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Agency of Human Services

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Announcing Vermont Health Connect Broker Compensation

Health insurance brokers will play an important role in facilitating the purchase of health coverage for small employers and individuals on Vermont's health benefit exchange, Vermont Health Connect.

Vermont Act 171 of 2012 gave the Department of Vermont Health Access (DVHA) the duty to establish a standard fee or compensation schedule that allows licensed brokers to be appropriately compensated for assisting eligible employers and individuals to enroll into qualified health plans offered on the exchange. These broker fees are to be separate from premiums charged for qualified health plans. This memo announces the fee schedule that will apply to brokers for services on Vermont Health Connect.

DVHA commissioned an employer survey in mid-2012 that provided feedback on fees that employers would likely pay for broker services, and we have been receiving additional feedback from both employers and brokers since Fall 2012. On June 3, 2013, DVHA presented a formal broker fee proposal to the Medicaid & Exchange Advisory Board and opened a public comment period until June 11. We received and reviewed numerous comments.

After consideration of all input received, I have determined the 2014 broker fee schedule to be \$20 per month for each employee or individual designating a registered broker and receiving assistance to enroll into a qualified health plan offered on Vermont Health Connect. This \$20 fee is a total fee and inclusive of any ongoing costs related to invoicing and collection. This fee level will apply to calendar year 2014 only. A broker fee schedule applying to 2015 or beyond will be considered during the first half of 2014 and announced no later than July 1, 2014.

In addition to establishing the broker fee schedule, the State will support the broker community with extensive training to fully prepare them for this important transition. We look forward to and welcome the key role brokers will play in Vermont Health Connect.

Sincerely,



Mark Larson
Commissioner
Department of Vermont Health Access

