

VT Healthcare: Unaffordable and Inaccessible

1. [Green Mountain Care Board Chair Kevin Mullin Acknowledged the Unaffordability of Premiums:](#)

“These rates are not affordable. We acknowledge they are not affordable,” Mullin said. And he’s the head of the agency that approves premium rates. Here’s what that means:

Figure 2: Growth in Premiums for Individuals, Families, & Small Employers vs Vermont's Median Hourly Wage

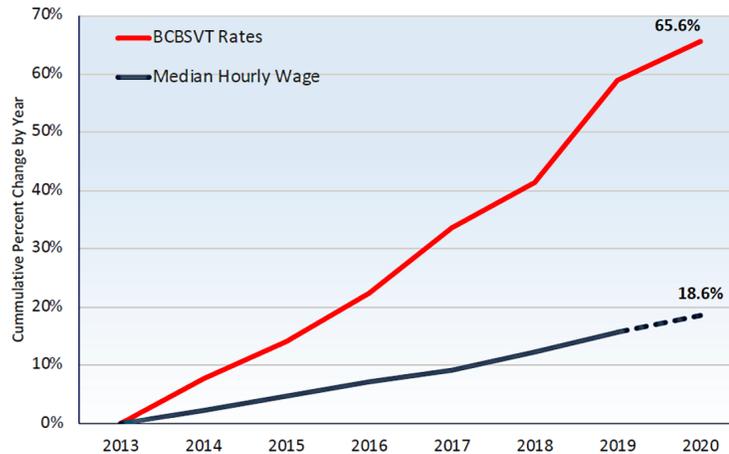


Figure 2 Sources: BCBSVT Rate data comes from the Green Mountain Care Board and Median Hourly Wage data comes from the U.S. Bureau of Labor Statistics Occupational Employment Statistics.

Source: [HCE Report, Vermont State Auditor \(August 2020\)](#).

The distance between those two lines is how far Vermonters are falling behind.

2. **Hundreds of Thousands of Vermonters Struggle to Get Health Care *Even Though They Pay for Health Insurance***

While most Vermonters have insurance, the state’s latest official survey (2021) reported that [187,000 Vermonters under age 65](#) and another 40,000 over age 65 were “underinsured.”

[Rates of underinsurance](#) in 2021 were high in all sectors of the population and even higher among Black Vermonters, those in a gender identity minority, and those living with a disability.

That means that one out of every three Vermonters can’t afford to use the insurance they already paid for because they can’t scrape up the cash to pay the deductible or the co-pay. That affects many other aspects of their lives:

- A resident of Rutland County explained that she had a \$561 premium but a \$6,250 deductible, leaving her \$7,000 in debt.
- A Washington County resident said, “Medical debt leaves us constantly having to choose what to pay and what not to pay. Depression, anxiety and stress is a huge factor too!”

41% of all privately insured Vermonters have a deductible over \$4,000. Yet in 2020, over [36% of Americans](#) could not come up with \$400 in an emergency!

- “Any deductible and out-of-pocket over a few hundred dollars causes stress and worry,” an Addison County resident said.
- When high “cost sharing” causes people to [delay or avoid care](#) like this, they get [sicker, go into debt or die younger](#).

3. Medical Debt Plagues Thousands of Vermonters

- For one Rutland County resident, medical debt damaged their credit rating enough to limit their housing options.
- Another noted that “Medical debt impacts the quality of the food I am getting because I have to take food money to pay it.”

You can read stories from around the state here: www.vtmedicaldebt.org. The impact of constant stress is features prominently in these stories.

4. All Those Vermonters Are Underinsured Despite Our [Spending \\$6.5 Billion a Year](#) on Health Care

5. Meanwhile one-third of all our money goes to [administrative overhead](#) in our privatized fragmented system.

6. High Salaries—Part of Administrative Costs--Permeate the Upper Levels of the State’s Health Care Industry

- a. Over 50 employees in Vermont’s hospitals [made over \\$500,000 in FY 2020](#),
- b. Vermont’s BCBS CEO made [over \\$682,000 for 2021](#),
- c. Accountable Care Organization, OneCare Vermont’s CEO [made over \\$400,000 in 2019](#)

7. While salaries for most Vermonters languish far below

- a. [Median household income in Vermont](#) from 2016-2020 was \$63, 477
- b. VT registered nurses [average \\$72,140 in 2022](#).

8. Remember that Single-Payer Health Care Did Not Fail in Vermont: It was [simply never implemented, never given a chance to work!](#)

There is a Solution for Vermont's Healthcare Crisis!

In Fact, It's Already Part of Our Law

Affordable, accessible care is what Vermonters need and what Vermont law already says we must have! Here are our principles from state statute:

18 V.S.A. § 9371. Principles for health care reform

The General Assembly adopts the following principles as a framework for reforming health care in Vermont:

(1) The State of Vermont must ensure universal access to and coverage for high-quality, medically necessary health services for all Vermonters.

Systemic barriers, such as cost, must not prevent people from accessing necessary health care. All Vermonters must receive affordable and appropriate health care at the appropriate time in the appropriate setting.

(2) Overall health care costs must be contained, and growth in health care spending in Vermont must balance the health care needs of the population with the ability to pay for such care.

It is time to implement our own principles. Health care should be a public good, providing everyone access to the care they need. It is time to implement publicly financed health care for all! **We could implement this in stages, starting with universal primary care, or universal hospital care.**

Remember that Single-Payer Health Care Did Not Fail in Vermont: It was [simply never implemented, never given a chance to work!](#) We do not need to start from scratch! We can pick up from where we paused on implementing Act 48 in December 2014. We need:

- A financing plan.
- A bill creating a commission to do this work.

We have a state legislature for a reason. It has a responsibility to enact legislation that helps Vermonters!

Providing everyone in Vermont with comprehensive care would not cost any more than the \$6.5 billion we already spend on health care. The hundreds of millions of dollars we waste on [unnecessary administrative costs](#) can be redirected to pay for everyone's care.

Almost every national or state study ever conducted shows that single payer will give people more coverage and reduce out of pocket costs (i.e. [CBO 2021](#); [PLOS 2020 Medicine review of](#)

[studies](#); [Lancet 2020](#); and in [Vermont JFO, 2011](#)). We pay for health care through taxes, premiums, deductibles and co-pays. **One-third of all that money goes to [administrative overhead](#) in our privatized fragmented system.**

Would we rather spend our money on exorbitant insurance company executive salaries and endless dickering over what is and is not covered by a policy or on health care for Vermonters?

Many effective reforms in American history began at the state level. When they were successful, these reforms helped create momentum for national reform. Several countries no bigger than Vermont (i.e. Iceland, Malta, and Montenegro) have the equivalent of single payer health care.

If What We Are Doing Now in Health Care Worked, We Would Not Be Having All These Problems!

People say we are already fixing our problems by implementing the ACO and exploring other experiments in “payment reform.” BUT:

There is [no evidence that the ACO has fixed any problems](#). [We have more underinsured people than when the ACO started](#), and [the costs are rising beyond peoples’ ability to pay for care](#). This experiment has failed!

We have spent millions of dollars on this current system, and are proposing spending millions more. Why keep wasting money on the same thing or another variation of the same thing?

There is no reason to think that the “all payer model” and its "ACO" device, or the newly proposed “value based care” model, will ever get Vermonters the affordable, accessible care that we need. These approaches are just more **middlemen managing our care**, meaning the less care you get the more money they make.

As Albert Einstein [reportedly said](#), “Insanity is doing the same thing over and over and expecting different results.”