

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
Center for Consumer Information and Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201



January 11, 2017

Dear Ms. Gekas,

The Center for Consumer Information and Insurance Oversight (CCIIO) thanks Vermont Health Connect for submitting a request to continue utilizing a direct enrollment approach for operation of your Small Business Health Options (SHOP) Marketplace as a transitional measure, in accordance with CMS guidance posted on April 18, 2016<sup>1</sup>. We have considered the submitted documentation and consultation held on September 1, 2015, in addition to the information highlighted further below, sufficient for approval of Vermont's request through Plan Year 2018.

The information that we reviewed includes the Vermont process flow for employers, employees and issuers utilizing a direct enrollment method for SHOP. CCIIO is aware that Vermont recently submitted a State Innovation Waiver under Section 1332 of the Affordable Care Act, proposing to maintain the current configuration of its small group market where it employs direct enrollment. In order to allow time for the waiver review process and to maintain stability in Vermont's small group market, the State seeks to continue its direct enrollment approach on a transitional basis.

Thank you for your work and commitment to expanding access to affordable health care for all consumers. We look forward to continued collaboration and recognize your ongoing progress.

Sincerely,

Angelica Torres-Reid  
CCIIO State Officer  
State Exchange Group  
Center for Consumer Information and Insurance Oversight

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<sup>1</sup> <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/1332-and-SHOP-Guidance-508-FINAL.PDF>