



In addition, we note that the Commissioner's recommendation requires a breakdown of the total billed rates for each of the VADA groups (there are 102 such groups). In order to implement this change, BCBSVT would need time after approval to operationalize such a directive, namely, by splitting out the VADA service charge from the balance of the rates, for each tier of each plan of benefits, and then load those rates to the BCBSVT billing system for each of the VADA groups. The separate VADA service charge could then be reflected in the group's bill mailed the following month, and would be effective on a prospective basis only.

Assuming the GMCB adopts the commissioner's recommendation, BCBSVT would operationalize the order on splitting out the service charge by loading it and the balance of the rate into the system for the 102 VADA groups. Given the timing, BCBSVT expects that it would be in a position to include the split out in each group's February 2014 bill (for coverage in March 2014).

VADA renewed as of November 1, 2013, and has already billed its members for November and December, 2013. VADA groups will also see a retroactive rate adjustment for coverage months November 2013 through February 2014 (since the new approved rates would be effective as of November 1, 2013). To keep the process simple, BCBSVT will not break out the VADA service charge in the retroactive rate adjustment.

Dated December 11, 2013 at Montpelier, Vermont.

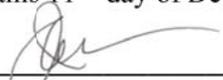


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Jacqueline A. Hughes  
Storrow Buckley Hughes, LLP

**CERTIFICATE OF SERVICE**

I hereby certify that this BCBSVT Memorandum in Lieu of Hearing has been duly served upon Michael Donofrio, General Counsel to the Green Mountain Care Board, and Lila Richardson, Office of Vermont Ombudsman, by electronic mail, return receipt requested, this 11<sup>th</sup> day of December, 2013.

  
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Jacqueline A. Hughes, Esq.