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Insurance Bulletin No. 217

Small Employer Coverage; Residence of Employees

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The purpose of this Bulletin is to clarify the application of 33 V.S.A § 1811(d)(1) to registered carriers offering health benefit plans to individuals and small employers. Section 1811(d)(1) requires registered carriers to guarantee acceptance of all “individuals, small employers, and employees of small employers, and each dependent of such individuals and employees, for any health benefit plan offered by the carrier, regardless of any outstanding premium amount a subscriber may owe to the carrier for coverage provided during the previous plan year.”

It is the Department’s position that § 1811(d)(1) prohibits registered carriers from refusing coverage to any Vermont small employer based on the state of residence of some or all of the employer’s employees and their dependents. It also prohibits registered carriers from offering Vermont small employers coverage for employees and dependents who are residents of Vermont but refusing to cover employees and their dependents who reside outside of Vermont. Beginning in plan year 2021, registered carriers will be expected to accept any eligible Vermont small employer applying for coverage on Vermont’s health benefit exchange and to extend an offer of coverage to all of the employer’s employees and their dependents regardless of their state of residence.

Inquiries about this Bulletin should be directed to Christina Rouleau, Director of Market Regulation (Christina.Rouleau@vermont.gov), or Emily Brown, Director of Rates and Forms (Emily.Brown@vermont.gov).



Michael S. Pieciak, Commissioner

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Date

