# 2026 Health Policy Changes & Access to Care in Vermont

**The Office of the Health Care Advocate**

*Mike Fisher, Chief Health Care Advocate*
*Emma Zavez, Consumer Research & Health Policy Analyst*

**October 16, 2025**

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Office of the Health Care Advocate

- The Office of the Health Care Advocate (HCA) is a part of Vermont Legal Aid, an independent, non-profit law firm.
- We are <u>not</u> an insurance company or part of state government.
- We are a **free** resource for all Vermonters with questions about health insurance or access to care.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Premium Tax Credits (PTC)

- **Original ACA Premium Tax Credits**
  - Vermont Health Connect is created in 2013.
    - Vermonters with household income between 138% FPL - 400% FPL could receive financial help to lower their monthly premiums.
- **"Enhanced" Premium Tax Credits:**
  - During the pandemic, Congress increased the amount of financial assistance that was available and broadened the eligible population.
    - Vermonters with household income between 138% FPL - 400% FPL could receive more PTC (lowering their monthly premiums).
    - Vermonters with income >400% FPL received financial help for the first time.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Enhanced Premium Tax Credits (e-PTC)

In 2026, the enhanced portion of PTC will end. Vermonters will get less financial help and will have to pay a higher percent of their household income for a Qualified Health Plan (QHP).

**Applicable Percentage based on Household Income**

| Income (% of FPL) | 2026 PTC | Enhanced PTC |
|---|---|---|
| 100% - 133% | 2.1% | 0% |
| 133% -150% | 3.14% - 4.19% | 0% |
| 150% - 200% | 4.19% - 6.6% | 0% -2% |
| 200% - 250% | 6.6% - 8.44% | 2% - 4% |
| 250% - 300% | 8.44% - 9.96% | 4% - 6% |
| 300% - 400% | 9.96% | 6% - 8.5% |
| Over 400% | Not eligibile for Subsidies | 8.5% |

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Household of 1

<u>Scenario</u>

- Income: $32,865
- Federal Poverty Level: 210%
- Eligibility: Julia is over income for Medicaid. She will need to buy an Individual QHP. She qualifies for Premium Tax Credits and Vermont Premium Assistance.

In 2025, Julia paid $0 for a Standard Gold Plan through BCBS-VT or MVP. But in 2026, Julia will receive less financial assistance due to the loss of e-PTC. At the same time, the full price of QHPs is increasing. Julia can still pay $0 for a Standard Gold Plan through MVP, but if she buys the same plan from BCBS-VT, she will pay approx. $200/month or $2,400 per year in premiums.

| | 2025 | 2026 |
|---|---|---|
| Financial Help (monthly) | $1,243 | $1,145 |
| BCBS-VT Standard Gold (monthly cost after financial help) | $0 | $200.45 |
| MVP Standard Gold (monthly cost after financial help) | $0 | $0 |

# Household of 3

Scenario

- Two parents and one child
- Income: $86,000
- Federal Poverty Level: 323%
- Eligibility: This family is over-income for Dr. Dynasaur for Kids. They will need to buy a Family QHP. They qualify for Premium Tax Credits.

In 2025, the Martinez family paid between $121 - $330 for a Standard Gold Plan through MVP or BCBS-VT. But in 2026, they will receive less financial assistance due to the loss of e-PTC. At the same time, the full price of QHPs is increasing. The Martinez family can pay $291 per month for a Standard Gold Plan through MVP, or $856 per month through BCBS-VT. This is a significant increase in their premiums.

| | 2025 | 2026 |
|---|---|---|
| Financial Help (monthly) | $3,097 | $2,925 |
| BCBS-VT Standard Gold (monthly cost after financial help) | $330 | $856 |
| MVP Standard Gold (monthly cost after financial help) | $121 | $291 |

# Household of 4

Scenario

- Two parents and two children
- Income: $128,922
- Federal Poverty Level: 401%
- Eligibility: The Marshall family is over-income for Dr. Dynasaur for Kids. They will need to buy a Family QHP. They qualified for financial help (Premium Tax Credits) in 2025 but do not qualify in 2026.

In 2025, the Marshall family qualified for ~$2,700 in Premium Tax Credits each month to help bring down the cost of their health plan. But in 2026, they will qualify for $0 due to the loss of e-PTC. They will have to pay the full cost for a Family QHP in 2026.

- If they purchased a Standard Gold plan through BCBS-VT in 2025 & 2026, their costs will **increase by $3,027 per month or $36,324 per year.**
- If they purchased a Standard Gold plan through MVP in 2025 & 2026, their costs will **increase by $2,671 per month or $32,052 per year.**

| | 2025 | 2026 |
|---|---|---|
| Financial Help (monthly) | $2,673 | $0 |
| BCBS-VT Standard Gold (monthly cost after financial help) | $754 | $3,781 |
| MVP Standard Gold (monthly cost after financial help) | $545 | $3,216 |

# Impact on Vermonters

- **139% - 400% FPL:** These Vermonters will pay more with the loss of enhanced PTC. They need to update their income to make sure that they are getting accurate APTC.

- **>400% FPL:** These Vermonters are not eligible for PTC and will have to pay full price for a QHP. They can still direct enroll with the carriers (the cost of Silver is lower with direct enrollment).
  - 400% FPL for a household of 1 is $62,600; for a household of 4 it is $128,600.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# 2026 Health Policy Changes & Access to Care in Vermont

**The Office of the Health Care Advocate**

*Mike Fisher, Chief Health Care Advocate*
*Emma Zavez, Consumer Research & Health Policy Analyst*

**October 9, 2025**

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Agenda

- Introduction to the HCA
- 2026 Open Enrollment
  - What is staying the same?
  - What is changing?
- Access to Care in 2026 – Special Topics
  - Gender affirming care
  - Abortion & family planning services
- Other Major Changes – Medicaid & Medicare (2026)
- Changes on the Horizon (2027 & 2028)
- Questions

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Office of the Health Care Advocate

- The Office of the Health Care Advocate (HCA) is a part of Vermont Legal Aid, an independent, non-profit law firm.
- We are <u>not</u> an insurance company or part of state government.
- We are a **free** resource for all Vermonters with questions about health insurance or access to care.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# 2026 VHC Open Enrollment

**What is staying the same?**

- VHC's Open Enrollment time frame is the same:
  - **November 1, 2025 - January 15, 2026.**
- BC/BS-VT & MVP will continue to offer qualified health plans (QHPs) through VHC.
- VT will continue to 'silver align' in 2026. This brings more federal dollars to Vermont (estimated at $53M** for 2026) and makes Gold QHPs less expensive than Silver within the same carrier.
- BC/BS-VT QHPs are still significantly more expensive than MVP.
- Enrollees who are not eligible for APTC can still direct enroll with the carriers (the cost of Silver is lower with direct enrollment).

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

** "A Technical Analysis Relating to Vermont's Health Insurance Markets," DVHA, Report to the VT Legislature *(p. 11 – 12)*.

# 2026 VHC Open Enrollment

**What is changing?**

- Enhanced Premium Tax Credits (e-PTC) are scheduled to end.
  - No PTC for >400% FPL
    - 400% FPL for a household of 1 is $62,600; for a household of 4 it is $128,600.
  - Less APTC (return to the pre-expansion levels*) for 139% - 400% FPL
    - This group will pay more with the loss of expanded subsidies. They need to update their income to make sure that they are getting accurate APTC.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

**See Slide 16 for APTC applicable percentage differences with and without e-PTC.**

# 2026 VHC Open Enrollment

**What is changing?**

- No APTC repayment caps for the 2026 plan year.*
  - "Safe harbor" will remain in place for people with income <138% FPL.
- **Vermonters should accurately report income in 2026.**
- People will not feel the loss of repayment caps until tax time (Jan – April 2027), but they will be making important APTC decisions this fall.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

*See Slide 17 for more information about current and future APTC re-payment caps.

# 2026 VHC Open Enrollment

**What is changing?**

- Individuals who are subject to the five-year bar **and** under 100% FPL, are no longer eligible for APTC.
  - Impact: About 200 individuals in Vermont. They will get a notice that they are not eligible for APTC.
- Individuals with DACA status are not eligible for APTC.
  - Vermont has very few DACA eligible individuals enrolled on VHC.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Access to Care – Gender Affirming Care

- Excluded from Essential Health Benefits (EHB) starting plan year 2026.
- Vermont QHPs will continue to cover gender affirming care.
- This portion of QHP premium will be segregated, very small cost.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Access to Care – Abortion & Family Planning

- Ban on Medicaid reimbursement to entities that provide significant abortion services through 7/3/26.
- In Vermont, PPNNE is the only service provider impacted.
- PPNNE has stopped billing VT Medicaid.
- <u>Vermonters should continue to go to PPNNE, including those with Medicaid</u>.
- Many Vermonters rely on PPNNE for primary care.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Medicare - Major Changes in 2026

**Medicare**

- Medicare Advantage (Part C) plans exiting Dec. 31, 2025:
  - 26,000 Vermonters will be exiting BC/BS-VT Part C plans.
  - 7,800 Vermonters will be exiting United Health Part C plans.
- MSP Expansion
  - Approximately 14,000 Vermonters will be newly eligible for a Medicare Savings Program (MSP). MSP pays the Medicare Part B premium (est. $206.50/month). For people with lower income, it will lower cost-sharing at the hospital & for out-patient services.
  - $64.7 Million = Annual combined savings & value for Vermonters
- New to Medicare enrollment will be limited to people with eligible immigration status.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Medicaid - Major Changes in 2026

**Medicaid**

- Most non-citizens will no longer qualify for Medicaid for Adults (eff. 10/1/26). The only exceptions will be for:
  - Cuban or Haitian Entrants
  - COFA Migrants
  - Lawfully Permanent Residents (LPRs) (a five-year waiting period applies to this group)
- Note: These changes DO NOT APPLY to Dr. Dynasaur for pregnancy or children under 19. Any financially qualified Vermonter with a lawful status can continue to sign up for Dr D.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Changes on the Horizon (2027 – 2028)

**<u>2027</u>**

- Work requirements (eff. 1/1/27)
- 6-month Medicaid re-determinations for Adults (eff. 1/1/27)
  - Note: This change will **not** impact Dr. Dynasaur for kids and pregnant people, or the Medicaid for the Aged, Blind and Disabled (MABD) populations. These groups will continue regular 12-month reviews.
- Provider taxes reduced from 6% to 5.5% (eff. 10/1/27)

**<u>2028</u>**

- Automatic re-enrollment in QHPs ends (eff. 1/1/28)
- Provider taxes reduced from 5.5% to 5.0% (10/1/28)
  - Note: Provider taxes will continue to decline by .5% until Federal FY32 when they will be permanently capped at 3.5%.

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Take Away Points

- If enhanced Premium Tax Credit subsidies end, fewer Vermonters will be eligible, and those who are eligible will get less financial help.
- It is likely that more Vermonters will apply for financial help at hospitals.
- More people will need help navigating the system. Calls will increase for:
  - Their legislators
  - The State Health Insurance Program (SHIP) counselors (Medicare)
  - The Office of the Health Care Advocate

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

## Thank you!
## From the Office of the Health Care Advocate


**Help Line: 1-800-917-7787**

**www.vtlawhelp.org/health**

**Mike Fisher**

Mfisher@vtlegalaid.org

802-989-9806

**Emma Zavez**

ezavez@vtlegalaid.org

802-448-6945


VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# References

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# Enhanced APTC

COVID-19 relief brought "Enhanced" Premium Tax Credits to Vermonters. With e-PTC, Vermonters received more PTC if their income was between 100 – 399% FPL. Vermonters with income > 400% FPL received PTC for the first time.

For plan year 2026, Vermonters will get less financial help and be forced to pay a higher percent of their household income for a QHP. (See "2026 PTC" column in table for percentages.)

| Income (% of FPL) | 2026 PTC | Enhanced PTC |
|---|---|---|
| 100% - 133% | 2.1% | 0% |
| 133% -150% | 3.14% - 4.19% | 0% |
| 150% - 200% | 4.19% - 6.6% | 0% -2% |
| 200% - 250% | 6.6% - 8.44% | 2% - 4% |
| 250% - 300% | 8.44% - 9.96% | 4% - 6% |
| 300% - 400% | 9.96% | 6% - 8.5% |
| Over 400% | Not eligibile for Subsidies | 8.5% |

VERMONT LEGAL AID
WORKING TOGETHER FOR JUSTICE

# APTC Repayment Caps

For Tax Year 2025, Vermonters who received too much APTC do not have to pay back the full amount if their income is less than 400% FPL. For Tax Year 2026, these safeguards will disappear.

| Tax Year 2025 Repayment Limits for Advance Premium Tax Credits | | | | |
|---|---|---|---|---|
| Household Income as a Percentage of Federal Poverty Level (FPL) | Annual Income for an Individual | Maximum Repayment for a Single Person | Annual Income for a Family of Four | Maximum Repayment for Married Taxpayers Filing Jointly |
| <200% | <$30,119 | $375 | <$62,399 | $750 |
| 200-299% | $30,120 - $45,179 | $975 | $62,400 - $93,599 | $1,950 |
| 300-399% | $45,180 to $60,239 | $1,625 | $93,600 to $124,799 | $3,250 |
| 400%+ | $60,240 | Full Amount | $124,800 | Full Amount |

See "Income Reporting and Advanced Premium Tax Credits (APTC) Repayment" on the Vermont Health Connect website.