

# VERMONT MEDICAL SOCIETY

August 3, 2016

Howard Pallotta, General Counsel  
Agency of Human Services, Department of Vermont Health Access  
NOB 1 South, 280 State Drive  
Waterbury, VT 05671-1010

*Sent via email to: [howard.pallotta@vermont.gov](mailto:howard.pallotta@vermont.gov)*

**RE: Vermont Medical Society Comments, Proposed Rule 8200 - 8208 Standards for Issuers Participating in the Vermont Health Benefit Exchange**

Dear Mr. Pallotta:

The Vermont Medical Society is submitting these comments in reference to Proposed Rule 8200 – 8208, Standards for Issuers Participating in the Vermont Health Benefit Exchange. The Vermont Medical Society (VMS) is the state's largest physician organization with approximately 2000 members. We appreciate the opportunity to provide professional input into this proposed rule.

As you know, this rule proposes to establish standards for health insurers that will be offering plans on the Vermont Health Benefit Exchange (Vermont Health Connect or VHC). VMS understands that this rule will take the place of existing contracts between health insurers (issuers) and VHC that currently control issues similar to those addressed by the proposed rule. **VMS is submitting these comments out of concern for one issue covered by the current contracts but not addressed in the proposed rule: the process and procedures that will govern when VHC has made an error in its membership records.**

When VHC enrollment records are inaccurate, members can appear as if they have coverage, and members may seek and receive medical care during this time. Nothing would indicate to a physician's office that the patient is not eligible for services at this time. If VHC retroactively terminates a member, claims that were paid can be recouped from providers. In 2014, and likely again in 2015, issuers have negotiated a process with VHC where VHC requires that issuers recoup only those claims that should have been covered by Medicaid, and the provider is then able to bill Medicaid for those services provided. The remaining claims that were properly paid, but now appear to be in error, are the responsibility of VHC. Updating the rules without including similar language will create a financial burden on physicians and other health care providers as well as create a disincentive for clinicians to participate in the health care exchange in our state.

**The Vermont Medical Society strongly recommends that the proposed rules: obligate VHC to maintain accurate enrollment records; create standards for retroactive terminations, including defining acceptable reasons for changes and setting a limit on the length of time after which enrollment records cannot be retroactively changed by VHC; and hold enrollees and providers harmless in the case that VHC negligence caused claims to be paid.**

Thank you for the opportunity to provide these comments. Please let us know if we can provide any additional information.

Sincerely,

A handwritten signature in black ink that reads "Jessa Barnard". The signature is written in a cursive, flowing style.

Jessa Barnard  
General Counsel & Vice President for Policy