



2014 Health Care Survey Results

FINAL REPORT

October 2014

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Hickok & Boardman HR Intelligence



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BACKGROUND AND INTRODUCTION

The 2014 Vermont Business Roundtable survey is a follow-up to the previous survey conducted in 2011 - before the passage of the Affordable Care Act and launch of the Vermont Exchange. The 2014 survey asks the identical questions from the previous survey and includes a number of new questions that were prompted by member comments offered during our recent Business Conditions Survey.

Participation in the survey was voluntary and information held in the strictest of confidence. No information that identifies companies or respondents is included and all results are reported in the aggregate.

METHODOLOGY

Only completed surveys were used in the compilation of results. Each question indicates the number of responses received and because there were no mandatory responses, response numbers will vary by question. Participants who did not answer a given question were excluded from the calculation for that question.

Results were calculated on either a “by respondent” basis or “by number of responses” basis, depending on question type. For questions allowing only one answer per organization, each organization was counted once (denoted as “total respondents”).

Comments were not edited – they are presented exactly as written, including typographical errors, to ensure authenticity of the response.

ABOUT HICKOK & BOARDMAN HR INTELLIGENCE

Hickok & Boardman HR Intelligence has been administering the Vermont Employee Benefits Survey since 2001 and offers services and solutions in the areas of employee benefits, organizational wellness, HR technology and HR compliance and payroll solutions.

With a legacy dating back to 1821 Hickok & Boardman HR Intelligence has strong Vermont roots. Those roots allow the firm to understand the history and tradition that makes Vermont’s business community unique and, with its forward looking approach, the firm is helping Vermont organizations be positioned for future success.

www.hbhriq.com

Section 1 | DEMOGRAPHICS

Exhibit 1.1 | Survey Participation by Company Location

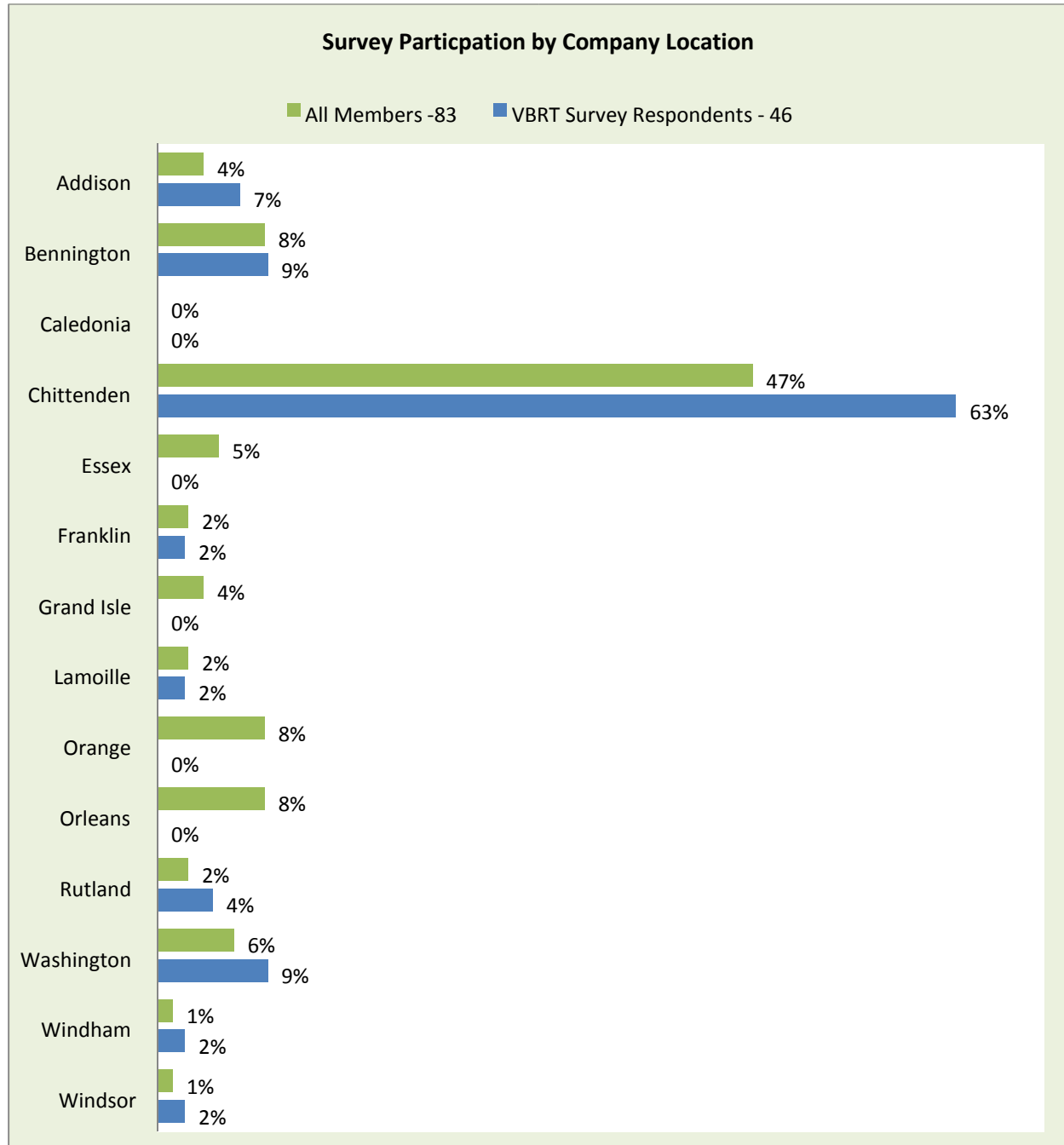


Exhibit 1.2 | Survey Participation by Industry

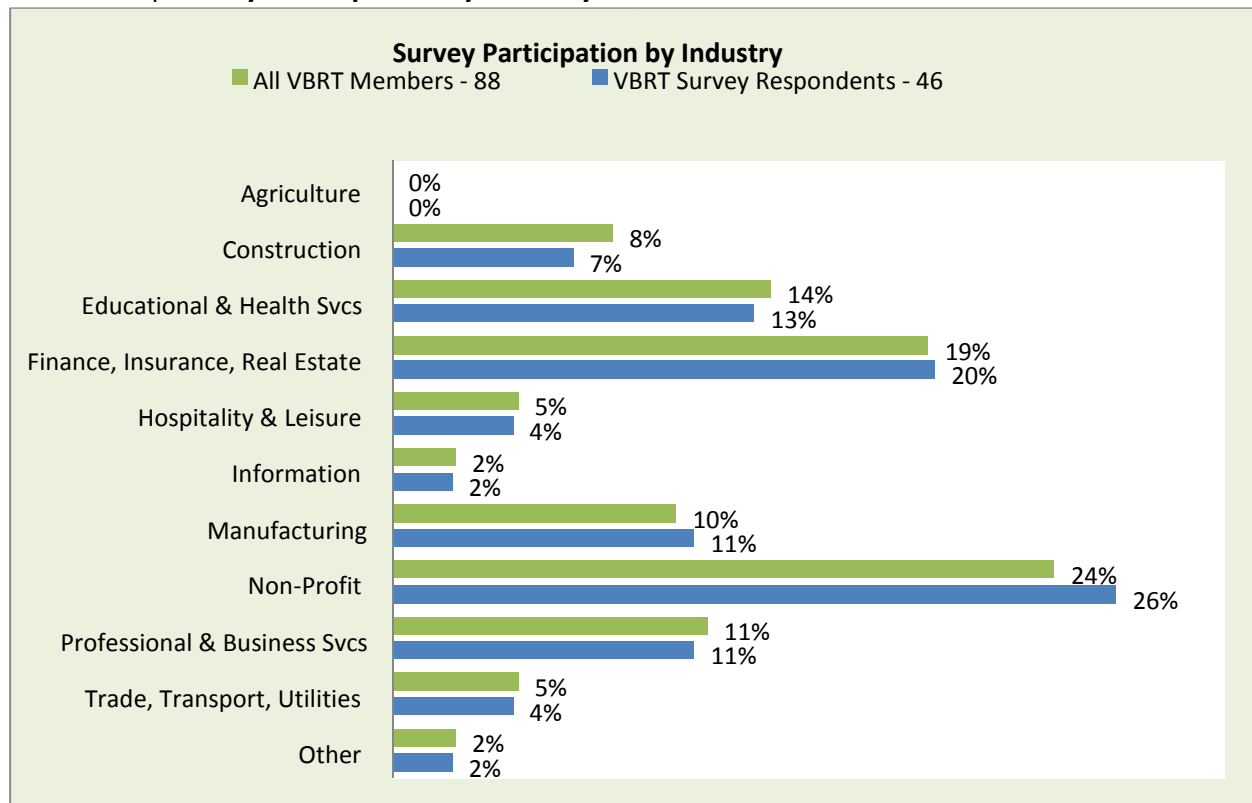


Exhibit 1.3 | Survey Participation by Company Size

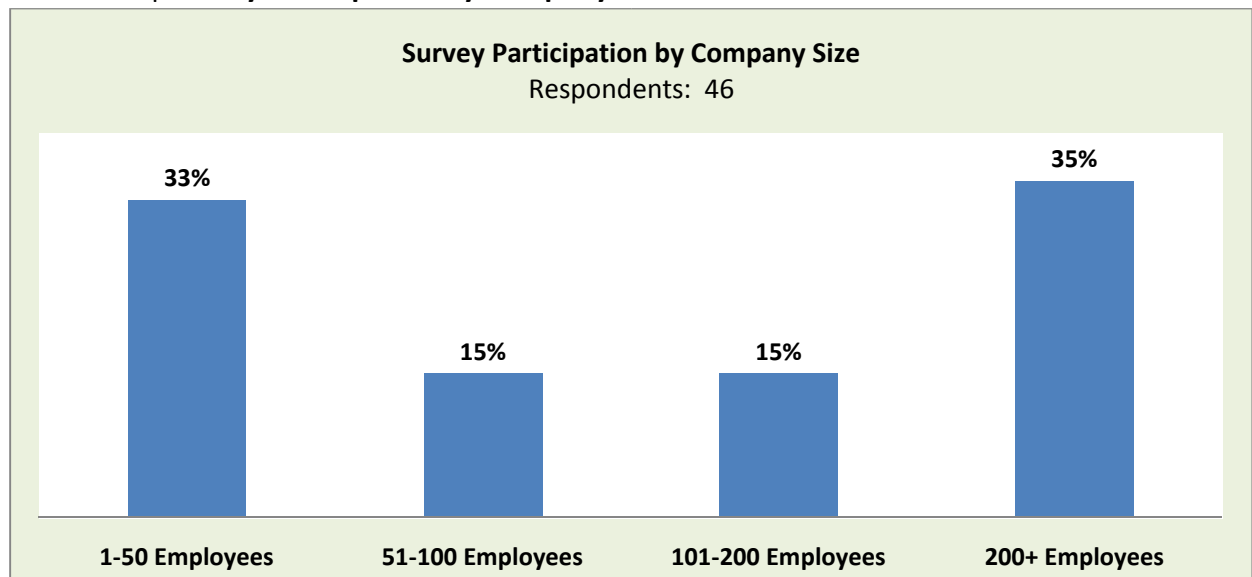
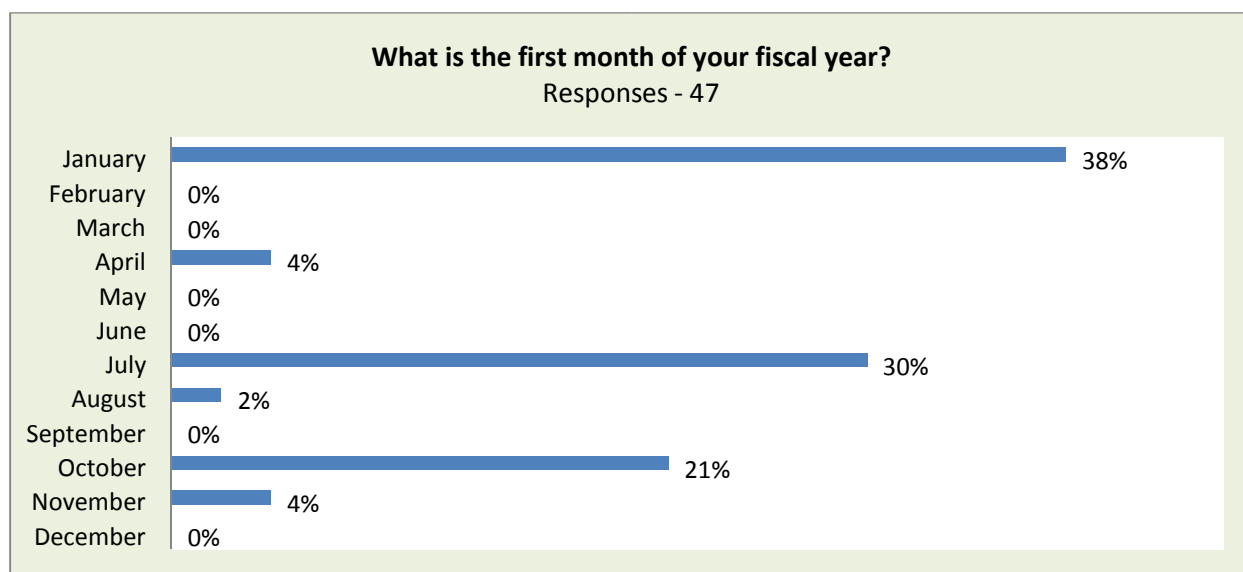


Exhibit 1.4 | Fiscal Year



Section 2 | EMPLOYEES

Exhibit 2.1 | Vermont Workforce

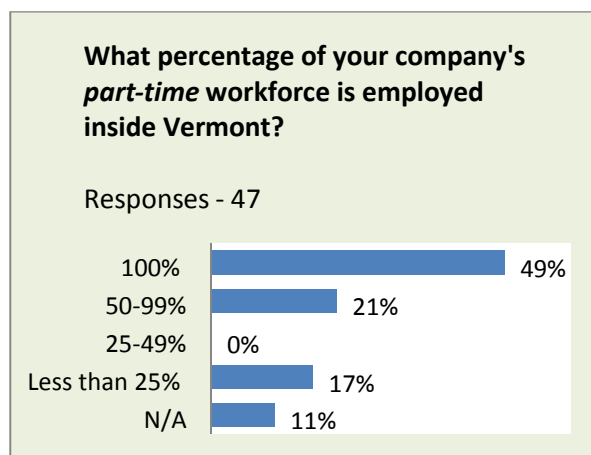
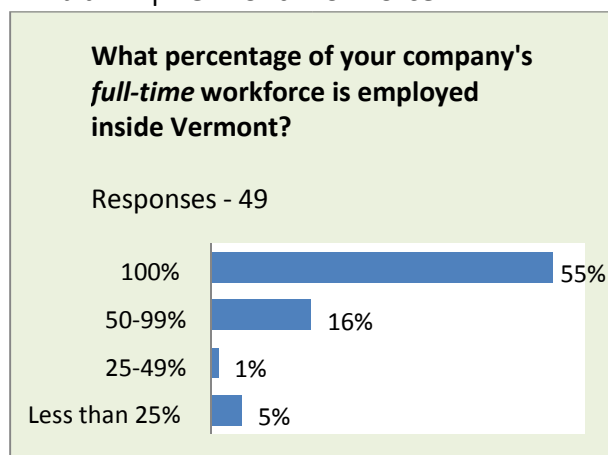


Exhibit 2.2 | Payroll

In your last fiscal year, what was the total annual payroll for all of your Vermont employees (including full and part-time employees)?

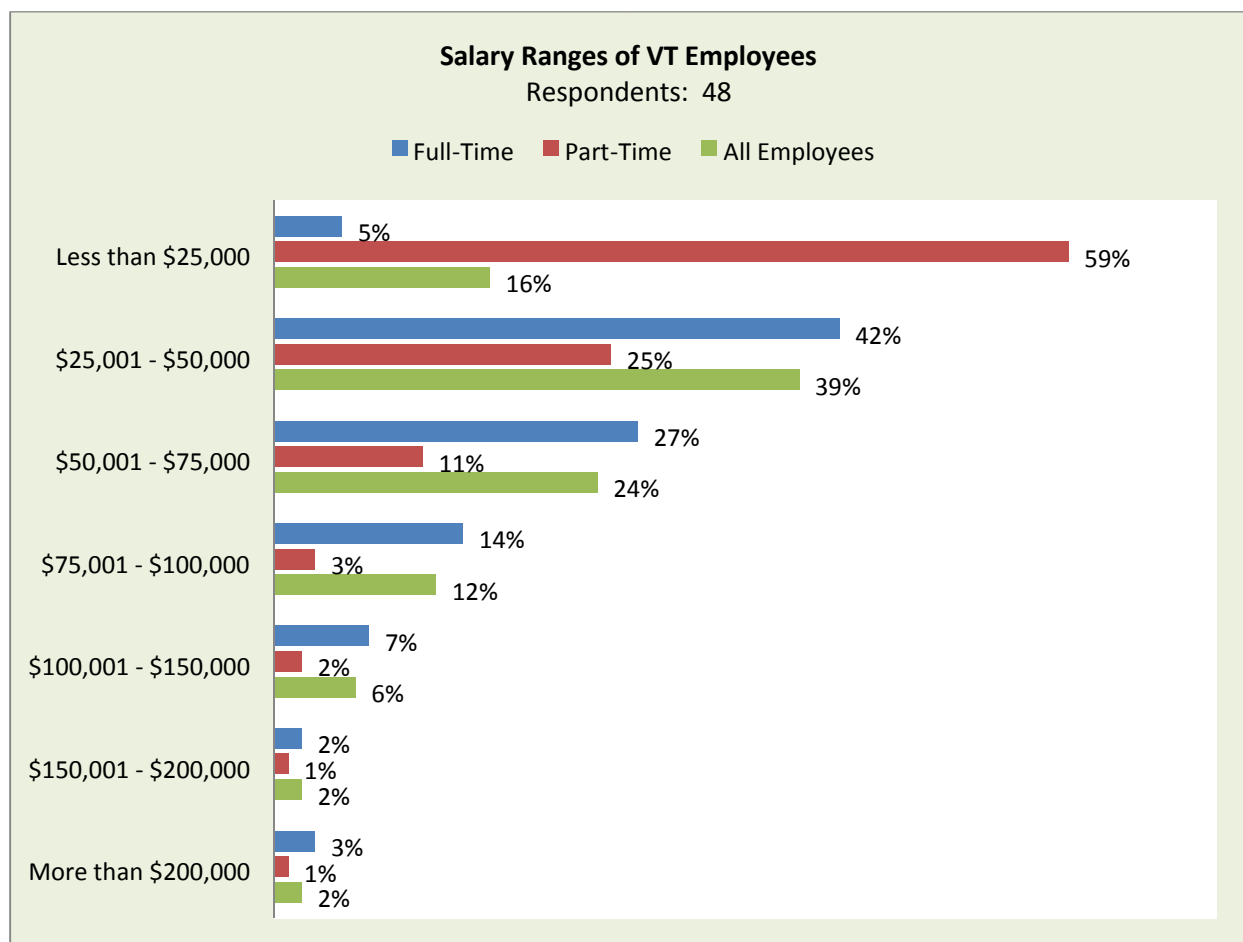
	Average	Median
Total Annual Payroll	\$23,761,183	\$7,952,146

Exhibit

2.3 | Salary Ranges

On average, how many full-time and part-time Vermont employees fall into each of the salary ranges below. Total Respondents: 48

	Full-Time	Part-Time	All Employees
Less than \$25,000	5%	59%	16%
\$25,001 - \$50,000	42%	25%	39%
\$50,001 - \$75,000	27%	11%	24%
\$75,001 - \$100,000	14%	3%	12%
\$100,001 - \$150,000	7%	2%	6%
\$150,001 - \$200,000	2%	1%	2%
More than \$200,000	3%	1%	2%



Section 3 | HEALTH INSURANCE PLANS

Exhibit 3.1 | Cost of Health Insurance per Employee

Annual Employer Cost of Health Insurance per Employee.

	Average	Median	Highest	Lowest	Total Respondents
All Employees	\$6,637	\$6,172	\$18,003	\$664	40
Eligible Employees	\$7,349	\$6,659	\$18,033	\$1,400	38
Enrolled Employees	\$9,124	\$8,606	\$18,836	\$4,128	37

Exhibit 3.2 | Offering Health Insurance

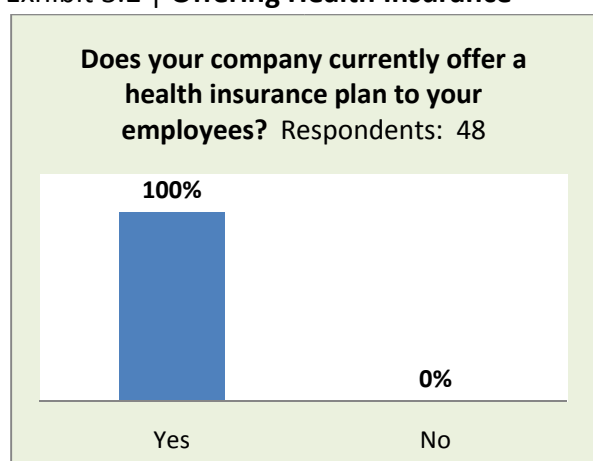


Exhibit 3.3 | Funding Method

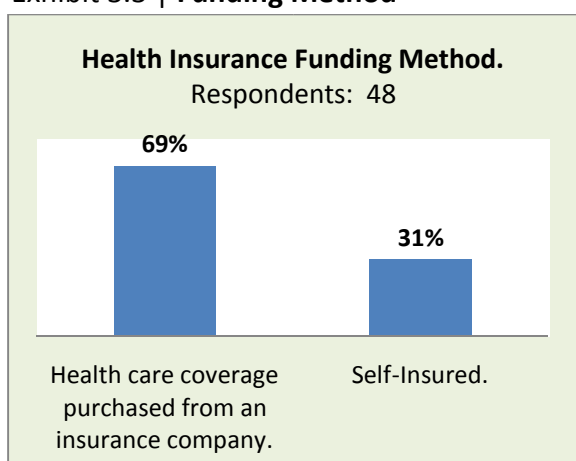


Exhibit 3.4 | Opt-out Incentives

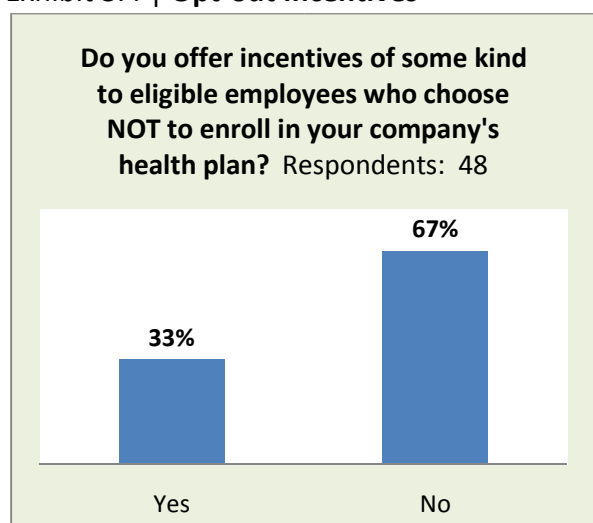
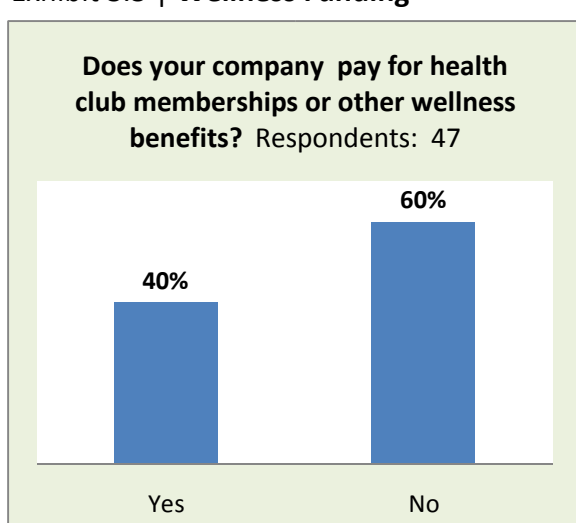


Exhibit 3.5 | Wellness Funding



Exhibit

3.6 | Retiree Coverage

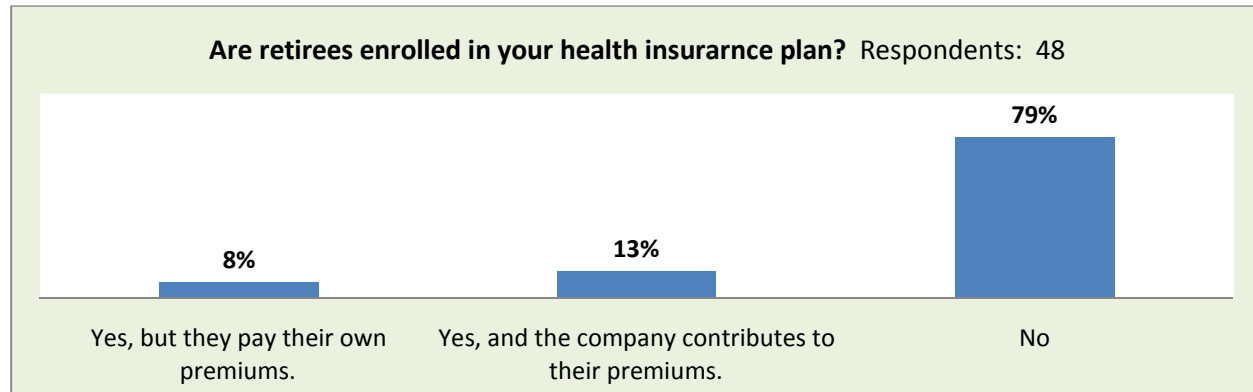


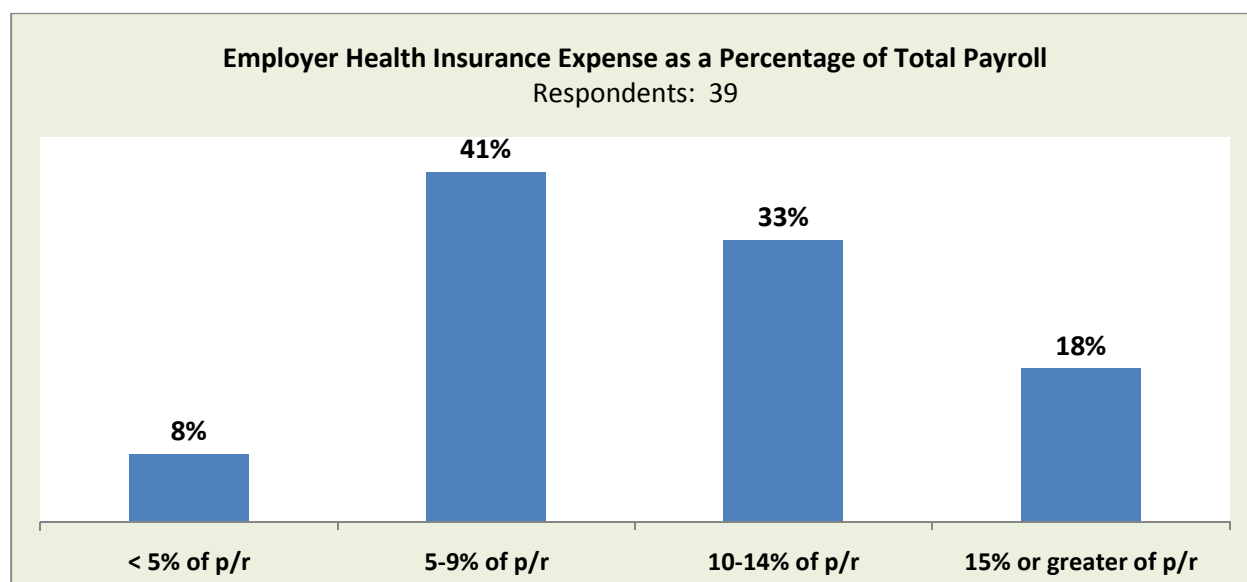
Exhibit 3.7 | Health Insurance as a Percentage of Payroll

Employer health insurance expense expressed as a percentage of total payroll. Respondents: 39

	Average	Median	Highest	Lowest
Percentage of Total Payroll	11%	10%	26%	2%

Employee health insurance expense expressed as a percentage of total payroll. Respondents: 39

	Average	Median	Highest	Lowest
Total Annual Payroll	2%	2%	6%	0%



Exhibit

3.8 | Health Insurance Cost by Company Size (Percentage of Payroll)

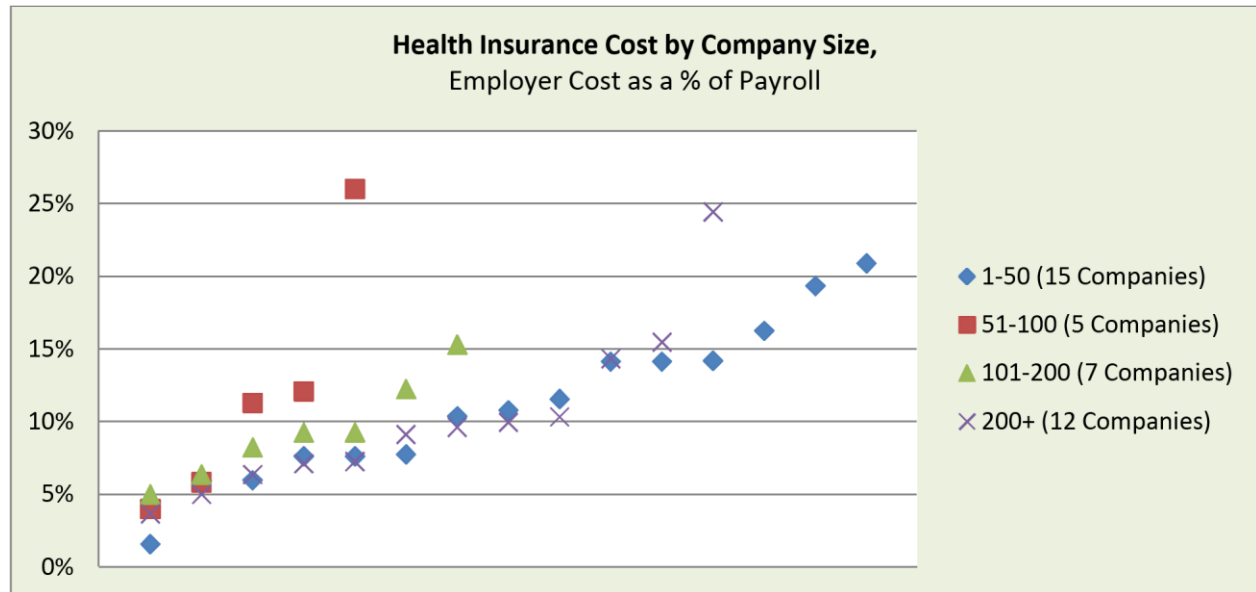
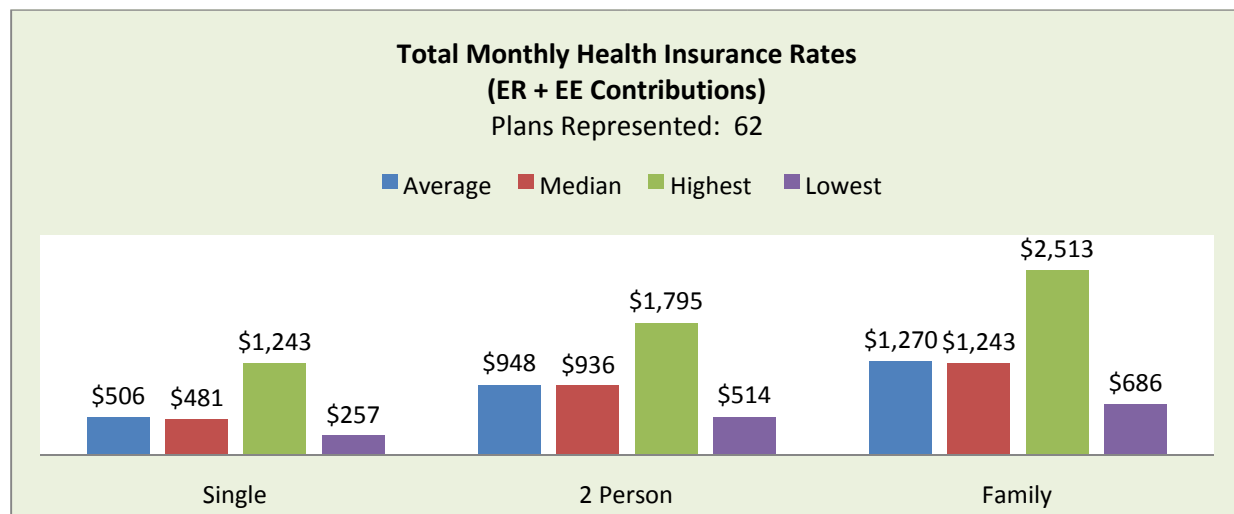


Exhibit 3.9 | Health Insurance Rates

Total Monthly Health Insurance Rates

	Average	Median	Highest	Lowest	Respondents
Single	\$506	\$481	\$1,243	\$257	62
Two Person	\$948	\$936	\$1,795	\$514	63
Family	\$1,270	\$1,243	\$2,513	\$686	62



Exhibit

3.10 | Employee Contributions to Health Insurance

Monthly Employee Contributions to Health Insurance

	Average	Median	Highest	Lowest	Respondents
Single	\$93	\$98	\$283	\$0	62
Two Person	\$263	\$221	\$881	\$0	63
Family	\$392	\$313	\$1,304	\$0	62

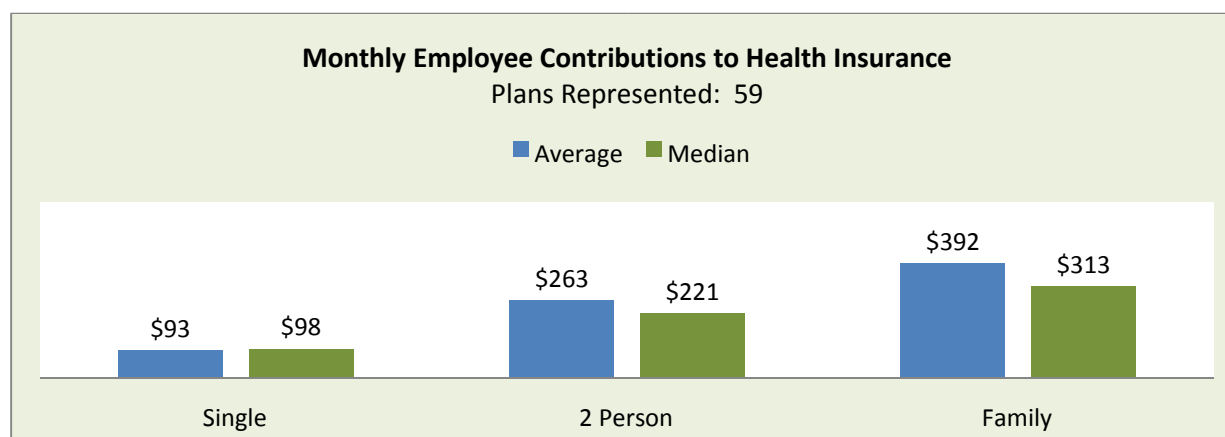
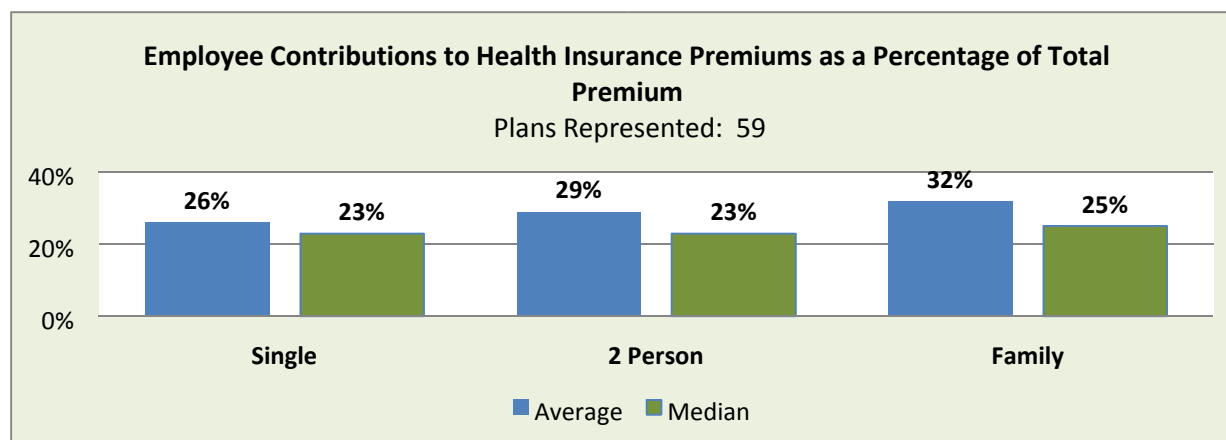


Exhibit 3.11 | Employee Health Insurance Contributions – Percentage Basis

Monthly Employee Contributions as a Percentage of Total Health Insurance Premiums

	Average	Median	Highest	Lowest	Respondents
Single	26%	23%	100%	0%	62
Two Person	29%	23%	100%	0%	59
Family	32%	25%	100%	0%	58

Exhibit



3.12 | Plan Design

Health Insurance Plan Design Elements

	Single Deductible	Coinsurance	PCP Copay	Generic RX Copay	Single Out of Pocket Maximum	Single Annual HSA Contribution
Average	\$1,616	18%	\$19	\$10	\$3,357	\$1,356
Median	\$1,500	20%	\$20	\$10	\$3,000	\$1,375
Highest	\$6,250	50%	\$30	\$50	\$11,000	\$3,300
Lowest	\$0	0%	\$10	\$0	\$400	\$924
Respondents	61	39	32	42	58	18

Notes:

1. All plan designs are combined in the chart above and it needs to be noted that High Deductible Health Plans (HDHPs) have different characteristics than traditional plans, e.g. no coinsurance, copays, etc.
2. Actual deductible and out of pocket maximums for employees may be less than what is shown due to employer contributions to employee Health Savings Accounts (HSAs) or Health Reimbursement Accounts.
3. There were a number of plans that indicated that co-insurance applied to copays and generic prescriptions. Coinsurance ranged from 20% to 50%.

Exhibit 3.13 | Opt-out Incentive Expenditure

In your last fiscal year, what was your company's total annual expenditure for incentives for Vermont employees NOT enrolled in your health insurance plans?

INCENTIVE	Average	Median	Highest	Lowest	Respondents
Annual Expenditure	\$35,402	\$18,297	\$118,000	\$4,000	12

Note: 31 respondents indicated they did not have an incentive expenditure.

Exhibit

Exhibit 3.14 | **Wellness Expenditure**

In your last complete fiscal year, what was your company's total annual expenditure for wellness programs for Vermont employees?

WELLNESS	Average	Median	Highest	Lowest	Respondents
Annual Expenditure	\$19,357	\$3,306	\$172,867	\$0	40

Exhibit 3.15 | **Retiree Health Insurance Expenditure**

In your last complete fiscal year, what was your company's total annual expenditure for retiree health insurance?

RETIREE COSTS	Average	Median	Highest	Lowest	Respondents
Annual Expenditure	\$333,280	\$100,450	\$1,600,000	\$27,067	7

Note: 31 respondents indicated they did not have a retiree expenditure.

Section 4 | OPINIONS AND PERSPECTIVES

Exhibit 4.1 | Changes to Health Benefits for Employees

Please indicate changes you have made in the last 3 years or are likely to make in the next 3 years with regard to health benefits for your employees.

Note: Data indicate number of employer responses to each question.

	Past 3 Years	Next 3 Years
Addition of medical coverage for the first time	1	0
Elimination of all medical coverage	0	0
Elimination of retiree medical coverage	1	2
Change of health insurance carriers	19	12
Addition of health insurance for employee family members	0	1
Elimination of health insurance for employee family members	2	0
Addition of consumer directed health plans	6	3
More medical plan options	11	8
Fewer medical plan options	6	3
Increase in employer's share of premiums	9	9
Decrease in employer's share of premiums	17	12
Increase in deductibles, co-payments, or co-insurance	22	20
Decrease in deductibles, co-payments, or co-insurance	1	0
Coverage for part-time employees	1	2
Coverage for seasonal employees	0	0
Elimination of coverage for part-time employees	0	1
Elimination of coverage for seasonal employees	0	0
Addition of wellness programs	15	18
Elimination of wellness programs	2	0
Relocation of employees out of state	0	1
Relocation of employees to Vermont	2	3
Other (Please use comment section for details)	2	2

4.2 Health Insurance as a Principle

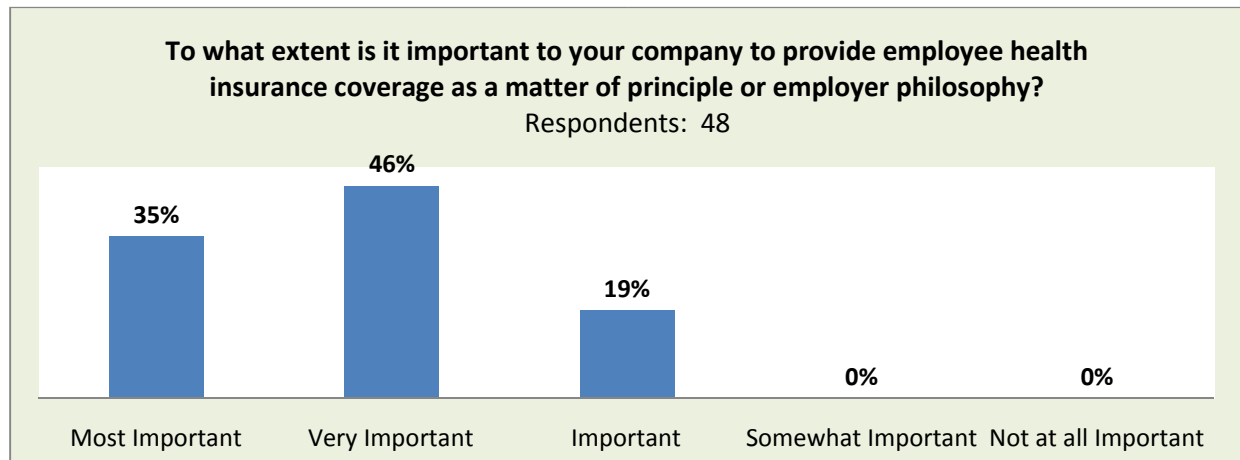


Exhibit 4.3 | Importance of Health Insurance

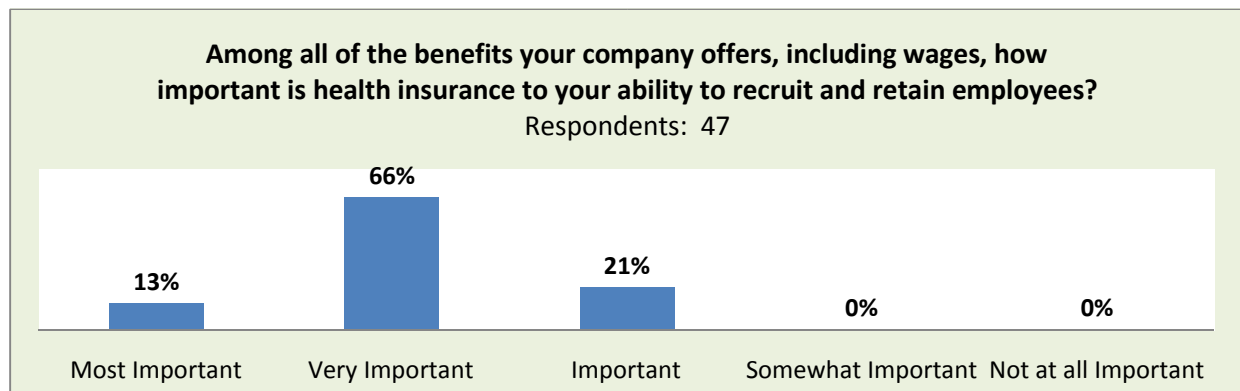
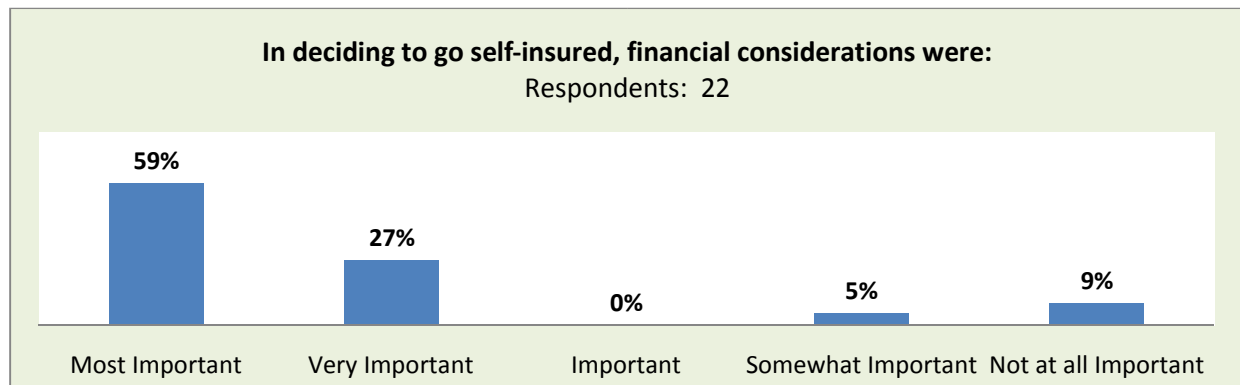


Exhibit |
Exhibit 4.4 | **Self-Insurance Decision Making**



4.4 Self-Insurance Decision Making (Continued)

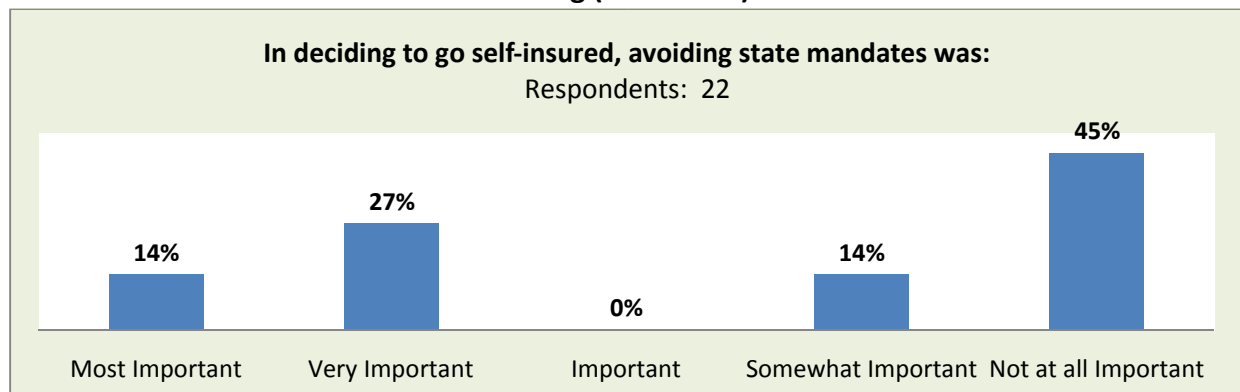


Exhibit 4.5 | **Health Insurance Costs as a Concern**

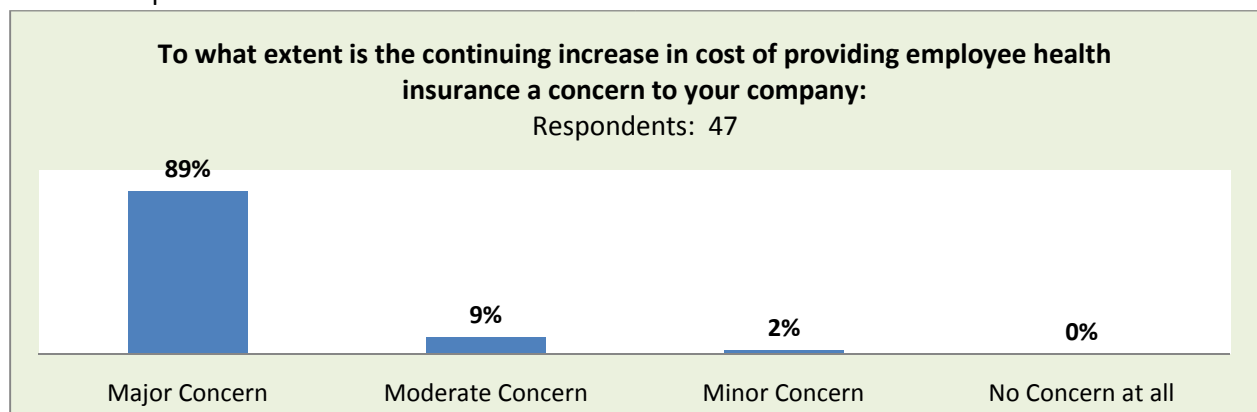


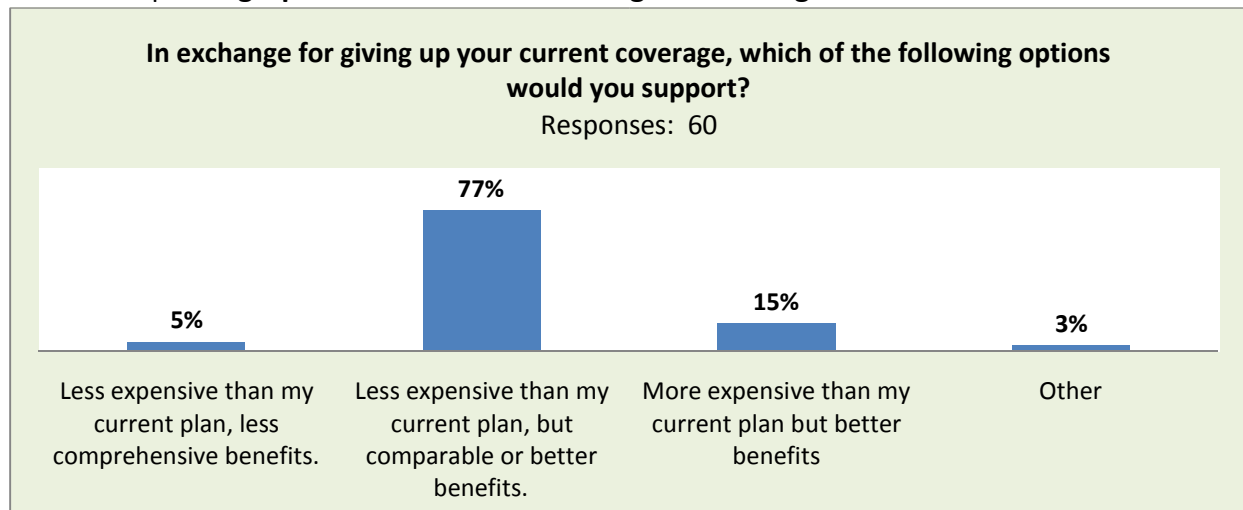
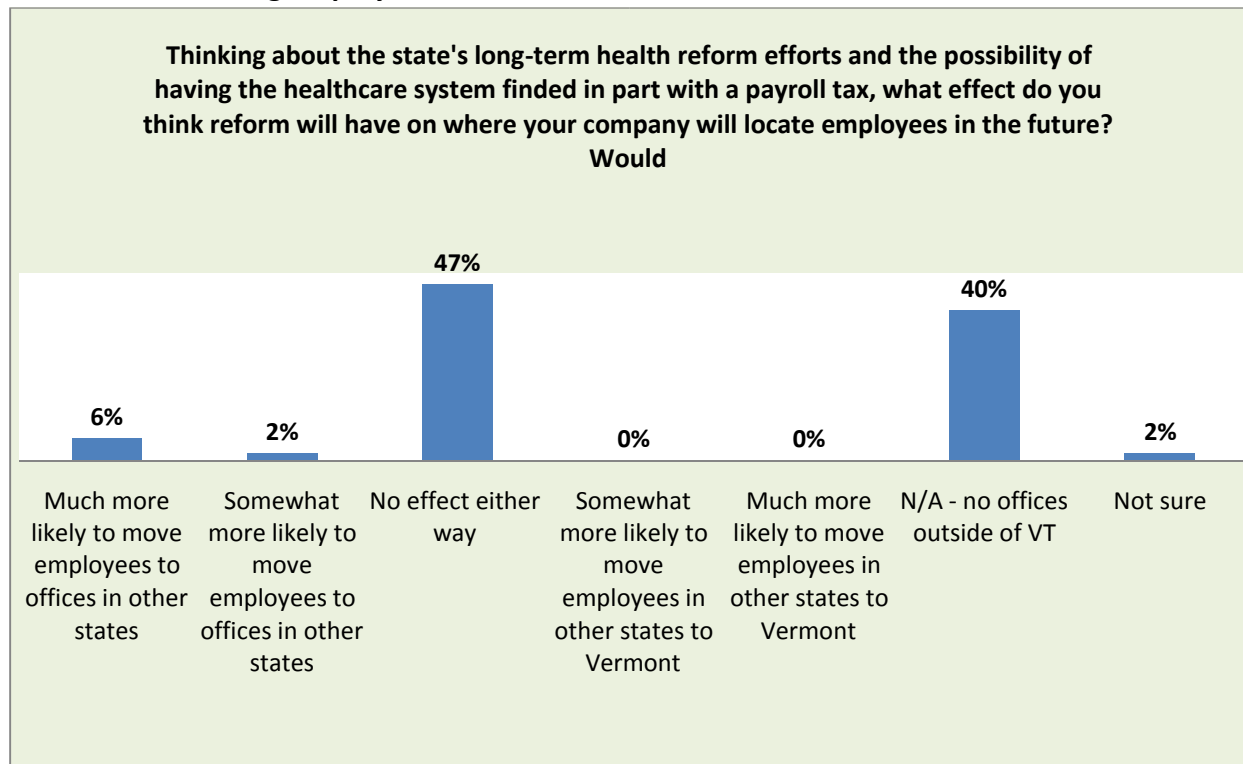
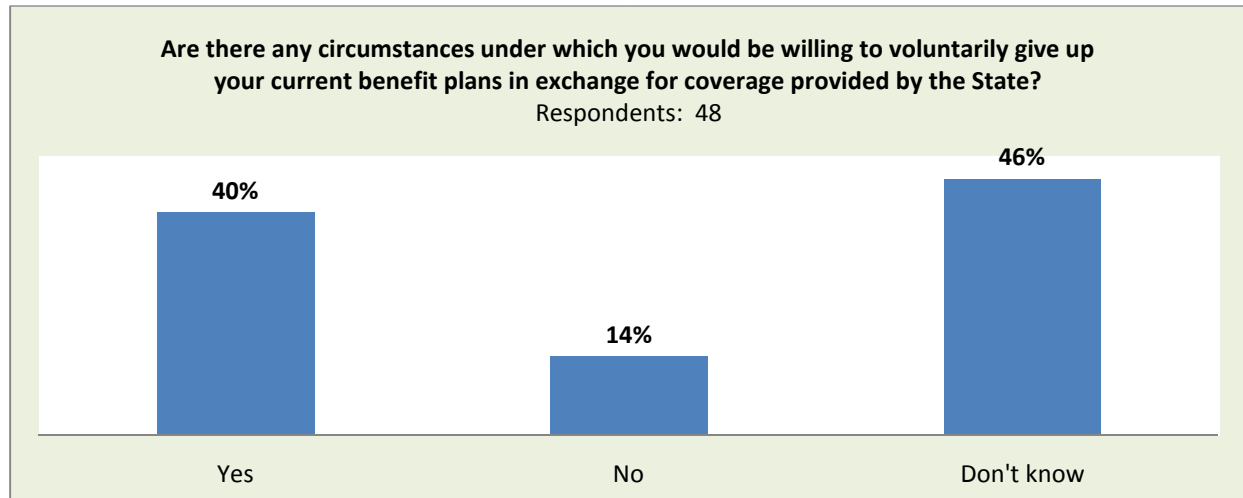
Exhibit 4.6 | **Giving Up Health Insurance Coverage in Exchange for...****4.7 Locating Employees Based on VT Health Care Reform**

Exhibit 4.8 | **Giving Up Health Insurance Coverage Voluntarily**



4.8 Giving Up Health Insurance Coverage Voluntarily - COMMENTS

- Yes; Similar coverage levels at similar or lower cost to the company."
- Yes; As long as our higher-wage employees are not made worse off financially by losing the employer contribution toward premium.
- No; Access to top quality healthcare and benefit plans are extremely important to us. Mediocrity and scarcity of service stemming from a state run plan are concerns.
- No; The cost and plan benefits of a private plan far exceeds the benefits that a state plan can offer. We fear with a single payer system our employee's will pay more and receive less, in addition our cost associated with payroll today is 8% versus a payroll tax estimated at 14%, this would have a crippling effect on our bottom line.
- Yes; If I was convinced that employer and employee costs would be reduced or mitigated, strong benefits would be retained and that these conditions were sustainable. to be clear, I am very skeptical and will believe the risks substantially outweigh the likely benefits.
- Don't know; All scenarios would need to be evaluated closely.
- No; We're a multi-state employer with over 60% of our employees outside of VT - extra burden if we went with coverage provided by the state, plus state plan doesn't appear to offer enough carrier choice.

Exhibit |

- Yes; Comprehensive look at funding that decouples the employer, not employment from the equation. The employee or insured should be paying the majority share of their health insurance. It is no longer viable to have this be an employee benefit. The payroll tax for employers should not exceed 5% of payroll, otherwise there will be job losses, period. An aging workforce- driven low unemployment rate should not be seen as a healthy indicator of opportunities.
- Don't know; Question too vague - need to know cost, tangibles, quality of care, long term fiscal impacts on state, etc.
- Yes; If the state provided health insurance with better coverage and/or lower cost, or similar coverage and cost but with reduced administrative overhead, we would be likely to give up our current plan.
- Yes; Vermont employees are covered on the same plan as New York employees, so we are limited to the number of plans that can offer a comprehensive network of providers for Vermont. Employees want flexibility, affordability and choices.
- Yes; Comparable cost and benefits; we have union contract considerations.
- Don't know; Would depend upon the cost and benefit plan.

4.9 Support of Governor's Healthcare System

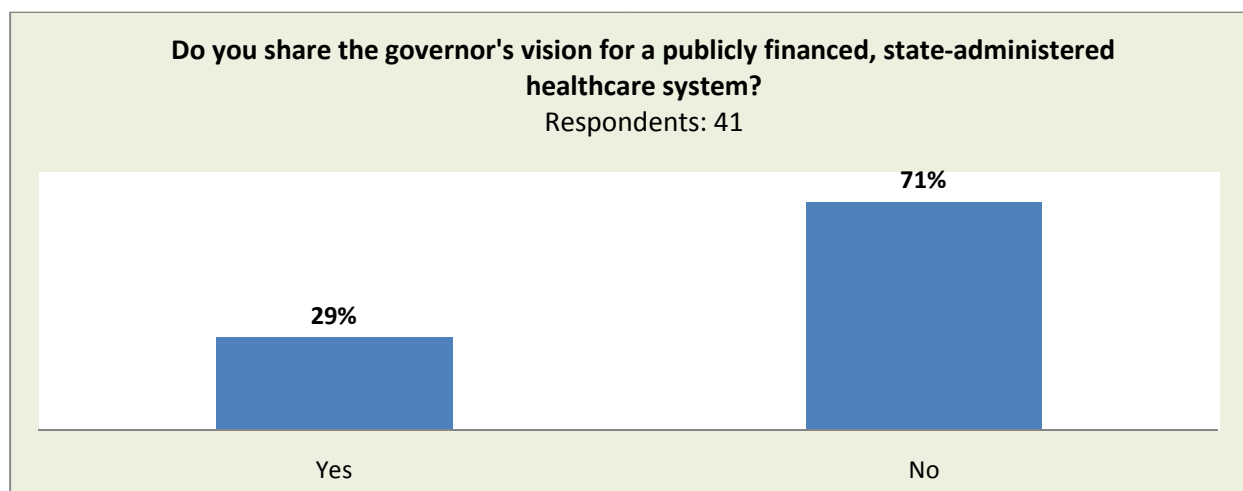


Exhibit 4.9 | Support of Governor's Healthcare System - COMMENTS

- Yes; My employees health care is not regulated by unaccountable private sector bureaucrats, and as an employer we have to be the middle-man for our employees. I would

Exhibit

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prefer my employees have a way to manage their care without the company's involvement, and with accountability coming at the ballot box.

- No; We believe this vision will inevitably increase the cost of doing business in Vermont for employers, and encourage higher wage earners to find employment in other states.
- No; Vermonters have been well served under the previous system. There have been a number of concerted efforts to reduce overall costs by various hospitals and insurers.
- Yes; In concept we support, financing is a question.
- No; Please reference answer from previous question.
- No; What may appear simple on paper is in fact immensely complicated and fraught with the potential for unintended consequences. To eliminate consumer choice is a generally bad idea. To subject the health care and coverage systems to political / legislative budget mayhem every year is beyond dangerous.
- No; More detail on what this would look like will have to be available in order to answer this question. It is extremely hard, based on the little information available at this time, to make a firm stand in support of the governor's vision. In comment to the next question-if the transition to the Vermont health insurance exchange is any representation of how the state plans and implements changes like this, my confidence is low. it would be very, very important to us as an employer, that all of the 'glitches' be worked out BEFORE the system goes live.

- No; VT doesn't have the funding opportunities and it should offer more choices. Should have opted to offer the federal exchange at a minimum.
- No; There are no details or vision of what the plan is as of yet. Need more concrete data and a transparent plan.
- Yes; My strong preference is the elimination of private insurance carriers altogether, but with the outsourcing of claims processing services to the private sector. Health care delivery must remain private.
- No; Vermont's projected increase for their Health Exchange in 2015 is one of the highest in the country. As far as the state administration there were several issues in rolling out the Exchange last year and several deadlines had to be moved ahead for reasons of staffing and technical issues. There does not appear to be a planned sustainable model. Experience this year highlights challenges with the current model.

Exhibit 4.10 | **Confidence in the Ability of State Government to Build Healthcare System**

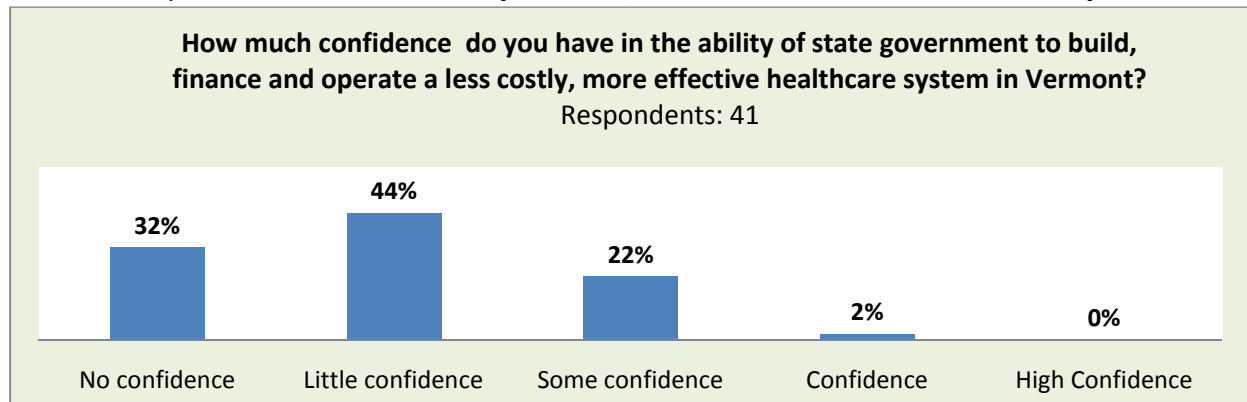
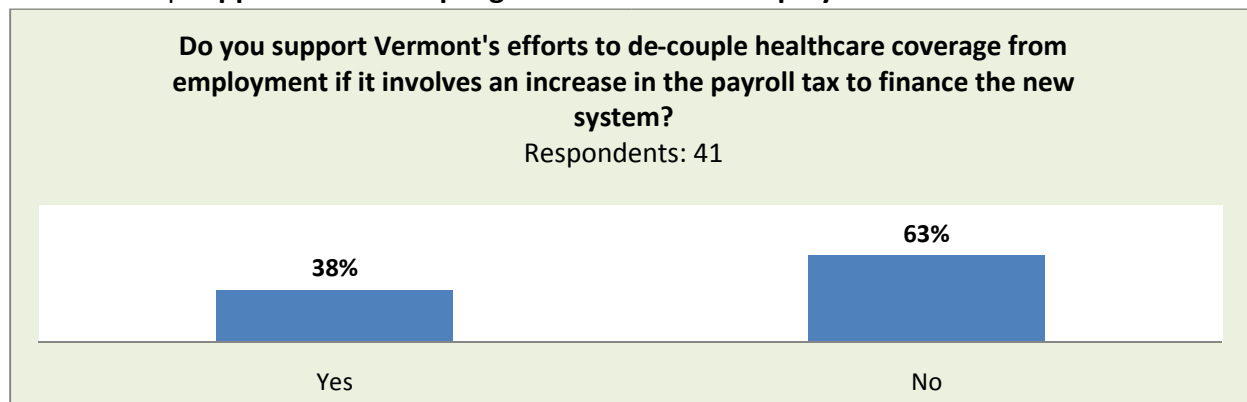


Exhibit 4.11 | **Support for De-coupling Healthcare from Employment**



Exhibit

4.11 | Support for De-coupling Healthcare from Employment - COMMENTS

- Yes; I don't want to be in the business of administering my employees health coverage. I would provide wellness support at the workplace.
- No; As a company we need to be able to manage our costs and remain competitive with businesses across the country.
- Yes; As long as it's comparable or less than what we are spending right now.
- No; A national system that is decoupled from employment makes more sense to me than a state system, especially in a very small state like Vermont.
- No; This seems as though it still connects healthcare coverage with employment and not residency.
- Yes; As before, I believe the cap should be 5% of the payroll. The numbers we have heard floated of 12-14% would do great harm to nearly all businesses with under 100 employees.
- Yes; This question is biased since the answer will most likely depend on how a payroll tax compares to the current cost of benefits. Winners will answer Yes, losers will answer No, assuming they can guess at what the payroll tax would be. A better question is whether the employer would support a payroll tax that's higher than the current cost of health insurance, in exchange for longer-term cost containment and administrative simplicity, and how high a tax would the employer support.
- No; Either way it becomes a cost for the employer.
- No; For the reasons listed above as well as the concern over Physician's leaving the state. The issue surrounding seeking care at facilities outside the state such as Dartmouth Hitchcock for those who live in border areas or need an expertise in a different facility has not been address sufficiently.
- Yes; Of course it all depends on the numbers.

Exhibit 4.12 | **Satisfaction with Healthcare Reform Controlling Costs**

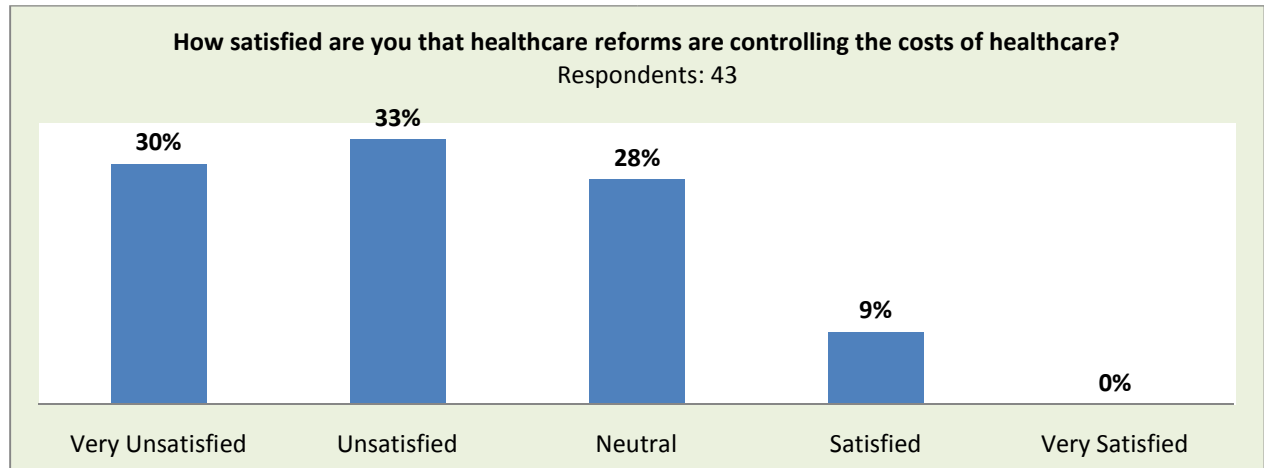


Exhibit 4.13 | **Effect of VT Healthcare Reform on Business and Decisions**

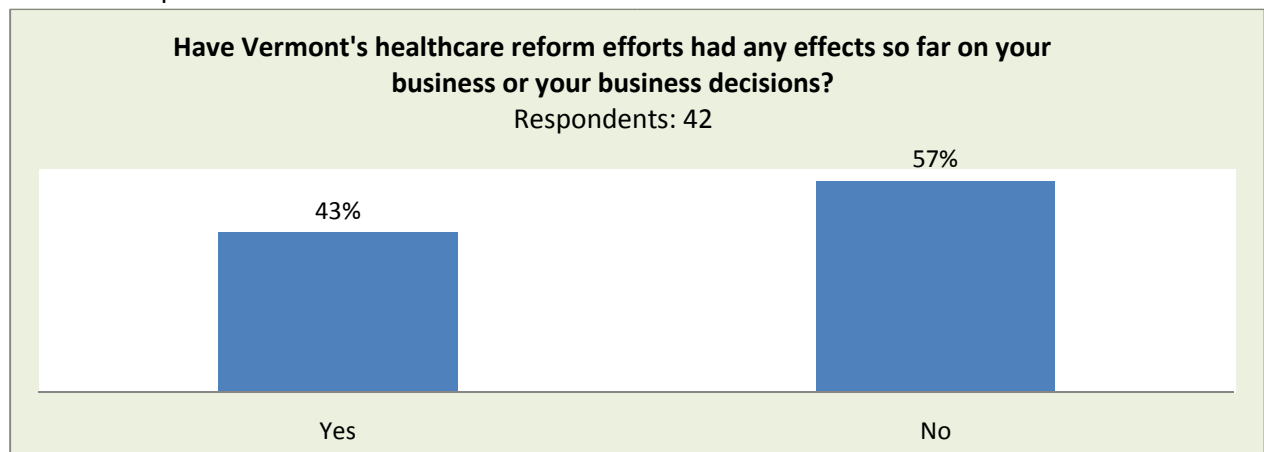


Exhibit 4.13 | **Effect of VT Healthcare Reform on Business and Decisions - COMMENTS**

- Yes; We are fewer than 50 employees and are in the exchange. The changes in the market have induced more employees to take our coverage plan, thus increasing our health care costs.
- No; We were able to maintain our existing plan as our healthcare plan year starts in November so we opted to avoid the exchange until this coming fall. As of yet no positive or negative impacts but we are concerned about the state's pending initiatives.

Exhibit

- Yes; Both. The costs have increased, but as it turns out, the policy is better than the HSA plan it replaced.

- Yes; Negative impact - extra fees, state mandates are contributing to the increase in coverage.
- Yes; Negative. In October, by law, we will convert to the Vermont Health Connect. Under the platinum plan, employer and employee premiums will be higher, deductibles are higher, and we no longer have an HSA (which covers 75% of the current deductible and the unused balance can be carried forward). The employees are unhappy. the impact on recruitment and retention I suspect will be negative.
- No; Large, self-insured employer - no real effect so far other than some additional fees.
- Yes; Negative.
- Yes; Neutral. We are holding off on considering self-insurance alternatives until we better understand the future landscape.
- Yes; So far, the impact to the HR department to try to understand the new system and then find out that we wouldn't go onto the exchange at the last minute was extremely time consuming and frustrating. Now we understand it is still not ready. The calculations for FTE's that is different for State vs Federal purposes is very difficult to manage. Having to pay for a broker fee to get support when it used to be included in the insurance premiums is a significant additional expense. Employee's that have tried to get information from Vermont Health Connect have been very frustrated...it's too complicated.
- Yes; Both positive and negative, depending on the circumstances.

ADDITIONAL OPEN ENDED QUESTIONS AND RESPONSES

Question 4.1 | Risks Associated with VT Healthcare Reform

What would you identify as the greatest risk (and greatest benefit) associated with the state's healthcare reform initiatives?

- We do not live on an island and people will move out of state or not come to Vermont because of the status of our healthcare initiative.
- Greatest risk is the state's ability to manage the system in a way that is equal to or better than our current system, and the patience of the population to see the reforms start to reduce costs. The greatest benefit would be more integrated health care, better access and overall a healthier population.
- 1. We have added significant costs to the administration of health care. 2. Many Vermonters will have less coverage with higher deductibles. 3. There will be more cost to hospitals as a

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result of increased need to create payment programs or charity care for many that will be served.

- Decrease in quality of care without controlling the costs.
- We see no benefits with pending initiatives. The greatest risks are 1) that businesses will pull out of the state completely or substantially if payroll taxes are used to pay for these reforms. 2) Mediocre medical care as top doctors flee to other states.
- Risk that it cannot be sustained and that health care coverage suffers. Benefit that all Vermonters are covered with good health care.
- Failure to complete and no private system ready to step back in. Likely outcome is to keep going at higher costs and painful results.
- Greatest risk: we create a system we cannot afford (state and taxpayers). Greatest benefit: by focusing energy on healthcare system, specifically around the cost and efficiency side, we could make some inroads. Could be benefits for VT for keeping cost manageable. (companies coming in, people moving here, etc).
- Greatest Risk: Economic, jobs, employers won't locate in Vermont and those that are here will leave. No jobs = No future. Greatest Benefit: None we can see.
- Cost - would be greatest risk and benefit.
- Risks: 1. The inferior plan will hurt morale and recruitment. 2. There is an open ended cost to the taxpayers and no way for an individual to manage their cost exposure. Benefits: There is the possibility that payment and delivery system reforms will reduce system costs. I am optimistic that the GMCB can succeed. This possibility of success is in no way dependent on single payer or government control.
- Risks-quality of care and ability to attract both new providers and new businesses (if payroll tax goes through) to the state. Benefits-availability of the same healthcare to all Vermonters, regardless of socio-economic status, possibility that cost of healthcare is streamlined and controlled.
- Employers are picking up the majority of the costs associated with it.
- It's going to fall apart and cause many problems on many fronts; it's going to financially break the state. Cost is not being addressed - coverage is. The only benefit I see is that there may be more Vermonters covered under insurance.

- We are concerned that our efforts to provide comprehensive medical benefits to our employees may be compromised.
- Greatest risk- half assed roll out, with hard decisions left for others. Greatest benefit- fixing a system that is clearly not working for all.

Financial insolvency for the State of Vermont. Doctors leaving the state because they are not adequately compensated. Decline in the quality of medical care for Vermonters.

- The greatest risk is that costs may not be effectively controlled and Vermont's unfair reputation for being bad for business gains additional traction. The greatest benefits would be expansion of healthcare to those who currently don't have access to affordable care, hopefully a greater emphasis on preventive care and well-being, and cost stabilization and predictability as compared to the current system which offers none of either.
- That cost control will get lost in the discussion over financing.
- Financing has not been developed.
- Healthcare reform initiatives are definitely changing the landscape of healthcare. Wellness and preventive care may eventually help to control costs and provide coverage to more people, which is the greatest benefit. The greatest risk is the shorter term expenditures, and tax payers must always accept expenses that are passed on to them, whether it's higher taxes, assessment fees or higher premiums.
- Inefficiencies; less benefits for employees with greater costs; charging a payroll tax to selfinsured companies that would essentially require us to pay for coverage twice.
- a. Greatest risks –
 - i. Cost
 - ii. Plan design
 - iii. Variable hours and benefit eligibility for employees who consistently work 30 hours per week. (note – federal mandates)
 - iv. Additional fees from employers to support the cost of the Exchanges.
 - v. Individual access to computer sites that are efficient, easy to navigate without any downtime.
 - vi. Individual access to navigators who can assist them with process of enrolling
 - vii. The risk of qualified health care professionals opting to leave the state.
- b. Greatest benefits – Individual access to insurance – may be more affordable than COBRA if they are eligible for a subsidy.
- Spending won't be controlled...taxes will just continue to increase to cover whatever costs keep getting added. Premiums will continue to increase, and we won't be able to keep up the level of contribution that we have now. Benefits will decrease.
- The greatest risk is that financing for a single payer system will be unstable and unsustainable and will lead to diminishing provider stability and reduced access; the

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greatest benefit will be in creating incentives for providers and patients to reduce costs over the long-term.

- No proven track record of success. How would we handle communicating to employees if the benefits are not as rich?

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A major risk is that the cost of providing care does not slow or reduce and the overall investment will rise.

- Greatest risk - Government administrated programs do not result in reduced costs, improved administration or higher member satisfactions; could become unsustainable.
- Inability of State Government to design and run system.
- It will be marginal coverage with out of control costs to the employees.
- Decrease in availability and quality of care greatest risk. Coverage for the uninsured greatest benefit.

Question 4.2 | **Concerns with VT Healthcare Reform**

What is your greatest concern in connection with healthcare reform in Vermont?

- We have not addressed the true problem which is cost in the system. The current efforts for 'single payer' and publicly financed health insurance do little or nothing to contain cost. The Blueprint for Health is an initiative intended to help control cost but there is little evidence it is accomplishing that goal.
- That it fails for political reasons and we lose the ability to shift from the present dysfunctional and expensive system. In today's world I feel very uncomfortable as an employer being responsible for the health of my employees outside of the workplace. It gives the company too much control over their lives outside of work.
- Unsustainable cost increases and very high out of pocket expenses for everyone.
- 1. Our inability to accurately project the costs of health care reform. 2. The significant amount of dollars expended for technology that has yet proved to reduce overall administrative costs. 3. The unknown impact to many of our businesses going forward.
- We will end up with a system that serves the lowest common denominator re: quality of care and cost. Untold sums of taxpayer money will be spent and a two tiered system will evolve...those that can pay more will have better care. No different from what we have today only with less competition to seek out a competitive edge to make it better, more desirable and less expensive.
- High costs and mediocre healthcare.
- That political fighting over funding dooms the program.

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- I am extremely concerned that this will fall on the shoulders of small business, and push many of us out of business or into even tighter margins.

We create a system that doesn't slow down the cost of healthcare and we end up with a plan we can't afford.

- That in the end prices will be higher with less coverage/benefits for employees.
- I am concerned that political decision-making and the politics of setting and funding annual global health budgets will damage the care delivery system and the economy. Intelligent, non-political regulation of a private system, that supports and reinforces consumer choice, can work.
- Quality of care and cost to Vermonters.
- The true cost to businesses and consumers.
- Doctors and employers are going to leave the state - or new ones are not going to come here. It's going to become cost prohibitive to the state and to the citizens.
- That it will be an epic failure because of our State Government's inability to understand the rules and laws that they will be asked to enact.
- My greatest concern is that effective healthcare reform will become watered down by polarization, politicization, and hyperbole, primarily among stakeholders who have a selfinterest in the current system remaining in place. Effective reform is possible, but only if a truly balanced view is carefully considered.
- That we are too small to dramatically change the health care financing system to one that is sustainable over the long term.
- Population size may be too small to sustain the effort.
- That the cost becomes too great and the initiative dies.
- a. A sustainable long-term model. b. Quality Physician's remaining in Vermont c. Cost of insurance d. States ability to administer the program efficiently and effectively. e. Lack of discussion or resolution for companies who have multiple state locations and, i. Individuals who live on the state borders and access facilities and Physicians out of Vermont.

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- The greatest concern is that there will be too many intended and unintended consequences of a “single payer” system, resulting in diminished access for Vermonters and higher costs over the long-term.
- That the state should not be doing this independently. We need more options, not less.
- Only a portion of our employees (<25%) are in VT; would need to carve out this group for healthcare benefits; more time and money on communication and administration.

Cost to business and uncertainty.

- The cost and the inability to develop and implement it.
- That overregulation and bureaucracy will end up with a system that is less efficient and effective for maintaining/improving the health of our citizens.

Section 5 | GENERAL COMMENTS

Question 5.1 | Thoughts on VBR Healthcare Policy Agenda

What other thoughts do you have that the Roundtable needs to consider when developing its healthcare policy agenda?

- Need to understand the impact Vermont's health care system can have on employers with multi-state investments and nationally recognized plans.
- I think VBR has, with partners, gotten the conversation started. I think we need to monitor this conversation to make sure the details of products, costs, and taxes become clear well before the legislature is forced to act – so this is not the blind following the blind. I assume this means that we need to see costs this fall. Shine your spotlight on this one.
- Keep up the great work!
- Every member should benchmark the percentage of healthcare spend (employer portion) to payroll, and the Roundtable should publish the results. We highly recommend you refer to local brokers including Hickok & Boardman, Hackett Valine and MacDonald, etc. for plan design. We would support contributing to hire a professional lobbyist to represent the majority voice of the Roundtable. We see this as a critical topic that needs a strong voice now.

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- Health care is sucking all the oxygen out Vermont's fiscal policy. I would sooner see us invest in true universal preschool and in the state college system and in cleaning up Lake Champlain than invest more in health care. The emphasis is vastly out of proportion.
- Will a change to single payer increase utilization of medical services in the state of Vermont? If so, how will our healthcare system hold up with the increased burden with the potential decrease in quality providers? What will the state do to try to retain skilled providers? What will the state do to incentivize new business to relocate to the state if there is an increase in the cost to operate in Vermont, assuming a payroll tax? Will it attract uninsured or under-insured residents from other states?
- The cost of doing business in Vermont is already high, and the current initiatives are likely to result in an increased business cost. A real concern is that costs will increase

and benefits provided to employees will simultaneously decrease.

- If the will is to get to single payer, then get there. Intermediary steps creates continued uncertainty, which will affect our economy significantly for small, midsize, and large employers.
- I would support two initiatives. One is to better understand the cost drivers of healthcare, as our understanding has become badly distorted in a discussion that has been framed so as to let people believe that Vermont needs to raise \$2 billion in new revenue. The second is to develop a clear set of recommendations for how to educate businesses and individuals on the pros and cons of reform in a balanced way. Responding by saying that Vermont is bad for business will only serve to become a selffulfilling prophecy. No state has perfect policies, if we have a vested interest in recruiting and retaining businesses, we need to help educate them as to what Vermont has to offer that no other state does. There are some benefits to healthcare reform, even to employers, and businesses should be helped to understand what those are.
- If employers grow, focusing on Vermont only is limiting.