



The Dr Dynasaur 2.0 Coalition has taken its first successful step- the study to expand Dr Dynasaur has been funded by the Vermont Legislature!

The study is due right at the start of the next legislative session on January 15, 2017. This means the public will have the necessary information to decide if Dr Dynasaur 2.0 makes sense for Vermont.

In the meantime, the member organizations of the Dr Dynasaur 2.0 Coalition will be working hard to educate Vermonters about the great potential for working families, businesses and health care providers of expanding Dr Dynasaur.

Below is the study language in full.

Sincerely, Peter Sterling

Sec. C.112 DR. DYNASAUR EXPANSION STUDY; REPORT

- (a) The Secretary of Administration shall analyze the financial implications of expanding Dr. Dynasaur, the State's children's Medicaid and Children's Health Insurance Program, to all Vermont residents up to 26 years of age. The Secretary may contract with other individuals and entities as needed to provide actuarial services, economic modeling, and any other assistance the Secretary requires in carrying out the analysis described in this act.
- (b)(1) Estimated program costs shall include the cost of coverage, one-time and ongoing operating costs, administrative costs, and reserves or reinsurance to the extent they are deemed advisable.
- (2) The cost estimates shall be for a period of five years beginning on January 1, 2019, and shall assume a reasonable rate of health care spending growth.
- (3) Estimated costs shall be offset by any cost reductions to State government spending and by any avoided State or federal tax liability that the State of Vermont would otherwise incur as an employer.
- (4) The cost estimates shall include an analysis of any cost increases or reductions anticipated for municipalities and school districts, including impacts on projected education spending.



- (5) The cost estimates shall project increasing provider reimbursement rates at regular intervals from 100 percent of Medicare rates up to commercial rates. Medicare and commercial rates shall be determined based on claims data from the Vermont's all-payer claims database.
- (6) The cost estimates shall include the short-term and long-term impacts on both State revenues and State services. The revenue analysis shall include the direct and indirect impact on State revenues. The analysis on State services shall include examining the impact on State resources available for other public programs and services.
- (c)(1) On or before January 15, 2017, the Secretary shall submit a report to the House Committees on Health Care, on Appropriations, and on Ways and Means and the Senate Committees on Health and Welfare, on Appropriations, and on Finance comprising its analysis of the costs of expanding Dr. Dynasaur to all Vermont residents up to 26 years of age and potential plans for financing the expansion. The financing plans shall be consistent with the principles of equity expressed in 18 V.S.A. § 9371(11), which states that financing of health care in Vermont must be sufficient, fair, predictable, transparent, sustainable, and shared equitably. In developing the financing plans, the Secretary shall consider the following:
 - (A) all current sources of funding for State government, including taxes, fees, and assessments;
 - (B) existing health care revenue sources, including the claims tax levied pursuant to 32 V.S.A. chapter 243, the provider assessments imposed pursuant to 33 V.S.A. chapter 19, subchapter 2, and the employer assessment required pursuant to 21 V.S.A. chapter 25 to determine whether they are suitable for preservation or expansion to fund the program expansion;
 - (C) new revenue sources such as a payroll tax, gross receipts tax, or business enterprise tax, or a combination of them;
 - (D) expansion or reform of existing taxes;
 - (E) opportunities and challenges presented by federal law, including the Internal Revenue Code; 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; and Titles XIX (Medicaid) and XXI (SCHIP) of the Social Security Act, and by State tax law; and
 - (F) anticipated federal funds that may be used for health care services, including consideration of methods to maximize receipt of federal funds available for this purpose.



- (2) The Secretary's report also shall include information on the impacts of the coverage and proposed tax changes on individuals, households, businesses, public sector entities, and the nonprofit community, including migration of coverage, insurance market impacts, financial impacts, federal tax implications, and other economic effects. The impact assessment shall cover the same five-year period as the cost estimates.
- (d)(1) Agencies, departments, boards, and similar units of State government, including the Agency of Human Services, Department of Financial Regulation, Department of Labor, Director of Health Care Reform, and Green Mountain Care Board shall provide information and assistance requested by the Secretary and its contractors to enable them to conduct the analysis required by this act.
- (2) To the extent necessary to conduct the analysis required by this section, a health insurer licensed to do business in Vermont shall provide any information requested by the Secretary or its contractors within 30 days of the request. The Secretary may enter into a confidentiality agreement with an insurer if the data requested include personal health information or other confidential material.
- (3) In the event that funds are not available to support a \$140,000 State share of the cost of the study, the Secretary of Administration is not required to meet all of the study requirements; however, the Secretary shall be required to accomplish as much of the study as is financially feasible.

SUPPORTERS OF THE DR. DYNASAUR 2.0 STUDY:

AARP-VT • Vermont NEA • Planned Parenthood • Vermont League of Cities and Towns • American Cancer Society • American Heart Association • Main Street Alliance • Voices for Vermont's Children • Vermont State Employees Association • Vermont Businesses for Social Responsibility • American Federation of Teachers/United Professions of Vermont • VPIRG • Professional Firefighters of Vermont