Care When Traveling Outside the U.S.	No					Excluded UNLESS member qualifies for coverage due to sabbatical or attending college in a foreign country.		No
8	Routine Dental Services (Adult)	Not Covered									
9	Infertility Treatment	Not Covered								Refer to Infertility Drug limitation in Generic, Preferred and Non-Preferred Prescription Drug categories.	
10	Long-Term/Custodial Nursing Home Care	Not Covered									
11	Private-Duty Nursing	Covered	Private-Duty Nursing	Yes	2000	Other	Covered up to \$2,000 per plan year			Requires prior approval and recertification of treatment plan every 60 days.	No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
12	Routine Eye Exam (Adult)	Covered	Routine Eye Exam (Adult)	Yes	1	Other	1 routine eye exam per calendar year		Does not cover the evaluation and fitting of contact lenses or other supplemental tests, routine eye care, eye exercises or visual training.		No
13	Urgent Care Centers or Facilities	Covered	Urgent Care Centers or Facilities	No							No
14	Home Health Care Services	Covered	Home Health Care Services	No							No
15	Emergency Room Services	Covered	Emergency Room Services	No					Excludes benefits for an emergency room services that does not meet definition of Emergency Service.		Yes
16	Emergency Transportation/ Ambulance	Covered	Emergency Transportation/ Ambulance	No					Insured's condition must meet the criteria for an emergency medical condition. Insured must get approval within 48 hours after emergency air or water transport.		No
17	Inpatient Hospital Services (e.g., Hospital Stay)	Covered	Inpatient Hospital Services (e.g., Hospital Stay)	Yes	1	Other	Coverage for either day of admission OR day of discharge but not both.				No
18	Inpatient Physician and Surgical Services	Covered	Inpatient Physician and Surgical Services	Yes	1	Other	May limit the number of visits covered by one Provider in a given day.				Yes
19	Bariatric Surgery	Covered	Bariatric Surgery	Yes	1	Other	Covered up to \$10,000 per lifetime.				No
20	Cosmetic Surgery	Covered	Cosmetic Surgery	No					Cosmetic Surgery is an excluded benefit except for prior approval for reconstruction as detailed in certificate of coverage.		No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
21	Skilled Nursing Facility	Covered	Skilled Nursing Facility	No						Covered by participating facility only for Acute Care. Includes room, board, general nursing care, medication and drugs given by SNF during a covered stay and medical services included in the rates of a SNF.	No
22	Prenatal and Postnatal Care	Covered	Prenatal and Postnatal Care	No						See Maternity Office Visits and Inpatient Hospital Services for additional benefit information.	Yes
23	Delivery and All Inpatient Services for Maternity Care	Covered	Delivery and All Inpatient Services for Maternity Care	No						Covered as an Inpatient Hospital Stay.	No
24	Mental/Behavioral Health Outpatient Services	Covered	Mental/Behavioral Health Outpatient Services	No						Includes individual and group psychotherapy, family and couples therapy, intensive programs, partial hospital day treatment, psychological testing when integral to treatment, psychotherapy programs to improve compliance with prescribed medical treatment regimens for diabetes, hypertension, ischemic heart disease and emphysema.	Yes
25	Mental/Behavioral Health Inpatient Services	Covered	Mental/Behavioral Health Inpatient Services	No					Excludes services provided by non-participating providers or facilities, treatment without concurrent review, non-traditional or alternative therapies, services that focus on education or socialization or delinquency, custodial care that is not medically necessary and biofeedback, pain management, stress reduction classes or pastoral counseling.	Includes hospitalization, residential treatment programs.	No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
26	<b>Substance Abuse Disorder Outpatient Services</b>	Covered	Substance Abuse Disorder Outpatient Services	No						Includes detoxification in outpatient rehab facility (including services for the patient's family when necessary).	Yes
27	<b>Substance Abuse Disorder Inpatient Services</b>	Covered	Substance Abuse Disorder Inpatient Services	No					Excludes services provided by non-participating providers or facilities, treatment without concurrent review, non-traditional or alternative therapies, services that focus on education or socialization or delinquency, custodial care that is not medically necessary and biofeedback, pain management, stress reduction classes or pastoral counseling.	Includes detoxification in an inpatient rehabilitation facility.	No
28	<b>Generic Drugs</b>	Covered	Generic Drugs	Yes	90	Other	Limited to a 90-day supply for retail and home delivery (mail order) per fill.				Yes
29	<b>Preferred Brand Drugs</b>	Covered	Preferred Brand Drugs	Yes	90	Other	Limited to a 90-day supply for retail and home delivery (mail order) per fill.			The limit quantity applies per script on retail and home delivery.	Yes
30	<b>Non-Preferred Brand Drugs</b>	Covered	Non-Preferred Brand Drugs	Yes	90	Other	Limited to a 90-day supply for retail and home delivery (mail order) per fill.			The limit quantity applies per script on retail and home delivery.	Yes
31	<b>Specialty Drugs</b>	Covered	Specialty Drugs	Yes	30	Other	Limited to a 30-day supply.		ONLY Participating Specialty pharmacies may be utilized for Specialty drugs.		Yes

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
32	<b>Outpatient Rehabilitation Services</b>	Covered	Outpatient Rehabilitation Services	Yes	30	Other	Up to 30 outpatient sessions combined per plan year.			Cardiac Rehabilitation is covered up to 36 visits per cardiac event. Typically include physical, occupational and speech therapy but may also include radiation therapy, chemotherapy, dialysis, infusion therapy.	Yes
33	<b>Habilitation Services</b>	Covered	Habilitation Services	No						Autism Coverage per Vermont State Mandate for ages zero to six years.	No
34	<b>Chiropractic Care</b>	Covered	Chiropractic Care	Yes	12	Other	Prior Approval is required after the 12th visit.			Prior approval required after 12 visits; includes treatment for neuromusculoskeletal conditions by a network provider working within the scope of their license.	No
35	<b>Durable Medical Equipment</b>	Covered	Durable Medical Equipment	No						Some durable medical equipment and supplies require prior approval. Includes supplies and equipment necessary for administration, orthotics (if approved), prosthetics, and devices. Threshold applies.	Yes
36	<b>Hearing Aids</b>	Not Covered									
37	<b>Diagnostic Test (X-Ray and Lab Work)</b>	Covered	Diagnostic Test (X-Ray and Lab Work)	No							No
38	<b>Imaging (CT/PET Scans, MRIs)</b>	Covered	Imaging (CT/PET Scans, MRIs)	No							No
39	<b>Preventive Care/ Screening/ Immunization</b>	Covered	Preventive Care/Screening/ Immunization	No							No
40	<b>Routine Foot Care</b>	Covered	Routine Foot Care	No					Covered for Diabetics ONLY; excluded for all other members.		No
41	<b>Acupuncture</b>	Not Covered									
42	<b>Weight Loss Programs</b>	Not Covered									

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
43	<b>Routine Eye Exam for Children</b>	Covered	Routine Eye Exam for Children	Yes	1	Other	1 routine eye exam per member per calendar year.		Does not cover the evaluation and fitting of contact lenses or other supplemental tests.		No
44	<b>Eye Glasses for Children</b>	Covered	Eye Glasses for Children	No						Refer to "Eye Glasses or Contact Lenses to replace the lens of an eye when the lens was not replaced at the time of surgery" on Other tab for more information.	No
45	<b>Dental Check-Up for Children</b>	Covered	Dental Check-Up for Children	Yes	2	Treatments per year					No

## OTHER BENEFITS

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
1	Other	Covered	Nutritional Counseling	Yes	3	Visits per year	3 visits per plan year		Visits for treatment of diabetes do not count toward this visit limit.		No
2	Outpatient Surgery Physician/Surgical Services	Covered	Neuropsychological Testing	Yes	8	Hours per year					No
3	Hospice Services	Covered	Home Health Aide	Yes	100	Hours per month				For personal care services only.	No
4	Outpatient Rehabilitation Services	Covered	Outpatient physical, speech and occupational therapy	Yes	30	Visits per year	Up to 30 outpatient sessions combined per plan year.			Covered up to 30 visits combined per plan year.	No
5	Other	Covered	Preventive Care	No						Includes routine physical examinations, immunizations, well-child care, screening mammogram, screening colonoscopy, preventive GYN.	No
6	Other	Covered	Dental Services (not Routine)	No						Includes treatment for or in connection with an accidental injury to jaws, sound natural teeth, mouth or face, provided a continuous course of dental treatment is started with six months of the accident; also includes surgery to correct gross deformity from major disease or surgery with service occurring within six months of the onset of disease or within six months of surgery.	No
7	Inpatient Physician and Surgical Services	Covered	Sterilization Reversal	Yes	1	Other	Procedures per lifetime			Covers only one attempt at reversal of sterilization.	No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
8	<b>Durable Medical Equipment</b>	Covered	Eye Glasses or Contact Lenses to replace the lens of an eye when the lens was not replaced at the time of surgery.	Yes	1	Other	1 set of accompanying eyeglasses or contact lenses for the original prescription and one set for each new prescription.				Yes
9	<b>Durable Medical Equipment</b>	Covered	Dental prosthetics	No					Repair or replacement of dental appliances or dental prosthetics.	With prior approval and only of required to treat an accidental injury (except injury as a result of chewing or biting); or to correct gross deformity resulting from major disease or Surgery; to treat obstructive sleep apnea; or to treat craniofacial disorders, including temporomandibular joint syndrome.	No
10	<b>Generic Drugs</b>	Covered	Infertility medications	Yes	4	Months per year	Cover up to four months of fertility medication per plan year when attempt to conceive through natural means.				No
11	<b>Preferred Brand Drugs</b>	Covered	Infertility medications	Yes	4	Months per year	Cover up to four months of fertility medication per plan year when attempt to conceive through natural means.				No
12	<b>Non-Preferred Brand Drugs</b>	Covered	Infertility medications	Yes	4	Months per year	Cover up to four months of fertility medication per plan year when attempt to conceive through natural means.				No
13	<b>Other</b>	Covered	Nutritional Formulae or supplements	Yes	2500	Other	Up to \$2,500 per year for medical foods prescribed for the medically necessary treatment of an inherited metabolic disease or formulae and supplements administered through a feeding tube.				No
14	<b>Prenatal and Postnatal Care</b>	Covered	Maternity Office Visits	No						Includes coverage by a Physician or other Professional during a woman's pregnancy for pre-natal visits and other care and post-natal visits.	No
15	<b>Other</b>	Covered	Transplant Services - deceased donor	Yes	35000	Other	For transplants using a deceased donor, benefits are limited to \$35,000 per solid organ transplant for search, removal, storage, and transportation of the organ.				No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
16	Emergency Room Services	Covered	Emergency room physician services	No					Insured's condition must meet the criteria for an emergency medical condition.		No
17	Emergency Room Services	Covered	Emergency mental health and substance use physician and facility services	No					Insured's condition must meet the criteria for an emergency medical condition.		No
18	Mental/Behavioral Health Outpatient Services	Covered	Mental/Behavioral health office visits	No							No
19	Substance Abuse Disorder Outpatient Services	Covered	Substance use disorder office visits	No							No
20	Outpatient Rehabilitation Services	Covered	Cardiac rehabilitation services	Yes	36	Other	36 visits per cardiac event; three supervised exercise sessions per week up to total of 36 sessions for cardiac and pulmonary rehab programs.				No
21	Hospice Services	Covered	Hospice Services Homemaker Services	Yes	100	Hours per month					No
22	Hospice Services	Covered	Hospice Continuous Care Services in Home	Yes	5	Days per admission	OR 120 hours of continuous care.			For in home care.	No
23	Hospice Services	Covered	Hospice Respite Care	Yes	72	Hours per month					No
24	Hospice Services	Covered	Hospice Social Services Visits	Yes	6	Visits per lifetime					No
25	Hospice Services	Covered	Hospice Bereavement visits	Yes	2	Visits per lifetime				Two bereavement visits following death.	No

Row Number	A Benefit	B Covered (Required): Is benefit Covered or Not Covered	C Benefit Description (Required if benefit is Covered): Enter a Description, it may be the same as the Benefit name	D Quantitative Limit on Service? (Required if benefit is Covered): Select "Yes" if Quantitative Limit applies	E Limit Quantity (Required if Quantitative Limit is "Yes"): Enter Limit Quantity	F Limit Units (Required if Quantitative Limit is "Yes"): Select the correct limit units	G Other Limit Units Description (Required if "Other" Limit Unit): If a Limit Unit of "Other" was selected in Limit Units, enter a description	H Minimum Stay (Optional): Enter the Minimum Stay (in hours) as a whole number	I Exclusions (Optional): Enter any Exclusions for this benefit	J Explanation: (Optional) Enter an Explanation for anything not listed	K Does this benefit have additional limitations or restrictions? (Required if benefit is Covered): Select "Yes" if there are additional limitations or restrictions that need to be described
26	Generic Drugs	Covered	Antibiotics and Narcotic Day Supply Limitation	Yes	30	Other	Antibiotics and Narcotics are limited to a 30-day supply both at retail and home delivery (mail order).				No
27	Preferred Brand Drugs	Covered	Antibiotics and Narcotic Day Supply Limitation	Yes	30	Other	Antibiotics and Narcotics are limited to a 30-day supply both at retail and home delivery (mail order).				No
28	Non-Preferred Brand Drugs	Covered	Antibiotics and Narcotic Day Supply Limitation	Yes	30	Other	Antibiotics and Narcotics are limited to a 30-day supply both at retail and home delivery (mail order).				No
29	Specialty Drugs	Covered	Antibiotics and Narcotic Day Supply Limitation	Yes	30	Other	Antibiotics and Narcotics are limited to a 30-day supply both at retail and home delivery (mail order).				No
30	Other	Covered	Transplant Services - Live donor	Yes	65000	Other	For transplants using a live donor, benefits are limited to \$65,000 for the live donor's surgical expenses and storage and transportation of the organ for each covered organ transplant procedure completed. Costs for a donor must be incurred within 120 days from the date of the donor's surgery.				No
31	Other	Covered	Transplant Recipient - Benefit Coverage Time Period	Yes	1	Other	From 30 days before the transplant to 365 days after the transplant for bone marrow transplants OR From five days before the transplant to 365 days after the transplant.				No
32	Durable Medical Equipment	Covered	Pre-fabricated knee braces	No					Custom-fabricated or custom-molded knee braces.		No

**PRESCRIPTION DRUG EHB-BENCHMARK PLAN BENEFITS BY CATEGORY AND CLASS**

<b>CATEGORY</b>	<b>CLASS</b>	<b>SUBMISSION COUNT</b>
ANALGESICS	NONSTEROIDAL ANTI-INFLAMMATORY DRUGS	20
ANALGESICS	OPIOID ANALGESICS, LONG-ACTING	11
ANALGESICS	OPIOID ANALGESICS, SHORT-ACTING	11
ANESTHETICS	LOCAL ANESTHETICS	3
ANTI-ADDICTION/SUBSTANCE ABUSE TREATMENT AGENTS	ALCOHOL DETERRENTS/ANTI-CRAVING	3
ANTI-ADDICTION/SUBSTANCE ABUSE TREATMENT AGENTS	OPIOID ANTAGONISTS	3
ANTI-ADDICTION/SUBSTANCE ABUSE TREATMENT AGENTS	SMOKING CESSATION AGENTS	3
ANTI-INFLAMMATORY AGENTS	GLUCOCORTICOIDS	1
ANTI-INFLAMMATORY AGENTS	NONSTEROIDAL ANTI-INFLAMMATORY DRUGS	20
ANTIBACTERIALS	AMINOGLYCOSIDES	9
ANTIBACTERIALS	ANTIBACTERIALS, OTHER	20
ANTIBACTERIALS	BETA-LACTAM, CEPHALOSPORINS	18
ANTIBACTERIALS	BETA-LACTAM, OTHER	5
ANTIBACTERIALS	BETA-LACTAM, PENICILLINS	12
ANTIBACTERIALS	MACROLIDES	5
ANTIBACTERIALS	QUINOLONES	8
ANTIBACTERIALS	SULFONAMIDES	4
ANTIBACTERIALS	TETRACYCLINES	4
ANTICONVULSANTS	ANTICONVULSANTS, OTHER	2
ANTICONVULSANTS	CALCIUM CHANNEL MODIFYING AGENTS	4
ANTICONVULSANTS	GAMMA-AMINOBUTYRIC ACID (GABA) AUGMENTING AGENTS	5
ANTICONVULSANTS	GLUTAMATE REDUCING AGENTS	3
ANTICONVULSANTS	SODIUM CHANNEL AGENTS	7
ANTIDEMENTIA AGENTS	ANTIDEMENTIA AGENTS, OTHER	1
ANTIDEMENTIA AGENTS	CHOLINESTERASE INHIBITORS	3
ANTIDEMENTIA AGENTS	N-METHYL-D-ASPARTATE (NMDA) RECEPTOR ANTAGONIST	1
ANTIDEPRESSANTS	ANTIDEPRESSANTS, OTHER	8
ANTIDEPRESSANTS	MONOAMINE OXIDASE INHIBITORS	4
ANTIDEPRESSANTS	SEROTONIN/NOREPINEPHRINE REUPTAKE INHIBITORS	9
ANTIDEPRESSANTS	TRICYCLICS	9
ANTIEMETICS	ANTIEMETICS, OTHER	10
ANTIEMETICS	EMETOGENIC THERAPY ADJUNCTS	8
ANTIFUNGALS	NO USP CLASS	26
ANTIGOUT AGENTS	NO USP CLASS	5
ANTIMIGRAINE AGENTS	ERGOT ALKALOIDS	2
ANTIMIGRAINE AGENTS	PROPHYLACTIC	4

CATEGORY	CLASS	SUBMISSION COUNT
ANTIMIGRAINE AGENTS	SEROTONIN (5-HT) 1B/1D RECEPTOR AGONISTS	7
ANTIMYASTHENIC AGENTS	PARASYMPATHOMIMETICS	3
ANTIMYCOBACTERIALS	ANTIMYCOBACTERIALS, OTHER	2
ANTIMYCOBACTERIALS	ANTITUBERCULARS	10
ANTINEOPLASTICS	ALKYLATING AGENTS	8
ANTINEOPLASTICS	ANTIANGIOGENIC AGENTS	2
ANTINEOPLASTICS	ANTIESTROGENS/MODIFIERS	3
ANTINEOPLASTICS	ANTIMETABOLITES	3
ANTINEOPLASTICS	ANTINEOPLASTICS, OTHER	6
ANTINEOPLASTICS	AROMATASE INHIBITORS, 3RD GENERATION	3
ANTINEOPLASTICS	ENZYME INHIBITORS	3
ANTINEOPLASTICS	MOLECULAR TARGET INHIBITORS	12
ANTINEOPLASTICS	MONOCLONAL ANTIBODIES	3
ANTINEOPLASTICS	RETINOIDS	3
ANTIPARASITICS	ANTHELMINTICS	4
ANTIPARASITICS	ANTIPROTOZOALS	12
ANTIPARASITICS	PEDICULICIDES/SCABICIDES	6
ANTIPARKINSON AGENTS	ANTICHOLINERGICS	3
ANTIPARKINSON AGENTS	ANTIPARKINSON AGENTS, OTHER	3
ANTIPARKINSON AGENTS	DOPAMINE AGONISTS	4
ANTIPARKINSON AGENTS	DOPAMINE PRECURSORS/L-AMINO ACID DECARBOXYLASE INHIBITORS	2
ANTIPARKINSON AGENTS	MONOAMINE OXIDASE B (MAO-B) INHIBITORS	2
ANTIPSYCHOTICS	1ST GENERATION/TYPICAL	10
ANTIPSYCHOTICS	2ND GENERATION/ATYPICAL	9
ANTIPSYCHOTICS	TREATMENT-RESISTANT	1
ANTISPASTICITY AGENTS	NO USP CLASS	5
ANTIVIRALS	ANTI-CYTOMEGALOVIRUS (CMV) AGENTS	4
ANTIVIRALS	ANTI-HIV AGENTS, NON-NUCLEOSIDE REVERSE TRANSCRIPTASE INHIBITORS	5
ANTIVIRALS	ANTI-HIV AGENTS, NUCLEOSIDE AND NUCLEOTIDE REVERSE TRANSCRIPTASE INHIBITORS	11
ANTIVIRALS	ANTI-HIV AGENTS, OTHER	3
ANTIVIRALS	ANTI-HIV AGENTS, PROTEASE INHIBITORS	9
ANTIVIRALS	ANTI-INFLUENZA AGENTS	4
ANTIVIRALS	ANTIHEPATITIS AGENTS	12
ANTIVIRALS	ANTIHERPETIC AGENTS	6
ANXIOLYTICS	ANXIOLYTICS, OTHER	4
ANXIOLYTICS	SSRIS/SNRIS (SELECTIVE SEROTONIN REUPTAKE INHIBITORS/SEROTONIN AND NOREPINEPHRINE REUPTAKE INHIBITORS)	5

<b>CATEGORY</b>	<b>CLASS</b>	<b>SUBMISSION COUNT</b>
BIPOLAR AGENTS	BIPOLAR AGENTS, OTHER	6
BIPOLAR AGENTS	MOOD STABILIZERS	5
BLOOD GLUCOSE REGULATORS	ANTIDIABETIC AGENTS	21
BLOOD GLUCOSE REGULATORS	GLYCEMIC AGENTS	2
BLOOD GLUCOSE REGULATORS	INSULINS	10
BLOOD PRODUCTS/MODIFIERS/VOLUME EXPANDERS	ANTICOAGULANTS	7
BLOOD PRODUCTS/MODIFIERS/VOLUME EXPANDERS	BLOOD FORMATION MODIFIERS	8
BLOOD PRODUCTS/MODIFIERS/VOLUME EXPANDERS	COAGULANTS	1
BLOOD PRODUCTS/MODIFIERS/VOLUME EXPANDERS	PLATELET MODIFYING AGENTS	8
CARDIOVASCULAR AGENTS	ALPHA-ADRENERGIC AGONISTS	6
CARDIOVASCULAR AGENTS	ALPHA-ADRENERGIC BLOCKING AGENTS	4
CARDIOVASCULAR AGENTS	ANGIOTENSIN II RECEPTOR ANTAGONISTS	8
CARDIOVASCULAR AGENTS	ANGIOTENSIN-CONVERTING ENZYME (ACE) INHIBITORS	10
CARDIOVASCULAR AGENTS	ANTIARRHYTHMICS	10
CARDIOVASCULAR AGENTS	BETA-ADRENERGIC BLOCKING AGENTS	13
CARDIOVASCULAR AGENTS	CALCIUM CHANNEL BLOCKING AGENTS	9
CARDIOVASCULAR AGENTS	CARDIOVASCULAR AGENTS, OTHER	4
CARDIOVASCULAR AGENTS	DIURETICS, CARBONIC ANHYDRASE INHIBITORS	2
CARDIOVASCULAR AGENTS	DIURETICS, LOOP	4
CARDIOVASCULAR AGENTS	DIURETICS, POTASSIUM-SPARING	4
CARDIOVASCULAR AGENTS	DIURETICS, THIAZIDE	6
CARDIOVASCULAR AGENTS	DYSLIPIDEMICS, FIBRIC ACID DERIVATIVES	2
CARDIOVASCULAR AGENTS	DYSLIPIDEMICS, HMG COA REDUCTASE INHIBITORS	7
CARDIOVASCULAR AGENTS	DYSLIPIDEMICS, OTHER	6
CARDIOVASCULAR AGENTS	VASODILATORS, DIRECT-ACTING ARTERIAL	3
CARDIOVASCULAR AGENTS	VASODILATORS, DIRECT-ACTING ARTERIAL/VENOUS	3
CENTRAL NERVOUS SYSTEM AGENTS	ATTENTION DEFICIT HYPERACTIVITY DISORDER AGENTS, AMPHETAMINES	4
CENTRAL NERVOUS SYSTEM AGENTS	ATTENTION DEFICIT HYPERACTIVITY DISORDER AGENTS, NON-AMPHETAMINES	4
CENTRAL NERVOUS SYSTEM AGENTS	CENTRAL NERVOUS SYSTEM AGENTS, OTHER	4
CENTRAL NERVOUS SYSTEM AGENTS	FIBROMYALGIA AGENTS	3
CENTRAL NERVOUS SYSTEM AGENTS	MULTIPLE SCLEROSIS AGENTS	7
DENTAL AND ORAL AGENTS	NO USP CLASS	8
DERMATOLOGICAL AGENTS	NO USP CLASS	35
ENZYME REPLACEMENT/MODIFIERS	NO USP CLASS	17
GASTROINTESTINAL AGENTS	ANTISPASMODICS, GASTROINTESTINAL	6
GASTROINTESTINAL AGENTS	GASTROINTESTINAL AGENTS, OTHER	6
GASTROINTESTINAL AGENTS	HISTAMINE2 (H2) RECEPTOR ANTAGONISTS	4
GASTROINTESTINAL AGENTS	IRRITABLE BOWEL SYNDROME AGENTS	2

<b>CATEGORY</b>	<b>CLASS</b>	<b>SUBMISSION COUNT</b>
GASTROINTESTINAL AGENTS	LAXATIVES	3
GASTROINTESTINAL AGENTS	PROTECTANTS	2
GASTROINTESTINAL AGENTS	PROTON PUMP INHIBITORS	6
GENITOURINARY AGENTS	ANTISPASMODICS, URINARY	7
GENITOURINARY AGENTS	BENIGN PROSTATIC HYPERTROPHY AGENTS	9
GENITOURINARY AGENTS	GENITOURINARY AGENTS, OTHER	3
GENITOURINARY AGENTS	PHOSPHATE BINDERS	3
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (ADRENAL)	GLUCOCORTICOIDS/MINERALOCORTICOIDS	23
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (PITUITARY)	NO USP CLASS	4
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (PROSTAGLANDINS)	NO USP CLASS	1
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (SEX HORMONES/MODIFIERS)	ANABOLIC STEROIDS	2
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (SEX HORMONES/MODIFIERS)	ANDROGENS	4
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (SEX HORMONES/MODIFIERS)	ESTROGENS	6
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (SEX HORMONES/MODIFIERS)	PROGESTINS	5
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (SEX HORMONES/MODIFIERS)	SELECTIVE ESTROGEN RECEPTOR MODIFYING AGENTS	1
HORMONAL AGENTS, STIMULANT/REPLACEMENT/MODIFYING (THYROID)	NO USP CLASS	3
HORMONAL AGENTS, SUPPRESSANT (ADRENAL)	NO USP CLASS	1
HORMONAL AGENTS, SUPPRESSANT (PARATHYROID)	NO USP CLASS	1
HORMONAL AGENTS, SUPPRESSANT (PITUITARY)	NO USP CLASS	9
HORMONAL AGENTS, SUPPRESSANT (SEX HORMONES/MODIFIERS)	ANTIANDROGENS	5
HORMONAL AGENTS, SUPPRESSANT (THYROID)	ANTITHYROID AGENTS	2
IMMUNOLOGICAL AGENTS	IMMUNE SUPPRESSANTS	24
IMMUNOLOGICAL AGENTS	IMMUNIZING AGENTS, PASSIVE	4
IMMUNOLOGICAL AGENTS	IMMUNOMODULATORS	10
INFLAMMATORY BOWEL DISEASE AGENTS	AMINOSALICYLATES	3
INFLAMMATORY BOWEL DISEASE AGENTS	GLUCOCORTICOIDS	5
INFLAMMATORY BOWEL DISEASE AGENTS	SULFONAMIDES	1
METABOLIC BONE DISEASE AGENTS	NO USP CLASS	15
OPHTHALMIC AGENTS	OPHTHALMIC PROSTAGLANDIN AND PROSTAMIDE ANALOGS	3
OPHTHALMIC AGENTS	OPHTHALMIC AGENTS, OTHER	4
OPHTHALMIC AGENTS	OPHTHALMIC ANTI-ALLERGY AGENTS	10
OPHTHALMIC AGENTS	OPHTHALMIC ANTI-INFLAMMATORIES	11

<b>CATEGORY</b>	<b>CLASS</b>	<b>SUBMISSION COUNT</b>
OPHTHALMIC AGENTS	OPHTHALMIC ANTIGLAUCOMA AGENTS	14
OTIC AGENTS	NO USP CLASS	6
RESPIRATORY TRACT AGENTS	ANTI-INFLAMMATORIES, INHALED CORTICOSTEROIDS	6
RESPIRATORY TRACT AGENTS	ANTIHISTAMINES	11
RESPIRATORY TRACT AGENTS	ANTILEUKOTRIENES	3
RESPIRATORY TRACT AGENTS	BRONCHODILATORS, ANTICHOLINERGIC	2
RESPIRATORY TRACT AGENTS	BRONCHODILATORS, PHOSPHODIESTERASE INHIBITORS (XANTHINES)	3
RESPIRATORY TRACT AGENTS	BRONCHODILATORS, SYMPATHOMIMETIC	10
RESPIRATORY TRACT AGENTS	MAST CELL STABILIZERS	1
RESPIRATORY TRACT AGENTS	PULMONARY ANTIHYPERTENSIVES	6
RESPIRATORY TRACT AGENTS	RESPIRATORY TRACT AGENTS, OTHER	5
SKELETAL MUSCLE RELAXANTS	NO USP CLASS	6
SLEEP DISORDER AGENTS	GABA RECEPTOR MODULATORS	3
SLEEP DISORDER AGENTS	SLEEP DISORDERS, OTHER	5
THERAPEUTIC NUTRIENTS/MINERALS/ELECTROLYTES	ELECTROLYTE/MINERAL MODIFIERS	6
THERAPEUTIC NUTRIENTS/MINERALS/ELECTROLYTES	ELECTROLYTE/MINERAL REPLACEMENT	4

Appendix E. Data and Analysis, Actuarial Certifications, Assumptions,  
Targets

February 16, 2015

Robin J. Lunge  
Director of Health Care Reform  
Agency of Administration  
State of Vermont

**RE: Vermont 1332 Waiver – Actuarial Certification**

Dear Robin,

Vermont is requesting a 1332 Waiver of State Innovation of the federal requirement that would maintain the current system for Small Business Health Options Program (SHOP) rather than having employers enroll through an internet portal. An actuarial certification is a requirement for the waiver application<sup>1</sup> in which the actuary certifies the waiver complies with three requirements: comprehensive coverage, affordability and scope of coverage. Pursuant to this regulation, Vermont's Agency of Administration (AoA) retained Wakely Consulting Group (Wakely) to perform the aforementioned certification.

The purpose of this memorandum is to outline the considerations and assumptions used to conclude that Vermont complies with the three waiver requirements and to provide an actuarial certification stating compliance. Other uses of this memorandum may be inappropriate. Wakely does not intend to create a reliance by third parties and assumes no duty or liability to such third parties. Any third parties obtaining this report should rely on their own experts in interpreting the information and opinions.

## **WAIVER REQUIREMENTS**

The final regulations state the actuarial certification should confirm compliance with three requirements: comprehensive coverage, affordability and scope of coverage. For each of the three requirements, Wakely considered all factors listed in the final regulations and in recent guidance<sup>2</sup>. The considerations and Wakely's review of each are discussed below.

Vermont is requesting a waiver to eliminate the requirement to have a small business exchange website for enrollment and premium processing<sup>3</sup>. They are requesting approval to continue having employers enroll directly with the health plans, which has been the process historically. Overall, this is not expected

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<sup>1</sup> <https://www.gpo.gov/fdsys/pkg/FR-2012-02-27/pdf/2012-4395.pdf>

<sup>2</sup> <https://www.federalregister.gov/articles/2015/12/16/2015-31563/waivers-for-state-innovation#h-9>

<sup>3</sup> 1332 DRAFT waiver app for public comment.pdf

to change the current small group employer market, and is likely the least disruptive option since approval of the waiver would keep the current process in place.

## **Scope of Coverage**

The regulations state that health care coverage must be expected to be provided to at least a comparable number of residents under the waiver. Coverage is based on the number of residents having minimum essential coverage. The guidance includes the following considerations to ensure compliance under the coverage requirement:

- The number of covered individuals is expected to be no less than without the waiver for each year the waiver would be in effect.
- The impact on all state residents should be considered.
- The waiver must also not decrease the number of residents with coverage considering different types of vulnerable groups, including low-income, elderly and those with or at risk of serious health issues.
- Ensures the waiver proposal prevents gaps or discontinuation of coverage.

Vermont currently has one of the lowest uninsured rates in the country and in 2014 had the highest small employer enrollment in a state-based exchange. Since the waiver is requesting the enrollment process in the small employer market remain as it currently is, it is not expected that the number of residents enrolled in coverage would change under the waiver. If the waiver was not approved, it is possible enrollment would decrease as employers and brokers adjust to a new enrollment portal. Similarly the waiver prevents gaps or discontinuation in coverage since it allows the current system to continue and avoids disruption. Additionally there are only two health plans that provide small employer coverage in Vermont and Vermont supports the education and enrollment process, including a website with all plan options and premiums<sup>4</sup>.

Since the waiver is not expected to impact the market or the number of residents covered, a detailed analysis was not completed either in the aggregate or by income/health status/etc.

## **Affordability**

The guidance states that health care coverage must be expected to be as affordable as without the waiver, overall for all residents of the state. Affordability includes both premiums paid and out of pocket cost sharing paid by the members. The guidance includes the following considerations to ensure compliance under the affordability requirement:

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<sup>4</sup> <http://info.healthconnect.vermont.gov/healthplans>

- The premium contributions paid by residents should be at least as affordable under the waiver for each year the waiver would be in effect.
- The cost sharing paid by residents (deductibles, copays and coinsurance) should be at least as affordable under the waiver for each year the waiver would be in effect.
- If applicable, spending on services that are not covered by the plan must also be considered such that the cost of these is not greater under the waiver.
- The number of residents with a higher cost of health care burden relative to their income should not increase.
- The waiver must also not decrease the affordability of coverage for different types of vulnerable groups, including low-income, elderly and those with or at risk of serious health issues.
- The waiver must not decrease the number of residents with minimal level of coverage under both Affordable Care Act (ACA) and Social Security regulations.
- The impact on all state residents should be considered.

Vermont's small employer market is a merged market with the individual and small group markets having the same plans/cost sharing and premiums. There is no "off exchange" market. The market is also community rated with no distinction for age. The waiver is requesting the small employer market continue as is without an internet portal.

With the waiver, the small employers would continue to have the same benefits and premiums as the individual market, which is not part of the waiver. As a result, there is no expectation that any resident's cost sharing or premiums would increase as a result of the waiver, all else equal. Since the same plans will be offered, there is no foreseeable reason that the utilization or cost of services would increase with the waiver. Vermont's extensive rate review process also ensures that premiums and cost sharing will remain at least as affordable. Conversely, without a waiver it is possible that additional administrative costs would be incurred as employers, health plans, and brokers use resources to implement the new system. The waiver, or status quo, would therefore make the premiums at least as, if not more, affordable than without the waiver as these additional resources would not be needed.

Since the waiver is not expected to impact the current level of coverage or costs for any residents in Vermont, no analysis was completed either in the aggregate or by income/health status/etc. Since the premiums are not expected to be impacted by the waiver, there is also no reason to believe the employee contributions would change.

## **Comprehensive Coverage**

The recent guidance states that health care coverage must be expected to be at least as comprehensive as without the waiver for all residents of the state overall. Comprehensiveness is defined by the benefits provided under the Essential Health Benefits (EHB). The guidance includes the following considerations to ensure compliance under the Comprehensive Coverage requirement:

- The Essential Health Benefits should be compared to the coverage under the waiver. The waiver cannot decrease any of the following:
  - The number of residents with coverage at least as comprehensive as the EHB requirement
  - The number of residents with coverage at least as comprehensive for each of the ten EHB categories; and
  - The number of residents with coverage at least as comprehensive as the state’s Medicaid and/or Children’s Health Insurance Program (CHIP) programs.
- The waiver must also not decrease the comprehensiveness of coverage for different types of vulnerable groups, including low-income, elderly and those with or at risk of serious health issues.

Since Vermont is not requesting a change in the Essential Health Benefits offered to small employers, the comprehensiveness of coverage will remain the same with the waiver. The waiver is not expected to impact the coverage under the Medicaid program or the number of residents who enroll in the program. Since the benefit coverage is remaining the same under the waiver and is largely a status quo request, no analysis is needed to support the conclusion that the waiver complies with the above requirements in that it will not decrease the number of residents with coverage at least as comprehensive as the current EHB (in total and within each EHB category) and also does not decrease the comprehensiveness of coverage for vulnerable groups.

## RELIANCE

Wakely relied on information provided by the State of Vermont, including their draft waiver application “1332 DRAFT waiver app for public comment.pdf”. Wakely reviewed all of the information for reasonability but did not confirm the accuracy of any of the information provided.

## ACTUARIAL CERTIFICATION

I, Julie Peper, am a Fellow in the Society of Actuaries (FSA), a member of the American Academy of Actuaries (MAAA), and am qualified to provide the following certification.

This actuarial certification applies to the State of Vermont’s 1332 waiver application that requests the internet portal requirement to be waived for the small group marketplace.

1. Vermont’s 1332 waiver complies with the comprehensive coverage requirement.
2. Vermont’s 1332 waiver complies with the affordability requirement.
3. Vermont’s 1332 waiver complies and the scope of coverage requirement.
4. The certification conforms with the Actuarial Standards of Practice (ASOPs) promulgated by the Actuarial Standards Board.

In my opinion, Vermont's 1332 waiver application complies with all of the scope of coverage, affordability and comprehensive coverage requirements. This certification does not cover any unforeseen events that may impact premiums, benefits or enrollment estimates.

Should you have any questions, please feel free to call to discuss.

Sincerely,

A handwritten signature in cursive script that reads "Julie A. Peper" followed by a horizontal line.

Julie Peper  
Partner and Senior Consulting Actuary  
Fellow, Society of Actuaries  
Member, American Academy of Actuaries

Cc: Devon Green, Agency of Administration

## Appendix F. Information on Vermont's Public Notice and Comment Period

The State of Vermont, Agency of Human Services (AHS), Department of Vermont Health Access (DVHA) intends to apply for a State Innovation Waiver under section 1332 of the Affordable Care Act (ACA). Section 1332 allows a state to apply for the waiver of certain ACA requirements with respect to health insurance coverage for plan years beginning on or after January 1, 2017.

DVHA is requesting a waiver of the ACA requirement that the State build an Internet portal for employers to enroll in health insurance coverage. The waiver would maintain the status quo by allowing Vermont businesses to enroll in qualified health plans directly through a health insurance issuer instead of through an Internet portal.

DVHA's proposal addresses the section 1332 standards as follows:

- Equivalent or greater scope of coverage: Vermont's proposal will maintain seamless coverage for all small employers currently covered while allowing streamlined access for large employers in 2018.
- Equivalent or greater affordability of coverage: Vermont's proposal will provide coverage that is as affordable as current plans by requiring enrollment in QHPs subject to rigorous rate review oversight.
- Equivalent comprehensiveness of coverage: Vermont's proposal will maintain coverage with the same essential health benefits as provided today.
- Deficit neutral: Vermont's proposal will not increase the federal deficit because it will maintain its current enrollment system and funding mechanism.

DVHA's waiver application can be found at:

<http://dvha.vermont.gov/administration/11332-draft-waiver-app-for-public-comment.pdf>. It can also be requested from local Department for Children and Families (DCF) District Offices or by calling (802) 585-4285.

**DVHA seeks public comment on this proposal.** Public Hearings will be held on Monday, 2/22/2016, from 3-4pm following the Medicaid and Exchange Advisory Board Meeting at the Department of Vermont Health Access (DVHA), 312 Hurricane Lane, Suite 201, Williston, VT 05495 (call in number: 1-877-273-4202, Guest Pin # 8327340), and on Thursday, 2/25/2016 from 3-4pm in the Cherry Conference Room at the Department of Vermont Health Access, NOB 1 South, 280 State Dr., Waterbury, VT 05671 (call in number: 1-877-273-4202, Guest Pin #229150318). **Written comments on the proposal are due 3/11/2016 by 4:30pm.** Written comments should be sent via email to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov) or by mail to Dani Fuoco at 280 State Dr., Waterbury, VT 05671-1000. Comments received will be posted to the DVHA website for viewing by 4:30pm on 3/22/2016.

If you need special accommodations to participate in the public hearing, please notify Dani Fuoco at (802) 585-4265.

## Appendix G. 3% Federal Fee on 2016 Plans

Net Premium and Estimated Federal Fee for Most Popular Health Plan		
4-Person Household (assumes 2 dependents in college) <i>Based on 2016 premium and subsidies for BCBSVT</i>		
Assuming Federal Exchange Fee of:		3.0%
Monthly Fee Would be:		\$41
Annual Income	Net Premium after APTC & VPA	Fee as % of Net Premium
\$20,000	N/A (Medicaid)	0%
\$30,000	N/A (Medicaid)	0%
\$40,000	\$153	26.6%
\$50,000	\$259	15.7%
\$60,000	\$374	10.9%
\$70,000	\$501	8.1%
\$80,000	\$690	5.9%
\$90,000	\$770	5.3%
\$100,000	\$1,361	3.0%
\$110,000	\$1,361	3.0%

Net Premium and Estimated Federal Fee for Most Popular Health Plan		
2-Person Household <i>Based on 2016 premium and subsidies for BCBSVT</i>		
Assuming Federal Exchange Fee of:		3.0%
Monthly Fee Would be:		\$29
Annual Income	Net Premium after APTC & VPA	Fee as % of Net Premium
\$20,000	N/A (Medicaid)	0%
\$30,000	\$142	20.5%
\$40,000	\$257	11.3%
\$50,000	\$435	6.7%
\$60,000	\$516	5.6%
\$70,000	\$969	3.0%
\$80,000	\$969	3.0%
\$90,000	\$969	3.0%
\$100,000	\$969	3.0%
\$110,000	\$969	3.0%

**Net Premium and Estimated Federal Fee for Most Popular Health Plan**

**1-Person Household**

*Based on 2016 premium and subsidies for BCBSVT*

Assuming Federal Exchange Fee of:		3.0%
Monthly Fee Would be:		\$15
Annual Income	Net Premium after APTC & VPA	Fee as % of Net Premium
\$20,000	\$74	19.5%
\$30,000	\$186	7.8%
\$40,000	\$338	4.3%
\$50,000	\$484	3.0%
\$60,000	\$484	3.0%
\$70,000	\$484	3.0%
\$80,000	\$484	3.0%
\$90,000	\$484	3.0%
\$100,000	\$484	3.0%
\$110,000	\$484	3.0%

Appendix H.

Vermont 1332 Federal Deficit Analysis: 2017-2027 All numbers in millions	2017		2018		2019		2020		2021		2022	
	Without Waiver	With Waiver										
<b>Employment-based coverage</b>												
Tax exclusion for employment-based coverage	506	506	533	533	560	560	587	587	621	621	659	659
Small-employer tax credits	2	2	2	2	2	2	2	2	2	2	2	2
Marketplace grants to Vermont for Internet portal	4	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>512</b>	<b>508</b>	<b>535</b>	<b>535</b>	<b>562</b>	<b>562</b>	<b>589</b>	<b>589</b>	<b>623</b>	<b>623</b>	<b>661</b>	<b>661</b>
<b>Nongroup coverage</b>												
Premium tax credit outlays	63	63	81	81	92	92	97	97	103	103	108	108
Premium tax credit revenue reductions	14	14	14	14	16	16	18	18	20	20	20	20
Cost-sharing outlays	16	16	20	20	22	22	23	23	23	23	23	23
Collections for risk adjustment and reinsurance	(20)	(20)	(13)	(13)	(14)	(14)	(16)	(16)	(16)	(16)	(18)	(18)
Payments for risk adjustment and reinsurance	18	18	14	14	14	14	16	16	16	16	18	18
Income tax deduction for self-employed health insurance	7	7	9	9	9	9	9	9	9	9	9	9
<b>Subtotal</b>	<b>99</b>	<b>99</b>	<b>126</b>	<b>126</b>	<b>139</b>	<b>139</b>	<b>148</b>	<b>148</b>	<b>155</b>	<b>155</b>	<b>160</b>	<b>160</b>
<b>Taxes and Penalties Related to Coverage</b>												
Penalty payments by Uninsured People	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(7)	(7)	(7)	(7)
Penalty Payments by Employers	(16)	(16)	(29)	(29)	(36)	(36)	(27)	(27)	(29)	(29)	(32)	(32)
Excise Tax on High-Premium Insurance Plans	-	-	-	-	-	-	(5)	(5)	(13)	(13)	(16)	(16)
<b>Subtotal</b>	<b>(22)</b>	<b>(22)</b>	<b>(34)</b>	<b>(34)</b>	<b>(41)</b>	<b>(41)</b>	<b>(38)</b>	<b>(38)</b>	<b>(49)</b>	<b>(49)</b>	<b>(56)</b>	<b>(56)</b>
<b>Total</b>	<b>589</b>	<b>585</b>	<b>626</b>	<b>626</b>	<b>659</b>	<b>659</b>	<b>698</b>	<b>698</b>	<b>729</b>	<b>729</b>	<b>765</b>	<b>765</b>

Source

Applied Vermont percentage of Gross Domestic Product (0.18%) from Bureau of Economic Analysis to federal analysis in "Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2016 to 2026," Mar. 2016, Congressional Budget Office, <https://www.cbo.gov/sites/default/files/51298-2016-03-HealthInsurance.pdf>

Assumptions

Medicaid analysis not included because separate Internet portal would not lead to a change in Medicaid applications

Tax on health insurance providers not included because separate Internet portal would not substantially change tax on health insurance providers

For 2027, applied the compound average growth rate from previous years\*

\* For Premium tax credit outlays, used compound average growth rate starting at 2019 to reflect slow down in growth rate

2023		2024		2025		2026		2027	
Without Waiver	With Waiver								
698	698	740	740	785	785	828	828	875	875
2	2	2	2	2	2	2	2	2	2
-	-	-	-	-	-	-	-	0	-
<b>700</b>	<b>700</b>	<b>742</b>	<b>742</b>	<b>787</b>	<b>787</b>	<b>830</b>	<b>830</b>	<b>877</b>	<b>877</b>
112	112	117	117	122	122	126	126	132	132
20	20	22	22	22	22	23	23	25	25
25	25	25	25	27	27	29	29	31	31
(18)	(18)	(18)	(18)	(16)	(16)	(16)	(16)	-16	(16)
18	18	18	18	16	16	16	16	16	16
11	11	11	11	11	11	11	11	11	11
<b>167</b>	<b>167</b>	<b>175</b>	<b>175</b>	<b>182</b>	<b>182</b>	<b>189</b>	<b>189</b>	<b>199</b>	<b>199</b>
(7)	(7)	(7)	(7)	(7)	(7)	(9)	(9)	-10	(10)
(34)	(34)	(36)	(36)	(40)	(40)	(41)	(41)	-46	(46)
(20)	(20)	(23)	(23)	(29)	(29)	(36)	(36)	-49	(49)
(61)	(61)	(67)	(67)	(76)	(76)	(86)	(86)	-105	(105)
<b>806</b>	<b>806</b>	<b>850</b>	<b>850</b>	<b>893</b>	<b>893</b>	<b>932</b>	<b>932</b>	<b>970</b>	<b>970</b>

# Appendix I.

All Vermont Health Connect plans cover the same set of Essential Health Benefits. The difference lies in the plan designs, which determine how you pay for those benefits. Standard plans have the same designs across insurance carriers, while Blue Rewards and Vitality Plus plans were uniquely designed by the carriers, with a focus on wellness.

## Vermont Health Connect 2016 Plan Designs & Monthly Premiums (before subsidy)

**Interested in the cost after subsidy?**  
Most Vermonters who use Vermont Health Connect qualify for financial help to reduce their costs. To see if you qualify, visit the Subsidy Estimator at [http://info.healthconnect.vermont.gov/subsidy\\_estimator](http://info.healthconnect.vermont.gov/subsidy_estimator) or call 1-855-899-9600.

VERMONT HEALTH CONNECT Find the plan that's right for you.		Standard Plans				Standard High Deductible Health Plans (HDHP)				Blue Rewards				VT Vitality Plus				
		BCBSVT & MVP				Can Pair with Health Savings Account (HSA)				BCBSVT only				MVP only				
		Platinum	Gold	Silver	Bronze	Silver HDHP		Bronze HDHP		Gold	Silver	Gold CDHP Can pair with HSA	Bronze CDHP Can pair with HSA	Gold	Silver	Bronze	Gold HDHP Can pair with HSA	
						BCBSVT	MVP	BCBSVT	MVP									
		Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family	Individual / Family						
<b>Deductible (Ded.)</b>	Integrated Ded.?	N	N	N	N	\$1,425/\$2,850 <sup>7</sup>	\$1,550/\$3,100 <sup>7</sup>	Y - \$4,100/\$8,200	Y - \$4,400/\$8,800	Y - \$1,250/\$2,500	\$2,000/\$4,000 <sup>7</sup>	Y - \$2,500/\$5,000	Y - \$6,550/\$13,100	N	N	N	Y	
	Medical Ded.	\$150/\$300	\$750/\$1,500	\$2,000/\$4,000 <sup>7</sup>	\$4,000/\$8,000	See above	See above	See above	See above	See above	See above	See above	See above	\$650/\$1,300	\$2,000/\$4,000 <sup>7</sup>	\$5,000/\$10,000	\$2,400/\$4,800	
	Waived <sup>1</sup> for: (see Services below)	Prev, OV, UC, Amb, ER, Den1	Prev, OV, UC, Amb, ER, Den1	Prev, OV, UC, Amb, Den1	Prev, Den1	Prev	Prev	Prev	Prev	Prev, 3 PCP/MH OV, Den1	Prev, 3 PCP/MH OV, Den1	Prev	Prev	Prev, OV, UC, Den1	Prev, PCP/MH, Den1	Prev, Den1	Prev	
	Prescription (Rx) Ded.	\$0	\$50 <sup>8</sup>	\$150 <sup>78</sup>	\$500 <sup>8</sup>	See above	See above	See above	See above	See above	See above	See above	See above	See above	\$200/\$400	\$250/\$500 <sup>7</sup>	\$300/\$600	See above
	Waived for:	N/A (\$0 Ded)	Rx Generic	Rx Generic	Not Waived	Rx Wellness	Rx Wellness	Rx Wellness	Rx Wellness	Not Waived	Not Waived	Rx Wellness	Rx Wellness	VBID, Rx Generic	VBID	VBID	Rx Wellness	
<b>Max. Out-of-Pocket (MOOP)</b>	Integrated?	N	N	N	Y-\$6,850/\$13,700	Y-\$5,750/\$11,500	Y-\$5,750/\$11,500	Y-\$6,500/\$13,000	Y-\$6,500/\$13,000	Y-\$4,250/\$8,500	Y-\$6,850/\$13,700 <sup>7</sup>	Y - \$2,500/\$5,000	Y - \$6,550/\$13,100	N	N	Y-\$6,850/\$13,700	Y-\$2,400/\$4,800	
	Medical	\$1,250/\$2,500	\$4,250/\$8,500	\$5,600/\$11,200 <sup>7</sup>	See above	See above	See above	See above	See above	See above	See above	See above	See above	\$5,550/\$11,100	\$5,550/\$11,100 <sup>7</sup>	See above	See above	
	Prescription (Rx)	\$1,250/\$2,500	\$1,250/\$2,500	\$1,250/\$2,500 <sup>7</sup>	\$1,250/\$2,500	\$1,300/\$2,600 <sup>7</sup>	\$1,300/\$2,600 <sup>7</sup>	\$1,300/\$2,600	\$1,300/\$2,600	\$1,250/\$2,500	\$1,250/\$2,500 <sup>7</sup>	\$1,300/\$2,600	\$1,300/\$2,600	\$1,300/\$2,600	\$1,300/\$2,600 <sup>7</sup>	\$1,300/\$2,600	\$1,300/\$2,600	
<b>Stacked or Aggregate?</b> <sup>6</sup>		Stacked <sup>6</sup>	Stacked <sup>6</sup>	Stacked <sup>6</sup>	Stacked <sup>6</sup>	Aggregate Embedded <sup>610</sup>	Agg Ded/ Stack MOOP <sup>6</sup>	Aggregate Embedded <sup>610</sup>	Agg Ded/ Stack MOOP <sup>6</sup>	Aggregate Embedded <sup>610</sup>	Aggregate Embedded <sup>610</sup>	Aggregate <sup>6</sup>	Aggregate Embedded <sup>610</sup>	Stacked <sup>6</sup>	Stacked <sup>6</sup>	Stacked <sup>6</sup>	Aggregate <sup>6</sup>	
<b>Service Category (Examples)</b>		Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)	Co-insurance (%) / Co-pay (\$)					
Preventive (Prev)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Office Visit (OV)	PCP or Mental Health (PCP/MH)	\$10	\$15	\$25	Ded., then \$35	Ded., then 10%	Ded., then 10%	Ded., then 50%	Ded., then 50%	3 visits per person (up to 9 per family) with no cost-share; then deductible applies with co-pay of \$20 (Gold) or \$30 (Silver)	Ded., then \$0	Ded., then \$0	\$10	\$20	Ded., then \$40	Ded., then \$0		
	Specialist <sup>2</sup>	\$20	\$25	\$50	Ded., then \$85	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$30	Ded., then \$50	Ded., then \$0	Ded., then \$0	\$30	Ded., then \$60	Ded., then \$100	Ded., then \$0	
Urgent Care (UC)		\$40	\$45	\$60	Ded., then \$100	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$30	Ded., then \$50	Ded., then \$0	Ded., then \$0	\$45	Ded., then \$60	Ded., then \$100	Ded., then \$0	
Ambulance (Amb)		\$50	\$50	\$100	Ded., then \$100	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$30	Ded., then \$50	Ded., then \$0	Ded., then \$0	Ded., then \$50	Ded., then \$100	Ded., then \$100	Ded., then \$0	
Emergency Room (ER) <sup>3</sup>		\$100	\$150	Ded., then \$250	Ded., then 50%	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$250	Ded., then \$250	Ded., then \$0	Ded., then \$0	Ded., then \$200	Ded., then \$250	Ded., then 50%	Ded., then \$0	
Hospital Services <sup>4</sup>	Inpatient	Ded., then 10%	Ded., then 20%	Ded., then 40%	Ded., then 50%	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$500	Ded., then \$1,750	Ded., then \$0	Ded., then \$0	Ded., then 20%	Ded., then 50%	Ded., then 50%	Ded., then \$0	
	Outpatient	Ded., then 10%	Ded., then 20%	Ded., then 40%	Ded., then 50%	Ded., then 25%	Ded., then 25%	Ded., then 50%	Ded., then 50%	Ded., then \$500	Ded., then \$1,750	Ded., then \$0	Ded., then \$0	Varies by service	Varies by service	Ded., then 50%	Ded., then \$0	
<b>Prescription (Rx) Drug Coverage</b>		30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply	30-day supply					
Rx Generic <sup>5</sup>		\$5	\$5	\$15	Ded., then \$20	Ded., then \$10	Ded., then \$10	Ded., then \$12	Ded., then \$12	Ded., then \$5	Ded., then \$5	Ded., then \$5	Ded., then \$25	\$5	Ded., then \$15	Ded., then \$20	Ded., then \$0	
Rx Preferred Brand <sup>5</sup>		\$40	Ded., then \$40	Ded., then \$60	Ded., then \$80	Ded., then \$40	Ded., then \$40	Ded., then 40%	Ded., then 40%	Ded., then 40%	Ded., then 40%	Ded., then 40%	Ded., then 40%	Ded., then \$40	Ded., then \$50	Ded., then \$90	Ded., then \$0	
Rx Non-Preferred Brand <sup>5</sup>		50%	Ded., then 50%	Ded., then 50%	Ded., then 60%	Ded., then 50%	Ded., then 50%	Ded., then 60%	Ded., then 60%	Ded., then 60%	Ded., then 60%	Ded., then 60%	Ded., then 60%	Ded., then 50%	Ded., then 50%	Ded., then 60%	Ded., then \$0	
<b>Additional Benefits</b>																		
Wellness Benefits		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Up to \$300 in wellness rewards per adult				VBID Rx co-pay of \$1/\$3, up to \$50 in wellness rewards				N/A
<b>Premiums by Tier<sup>6</sup></b>		Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy	Cost before subsidy					
Single	BCBSVT	\$656.63	\$573.36	\$484.49	\$409.17	\$468.90		\$406.84		\$531.33	\$465.16	\$506.32	\$401.92					
	MVP	\$660.42	\$588.71	\$493.38	\$392.45		\$468.05		\$380.71					\$574.85	\$476.39	\$391.36	\$510.53	
Couple	BCBSVT	\$1,313.26	\$1,146.72	\$968.98	\$818.34	\$937.80		\$813.68		\$1,062.66	\$930.32	\$1,012.64	\$803.84					
	MVP	\$1,320.84	\$1,177.42	\$986.76	\$784.90		\$936.10		\$761.42					\$1,149.70	\$952.78	\$782.72	\$1,021.06	
Parent and Child(ren)	BCBSVT	\$1,267.30	\$1,106.58	\$935.07	\$789.70	\$904.98		\$785.20		\$1,025.47	\$897.76	\$977.20	\$775.71					
	MVP	\$1,274.61	\$1,136.21	\$952.22	\$757.43		\$903.34		\$734.77					\$1,109.46	\$919.43	\$755.32	\$985.32	
Family	BCBSVT	\$1,845.13	\$1,611.14	\$1,361.42	\$1,149.77	\$1,317.61		\$1,143.22		\$1,493.04	\$1,307.10	\$1,422.76	\$1,129.40					
	MVP	\$1,855.78	\$1,654.28	\$1,386.40	\$1,102.78		\$1,315.22		\$1,069.80					\$1,615.33	\$1,338.66	\$1,099.72	\$1,434.59	

### Footnotes

1 Medical Deductible waived for: Preventive, Office Visit, Urgent Care, Ambulance, Emergency Room, Pediatric Dental Class 1 Series (as indicated by plan).

2 Specialist co-pay also applies to PT/ST/OT, vision, and any alternative medicine benefits, as appropriate.

3 ER co-pay is waived if admitted.

4 Hospital Services are Inpatient (including surgery, ICU/NICU, maternity, SNF and MH/SA); Outpatient (including ambulatory surgery centers); and Radiology (MRI, CT, PET). This cost-sharing will also include physician and anesthesia costs, as appropriate.

5 Each insurance carrier classifies drugs according to its own formulary. To see if a specific drug qualifies for the Generic or Preferred co-pay, view the formularies at <http://info.healthconnect.vermont.gov/healthplans> or contact BCBSVT (800-247-2583) or MVP (800-TALK-MVP). <http://info.healthconnect.vermont.gov/glossary>.

6 With an aggregate family deductible, your family must meet the family deductible before the plan pays benefits. With a stacked deductible, the plan pays benefits once you meet either your individual deductible or your family deductible.

7 If you purchase a silver plan and your income qualifies for cost-sharing reductions (for example, up to \$72,750 for a family of four), your deductible and max. out-of-pocket could be lower than the figures stated above. To learn more, go to [www.VermontHealthConnect.gov](http://www.VermontHealthConnect.gov) and click on "Health Plans."

8 BCBSVT Standard Gold/Silver/Bronze plans have a \$50/\$150/\$500 Rx Deductible per person, while MVP Standard Gold/Silver/Bronze plans have an Rx Deductible of \$50/\$150/\$500 for a Single plan or \$100/\$300/\$1,000 for all other tiers.

9 With High Deductible Health Plans (HDHP), you do not have to pay the deductible for Wellness prescriptions. See the BCBSVT and MVP lists of Wellness drugs at <http://info.healthconnect.vermont.gov/healthplans>.

10 Some HDHP aggregate family deductibles have an embedded individual maximum out-of-pocket of \$6,850 to prevent one individual from paying the full family maximum out-of-pocket when it exceeds the federal maximum out-of-pocket of \$6,850 for an individual.

Updated 11/9/15