



## WHAT IS REFERENCE-BASED PRICING?

It's no secret to state employees that healthcare premiums have skyrocketed - 52% since 2022. While our health insurance plan is one of the best in the state, Vermonters, on average, pay the highest premiums in the entire country. In short, here's what's driving up healthcare costs:

- 1 The UVM Health Network often bills our insurance for 2.5 to 4 times what they would bill Medicare for the exact same procedures and services.
- 2 Prescription drug companies continue to charge us the highest prices in the world for the medicine we all rely on to live.
- 3 The UVM Health Network controls over 60% of the healthcare market in Vermont. That is the largest percent of a state's healthcare market controlled by a single entity in the country. This monopoly gives them a whole lot of leverage over us, the consumers.

### ► What are we going to do about it?

Your union is teaming up with the Vermont-NEA to pass a new law called Reference-Based Pricing (RBP). If we are successful, it would cap what the hospitals are currently allowed to charge Vermonters (and by extension state employees) at two times what they charge Medicare for the same service or procedure - seems reasonable enough. Nothing is a silver bullet, but if reference-based pricing was in place in 2022, the state would have saved 79 million dollars on state employees and public schools alone.

### ► What does this mean for VSEA Members?

RBP would help avoid double-digit premium increases year to year. This will make more money available at negotiations for raises, as well as protecting our high-quality health care plan for the future. We have heard loud and clear the immense pressure you are under trying to do your job. This measure is a way we can set our union up for success in the next round of contract negotiations with the state.

### ► To learn more in-depth information about Reference-Based Pricing:

Visit **VSEA.ORG/RBP** for a full breakdown of Reference-Based Pricing and what it would mean for VSEA members.