Filing at a Glance

Company:	TVHP
Product Name:	Q3 2016 TVHP Large Group Rating Program Filing
State:	VermontGMCB
TOI:	ML02 Multi-Line - Other
Sub-TOI:	ML02.000 Multi-Line - Other
Filing Type:	GMCB Trend / Admin Charge
Date Submitted:	02/22/2016
SERFF Tr Num:	BCVT-130457790
SERFF Status:	Pending State Action
State Tr Num:	
State Status:	
Co Tr Num:	
Implementation Date Requested:	On Approval
Author(s):	Pam Young, Jude Daye, Martine Brisson-Lemieux, Andrew Proulx
Reviewer(s):	Thomas Crompton (primary), David Dillon, Judith Henkin, Jacqueline Lee, Marisa Melamed, Noel Hudson
Disposition Date:	
Disposition Status:	
Implementation Date:	

State Filing Description:

State: *VermontGMCB* **Filing Company:** *TVHP*
TOI/Sub-TOI: *ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*
Product Name: *Q3 2016 TVHP Large Group Rating Program Filing*
Project Name/Number: */*

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Other
Overall Rate Impact:

Deemer Date:
Submitted By: Jude Daye

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Large
Explanation for Other Group Market Type: Trend/Admin/Factor
Filing Status Changed: 04/07/2016
State Status Changed:
Created By: Jude Daye
Corresponding Filing Tracking Number:

Filing Description:
February 19, 2016

Judith Henkin, Esq.
Health Policy Director
Green Mountain Care Board
89 Main Street, Third Floor, City Center
Montpelier, Vermont 05620

Subject:The Vermont Health Plan - NAIC # 95696
Q3 2016 Large Group Rating Program Filing

Dear Ms. Henkin:

Attached for the Green Mountain Care Board's review and approval is The Vermont Health Plan's Q3 2016 Large Group Rating Program Filing. As directed by the Board, this filing combines the various factor filings for large group rating components (trend, large claims, benefit relativity, administrative fees and contribution to reserve, and the formula itself) into a single filing.

Please let me know if we can answer any questions or provide further information during your review.

Sincerely,

Ruth Greene

cc:Tom Crompton/GMCB
Paul Schultz/BCBSVT
Martine Brisson-Lemieux/BCBSVT

Company and Contact

Filing Contact Information

Jude Daye, Executive Assistant
445 Industrial Lane
Montpelier, VT 05601
dayej@bcbsvt.com
802-371-3244 [Phone]

State: *VermontGMCB* **Filing Company:** *TVHP*
TOI/Sub-TOI: *ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*
Product Name: *Q3 2016 TVHP Large Group Rating Program Filing*
Project Name/Number: */*

Filing Company Information

TVHP	CoCode: 95696	State of Domicile: Vermont
PO BOX 186	Group Code:	Company Type: HMO
Montpelier, VT 05601	Group Name:	State ID Number:
(802) 371-3450 ext. [Phone]	FEIN Number: 03-0354356	

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State: VermontGMCB **Filing Company:** TVHP
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: Q3 2016 TVHP Large Group Rating Program Filing
Project Name/Number: /

Correspondence Summary

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Response	Jacqueline Lee	04/06/2016	04/06/2016
Pending Response	Jacqueline Lee	04/02/2016	04/02/2016
Pending Response	Jacqueline Lee	03/08/2016	03/08/2016

Response Letters

Responded By	Created On	Date Submitted
Martine Brisson-Lemieux	04/07/2016	04/07/2016
Martine Brisson-Lemieux	04/04/2016	04/04/2016
Martine Brisson-Lemieux	03/16/2016	03/16/2016

State: *VermontGMCB* **Filing Company:** *TVHP*
TOI/Sub-TOI: *ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*
Product Name: *Q3 2016 TVHP Large Group Rating Program Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	04/06/2016
Submitted Date	04/06/2016
Respond By Date	04/07/2016

Dear Jude Daye,

Introduction:

Please see the attached inquiry letter. Please respond no later than the end of day on April 7th.

Conclusion:

Sincerely,
Jacqueline Lee

Dallas
Cabe W. Chadick, F.S.A.
S. Scott Gibson, F.S.A.
Glenn A. Tobleman, F.S.A., F.C.A.S.
Michael A. Mayberry, F.S.A.
David M. Dillon, F.S.A.
Gregory S. Wilson, F.C.A.S.
Steven D. Bryson, F.S.A.
Brian D. Rankin, F.S.A.
Bonnie S. Albritton, F.S.A.
Jacqueline B. Lee, F.S.A.
Wesley R. Campbell, F.C.A.S., F.S.A.
Xiaoxiao (Lisa) Jiang, F.S.A.
Brian C. Stentz, A.S.A.
Jennifer M. Allen, A.S.A.
Josh A. Hammerquist, A.S.A.
Johnathan L. O'Dell, A.S.A.
Clint Prater, A.S.A.
Larry Choi, A.S.A.

L&E Actuaries & Consultants

Kansas City
Gary L. Rose, F.S.A.
Terry M. Long, F.S.A.
Leon L. Langlitz, F.S.A.
D. Patrick Glenn, A.S.A., A.C.A.S.
Christopher J. Merkel, F.S.A.
Christopher H. Davis, F.S.A.
Karen E. Elsom, F.S.A.
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Kimberly S. Shores, F.S.A.
Michael A. Brown, F.S.A.
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Mark W. Birdsall, F.S.A.

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Scott E. Morrow, F.S.A., F.I.A.

Denver
Mark P. Stukowski, F.S.A.
William J. Gorski, F.S.A.

Indianapolis
Kathryn R. Koch, A.C.A.S.

Baltimore
David A. Palmer, C.F.E.

April 6, 2016

Jude Daye, Executive Assistant
445 Industrial Lane
Montpelier, VT 05601

Re: The Vermont Health Plan
3Q 2016 TVHP Large Group Rating Program Filing
SERFF Tracking #: BCVT-130457790

Dear Jude Daye:

We have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced group products filing submitted on 2/22/2015. The following additional information is required for this filing.

Notice regarding proper responses:

- A minimum-acceptable response to quantitative questions from us must include a spreadsheet calculation with retained formulas such that we can replicate the calculations therein.
- Explanatory responses are merely a supplement to the spreadsheet material and in of themselves will constitute a lack of response.

Questions:

1. Please provide a PMPM breakdown of all components listed in the Impact of Formula and Factor Changes of the Actuarial Memorandum (i.e., the average PMPM components of the overall 4.3% rate increase).

2. Please explain and provide the quantitative impact of the contributing factors to the greater than anticipated administrative expenses for last year.

Please be aware that we expect to have further questions regarding the filing as the review continues.

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than April 7, 2016. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,

Josh Hammerquist A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.
jhammerquist@lewisellis.com
(972)850-0850

State:	*VermontGMCB*	**Filing Company:**	*TVHP*
TOI/Sub-TOI:	*ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*		
Product Name:	*Q3 2016 TVHP Large Group Rating Program Filing*		
Project Name/Number:	*/*		

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	04/02/2016
Submitted Date	04/02/2016
Respond By Date	04/05/2016

Dear Jude Daye,

Introduction:

Please see the attached inquiry letter. Please respond no later than the end of day on April 5th.

Conclusion:

Sincerely,
Jacqueline Lee

Dallas
Cabe W. Chadick, F.S.A.
S. Scott Gibson, F.S.A.
Glenn A. Tobleman, F.S.A., F.C.A.S.
Michael A. Mayberry, F.S.A.
David M. Dillon, F.S.A.
Gregory S. Wilson, F.C.A.S.
Steven D. Bryson, F.S.A.
Brian D. Rankin, F.S.A.
Bonnie S. Albritton, F.S.A.
Jacqueline B. Lee, F.S.A.
Wesley R. Campbell, F.C.A.S., F.S.A.
Xiaoxiao (Lisa) Jiang, F.S.A.
Brian C. Stentz, A.S.A.
Jennifer M. Allen, A.S.A.
Josh A. Hammerquist, A.S.A.
Johnathan L. O'Dell, A.S.A.
Clint Prater, A.S.A.
Larry Choi, A.S.A.

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Christopher J. Merkel, F.S.A.
Christopher H. Davis, F.S.A.
Karen E. Elsom, F.S.A.
Jill J. Humes, F.S.A.
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London/Kansas City
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Scott E. Morrow, F.S.A., F.I.A.

Denver
Mark P. Stukowski, F.S.A.
William J. Gorski, F.S.A.

Indianapolis
Kathryn R. Koch, A.C.A.S.

Baltimore
David A. Palmer, C.F.E.

April 2, 2016

Jude Daye, Executive Assistant
445 Industrial Lane
Montpelier, VT 05601

Re: The Vermont Health Plan
3Q 2016 TVHP Large Group Rating Program Filing
SERFF Tracking #: BCVT-130457790

Dear Jude Daye:

We have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced group products filing submitted on 2/22/2015. The following additional information is required for this filing.

Notice regarding proper responses:

- A minimum-acceptable response to quantitative questions from us must include a spreadsheet calculation with retained formulas such that we can replicate the calculations therein.
- Explanatory responses are merely a supplement to the spreadsheet material and in of themselves will constitute a lack of response.

Questions:

Medical Trend

1. Please provide quantitative support for the unit cost trend assumptions ranging from 4.9% to 5.1% for Vermont facilities and providers impacted by GMCB's Hospital Budget Review.

2. We note that Exhibit 3B has utilization data through October 2015, but the 24 month regression that results in a 1.0% utilization trend only uses data through August 2015. Why was the updated information through October 2015 not used? Please also provide updated data for Exhibit 3C.

Drug Trend

3. For PCSK9 inhibitors TVHP provides an incidence rate of 200 persons per 100,000 lives. Is this for the population as a whole, including persons > 65? If so, what is the incidence rate for persons < age 65?

4. What is the expected annual cost of Orkambi after rebates?

5. Please provide the calculation of the projected 88.5% GDR.

Administrative Expenses

6. The filing has incorporated a 1.1% load into the TVHP PUPM pricing component for administrative expenses to reflect the impact of lower membership.
   a. Please provide clarification as to whether this reduction in membership is for TVHP as a whole, or if it is only for large group.
   b. Did TVHP as a company lose members OR were the members reclassified as small group instead of large group? If there is a change as a result of reclassification, please demonstrate that any increase in administrative charge for large groups attributable to the change in definition is balanced by a decrease in the administrative charge for the combined market.

Industry Factors

7. Please state whether there were changes to the industry factors in Exhibit 5B from the 2015 filing.

8. If there were changes, please show the old factor, new factor, 2015 membership, and 2015 premium and demonstrate that the starting manual rate was adjusted to reflect the net impact of any change in industry factors.

Please be aware that we expect to have further questions regarding the filing as the review continues.

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than April 5, 2016. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,

Josh Hammerquist A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.
jhammerquist@lewisellis.com
(972)850-0850

State:	*VermontGMCB*	**Filing Company:**	*TVHP*
TOI/Sub-TOI:	*ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*		
Product Name:	*Q3 2016 TVHP Large Group Rating Program Filing*		
Project Name/Number:	*/*		

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	03/08/2016
Submitted Date	03/08/2016
Respond By Date	03/15/2016

Dear Jude Daye,

Introduction:

Please see the attached inquiry letter. Please respond no later than the end of day on March 15th.

Conclusion:

Sincerely,
Jacqueline Lee

Dallas
Cabe W. Chadick, F.S.A.
S. Scott Gibson, F.S.A.
Glenn A. Tobleman, F.S.A., F.C.A.S.
Michael A. Mayberry, F.S.A.
David M. Dillon, F.S.A.
Gregory S. Wilson, F.C.A.S.
Steven D. Bryson, F.S.A.
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William J. Gorski, F.S.A.

Indianapolis
Kathryn R. Koch, A.C.A.S.

Baltimore
David A. Palmer, C.F.E.

March 8, 2016

Jude Daye, Executive Assistant
The Vermont Health Plan
445 Industrial Lane
Montpelier, VT 05601

Re: The Vermont Health Plan
3Q 2016 TVHP Large Group Rating Program Filing
SERFF Tracking #: BCVT-130457790

Dear Jude Daye:

We have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced group products filing submitted on 2/22/2016. The following additional information is required for this filing.

Notice regarding proper responses:

- A minimum-acceptable response to quantitative questions from us must include a spreadsheet calculation with retained formulas such that we can replicate the calculations therein.
- Explanatory responses are merely a supplement to the spreadsheet material and in of themselves will constitute a lack of response.

Questions:

1. Please provide the Exhibits in Excel with working formulas.
2. Please explain why ASO business has been included in this year's rate development.
3. What percentage of claims was attributable to ASO business?
4. Please explain the material increase in impacted membership from the prior filing.
5. Please provide the Fall 2015 Blue Trend Survey.
6. Please provide additional support including quantitative justification for the increase in the net cost of reinsurance.
7. Please provide the combined medical and pharmacy experience for the prior five calendar years. Please include the following:
    a. Incurred Claims

b. Earned Premium
c. Loss Ratio
d. Number of Groups
e. Number of Members

8. Please provide additional quantitative support for the estimates of the number of members expected to receive PCSK9, Orkambi, and Viekira.
9. When do you expect to approve PCSK9 inhibitors for patients who have had a heart attack and then failed two different high-dose statins for 60 days?
10. What is the projected cost of a four month supply of Viekira after rebates?
11. Please provide an exhibit detailing an actual-to-expected contribution to surplus for the previous 5-years.
12. Please provide an exhibit detailing the component breakdown of the 7.3% increase in administrative expenses.
13. Please provide the ACA adjusted MLR for the most recent two years available.
14. Please demonstrate an estimate of the projected 2017 MLR using the manual rate as a proxy for projected claims.

Please be aware that we expect to have further questions regarding the filing as the review continues.

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than March 15, 2016. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,

Josh Hammerquist A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.
jhammerquist@lewisellis.com
(972)850-0850

State: VermontGMCB **Filing Company:** TVHP
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: Q3 2016 TVHP Large Group Rating Program Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/07/2016
Submitted Date	04/07/2016

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached TVHPs responses to the Actuarial Review Inquiries dated April 6, 2016

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 3
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 3.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: *VermontGMCB* **Filing Company:** *TVHP*
TOI/Sub-TOI: *ML02 Multi-Line - Other/ML02.000 Multi-Line - Other*
Product Name: *Q3 2016 TVHP Large Group Rating Program Filing*
Project Name/Number: */*

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/04/2016
Submitted Date	04/04/2016

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached TVHPs responses to the Actuarial Review Inquiries dated April 2, 2016

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 2
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 2.pdf Medical Utilization Trend and GDR Calculation.pdf Medical Utilization Trend and GDR Calculation.xlsx Industry Factor Comparison.pdf Industry Factor Comparison.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** TVHP
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: Q3 2016 TVHP Large Group Rating Program Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/16/2016
Submitted Date	03/16/2016

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached TVHPs responses to the Actuarial Review Inquiries dated March 8, 2016

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 1
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 1.pdf Q3 2016 TVHP Large Group Rating Program Filing Exhibits with Formulas.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** TVHP
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: Q3 2016 TVHP Large Group Rating Program Filing
Project Name/Number: /

Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Q3 2016 TVHP Large Group Rating Program Filing - Actuarial Memorandum.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Civil Union Rating Requirements
Bypass Reason:	Not required.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Filing Compliance Certification
Comments:	
Attachment(s):	Filing Compliance Certification.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Third Party Filing Authorization
Bypass Reason:	BCBSVT does not use a Third Party to submit filings.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Plain Language Summary
Comments:	
Attachment(s):	Q3 2016 TVHP Large Group Rating Program Filing - Plain Language Summary.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Exhibits
Comments:	
Attachment(s):	Q3 2016 TVHP Large Group Rating Program Filing - Exhibits.pdf
Item Status:	
Status Date:	

State: VermontGMCB **Filing Company:** TVHP
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: Q3 2016 TVHP Large Group Rating Program Filing
Project Name/Number: /

Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 1
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 1.pdf Q3 2016 TVHP Large Group Rating Program Filing Exhibits with Formulas.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 2
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 2.pdf Medical Utilization Trend and GDR Calculation.pdf Medical Utilization Trend and GDR Calculation.xlsx Industry Factor Comparison.pdf Industry Factor Comparison.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Response to TVHP 3Q 2016 LG Rating Program Review Inquiry 3
Comments:	
Attachment(s):	Response to 3Q 2016 TVHP LG Rating Program Review Inquiry 3.pdf
Item Status:	
Status Date:	

State:	VermontGMCB	**Filing Company:**	TVHP
TOI/Sub-TOI:	ML02 Multi-Line - Other/ML02.000 Multi-Line - Other		
Product Name:	Q3 2016 TVHP Large Group Rating Program Filing		
Project Name/Number:	/		

Attachment Q3 2016 TVHP Large Group Rating Program Filing Exhibits with Formulas.xlsx is not a PDF document and cannot be reproduced here.

Attachment Medical Utilization Trend and GDR Calculation.xlsx is not a PDF document and cannot be reproduced here.

Attachment Industry Factor Comparison.xlsx is not a PDF document and cannot be reproduced here.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Actuarial Memorandum

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1. Purpose

The Vermont Health Plan (TVHP) performs large group rating on a case-by-case basis. Rating is accomplished through a formulaic approach that blends recent group experience with a manual rate according to a credibility formula. Formula results may be adjusted for underwriting judgment and/or management decisions. This filing establishes the formula, manual rate, and accompanying factors that will be used for renewals beginning upon approval of this filing, most notably January 2017 renewals.

Once approved, this filing will be used for large group renewals prepared for business under the jurisdiction of the Green Mountain Care Board (GMCB) until superseded by a subsequent filing. This filing will apply beginning with rates communicated 10 business days after the date of its approval, and continuing until 10 business days after the date of approval of the next TVHP Large Group Rating Program Filing. The term "communicated," for this purpose, means a written proposal delivered to a large group account.

2. Overview and Rate Impact

2.1. Overview

This filing includes a description of the renewal formula and the development of each of the factors used in it. TVHP projects that about 15,500 members (7,800 subscribers) in 67 groups will be impacted by this filing.

We will describe in detail the formula used in the renewals. The formula has been modified from the currently approved version (BCVT-129912021). The changes, described in detail below, pertain to the handling of the changes in pharmacy contracts.

We will then detail the factors applicable to Large Groups. The factors included in the build-up of the projected claims cost include the Large Claims Factors, Trend Factors, Benefit Relativities, and the Manual Rate. In addition to the projected claims cost, we will explain the calculation of administrative charges, the net cost of reinsurance, contribution to reserve, and State and Federal Assessments, all of which are included in the rate development.

Finally, we will discuss factors applicable only to specific products. We offer an Experience Refund Eligible product for which risk charges and settlement administration changes apply.

2.2. Impact of Formula and Factor Changes

To compute the impact of changes to the rating formula and the various factors in this filing on large group premium rates, we produce two renewals for each of the 67 large groups we expect to enroll in 2017. The first renewal uses the approved factors currently in force (BCVT-129912021) with an effective date of January 1, 2016. The rates in these renewals are used as a baseline for the comparison with the rates produced by the new factors. The second renewal uses the same experience period as the first but has an effective date of January 1, 2017 and uses the factors and formulas detailed in this filing. The new trend factors are applied for 12 months to represent an additional year of trend with the new trend assumption.

The result of comparing the renewals across all 67 large groups is an average 4.3 percent rate increase. Reasons for the rate increase can be attributed to two main causes: changes in the rating formula and filed factors, and changes mandated due to the Affordable Care Act (ACA).

The largest component of the increase due to changes in the filed factors is the additional year of trend applied to the experience and manual claims. The trend is responsible for a 6.7 percent increase in projected claims, which results in a 5.9 percent increase in premium. Administrative charges are increasing by 7.3 percent, which increases required premium by 0.4 percent. We are requesting a 2.0 percent contribution to reserve (0.5 percent for Cost Plus groups), which represents a 0.9 percent increase in premium. The average rate increase from all changes to the formula and factors is 7.4 percent.

Changes in federal programs under the ACA work to reduce the average rate increase by 2.9 percent. There are two major components of this decrease. In 2017, the transitional reinsurance program expires. This program costs $27 per member per year in 2016. The federal insurer fee is assessed to insured groups and goes to pay for some provisions of the ACA. The Consolidated Appropriation Act of 2016 temporarily suspended this fee for 2017. We estimate the fee is 2.7 percent of premium in 2016 and 2.5 percent of premium when it returns in 2018. The elimination of these fees in 2017 results in the decrease to the average premium required.

3. Formula Description

Benefit-Adjusted Projected Single Claims Rate

A sample calculation of this quantity can be found as Exhibit 1A. For each case, we start the rating with at least a twelve month experience period with two months of runout[1]. We determine a pooling point based on the size of the case during the experience period and split the experience period claims (line A) into amounts above (line B) and below (referred to as Capped Claims, line C) the pooling point.

We apply completion factors (line D) developed from the monthly financial reporting process to Capped Claims to produce Completed Capped Claims (line E). We multiply the claims under the pooling point by the pooling factor (line F, described in section 4.1) to calculate the expected claims above the pooling point (line G). The expected claims above the pooling limit are added to the Completed Capped Claims to produce large-claim-adjusted experience period claims. We then multiply these claims by an adjustment factor (line H) to reflect structural changes in the benefit plan from the experience period to the rating period. This is to adjust for such things as mandated benefit changes, contractual provision changes, etc., that, in the judgment of the underwriter, are necessary to make the experience appropriate for the estimation of the expected claims in the rating period. We divide the result (line I) by the number of member months during the experience period (line J) to produce Adjusted Experience Period Claims per member per month (line K).

The Adjusted Experience Period Claims per member per month (PMPM) is then divided by a seasonally-adjusted benefit relativity value to neutralize any effect of seasonality and benefits on the paid claims. To determine this factor, we first determine a benefit relativity factor for

[1] For first year renewals, where twelve months of experience is not available, we generally use claims incurred in nine months with no runout.

each benefit plan (using the factors described in section 4.3) and contract tier type (single, 2-person, family, etc.). Based on the seasonal patterns observed as part of the reserving process for each calendar month, we determine seasonal factors for CDHPs and for non-CDHPs and normalize them so that they total to 12. We combine these factors to calculate seasonal benefit relativity factors for each combination of benefit plan, contract tier type, and month. We apply these factors to the number of contracts for each benefit plan, contract tier type, and month in the experience period. We total the results and divide the resultant sum by the number of member months in the experience period. This produces the Average Experience Period Seasonal Adjusted Benefit Relativity Factor (line L).

Dividing the Adjusted Experience Period Claims PMPM (line K) by the Average Experience Period Seasonal Adjusted Benefit Relativity Factor (line L) produces the Benefit-Adjusted Experience Period Single Claims Rate (line M), which is the expected cost for a single contract in the experience, neutral of benefit and seasonality. We then multiply this by a trend factor (line N_1, as calculated in section 4.2) to project the claims from the experience period to the rating period. We also multiply by a factor N_2 to account for differences in contracted pharmacy discounts between the experience period and the projection period.

The resulting Projected Single Contract Rate (line O) is then blended (using the credibility formula described below) with the Adjusted Manual Rate (line P, as described in section 4.4).

The credibility factor (z) is calculated as follows:

Let **NC** = {average number of non-Medicare Primary subscribers in the experience period} + {0.5 * average number of Medicare Primary subscribers during the experience period}.

Let **z** = $\mathbf{cf_1}$ * $\mathbf{cf_2}$ where:

$$cf_1 = \begin{cases} (NC/500)^{0.75} \; for \; NC < 500 \\ 1 \; for \; NC \geq 500 \end{cases}$$

$$cf_2 = min\{(Experience\ Months/12)^2, 1\}$$

To blend the Projected Single Contract Rate with the Adjusted Manual Rate, we use the following equation:

$$Benefit\text{-}Adjusted\ Projected\ Single\ Claims\ Rate = Projected\ Single\ Contract\ Rate \times (z) + Adjusted\ Manual\ Rate \times (1 - z)$$

Required premium by Plan, Tier Type

A sample calculation of premium can be found as Exhibit 1B. For each plan and contract tier type anticipated in the rating period, we calculate projected claims (line B1) as the product of the Benefit-Adjusted Projected Single Claims Rate (R) and the BRV for the plan and contract tier (line A).

The average number of members per contract tier during the experience period is the basis for the projected members per tier in the rating period. The underwriter will adjust this if, in their opinion, the result is not representative of the expected values in the rating period.[2]

The calculation for the total required premium by (plan, tier) is as follows:

{ Projected Claims by plan and tier (line B1)	+
Expected Net Cost of Reinsurance (line B2, as described in section 4.6)	+
Projected Pharmacy Rebates (line B3, as described in section 4.7)	+
Administrative Charges (line E, as described in section 4.5)	+
State Mandates (line C1 to C3, as described in section 4.9)	+
Federal Mandates } (line D1 to D2, as described in section 4.10)	/
{ 1 – Contribution to Reserve (line G, as described in section 4.8) – Broker Commissions (line F) }	=
Required premium by plan and tier (line H)	

Underwriting Judgment Adjustments
If, in the underwriter's professional judgment, the specific properties of the case being rated are such that the standard formula would not produce appropriate rates for the rating period, the underwriter will make such modifications as needed to produce appropriate rates. The underwriter will document in the case file the reason(s) for the adjustment(s) and the method of determining the appropriate adjustment(s).

Management Discretionary Adjustments
For marketing or other reasons, management may decide to modify the rates on a specific case or block of cases. The underwriter will document in the case file the adjustment(s) made, along with a description of the nature of the adjustment(s).

4. Factors applicable to all Large Groups

4.1. Large Claims Factors

As described in section 3, experience claims above a certain pooling level are removed from the calculation and replaced by the expected claims above the pooling level. In order to develop the large claims factors used to calculate the expected claims above a pooling level, allowed charges and paid claims through September 30, 2015 were analyzed for the experience years ending December 31, 2012, December 31, 2013, and December 31, 2014. The source of the data is Blue Cross and Blue Shield of Vermont's (BCBSVT)[3] data warehouse, except where noted below. The data includes claims from BCBSVT Cost Plus groups, BCBSVT ASO Groups, BCBSVT Insured Large Groups, and TVHP Insured Large Groups. Fee-for-Service equivalents were used for capitated services and claims incurred by Medicare Primary members were excluded. Any groups that do not include prescription drugs as a covered expense under their BCBSVT/TVHP benefit plan were also excluded. To ensure accuracy of claims information, the data used has been reconciled against internal reserving, enrollment, and other financial reports.

[2] E.g., the number of contracts in a particular tier may be small (or even 0). In such instances, the underwriter should use appropriate values based on total block of business or other appropriate source.
[3] For purposes of this filing, "BCBSVT" refers to both Blue Cross and Blue Shield of Vermont and TVHP, since the data warehouse and accounting systems involved span both entities.

For each experience year, allowed charges and paid claim amounts were totaled for each claimant. These were then sorted into categories by the amount of allowed charges. The categories used were:

- $0 up to $50
- $50 up to $100
- $100 up to $200…$1,900 up to $2,000
- $2,000 up to $2,500…$9,500 up to $10,000
- $10,000 up to $15,000…$995,000 up to $1,000,000
- Further categories in $5,000 increments as necessary for claims above $1,000,000

For each category, paid-to-allowed ratios were calculated. The ratios for each year were averaged for each category, while the resulting ratios at allowed amounts greater than $1,000 were smoothed. The high-to-low-to-high pattern of the ratios observed at allowed amounts less than $1,000 was maintained; presumably this pattern is due to the increased provision and use of preventive benefits covered at no charge.

Factors were created for use with Insured groups based on data from BCBSVT and TVHP Insured Large Groups. These factors were blended with factors generated by two other distributions of claims to generate the final factors used in the rating program. One set of factors was based on data from the 2014 Milliman Health Cost Guidelines and the other was based on the combined experience of BCBSVT and TVHP Insured Groups, Cost Plus groups, and ASO groups.

We calculated the charge factors assuming experience periods begin on the first day of the quarter. To project the charges for future experience periods, the allowed amounts by claimant for 2012 and 2013 were trended by the observed trends to 2014, and then by 6.6% per annum (see section 4.2 for details). The allowed amounts for 2014 were also trended forward at 6.6% per annum. For each claimant record, a claim amount was calculated by applying the appropriate factor from the paid/allowed amount factor table. A projected claim file was built by combining the trended 2012 records with two copies of the trended 2013 records and three copies of the 2014 records (thus weighting the 2013 experience twice as heavily and the 2014 experience three times as heavily as the 2012 experience). For a set of limits (in increments of $5,000), the amounts in excess of the limit for each claim and the amounts under the limit for each claim were totaled and the ratio of these calculated. This produced a factor for each limit value expressing claims above the limit in terms of claims below the limit.

A distribution of claims by amount was generated from the 2014 Milliman Health Cost Guidelines distribution of allowed charges (adjusted for Vermont) by trending the distribution to produce the same expected average annual allowed charge per member as the trended BCBSVT/TVHP distribution and then applying the paid-to-allowed factors calculated above. Factors for claims above the limit as a percentage of those below the limit were calculated from this distribution.

The development of credibility factors to be applied to the different factors has two parts: the determination of the threshold for full credibility and the selection and parametrization of a survival function to assign partial credibility.

To determine the threshold for full credibility, we used classical (limited fluctuation) credibility theory. According to this theory, full credibility is achieved when, for selected values P and *k*,

the probability that the sample mean differs from its expected value by less than a fraction *k* of the expected mean is equal to P. Formulaically, for a given distribution X, the number of observations of X required for full credibility is:

$N_0 * \frac{Var(X)}{(E(X))^2}$, where $N_0 = \left(\frac{y_p}{k}\right)^2$ and y_p is the (1+P)/2 percentile of the standard normal distribution.

We let X be the paid claims per member-year in our blended experience and select P = 95% and *k* = 0.10. With these values, the standard for full credibility for the various experience groups is summarized below:

Groups in Base Data	Member-Years for Full Credibility	Claims Threshold for Full Credibility
Insured	9,348	$15,000
Combined	6,762	$55,000

To determine partial credibility for limits above the threshold, we fit our distribution of claimants above that limit to a Pareto distribution. We selected the Pareto distribution due to its decreasing, thick-tailed survival function, given by the formula $S(x) = \left(\frac{\theta}{x}\right)^q$ for x > θ, where θ is the threshold for full credibility and q is a parameter estimated from the data.

For each limit, two credibility factors were calculated to blend the three pooling factors. Credibility factor Z is the credibility given to the pooling factor for the appropriate category (Insured or Self-Funded) and Credibility Factor Y is the credibility of the remaining (1-Z) given to the combined BCBSVT experience. The blended pooling factor is calculated by the formula Z*(Category Factor) + (1-Z)*Y*(BCBSVT Combined Factor) + (1-Z)*(1-Y)*(Milliman Factor). This calculation is demonstrated in Exhibit 2A.

Exhibit 2B shows the factors that will be applied to the experience claims under the pooling limit to calculate the expected claims above the limit for Insured groups. These factors are calculated for each experience period starting quarter expected to be covered by this filing.

4.2. Trend Factors

<u>Medical Trend Development</u>

The source of the data is BCBSVT's data warehouse, except where noted below. To ensure accuracy of claims information, the data used has been reconciled against internal reserving, enrollment, and other financial reports. Claims incurred between November 1, 2011 and August 31, 2015, paid through October 31, 2015, were used in the analysis. Completion factors are applied to estimate the ultimate incurred claims for each period shown in the exhibits.

The data includes claims from BCBSVT Cost Plus groups, BCBSVT ASO Groups, BCBSVT Insured Large Groups, and TVHP Insured Large Groups. CDHP and Non-CDHP claims are combined. Claims from Medicare Primary members are excluded. The data from two large ASO groups has

been excluded from the medical analysis because they were not active for the entire experience period.

BCBSVT and TVHP cover substantially similar populations under similar benefit packages. Combining these homogeneous populations creates greater consistency and credibility within the trend factor development. Using the historical contracted reimbursement schedules, we calculated network factors that represent the different contracts and modify the claims to reflect a single contract. By making these adjustments we can observe the historical cost increases using all large group claims information.

Medical trend is composed of three pieces: cost, utilization, and intensity. In our analysis, we combined utilization and intensity within the utilization metric and analyzed the unit cost separately. Historical experience was normalized for contract changes and then analyzed to derive a utilization trend in the absence of unit cost changes. Future unit cost trends were developed on a discrete basis using the most recent round of contract negotiations as a starting point. The overall trend is the product of these two components.

Utilization

Historical utilization trend patterns were examined by first normalizing claims for unit cost increases. Contract changes for the entirety of the experience period were measured explicitly for each facility within our service area as well as the three largest physician groups.

Increases were measured for fee schedules and other Chargemasters by applying each schedule to a market basket of services. The market basket was defined by using Current Procedural Terminology (CPT) codes & CPT modifier combinations that were present in each of the effective periods the schedules covered. Using the same experience period data used throughout the trend analysis, total allowed costs for the selected CPT & CPT modifier combinations were compared under each schedule to estimate the percentage increase. For contracts under DRG arrangements, we compared the charge for the 1.000 DRG service for each period. Finally, for services under a discount of charge arrangement, we used the contracted chargemaster increase provided by our Provider Contracting department.

This accounted for over 75 percent of allowed claims dollars during the experience period. Costs for other claims are primarily for out-of-area services. Contracting changes for these claims were derived from the Fall 2015 Blue Trend Survey, which is a proprietary and confidential dissemination of the BlueCross BlueShield Association.

Claims were normalized to the October 2015 contract at each unique provider by applying a factor equal to the product of the impact of each contracting change from the experience month through October 2015. The derived trend for other claims was assumed to be continuous. Please see Exhibit 3A for an illustration of this approach.

Exhibit 3B shows the resulting array of allowed PMPM claims costs, before and after normalization for contract changes. We performed a 24-month regression on monthly PMPM costs to match the length of the period used in the calculation of the cost trend (described below). The result is a utilization trend of 1.0 percent.

We also investigated the impact of benefit changes throughout the experience period on utilization. Large groups have engaged in a benefit buy-down strategy over the last several

years as a means of limiting rate increases. This manifests itself in a lower actuarial value over time and a dampening effect on trend due to decreases in induced utilization, as shown in the table below:

Year Ending	Paid-to-Allowed Ratio	Induced Utilization	Percent Change
October 2012	90.8%	1.040	
August 2013	90.3%	1.032	-0.8%
August 2014	89.7%	1.023	-0.8%
August 2015	89.6%	1.022	-0.2%

To account for the impact of the benefit buy-downs in the trend, we normalized claims to the mix of benefits present during the year ending August 2015. We did this by using a factor for each month equal to the ratio of the induced utilization for benefits present in the year ending August 2015 to the induced utilization for benefits present in the year ending that particular month. Exhibit 3C shows that utilization trend is 1.3% when accounting for benefit changes. The concept of induced utilization is discussed further in section 4.3.

Unit Cost

Unit cost trends were largely derived from observations of recent contracting and provider budgetary changes.

During the year ended July 2015, roughly 53 percent of total claims dollars were provided by Vermont facilities and providers impacted by the hospital budget review process of the Green Mountain Care Board (GMCB). We have assumed that the GMCB would approve hospital budgets for October 1, 2016 and October 1, 2017 that support identical commercial increases as that approved for October 1, 2015. While the GMCB, through increased oversight, has limited the overall increase of hospital budgets in recent years, the cost shift from Medicare and Medicaid has accelerated, driving commercial increases higher. We have little reason to believe that the cost shift will not continue at current levels. Based upon that assumption, Provider Contracting and Actuarial worked together to assess the impact such an increase would have on contract negotiations for BCBSVT Managed Care, BCBSVT Unmanaged Care, and TVHP Managed Care contracts.

Similarly, we assumed for other providers within the BCBSVT service area that overall 2016 and 2017 budget increases would be identical to those implemented during calendar 2015. Again, Provider Contracting and Actuarial worked together to assess the impact these increases would have on contracts for BCBSVT Managed Care, BCBSVT Unmanaged Care, and TVHP Managed Care contracts.

Finally, unit cost increases for providers outside the BCBSVT service area were derived from the Fall 2015 Blue Trend Survey, which is a proprietary and confidential dissemination of the BlueCross BlueShield Association.

For marketing reasons, Provider Contracting has been negotiating different unit cost increases for each of the three contracts. To reflect this, we calculated three different cost trends, one for each contract.

The results of the analysis are summarized in the below chart:

	Annual Unit Cost Trend Assumption		
	BCBSVT Managed Care	BCBSVT Unmanaged Care	TVHP Managed Care
Vermont facilities and providers impacted by GMCB's Hospital Budget Review	4.9%	5.1%	5.1%
Other facilities and providers	3.2%	3.7%	3.7%
Total	4.1%	4.4%	4.4%

The total medical trend factors are the product of the utilization trend and the unit cost trend factors.

	BCBSVT Managed Care	BCBSVT Unmanaged Care	TVHP Managed Care
Total Medical Trend	5.5%	5.8%	5.8%

To calculate the overall medical total trend to be applied in the renewal formula, we trended the manual rate (see section 4.4) experience medical claims based on the network to calendar year 2017. We then divided the projected claims cost by the experience claims cost to get the overall medical trend.

	BCBSVT Managed Care	BCBSVT Unmanaged Care	TVHP Managed Care	Total
Experience Allowed Claims (Medical Only)	$3,792,701	$49,952,107	$19,829,853	$73,574,660
Trend Factors for 27 months	1.12742	1.13545	1.13575	
Trended Claims	$4,275,963	$56,718,002	$22,521,679	$83,515,644
Annual Trend				5.8%

Pharmacy Trend Development

The source of the data is BCBSVT's data warehouse, except where noted below. To ensure accuracy of claims information, the data used has been reconciled against internal reserving, enrollment and other financial reports. The data includes claims from BCBSVT Cost Plus groups, BCBSVT ASO Groups, BCBSVT Insured Large Groups, and TVHP Insured Large Groups. CDHP and Non-CDHP claims are combined. Claims from Medicare Primary members are excluded. The data from two large ASO groups has been excluded from the analysis because they were not active for the entire experience period. We used claims incurred from October 1, 2013 to September 30, 2015, paid through October 31, 2015. Completion factors were applied to estimate the ultimate incurred claims for each period shown in the exhibits.

ESI has been the pharmacy benefits manager for BCBSVT and TVHP since July 2009. The initial ESI contract was for a period of 3 years; new contracts became effective July 2012 and July 2015. In previous filings, we included the impact of contracting changes in the trend assumption. In this filing, we removed the contract adjustment from the trend calculation and added a factor to the rating formula to account for the contracting changes. Accordingly, we based our cost trend calculation on Average Wholesale Price (AWP), which does not reflect contracted discounts, instead of contract-adjusted allowed charges as in previous filings.

With the emergence of new and expensive specialty drugs, as well as the increasing shift to generics as more brand drugs come off patent, we analyzed the components of trend (cost and utilization) separately for brands, generics, and specialty drugs. We have projected the generic dispensing rate (GDR) based on the brand drugs that are scheduled to lose patent in the projection period. Specialty drugs are very high cost drugs with low utilization. Because of their relative infrequency, it is more appropriate to look at the overall PMPM trends for these drugs rather than separate cost and utilization components. The overall pharmacy trend is calculated by combining the separate projections.

Exhibit 3D provides the monthly and the 12-month rolling data, along with the corresponding year-over-year and exponential regression trends, for non-specialty drugs. These are shown separately for the generic cost, brand cost, and overall non-specialty utilization categories. The number of days supply, rather than the number of scripts, was used to normalize for changes in the days supply per script (e.g. increased use of 90-day fills). Because there are several popular brand drugs that have become generic during the experience period, or will become generic during the projection period, we combined the data for generic and brand drugs for the purpose of analyzing utilization patterns (the separate GDR projection is applied to the total projected utilization to arrive at brand and generic components). The regressions use 24 data points on the monthly data, in order to best capture an adequate amount of the most recent history of drug costs.

Based on our current distribution of days supply and a list of brands expected to move to generic in the period during which these trend rates will be in effect, as provided by ESI, we estimate that GDR will reach 88.5 percent in the projected period. It is important to note that care must be taken in projecting the GDR to avoid the simplistic assumption that generic shift will continue at historical levels. Generic conversion is a very discrete function – while specific dates for generic launches may be impacted by ongoing litigation, the list of brand drugs losing their patent protection is well-recognized in the industry. Furthermore, generic substitution protocols have increased generic substitution rates to well over 99 percent where such switches are clinically viable. For the above reasons, it would be actuarially inappropriate to base a future GDR assumption on a linear projection of past increases, which is why we have chosen to take a far more detailed, and more discrete, approach. Exhibit 3E shows the calculation of the 88.5 percent GDR in the projection period. Utilization for brand drugs losing or expected to lose their patent protection from November 2013 through the projection period is summarized by month. Because Average Wholesale Price (AWP) and effective discounts do not change significantly for most new generic drugs until the six-month exclusivity period has closed (that is, when the generic becomes “multi-source”), monthly utilization for the year ending October 2015 is repeated through six months following each generic launch date (i.e. we assume the same days of supply in November 2015 as we had in November 2014, and so on). After that time, all utilization is expected to shift to generic. We assume drugs with no generic exclusivity period will switch to generic immediately after the patent expires.

Exhibit 3F summarizes the trends for non-specialty drugs and calculates our total non-specialty allowed drug trend as 7.0 percent.

The introduction of new specialty drugs for the treatment of hepatitis C in January 2014 required an adjustment to the trend calculation for specialty drugs. The high cost of the drugs skews the specialty trend, making it higher than we believe is warranted. Other high-cost or high-utilization drugs have also entered the market recently, such as Orkambi, a treatment for cystic fibrosis with an annual cost of almost $250,000, and PCSK9 inhibitors like Repatha, used to treat high cholesterol in patients with the genetic disease familial hypercholesterolemia (FH). To accurately capture the effect of these new drugs on specialty trend, we removed their claims from the experience to calculate a trend rate to apply to these non-excluded claims. We trended those claims forward at the calculated rate for 27 months, then added back in our projections of claims for the new treatments (hepatitis C drugs, Orkambi, and PCSK9 inhibitors). We used the total restated projected claims to calculate a restated specialty trend.

Exhibit 3G, Page 1 shows the calculation of specialty trend both for all specialty drugs and for specialty drugs excluding the new treatments described above. For our regressions, we chose 24 points of 12-month rolling data to capture the most recent history of drug costs. Rolling 12-months regression is more appropriate for specialty drugs because of the low-frequency, high-cost nature of these drugs. The total specialty trend is 27.8%. Removing the large cost increases associated with the new treatments results in a 14.1% trend for the remaining specialty drugs.

To project the cost of hepatitis C treatments in the rating period, we began by looking at actual hepatitis C claimants in 2014 and year-to-date 2015. Based on the actual claimants and estimates provided by ESI, we project 37 hepatitis C claimants in 2017. There are several different drugs available for the treatment of hepatitis C (Sovaldi, Viekira Pak, Harvoni, and Olysio are in our experience), but the only drug that will be on ESI's formulary in 2017 is Viekira. Viekira is available in 3- and 6-month treatments. In our experience, roughly 2/3s of claimants receive the 3-month treatment and 1/3 receive the 6-month treatment, so the average claimant receives four months of the drug.

In our previous filing, we had estimated the cost of four months of Viekira at $72,000. This price was based on an expected discount due to the exclusivity arrangement between ESI and the manufacturer of Viekira. Viekira claims are now part of our experience with a monthly cost of almost $30,000. There is no discount reflected in the claim, however we do receive large rebates from ESI for Viekira claims. As drug rebates are credited to groups in a separate part of the renewal formula, we used the claim cost of $30,000 per month in the trend development. At this cost, 37 claimants with an average treatment of four months have a projected 2017 cost of $4.36 million.

PCSK9 inhibitors such as Repatha are used to treat high cholesterol. TVHP's current policy is to approve PCSK9 inhibitors for the treatment of familial hypercholesterolemia (FH), a genetic disease characterized by very high levels of cholesterols in the blood. Current incidence studies suggest that 200 persons per 100,000 lives are diagnosed with FH. Another indication for these drugs is for patients who have had a heart attack and then failed two different high-dose statins for 60 days. Based on current membership, we project 188 members will use a PCSK9 inhibitor in 2017. With an annual cost of about $13,750, the projected total is $2.59 million.

Orkambi is a drug used in the treatment of cystic fibrosis. In particular, it is used to treat a specific mutation of the disease that is found in roughly 50 percent of cystic fibrosis patients. Orkambi is prescribed to patients age 12 and older. We assumed that 50 percent of our members diagnosed with cystic fibrosis who are at least age 12 will take Orkambi. Orkambi has an annual cost of $247,000 and we project 10 members will use it. The projected cost for those members is $2.47 million.

One final adjustment to the projected specialty claims deals with a class of drugs called biosimilars. Biosimilars are functionally equivalent to biologic drugs, which are produced in a lab using recombinant DNA technology. Biosimilars have a lower cost than their equivalent biologic drugs. Humira, a biologic, was our highest cost drug in 2014. The FDA has recently approved a biosimilar for Humira that will be available sometime in 2016 (pending patent lawsuits from Humira's manufacturer). For the 2017 projection period, we anticipate the cost of the biosimilar will be 10 percent less than the cost of Humira, which will result in a $430,000 reduction in claims due to members switching from Humira to the biosimilar.

To calculate the effective trend, we started with the pharmacy claims from the year ending September 30, 2015 experience period and removed the claims for hepatitis C drugs, PCSK9 inhibitors, and Orkambi. We then trended the remaining claims at a 14.1% rate for 27 months and added the incremental cost of hepatitis C treatments, PCSK9 inhibitors, and Orkambi for a total restated projected claims. Using this method, the restated effective specialty drug trend is 17.8%. See Exhibit 3G, Page 2 for details.

Using the PMPM claims as weights between Non-Specialty and Specialty claims for the 12 months ending September 2015, we calculate the following:

Category	PMPM	Overall Trend
Generic	$23.49	8.9%
Brand	$37.98	5.8%
Specialty	$27.99	17.8%
Total	$89.46	10.5%

As mentioned above, BCBSVT entered a new contract with ESI on July 1, 2015. We are taking a new approach to model the impact of the discounts in the contract. In last year's filing, we applied a factor to the calculated trends to account for the differences in discounts between the contract in place in the experience period and the new contract. This approach was appropriate at the time because most renewals used experience periods with no exposure to the new ESI contract and we could use the same adjustment factor (included in the trend) for all groups.

For this filing, we have removed the contract adjustment factor from the trend assumption and included it as a separate factor in the rating formula. Group renewals performed with this filing will use experience periods with a blend of Rx claims from the new and previous contracts. The portion of the experience period taking place under the new contract will determine the size of the appropriate adjustment. As more of the experience period includes claims under the new contract, the adjustment necessary to project to the future period will become smaller.

Exhibit 3H contains the contract adjustment factors that will be applied to the drug claims in a group's renewal. For drug claims in the year ending September 30, 2015, we took the AWP of the claims and applied the contracted discounts and dispensing fees for each potential renewal experience period and rating period to calculate adjusted allowed charges. The contract adjustment factor for each experience and rating period combination is the ratio of the adjusted allowed charges. These factors assume that both the experience period and rating period are 12 months. For cases where this is not true, we will calculate an appropriate factor using analogous methodology.

The removal of the contract adjustment from the trend factor makes it difficult to compare the drug trends in this filing to those in last year's filing. To facilitate the comparison, we have included a restated trend development for the Q3 2015 (BCVT-129912021) filing that does not include the contract adjustment. This can be found in Exhibit 3I. Blending the generic, brand, and specialty trends with claims PMPM from the year ending October 2014 would have produced an overall drug trend of 12.3%.

Restated Q3 2015		
Category	PMPM	Overall Trend
Generic	$22.29	11.3%
Brand	$35.04	9.5%
Specialty	$23.59	17.4%
Total	$80.92	12.3%

Overall Total Trend

Using the year ending September 2015 for the groups included in the manual rate (see section 4.4), the overall allowed trend is

Category	Allowed PMPM	Allowed Trend
Medical	$ 399.85	5.8%
Pharmacy	$ 77.26	10.5%
Total	$ 477.11	6.6%

While we have included no implicit or explicit margin in our trend picks, we recognize that an environmental change may create a significant shift in either direction. As we have suggested in past years, we would submit an interim trend filing should information become available that meaningfully differs from the underpinnings of the trend analysis in this filing.

Leveraged Trends

The above trends are based on allowed charges and do not account for the leveraging effect of deductibles and copays. We utilized our Benefit Relativity models (see section 4.3 for a description of the methodology) to calculate the impact of leveraging on each benefit. To do so, we calculated the Paid PMPM with and without the trend (as described above). The difference between the two paid PMPMs is the leverage factor for that benefit. See Exhibits 3J and 3K for example of leverage factors.

Applying the leverage factors for benefits present in the year ending September 2015 for the groups included in the manual rate, we calculate the following paid trends:

Category	Paid PMPM	Paid Trend
Medical	$ 319.15	6.7%
Pharmacy	$ 62.97	11.9%
Total	$ 382.13	7.6%

4.3. Benefit Relativity Factors

Overview

To determine standardized premium rate relationships, also called relativities, we have created models that simulate the impact of member benefits for all types of plans. The models determine the allowed charges for the completed 12 months of claims included in the study and "re-adjudicate" the claims, thereby simulating the impact of member cost sharing for a given benefit plan.

Claims data is from BCBSVT's data warehouse. All claim and enrollment data comes from the BCBSVT's data warehouse except where noted below. To ensure accuracy, the claims data used has been reconciled against internal reserving, enrollment and other financial reports. The starting point of the analysis is allowed charges as determined by the BCBSVT claims adjudication system. The claims data includes benefit codes that enable us to identify the services and benefit structures (copays, deductibles, and coinsurance).

For each benefit plan of interest, the models produced the simulated PMPM values of the benefits. The PMPM for each plan was then divided by the manual rate, as calculated in section 4.4 but without adjustment for changes in the pharmacy contract, to produce its relativity. Relativities are included for medical only plans, Rx only plans, and integrated CDHP plans.

Incurred allowed charges from August 2014 to July 2015, paid through October 2015, were used. The allowed charges were trended to July 1, 2017, which is the midpoint of the 12-month period that begins January 1, 2017. The majority of the business that will be renewed using these relativity factors has a January 1 renewal date; the rating formula adjusts the trend for non-January renewals (see section 4.4).

The data includes claims from BCBSVT Cost Plus Groups, BCBSVT ASO Groups, BCBSVT Insured Large Groups, and TVHP Insured Large Groups. CDHP and Non-CDHP claims are combined. Claims from Medicare Primary members are excluded. We also excluded groups that have special benefits. This predominantly refers to groups that have specific reimbursement with particular providers outside of BCBSVT's contracts and/or claims processing function.

For the 67 large groups impacted by this filing, the total medical and Rx allowed charges PMPM, trended to the 12-month period beginning January 1, 2017, is $550.50. This is an increase of 5.4% over the $522.13 calculated in the previous filing, slightly less than our approved trend of 6.1% from the previous filing.

Details about the Medical Benefit Relativity Model

The trends used were the total medical trend, by type of service. Cost trends were calculated by the discrete unit cost trend method above, while the same utilization trends were used for all types of service (see section 4.2).

Using the contracted reimbursement schedule, we calculated network factors that represent the different network contracts. Using these factors, we can include all claims in each of the three networks by adjusting each claim to the basis of a single network. This enables us to combine all the experience for each plan design.

The claims were categorized according to how benefits are paid, and one record was generated for each member, date of service, and type of service. Each record was then assigned a cost share (deductible/coinsurance, copay, covered in full) for each plan available.

The plan designs modeled are:

- BlueCare Lo Options (LO)
- Open Access (OAP)
- BlueCare (HMO)
- Consumer Driven Health Plan (CDHP)

For all products, claims for preventive mandated benefits were assigned a "covered in full" cost share, independently of the product that is being modeled.

The model tested one benefit design at a time. It determined the member portion of the allowed charges, and from this, a total simulated paid PMPM for each benefit design. The impact of the office copay, deductible, coinsurance, out-of-pocket maximum, and preventive mandated benefits were all considered. If the average allowed cost of a category was less than the copay being examined, it was assumed that the member paid the full cost of the service.

OAP plans have two levels of benefits, preferred and non-preferred. The Preferred benefit levels are applied to providers in the BlueCard© network and the non-preferred benefits are applied to non-participating providers. In the administration of this benefit, there is no overlap between the preferred and non-preferred deductible and coinsurance.

For CDHP, LO, and HMO plans, the same overall benefits are applied to the preferred and non-preferred networks. The underlying benefits in the experience have different splits between preferred and non-preferred networks as part of the "freedom" of the benefit. The "freedom" represents the portion of providers in the service area that participate in the network.

We use BRVs in two places in the rating formula described in section 3. The Average Experience Period Seasonal Adjusted Benefit Relativity Factor (line L in Exhibit 1A) is calculated using BRVs for the benefits in the experience period, while the Projected Claims for the rating period (line B1 in Exhibit 1B) uses BRVs for the benefits in the rating period.

Beginning in 2016, TVHP has modified its medical claims policy to provide coverage for additional services including circumcision, digital breast tomosynthesis, and the removal of

gender edits for ACA preventive services. A projected PMPM cost for these services has been added to the renewing BRV in the renewal formula to project the additional cost.

The relativities for the medical products currently in our book of business are displayed on Exhibits 4A and 4B.

Benefit Induced Utilization: Medical

An independent analysis was performed to measure the correlation between the benefit design and the overall health care spending. The correlation used the paid-to-allowed ratio as the independent variable and the total allowed charges as the dependent variable. A 2nd order polynomial was found to best fit the data. The polynomial was then normalized such that the average paid-to-allowed (PA) ratio underlying the base BRV experience returned a utilization adjustment of 1.00. In other words, if a simulated benefit has a paid-to-allowed ratio less than that of the average, then utilization will be reduced (i.e. factor < 1.00). If a simulated benefit has a paid-to-allowed ratio greater than the average, then the benefit will have induced utilization (i.e. factor > 1.00). The resulting formula is $Medical\ Utilization : 1.2063\ \times (PA)^2 - 0.7180\ \times (\mathrm{PA}) + 0.6972$, with a minimum set at 0.74 and a maximum of 1.20.

Details about the Pharmacy Benefit Relativity Model

The trends used were the total trend, by type of service, as described above (section 4.2) for Brand, Generic, and Specialty drugs.

Within the model, pharmacy scripts are assigned to one of six categories:

- Retail Generic
- Retail Preferred Brand
- Retail non-Preferred Brand
- Mail Generic
- Mail Preferred Brand
- Mail non-Preferred Brand

Specialty medications are allocated into one of the categories above, as appropriate.

The experience period data was adjusted to reflect the major brands that are expected to become generic during 2016 and 2017. The list was based on a report provided by ESI.

For these brands, the following adjustments were made:

- For the first 6 months (exclusivity period), we reduced the Average Wholesale Price (AWP) by 10% and kept the brand discount.
- For the months after the exclusivity period, we reduced the AWP by 10% and changed the discount to the generic discount. The 10% reduction in AWP is based upon industry standard assumptions, supported by our own analysis of AWP changes for drugs that have moved from brand to generic over the past several years.

One record was created for each member and date of service combination. One record can have more than one script category. The model tested one benefit design at a time. It determined the member portion of the allowed charges and a total simulated paid PMPM for each benefit design. The impact of the deductible, coinsurance, copays and out-of-pocket maximum (OOPM) were considered. Following the ACA, contraceptives were excluded from the cost sharing. If the average allowed cost of a category is less than the copay being examined, it

is assumed that the member pays the full cost of the script. With Vermont Act 171, all pharmacy benefits effective January 1, 2016 or later will have an OOPM of $1,300. It is possible that this limit will increase effective January 1, 2017, following the IRC rules for Health Savings Account and High Deductible Plans. The exhibits include the $1,300 OOPM benefit on pharmacy for benefits effective January 1, 2015 or later, which comprise our current experience period.

The relativities for the pharmacy products currently in our book of business are displayed on Exhibit 4D.

Benefit Induced Utilization: Pharmacy

Independent analysis was performed to measure the correlation between the benefit design and the quantity of pharmacy prescriptions consumed. The pharmacy benefits are adjusted in two ways. First, the generic utilization varies with the benefit design. Claims and membership data from January 2011 through July 2015 were examined, and a table was created to adjust the base generic utilization up or down depending on the difference in the Generic and Brand copays of the member's drug plan.

Second, a separate analysis was done to adjust for the overall pharmacy benefit. A modeled paid-to-allowed (PA) ratio was assigned to every benefit in the experience period. The correlation used the paid-to-allowed ratio as the independent variable and total allowed charges as the dependent variable. A line was found to best fit the data. The line was then normalized such that the paid-to-allowed ratio underlying the base BRV benefit (manual rate) returned a utilization adjustment of 1.00. The resulting formula is $Pharmacy\ Utilization: 1.4571 \times (\mathrm{PA}) - 0.2884$, with a minimum set at 0.50 and a maximum of 1.50.

Although we use two steps to calculate the induced utilization, we are not adjusting the data twice. The adjustment for difference in Generic/Brand copays changes the mixture of scripts (i.e. generic dispensing rate) without adjusting the overall frequency of scripts. The richness or leanness of the plan, as measured by the paid to allowed ratio, drives an adjustment to the overall frequency of scripts without changing the mixture of scripts.

Details about the Integrated Benefit Relativity Model (CDHP)

The CDHP model combines both the medical and pharmacy models described above. One record was created for each member, date of service and type of service combination. A separate medical and pharmacy paid-to-allowed ratio was calculated, and the appropriate utilization adjustment was made.

The relativities for the CDHP products currently in our book of business are displayed on Exhibit 4C.

Tier Factors

The BRV models calculate the average paid claims of a single member on a particular benefit design. TVHP sells products with rate tiers for multiple members. These rate tiers feature family deductibles and out-of-pocket maximums either in addition to or in place of the individual limits. We refer to products that have family limits in addition to individual limits as

Stacked and to products with only family limits as Aggregate. For products renewing after January 1, 2016, members on Aggregate plans are subject to the federal maximum allowed individual out-of-pocket, even if the aggregate out-of-pocket maximum is higher. We refer to these plans as Hybrid.

To price benefits for rate tiers with multiple members, we calculated tier factors to apply to the BRV for the benefit. We used the BRV models to calculate member paid amounts for each member in the model and used every combination of members to create "families" in the following categories:

- One Adult
- Two Adults
- One Adult and One Child, … , One Adult and Seven Children
- Two Adults and One Child, … , Two Adults and Seven Children

For each category of family, we calculated the average plan paid amount subject to the family cost sharing. Then we combined the categories of families into rate tiers using the proportion of each category in the experience period membership as a weight. The ratio of plan paid amount for each rate tier to the single rate tier is the tier factor. For Aggregate and Hybrid factors, we grouped products together into three ranges of out-of-pocket maximums and calculated tier factors for each range. We calculated different factors for products with separate medical and drug benefits and for products with integrated benefits (CDHPs). The tier factors calculated for each range and type of benefit are shown in Exhibit 4E.

4.4. Manual Rate

The Manual Rate is the experience paid claims PMPM from the groups impacted by this filing, trended to calendar year 2017 using the trends and pharmacy contracts adjustments described in section 4.2.

Calculation of the Manual Rate

Experience Paid Claims, capped at $750,000 and completed	A	$ 70,638,487
Overall Paid Trend factor (7.6% for 27 months)	B_1	1.179
Pharmacy Contract Adjustment	B_2	0.990
Projected Total Paid Claims	$C = A \times B_1 \times B_2$	$ 82,470,424
Total Member Months	D	183,279
Manual Rate	**E = C / D**	**$ 449.97**

As noted in section 4.3 above, we use a version of the manual rate without the pharmacy contract adjustment as the denominator of the relativity calculation. Per the above calculation, this value is $454.39. We multiply the benefit relativity by the manual rate to calculate projected manual claims. If both the denominator of the relativity and the manual rate included the pharmacy contract adjustment, they would cancel in the multiplication and the projected claims would not reflect the discounts in the new pharmacy contract.

The Manual Rate is adjusted to reflect a group's particular characteristics, as demonstrated in Exhibit 5A. An adjustment is made for the average age/gender factor (line B) as derived from the 2014 Milliman Health Cost Guidelines, normalized such that the Manual Rate has an

age/gender factor of one. The case's industry factor (line C) is developed based on the SIC and a standard table that has been updated based on BCBSVT experience data from October 2014 through September 2015 to reflect relationships between industries. See Exhibit 5B for the schedule of industry factors. These have also been normalized such that the Manual Rate has a factor of one.

For groups with a projection period other than calendar year 2017, the manual rate will be adjusted for trend to reflect the group's projection period (line D) and the additional impact of pharmacy contract changes (line E). Finally, a contract conversion factor (line F) is calculated based on member distribution and tier factors in order to convert from a PMPM to a single rate basis (necessary because the Adjusted Manual Rate is blended with the Projected Single Contract Rate, which is not on a PMPM basis).

4.5. Administrative Charges

The sources of actual expense data in this filing are BCBSVT's data warehouse and accounting records. The Experience Base period for this filing is November 2014 to October 2015. Actual BCBSVT administrative expenses for the Experience Base period are compiled on a GAAP reporting basis. During 2015, BCBSVT completed a comprehensive cost accounting study. Allocations to specific lines of business on a GAAP reporting basis were updated for the results of this study, beginning in 2015. In order to normalize experience period data to the same allocation methodology, 2014 expenses were reallocated according to the results of the cost accounting study. Exhibit 6A provides a reconciliation of the Experience Base period to restated GAAP financial report data.

Experience Base of Actual Expenses

Administrative expenses are allocated under BCBSVT's cost accounting system to lines of business. For the Group business segment (Insured and Cost Plus combined), this cost accounting data by cost center is then allocated into Cost Categories for purposes of determining administrative charges for each specific BCBSVT group account, given that account's characteristics.[4] The Group Cost Categories include:

Account – those expenses that are allocated to specific group accounts on a per group account basis.
Billing Group – those expenses that are allocated on a per billing group basis (i.e., reflecting the number of separate billing entities within a group account).
Member – those expenses that are allocated on a per member basis.

For each of the Group Cost Categories described above, the respective number of unit months during the Experience Base period is tabulated for the Insured Large Group (both BCBSVT and TVHP) and Cost Plus business segments. These segments are combined in this filing for marketing considerations. The unit months include the number of account months, number of billing group months, and number of member months.

[4] PUPM costs for Cost Plus members having Medicare Supplement plans are set equal to the corresponding values for conventionally funded Medicare Supplement members. The resulting costs are removed from the Cost Plus cost accounting charges before dividing by the (non-Medicare Supplement) Cost Plus units.

Fees paid to our vendor GHI for the electronic processing of Medicare Supplement claims are not being assigned correctly to all members whose claims go through the GHI system. These members are in the following product categories: Individual Medicare Supplement, Group Medicare Secondary, Cost Plus Medicare Supplement, Cost Plus Medicare Secondary, and TVHP MediGap Blue. They are currently only booked to Individual Medicare Supplement and TVHP Medigap Blue. The GHI fees are reallocated to the appropriate product categories using membership as a weight. This reclassification is reflected in Exhibit 6A. Other reclassifications reflected in the exhibit include the removal of federal fees (these are added to premium rates separately; see section 4.10) and fees paid to our vendor Health Equity for the administration of Health Savings Accounts and Health Reimbursement Accounts linked to our insurance products (participation in this service is options and we assign these fees to groups who select the service).

Using the adjusted Experience Base administrative expenses and unit months, per unit per month (PUPM) values are calculated. For the group segments included in this filing, there are three such PUPM values – one for each of the Cost Categories indicated above.

The Experience Base administrative expenses PUPM are shown in Exhibit 6C.

Projection Factors

Actual administrative costs PUPM from the Experience Base period are projected to each of the rating periods. Projection factors are based on a 2.14 percent annual trend and are shown in Exhibit 6B. These projection factors are intended to make reasonable but modest provision for increases in overall operating costs PUPM. Note that there are no known extraordinary or mandate-related costs at this time which require separate provision for the rating periods involved in this filing.

We are assuming that personnel costs (wages and benefits) will increase by 3 percent, the budgeted wage increase for 2016, over the projection period. Other operating costs are assumed to remain flat. We have calculated that 78.5% of our administrative costs are for salaries and benefits. We are therefore increasing our projected administrative expenses by the weighted average of 2.4 percent per annum.

An examination of historical administrative charges shows a decreasing trend in recent years, driven primarily by membership increases. For 2017, we project total membership will decrease. We calculated PMPM admin charges with experience period enrollment and projected January 2016 enrollment and found they increased by 2.2 percent with the reduced January 2016 enrollment. We assumed that variable costs represent half of the increase, and therefore applied an increase of 1.1 percent to the base PUPM charges to account for the reduction in membership.

Charges for Group Accounts

The Administrative Charge PUPM figures shown in Exhibit 6C are the values to be applied on an account by account basis, along with each group account's corresponding unit count, to

produce account-specific administrative charges. These amounts will then be expressed as equivalent PMPM amounts for each group account.

Amounts for special items or unique services not part of TVHP's standard scope of administrative services (e.g., special booklets, certificates, or reports) are to be determined and applied separately on an account-specific basis. Commissions based on the commission scale applicable to the account are not reflected in the schedule of admin charges in Exhibit 6C; they are to be calculated and applied separately.

4.6. Net Cost of Reinsurance

TVHP has purchased reinsurance for claims in excess of $750,000 for 2016, and expects to purchase similar reinsurance in future years with limits approximately equal to the 2016 limit increased by trend. We estimate that the target loss ratio for the reinsurance is approximately 75%, which implies a cost of reinsurance of approximately 33% of claims above the reinsurance limit. For each pricing period starting quarter, we determined an annual cost of reinsurance for the trended reinsurance limit by multiplying the expected annual claims cost above the limit by 33%. Dividing this by 12 produces the PMPM cost of reinsurance. The table of these PMPM's, based on pricing period starting quarter, is shown in the table below.

Pricing Period Starting Quarter					
Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
$1.28	$1.28	$1.32	$1.32	$1.36	$1.37

4.7. Pharmacy Rebates

Pharmacy rebates are calculated by taking the experience period rebates and trending them using the Brand Cost trend (from Exhibit 3D). Pharmacy rebates are paid with an average six-month delay from the time of the original claims. For months in the experience for which we do not have detailed rebate information, an estimated rebate amount is included in the calculation.

4.8. Contribution to Reserve

The administrative charges developed are for administrative expenses only, and contain no provision for reserve contribution. A contribution to reserves is required in order to maintain an adequate level of surplus. Surplus is a critical consumer protection that allows providers to continue to receive payments and subscribers to receive needed care in the event of unforeseen adverse events that may otherwise impact TVHP's ability to pay claims. We believe that the levels established in the table below represent an adequate, yet not excessive, contribution to reserves. Furthermore, they allow us to maintain Risk-Based Capital (RBC) levels that are within our established, moderate target range.

Line of Business	Contribution to Reserve
TVHP Insured Groups	2% of premium

Exhibit 7A provides support for our filed contribution to reserves. A contribution to reserves of 1.3 percent is required merely to maintain RBC levels in light of premium increases due to medical trend. In other words, should all other assumptions in this and subsequent filings come to fruition and medical trend hold constant at current levels, the company would eventually become insolvent due to medical trend alone with a contribution to reserves of less than 1.3 percent.

There are many reasons why an adequate contribution to reserves should exceed the minimum required to keep pace with trend. While best estimate assumptions are by definition expected to lead to equal likelihood of gains and losses, unexpected events or periods of sustained losses may lead to financial deterioration of sufficient magnitude to render a company insolvent. This is the basic tenet of classical ruin theory.

There are many examples of risk to surplus. The underwriting cycle is typically 24-30 months in duration, meaning that rate deficiencies may persist for an extended period in an increasing trend environment. Regulatory action can have a meaningful impact on surplus when required rate increases are not approved. Finally, unusual events such as a new specialty drug may create a one-time shock to capital.

Maintaining an adequate RBC level is critical for any insurer. Consequences of low RBC include reduced flexibility in responding to customer needs, a need for greater conservatism and higher margins in rates in order to avoid further deterioration, and a reduced ability to attract or retain business or to handle membership growth. Stability is particularly important in times of unprecedented change, such as the continuing evolution of Vermont Health Connect and the health care reform environment.

TVHP must remain financially strong in order to continue to provide Vermonters with outstanding member experiences, responsible cost management and access to high value care. We are therefore filing for a 2 percent contribution to reserve for Insured Groups, which provides appropriate margin above the minimum needed to keep pace with trend to help ensure continued financial stability should a significant adverse event occur.

4.9. State Mandates and Assessments

Vermont Vaccine Purchasing Program Payments
The Vermont Vaccine Purchasing Program[5] offers health care providers state-supplied vaccines at no charge by collecting payments from Health plans, insurers, and other payers. The program's assessment is a PMPM for each Vermont resident. The approved assessment for 2016 is $0.58 for Adults and $10.73 for Children. We will use these rates until new rates are approved.

New Hampshire Purchasing Program Payments
The New Hampshire Purchasing Program[6] offers health care providers state-supplied vaccines at no charge by collecting payments from Health plans, insurers, and other payers. The

[5] http://healthvermont.info/hc/imm/VaccinePurchasingPoolPilotProgram.aspx

[6] http://www.nhvaccine.org/nhvaccine.nsf/pages/home.html

assessment for 2016 is $9.95 for each child that is a New Hampshire resident. We will use this rate until a new rate is approved.

Health Care Claims Tax
The Health Care Claims Tax of 0.999 percent applies to all claims or capitations incurred by members with Vermont zip codes. We used the percentage of current members with Vermont zip codes to estimate the percentage of rating period claims expected to be incurred by Vermont members.

Blueprint
TVHP participates in the Vermont Blueprint for Health program. The current assessments for this program, applied to members who are attributed to a Blueprint provider as of the month the renewal is produced, are $2.77 PMPM for the Community Health Team and $3.00 PMPM for the Patient Centered Medical Homes (PCMH). PCMH are eligible for up to $0.50 for performance. We project that our total PMPM for PCMH will be $3.25. Any updates made to the Blueprint Manual[7] will be incorporated in renewals.

4.10. Federal Assessments

Patient-Centered Outcomes Research Institute Fee:
This fee is part of the Affordable Care Act and applies to all plan years ending after September 30, 2012. We estimate the fee to be $2.35 annually and therefore, we will include a $0.20 PMPM charge in the rate calculation. This estimate will be updated once additional information is received.

Federal Insurer Fee
The Federal Insurer Fee is intended to help pay for some provisions in the Affordable Care Act. This fee is only applicable to Fully Insured Groups. The Consolidated Appropriation Act of 2016 temporarily suspended this fee for 2017 only. For groups renewing on or after February 1, 2017, we will include the projected 2018 fee, currently estimated at 2.5 percent of premium, prorated for the month in 2018 that the policy will be effective. Please see below for the estimate of the 2018 fee, which will be updated once additional information is received.

2018 Projected Fully Insured Premium subject to the Federal Insurer Fee	a	$652,938,000
2018 Total Industry Assessment for Federal Insurer Fee	b	$14,300,000,000
BCBSVT Portion of Total Assessment (based on 2015 information)	c	0.1%
2018 Projected BCBSVT Federal Insurer Fee, grossed up for Federal Income Tax (20%)	d = b x c / 0.8	$16,340,000

[7] http://blueprintforhealth.vermont.gov/sites/blueprint/files/BlueprintPDF/BlueprintManualEffective160101_150619b.pdf

2018 Estimated Required Charge as a percent of Total Premium	e = d / a	2.5%

5. *Factors applicable only to specific Products*

5.1. Risk and Administrative Charges for Experience Refund Eligible products

Risk Charges for Experience Refund Eligible Plans

The TVHP Experience Refund Eligible products involve pricing margins of 10% or 5% (i.e. expected claims below the ISL limit will be increased by 10% or 5% in the determination of the premium). These factors are applied to total expected claims (before adjustment for pricing margin) and the retention is increased by the risk charge (both in the prospective pricing and in the refund calculation).

The tables of factors are contained in Exhibit 8A.

The method used is based on VFN 41126, Method of Determination of Aggregate Stop Loss Charge Factors.

Distribution of Individual Claims by Amount
The distribution of individual claims by amount was generated from the 2014 Milliman Health Cost Guidelines distribution of allowed charges (adjusted for VT) by trending the distribution to produce the same expected average annual allowed charge per member as the trended BCBSVT distribution for Q1 2017 and then applying paid/allowed factors (as described in section 4.1).

For each specific stop loss level, the expected claims amount and standard deviation of the distribution of claims less than the specific stop loss level are calculated.

Expected Claims Factors

For each number of members (N) 100 to 1000 (at 100 increments), 1,500, 2,000 to 5,000 (by 1,000 increments) and 10,000 to 40,000 (by 10,000 increments) and for each ISL limit, a preliminary expected fraction of aggregate claims in excess of 90%, 95%, 100%, 105%, 110%, 115%, 120%, 125%, 130%, 135%, and 140% of expected aggregate claims was calculated. These were then adjusted for uncertainty in the projection of expected claims as described in the table below:

Expected to projected expected	>107.5%	107.5% - 102.5%	102.5% - 97.5%	97.5% - 92.5%	< 92.5%
Fraction of projections	F_1*	F_2*	F_3*	F_4*	F_5*
Assumed (actual expected) / (projected expected) factor	1.10	1.05	1.00	0.95	0.90
Weighting Factor for averaging	F_1/1.10	F_2/1.05	F_3	F_4/0.95	

					$F_5/0.9$

* Estimated for distribution

If the expected number of members (N) in the rating period is not one of the values in either table, the value is determined by interpolating linearly between the entries in the table for the numbers of members immediately below and above N.

Settlement Administration Charge
An administration charge equal to a settlement administration charge, offset by an investment income credit, will be added to the group's administrative charges (described in section 4.5).

1. Settlement Administration Charge: An additional administrative charge of $1,700 will be included to offset the costs of administering the retrospective arrangement. This amount is based on the 2016 settlement administration charge of $1,665 increased by 2.1 percent trend to reflect the assumed increase for the direct staff cost.

2. Investment Income Adjustment: A credit of 0.2 percent of the margin will be applied to the settlement administrative charge to reflect investment income earned on the margin.

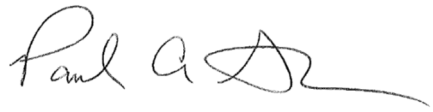
6. Actuarial Opinion

The purpose of this filing is to establish the formula, manual rate and accompanying factors that will be used for renewals of The Vermont Health Plan large group plans. This filing is not intended to be used for other purposes.

The data used in this analysis has been reviewed for reasonableness and consistency; however, it has not been audited.

It is my opinion that the rating formula and factors presented in this filing are reasonable, and have been prepared in accordance with applicable Actuarial Standards of Practice. The formula and factors will produce premium rates that are reasonable in relation to the benefits provided, and will not be excessive, deficient or unfairly discriminatory.

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's Qualification Standards to render this opinion.



Paul A Schultz, F.S.A., M.A.A.A.

February 19, 2016

I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and, to the best of my knowledge, the filing complies with all applicable statutory and regulatory provisions for the State of Vermont.

Ruth Greene
Vice President, Treasurer & CFO

02/19/2016
Date

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Plain Language Summary

The Vermont Health Plan (TVHP) is committed to the health of Vermonters, outstanding member experiences and responsible cost management for all of the people whose lives we touch. By pooling the populations covered by our products, we protect individuals from the unaffordable and potentially ruinous costs associated with significant illnesses or injuries. Our products promote preventive care, health maintenance, and health improvement, and we have in place strong utilization management programs that support members who require medical care and assure that they have access to high value care while avoiding unnecessary costs.

TVHP also works with providers to dampen cost increases through reimbursement strategies that include incentives to both provide and properly manage care. TVHP's vision is a transformed health care system in which every Vermonter has health care coverage, and receives timely, effective, affordable care. None of this work is possible unless TVHP remains financially strong, and that requires that we be allowed to charge rates that cover the medical expenses of the populations it serves.

TVHP performs large group premium rating on a case-by-case basis. Rating is accomplished through a formulaic approach that blends recent group claims experience with a manual rate according to a credibility formula. This filing establishes the rating formula, manual rate and accompanying factors that will be used for large group renewals beginning upon approval of this filing, most notably January 2017 renewals.

The filing describes in detail the formula used in the renewals, along with each of the factors included in that formula. These include large claims pooling factors, medical and pharmacy trends, and benefit relativities, along with the development of the manual rate. In addition, the filing details the calculation of administrative charges, the net cost of reinsurance, contribution to reserve, and state and federal assessments, all of which are included in the rate development. Finally, the filing discusses certain factors applicable only to specific products.

Key results include the following:

- TVHP is proposing paid trends of 6.7 percent for medical claims and 11.9 percent for pharmacy claims, for a total combined trend of 7.6 percent.
- Administrative charges on a per member per month basis for the groups impacted by this filing have increased by 7.3 percent from the previous filing.
- We are proposing a contribution to member reserves of 2 percent for insured groups.
- Our proposed manual rate, the projected average calendar year 2017 paid claims per member per month for groups impacted by this filing, is $449.97.
- There are an estimated 2,200 contracts (4,100 members) currently enrolled in one of 25 TVHP large group plans.

Our proposed medical trend is higher than what was approved in our most recent large group rating program filing, 6.2 percent. Utilization trends are beginning to accelerate after a period of historically low or flat trends. The pharmacy trend is also higher than the 10.0 percent approved in the previous filing. In that filing, the trend included an adjustment for future discounts according to our contract with our pharmacy benefits manager, ESI. In this filing, we have moved that adjustment to a different part of the rating formula. If we had

excluded that adjustment from the pharmacy trend in the previous filing, the trend rate would have been 13.5 percent.

Administrative charges have increased by 7.3 percent on a per member per month basis from the previous filing, which increases premium by 0.4 percent. TVHP is using a new cost allocation that resulted from a comprehensive cost accounting study. The new allocation increased administrative expenses allocated to large group business.

A contribution to reserves is required in order to maintain an adequate level of surplus. Surplus is a critical consumer protection that allows subscribers to receive needed care and providers to continue to receive payments in the event of unforeseen adverse events that may otherwise impact TVHP's ability to pay claims. We believe that the levels established in this filing represent an adequate, yet not excessive, contribution to reserves.

We have changed our large group rating formula from the time of previous filing by removing the adjustment for contracted pharmacy discounts from the trend calculation and including it as a separate factor. There were no other material changes. Other factors, including large claim pooling charges and benefit relativities, have been updated but by their nature have neither an inflationary nor deflationary impact on rates across our entire book of business.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Sample Calculation

Benefit-Adjusted Projected Single Claims Rate:

Experience Period Paid Claims	$987,000	A
Experience Period Claims Amount above $70,000 Pooling Limit	$53,000	B
Capped Claims	$934,000	C = A — B
Completion Factor	1.011	D
Completed Capped Claims	$940,000	E = C x D
Pooling Charge Factor	0.198	F
Expected Claims above $70,000 Pooling Limit	$190,000	G = E x F
Experience Adjustment Factor	1.000	H
Adjusted Experience Period Claims	$1,130,000	I = (E + G) x H
Experience Period Member Months	3,270	J
Adjusted Experience Period Claims PMPM	**$345.57**	K = I ÷ J
Average Experience Period Seasonal Adjusted Benefit Relativity Factor	0.770	L
Benefit-Adjusted Experience Period Single Claims Rate	$448.91	M = K ÷ L
Trend 7.2% per annum for 18 months	1.110	N_1
Pharmacy Contract Adjustment	0.990	N_2
Projected Single Contract Rate	$493.27	O = M x N_1 x N_2
Adjusted Manual Rate	$666.30	P
Credibility factor	31%	Q
Benefit-Adjusted Projected Single Claims Rate	**$612.81**	R = (O x Q) + { P x (1 — Q)}

Credibility Calculation

Active Contract Months	1,164	a
Medicare Primary Contract Months	180	b
Months of Experience	12	c
NC	104.5	d = (a + 0.5 * b) / c
CF1	0.30911	e = (d / 500) ^ 0.75
CF2	1	f = (c / 12) ^ 2
Z	0.30911	g = e * f

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Exhibit 1B

Example Calculation of Required Premium by Product and Tier
Illustrative Only

From Exhibit 1A : Benefit-Adjusted Projected Single Claims Rate (R) ***$612.81***

Plan A			**Single**	**2-Person**	**Family**	**Medicare Secondary**
Members per contract			1.000	2.000	3.938	1.000
BRV:	A		0.929	1.859	2.593	0.777
Projected Claims:	B1 = A x R		$569.49	$1,138.97	$1,588.87	$476.09
Net Cost of Reinsurance:	B2		$1.50	$3.00	$5.91	$0.00
Projected Rx Rebate:	B3		-$4.00	-$8.00	-$15.75	-$4.00
State Mandates and Assessments						
Vaccines for Vemonters	C1		$2.50	$5.00	$9.85	$2.50
Blue Print for Health	C2		$2.50	$5.00	$9.85	$2.50
Health Care Claims Tax	C3 = 0.999% * B1		$5.69	$11.38	$15.87	$4.76
Federal Mandates and Assements						
PCORI	D1		$0.19	$0.39	$0.76	$0.19
Federal Insurer Fee	D2	0.00%				
Administrative Charge	E		$25.00	$50.00	$98.45	$25.00
Commission (% premium)	F	3.00%				
Contribution to Reserve	G	2.00%				
Required Premium:	$H = [\ \Sigma(B_i) + \Sigma(C_i) + D1 + E\ ] / (1 - F - G - D2)$		$634.60	$1,269.20	$1,803.99	$533.73

Plan B			**Single**	**2-Person**	**Family**	**Medicare Secondary**
Members per contract			1.000	2.000	3.938	1.000
BRV:	A		1.023	2.046	2.854	0.810
Projected Claims:	B1 = A x S		$626.91	$1,253.81	$1,749.07	$496.50
Net Cost of Reinsurance:	B2		$1.50	$3.00	$5.91	$0.00
Projected Rx Rebate:	B3		-$4.00	-$8.00	-$15.75	-$4.00
State Mandates and Assessments						
Vaccines for Vemonters	C1		$2.50	$5.00	$9.85	$2.50
Blue Print for Health	C2		$2.50	$5.00	$9.85	$2.50
Health Care Claims Tax	C3 = 0.999% * B1		$6.26	$12.53	$17.47	$4.96
Federal Mandates and Assements						
PCORI	D1		$0.19	$0.39	$0.76	$0.19
Federal Insurer Fee	D2	0.00%				
Administrative Charge	E		$25.00	$50.00	$98.45	$25.00
Commission (% premium)	F	3.00%				
Contribution to Reserve	G	2.00%				
Required Premium:	$H = [\ \Sigma(B_i) + \Sigma(C_i) + D1 + E\ ] / (1 - F - G - D2)$		$695.64	$1,391.29	$1,974.31	$555.42

The Vermont Health Plan **Exhibit 2A**

Q3 2016 Large Group Rating Program Filing

Expected Large Claims Factor Development

Experience Period Starting Q4 2014

a	b	c	d	Z	Y	g = b*Z + c*(1-Z)*Y + d*(1-Z)*(1-Z)
Limits	Insured Groups	BCBSVT Combined	Milliman	Credibility (Insured)	Credibility (BCBSVT Combined)	Merit net claim factor
$30,000	47.2%	42.2%	42.1%	42.3%	100.0%	44.3%
$35,000	41.5%	36.9%	37.0%	35.0%	100.0%	38.5%
$40,000	37.1%	32.7%	33.1%	29.6%	100.0%	34.0%
$45,000	33.5%	29.3%	29.8%	25.6%	100.0%	30.4%
$50,000	30.6%	26.6%	27.2%	22.5%	100.0%	27.5%
$55,000	28.1%	24.3%	24.9%	20.0%	100.0%	25.0%
$60,000	26.0%	22.3%	23.0%	17.9%	86.9%	23.0%
$65,000	24.1%	20.6%	21.3%	16.2%	76.3%	21.3%
$70,000	22.5%	19.1%	19.9%	14.8%	67.7%	19.8%
$75,000	21.1%	17.8%	18.5%	13.6%	60.5%	18.5%
$80,000	19.8%	16.6%	17.4%	12.5%	54.5%	17.3%
$85,000	18.7%	15.6%	16.4%	11.6%	49.4%	16.3%
$90,000	17.7%	14.6%	15.5%	10.8%	45.0%	15.4%
$95,000	16.8%	13.8%	14.7%	10.1%	41.3%	14.6%
$100,000	15.9%	13.0%	13.9%	9.5%	38.0%	13.8%
$105,000	15.2%	12.3%	13.2%	8.9%	35.1%	13.1%
$110,000	14.5%	11.7%	12.6%	8.4%	32.5%	12.5%
$115,000	13.9%	11.2%	12.0%	8.0%	30.3%	11.9%
$120,000	13.3%	10.6%	11.5%	7.6%	28.3%	11.4%
$125,000	12.7%	10.1%	11.0%	7.2%	26.4%	10.9%
$130,000	12.2%	9.7%	10.5%	6.9%	24.8%	10.4%
$135,000	11.8%	9.2%	10.1%	6.6%	23.3%	10.0%
$140,000	11.3%	8.8%	9.7%	6.3%	22.0%	9.6%
$145,000	10.9%	8.5%	9.3%	6.0%	20.8%	9.2%
$150,000	10.5%	8.1%	8.9%	5.7%	19.7%	8.9%
$155,000	10.1%	7.8%	8.6%	5.5%	18.7%	8.5%
$160,000	9.8%	7.4%	8.3%	5.3%	17.7%	8.2%
$165,000	9.5%	7.2%	8.0%	5.1%	16.9%	7.9%
$170,000	9.1%	6.9%	7.7%	4.9%	16.1%	7.6%
$175,000	8.8%	6.6%	7.4%	4.7%	15.3%	7.4%
$180,000	8.5%	6.4%	7.2%	4.6%	14.7%	7.1%
$185,000	8.3%	6.1%	7.0%	4.4%	14.0%	6.9%
$190,000	8.0%	5.9%	6.7%	4.3%	13.4%	6.7%
$195,000	7.8%	5.7%	6.5%	4.2%	12.9%	6.5%
$200,000	7.5%	5.5%	6.3%	4.0%	12.4%	6.2%
$205,000	7.3%	5.3%	6.1%	3.9%	11.9%	6.1%
$210,000	7.1%	5.1%	5.9%	3.8%	11.4%	5.9%
$215,000	6.9%	5.0%	5.8%	3.7%	11.0%	5.7%
$220,000	6.8%	4.8%	5.6%	3.6%	10.6%	5.6%
$225,000	6.6%	4.7%	5.4%	3.5%	10.2%	5.4%
$230,000	6.4%	4.5%	5.3%	3.4%	9.8%	5.2%
$235,000	6.3%	4.4%	5.1%	3.3%	9.5%	5.1%
$240,000	6.1%	4.3%	5.0%	3.2%	9.2%	4.9%
$245,000	6.0%	4.1%	4.8%	3.1%	8.9%	4.8%
$250,000	5.8%	4.0%	4.7%	3.1%	8.6%	4.7%
$255,000	5.7%	3.9%	4.6%	3.0%	8.3%	4.6%
$260,000	5.6%	3.8%	4.5%	2.9%	8.1%	4.4%

The Vermont Health Plan **Exhibit 2A**

Q3 2016 Large Group Rating Program Filing

Expected Large Claims Factor Development

Experience Period Starting Q4 2014

a	b	c	d	Z	Y	g = b*Z + c*(1-Z)*Y + d*(1-Z)*(1-Z)
Limits	Insured Groups	BCBSVT Combined	Milliman	Credibility (Insured)	Credibility (BCBSVT Combined)	Merit net claim factor
$265,000	5.4%	3.7%	4.3%	2.8%	7.8%	4.3%
$270,000	5.3%	3.6%	4.2%	2.8%	7.6%	4.2%
$275,000	5.2%	3.5%	4.1%	2.7%	7.4%	4.1%
$280,000	5.1%	3.4%	4.0%	2.7%	7.2%	4.0%
$285,000	4.9%	3.3%	3.9%	2.6%	7.0%	3.9%
$290,000	4.8%	3.2%	3.8%	2.5%	6.8%	3.8%
$295,000	4.7%	3.1%	3.7%	2.5%	6.6%	3.7%
$300,000	4.6%	3.0%	3.6%	2.4%	6.4%	3.6%
$305,000	4.5%	3.0%	3.6%	2.4%	6.2%	3.5%
$310,000	4.4%	2.9%	3.5%	2.3%	6.1%	3.5%
$315,000	4.4%	2.8%	3.4%	2.3%	5.9%	3.4%
$320,000	4.3%	2.8%	3.3%	2.2%	5.8%	3.3%
$325,000	4.2%	2.7%	3.2%	2.2%	5.6%	3.2%
$330,000	4.1%	2.6%	3.2%	2.2%	5.5%	3.2%
$335,000	4.0%	2.6%	3.1%	2.1%	5.4%	3.1%
$340,000	3.9%	2.5%	3.0%	2.1%	5.2%	3.0%
$345,000	3.9%	2.5%	2.9%	2.0%	5.1%	2.9%
$350,000	3.8%	2.4%	2.9%	2.0%	5.0%	2.9%
$355,000	3.7%	2.3%	2.8%	2.0%	4.9%	2.8%
$360,000	3.6%	2.3%	2.8%	1.9%	4.8%	2.8%
$365,000	3.6%	2.2%	2.7%	1.9%	4.7%	2.7%
$370,000	3.5%	2.2%	2.6%	1.9%	4.6%	2.6%
$375,000	3.4%	2.1%	2.6%	1.8%	4.5%	2.6%
$380,000	3.3%	2.1%	2.5%	1.8%	4.4%	2.5%
$385,000	3.3%	2.0%	2.5%	1.8%	4.3%	2.5%
$390,000	3.2%	2.0%	2.4%	1.8%	4.2%	2.4%
$395,000	3.2%	2.0%	2.3%	1.7%	4.1%	2.3%
$400,000	3.1%	1.9%	2.3%	1.7%	4.0%	2.3%
$405,000	3.0%	1.9%	2.3%	1.7%	3.9%	2.3%
$410,000	3.0%	1.8%	2.2%	1.7%	3.9%	2.2%
$415,000	2.9%	1.8%	2.2%	1.6%	3.8%	2.2%
$420,000	2.9%	1.8%	2.1%	1.6%	3.7%	2.1%
$425,000	2.8%	1.7%	2.1%	1.6%	3.6%	2.1%
$430,000	2.8%	1.7%	2.0%	1.6%	3.6%	2.0%
$435,000	2.7%	1.7%	2.0%	1.5%	3.5%	2.0%
$440,000	2.7%	1.6%	2.0%	1.5%	3.4%	2.0%
$445,000	2.6%	1.6%	1.9%	1.5%	3.4%	1.9%
$450,000	2.6%	1.6%	1.9%	1.5%	3.3%	1.9%
$455,000	2.5%	1.5%	1.8%	1.5%	3.3%	1.8%
$460,000	2.5%	1.5%	1.8%	1.4%	3.2%	1.8%
$465,000	2.4%	1.5%	1.8%	1.4%	3.1%	1.8%
$470,000	2.4%	1.5%	1.7%	1.4%	3.1%	1.7%
$475,000	2.4%	1.4%	1.7%	1.4%	3.0%	1.7%
$480,000	2.3%	1.4%	1.7%	1.4%	3.0%	1.7%
$485,000	2.3%	1.4%	1.6%	1.3%	2.9%	1.6%
$490,000	2.3%	1.3%	1.6%	1.3%	2.9%	1.6%
$495,000	2.2%	1.3%	1.6%	1.3%	2.8%	1.6%

The Vermont Health Plan **Exhibit 2A**

Q3 2016 Large Group Rating Program Filing

Expected Large Claims Factor Development

Experience Period Starting Q4 2014

a	b	c	d	Z	Y	g = b*Z + c*(1-Z)*Y + d*(1-Z)*(1-Z)
Limits	Insured Groups	BCBSVT Combined	Milliman	Credibility (Insured)	Credibility (BCBSVT Combined)	Merit net claim factor
$500,000	2.2%	1.3%	1.5%	1.3%	2.8%	1.5%
$505,000	2.1%	1.3%	1.5%	1.3%	2.8%	1.5%
$510,000	2.1%	1.3%	1.5%	1.3%	2.7%	1.5%
$515,000	2.1%	1.2%	1.5%	1.2%	2.7%	1.5%
$520,000	2.0%	1.2%	1.4%	1.2%	2.6%	1.4%
$525,000	2.0%	1.2%	1.4%	1.2%	2.6%	1.4%
$530,000	2.0%	1.2%	1.4%	1.2%	2.5%	1.4%
$535,000	1.9%	1.1%	1.3%	1.2%	2.5%	1.3%
$540,000	1.9%	1.1%	1.3%	1.2%	2.5%	1.3%
$545,000	1.9%	1.1%	1.3%	1.2%	2.4%	1.3%
$550,000	1.8%	1.1%	1.3%	1.1%	2.4%	1.3%
$555,000	1.8%	1.1%	1.3%	1.1%	2.4%	1.3%
$560,000	1.8%	1.0%	1.2%	1.1%	2.3%	1.2%
$565,000	1.8%	1.0%	1.2%	1.1%	2.3%	1.2%
$570,000	1.7%	1.0%	1.2%	1.1%	2.3%	1.2%
$575,000	1.7%	1.0%	1.2%	1.1%	2.2%	1.2%
$580,000	1.7%	1.0%	1.1%	1.1%	2.2%	1.1%
$585,000	1.6%	1.0%	1.1%	1.1%	2.2%	1.1%
$590,000	1.6%	0.9%	1.1%	1.1%	2.1%	1.1%
$595,000	1.6%	0.9%	1.1%	1.0%	2.1%	1.1%
$600,000	1.6%	0.9%	1.1%	1.0%	2.1%	1.1%
$605,000	1.5%	0.9%	1.0%	1.0%	2.1%	1.0%
$610,000	1.5%	0.9%	1.0%	1.0%	2.0%	1.0%
$615,000	1.5%	0.9%	1.0%	1.0%	2.0%	1.0%
$620,000	1.5%	0.8%	1.0%	1.0%	2.0%	1.0%
$625,000	1.5%	0.8%	1.0%	1.0%	2.0%	1.0%
$630,000	1.4%	0.8%	1.0%	1.0%	1.9%	1.0%
$635,000	1.4%	0.8%	0.9%	1.0%	1.9%	0.9%
$640,000	1.4%	0.8%	0.9%	1.0%	1.9%	0.9%
$645,000	1.4%	0.8%	0.9%	0.9%	1.9%	0.9%
$650,000	1.3%	0.8%	0.9%	0.9%	1.8%	0.9%
$655,000	1.3%	0.7%	0.9%	0.9%	1.8%	0.9%
$660,000	1.3%	0.7%	0.9%	0.9%	1.8%	0.9%
$665,000	1.3%	0.7%	0.8%	0.9%	1.8%	0.8%
$670,000	1.3%	0.7%	0.8%	0.9%	1.7%	0.8%
$675,000	1.3%	0.7%	0.8%	0.9%	1.7%	0.8%
$680,000	1.2%	0.7%	0.8%	0.9%	1.7%	0.8%
$685,000	1.2%	0.7%	0.8%	0.9%	1.7%	0.8%
$690,000	1.2%	0.7%	0.8%	0.9%	1.7%	0.8%
$695,000	1.2%	0.7%	0.7%	0.9%	1.6%	0.7%
$700,000	1.2%	0.6%	0.7%	0.9%	1.6%	0.7%
$705,000	1.2%	0.6%	0.7%	0.8%	1.6%	0.7%
$710,000	1.1%	0.6%	0.7%	0.8%	1.6%	0.7%
$715,000	1.1%	0.6%	0.7%	0.8%	1.6%	0.7%
$720,000	1.1%	0.6%	0.7%	0.8%	1.6%	0.7%
$725,000	1.1%	0.6%	0.7%	0.8%	1.5%	0.7%
$730,000	1.1%	0.6%	0.7%	0.8%	1.5%	0.7%

The Vermont Health Plan **Exhibit 2A**

Q3 2016 Large Group Rating Program Filing

Expected Large Claims Factor Development

Experience Period Starting Q4 2014

a	b	c	d	Z	Y	g = b*Z + c*(1-Z)*Y + d*(1-Z)*(1-Z)
Limits	Insured Groups	BCBSVT Combined	Milliman	Credibility (Insured)	Credibility (BCBSVT Combined)	Merit net claim factor
$735,000	1.1%	0.6%	0.6%	0.8%	1.5%	0.6%
$740,000	1.1%	0.6%	0.6%	0.8%	1.5%	0.6%
$745,000	1.0%	0.6%	0.6%	0.8%	1.5%	0.6%
$750,000	1.0%	0.6%	0.6%	0.8%	1.5%	0.6%
$755,000	1.0%	0.5%	0.6%	0.8%	1.4%	0.6%
$760,000	1.0%	0.5%	0.6%	0.8%	1.4%	0.6%
$765,000	1.0%	0.5%	0.6%	0.8%	1.4%	0.6%
$770,000	1.0%	0.5%	0.6%	0.8%	1.4%	0.6%
$775,000	1.0%	0.5%	0.6%	0.7%	1.4%	0.6%
$780,000	1.0%	0.5%	0.6%	0.7%	1.4%	0.6%
$785,000	0.9%	0.5%	0.6%	0.7%	1.3%	0.6%
$790,000	0.9%	0.5%	0.6%	0.7%	1.3%	0.6%
$795,000	0.9%	0.5%	0.6%	0.7%	1.3%	0.6%
$800,000	0.9%	0.5%	0.6%	0.7%	1.3%	0.6%
$805,000	0.9%	0.5%	0.5%	0.7%	1.3%	0.5%
$810,000	0.9%	0.5%	0.5%	0.7%	1.3%	0.5%
$815,000	0.9%	0.5%	0.5%	0.7%	1.3%	0.5%
$820,000	0.9%	0.4%	0.5%	0.7%	1.3%	0.5%
$825,000	0.9%	0.4%	0.5%	0.7%	1.2%	0.5%
$830,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$835,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$840,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$845,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$850,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$855,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$860,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$865,000	0.8%	0.4%	0.5%	0.7%	1.2%	0.5%
$870,000	0.7%	0.4%	0.4%	0.6%	1.1%	0.4%
$875,000	0.7%	0.4%	0.4%	0.6%	1.1%	0.4%
$880,000	0.7%	0.4%	0.4%	0.6%	1.1%	0.4%
$885,000	0.7%	0.4%	0.4%	0.6%	1.1%	0.4%
$890,000	0.7%	0.4%	0.4%	0.6%	1.1%	0.4%
$895,000	0.7%	0.3%	0.4%	0.6%	1.1%	0.4%
$900,000	0.7%	0.3%	0.4%	0.6%	1.1%	0.4%
$905,000	0.7%	0.3%	0.4%	0.6%	1.1%	0.4%
$910,000	0.7%	0.3%	0.4%	0.6%	1.1%	0.4%
$915,000	0.7%	0.3%	0.4%	0.6%	1.1%	0.4%
$920,000	0.7%	0.3%	0.4%	0.6%	1.0%	0.4%
$925,000	0.6%	0.3%	0.4%	0.6%	1.0%	0.4%
$930,000	0.6%	0.3%	0.4%	0.6%	1.0%	0.4%
$935,000	0.6%	0.3%	0.4%	0.6%	1.0%	0.4%
$940,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$945,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$950,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$955,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$960,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$965,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Expected Large Claims Factor Development
Experience Period Starting Q4 2014

Exhibit 2A

a	b	c	d	Z	Y	g = b*Z + c*(1-Z)*Y + d*(1-Z)*(1-Z)
Limits	Insured Groups	BCBSVT Combined	Milliman	Credibility (Insured)	Credibility (BCBSVT Combined)	Merit net claim factor
$970,000	0.6%	0.3%	0.3%	0.6%	1.0%	0.3%
$975,000	0.6%	0.3%	0.3%	0.6%	0.9%	0.3%
$980,000	0.6%	0.3%	0.3%	0.6%	0.9%	0.3%
$985,000	0.6%	0.3%	0.3%	0.6%	0.9%	0.3%
$990,000	0.6%	0.3%	0.3%	0.6%	0.9%	0.3%
$995,000	0.6%	0.3%	0.3%	0.6%	0.9%	0.3%
$1,000,000	0.6%	0.3%	0.3%	0.5%	0.9%	0.3%

Exhibit 2B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$30,000	44.29%	44.88%	45.47%	46.07%	46.68%	47.30%
$35,000	38.47%	38.99%	39.52%	40.05%	40.59%	41.14%
$40,000	33.97%	34.45%	34.92%	35.41%	35.89%	36.39%
$45,000	30.40%	30.82%	31.26%	31.70%	32.14%	32.59%
$50,000	27.48%	27.88%	28.28%	28.68%	29.09%	29.50%
$55,000	25.04%	25.41%	25.78%	26.16%	26.54%	26.93%
$60,000	23.03%	23.37%	23.72%	24.07%	24.43%	24.79%
$65,000	21.30%	21.63%	21.96%	22.29%	22.62%	22.96%
$70,000	19.81%	20.12%	20.42%	20.73%	21.04%	21.37%
$75,000	18.46%	18.76%	19.05%	19.36%	19.66%	19.97%
$80,000	17.33%	17.60%	17.85%	18.12%	18.40%	18.71%
$85,000	16.30%	16.57%	16.82%	17.08%	17.35%	17.62%
$90,000	15.37%	15.61%	15.85%	16.12%	16.38%	16.65%
$95,000	14.56%	14.80%	15.01%	15.24%	15.48%	15.74%
$100,000	13.80%	14.04%	14.25%	14.48%	14.72%	14.95%
$105,000	13.12%	13.32%	13.53%	13.76%	13.99%	14.23%
$110,000	12.50%	12.71%	12.90%	13.11%	13.31%	13.54%
$115,000	11.91%	12.13%	12.32%	12.52%	12.73%	12.94%
$120,000	11.39%	11.58%	11.75%	11.96%	12.17%	12.38%
$125,000	10.90%	11.09%	11.26%	11.45%	11.63%	11.84%
$130,000	10.42%	10.61%	10.79%	10.97%	11.16%	11.35%
$135,000	10.01%	10.18%	10.34%	10.51%	10.71%	10.90%
$140,000	9.60%	9.78%	9.94%	10.11%	10.28%	10.46%
$145,000	9.22%	9.38%	9.54%	9.72%	9.89%	10.07%
$150,000	8.87%	9.04%	9.18%	9.34%	9.51%	9.69%
$155,000	8.53%	8.70%	8.85%	9.00%	9.16%	9.32%
$160,000	8.23%	8.38%	8.52%	8.68%	8.84%	9.00%
$165,000	7.94%	8.08%	8.22%	8.36%	8.52%	8.69%
$170,000	7.65%	7.80%	7.94%	8.08%	8.23%	8.38%
$175,000	7.38%	7.52%	7.66%	7.81%	7.96%	8.11%
$180,000	7.14%	7.27%	7.39%	7.53%	7.69%	7.84%
$185,000	6.92%	7.05%	7.16%	7.29%	7.42%	7.58%
$190,000	6.69%	6.82%	6.94%	7.07%	7.20%	7.33%
$195,000	6.47%	6.60%	6.72%	6.86%	6.99%	7.12%
$200,000	6.25%	6.38%	6.51%	6.64%	6.77%	6.91%
$205,000	6.06%	6.17%	6.29%	6.43%	6.57%	6.70%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

The Vermont Health Plan **Exhibit 2B**

Q3 2016 Large Group Rating Program Filing

Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$210,000	5.89%	6.00%	6.09%	6.22%	6.36%	6.50%
$215,000	5.72%	5.83%	5.93%	6.04%	6.15%	6.29%
$220,000	5.56%	5.67%	5.77%	5.88%	5.99%	6.10%
$225,000	5.39%	5.51%	5.61%	5.72%	5.83%	5.94%
$230,000	5.23%	5.35%	5.45%	5.57%	5.68%	5.79%
$235,000	5.07%	5.19%	5.30%	5.41%	5.52%	5.64%
$240,000	4.95%	5.04%	5.14%	5.26%	5.37%	5.49%
$245,000	4.82%	4.92%	5.00%	5.10%	5.22%	5.34%
$250,000	4.69%	4.79%	4.88%	4.97%	5.07%	5.19%
$255,000	4.57%	4.67%	4.76%	4.85%	4.95%	5.04%
$260,000	4.45%	4.55%	4.64%	4.73%	4.83%	4.93%
$265,000	4.32%	4.42%	4.52%	4.61%	4.71%	4.81%
$270,000	4.21%	4.30%	4.40%	4.50%	4.60%	4.70%
$275,000	4.11%	4.20%	4.28%	4.38%	4.48%	4.58%
$280,000	4.01%	4.10%	4.18%	4.26%	4.36%	4.47%
$285,000	3.91%	4.00%	4.08%	4.16%	4.25%	4.35%
$290,000	3.82%	3.90%	3.98%	4.07%	4.15%	4.24%
$295,000	3.72%	3.81%	3.89%	3.98%	4.06%	4.15%
$300,000	3.62%	3.71%	3.80%	3.88%	3.97%	4.06%
$305,000	3.54%	3.62%	3.70%	3.79%	3.88%	3.97%
$310,000	3.46%	3.54%	3.61%	3.70%	3.79%	3.88%
$315,000	3.39%	3.46%	3.53%	3.61%	3.70%	3.79%
$320,000	3.31%	3.39%	3.46%	3.53%	3.61%	3.70%
$325,000	3.23%	3.31%	3.38%	3.46%	3.53%	3.61%
$330,000	3.15%	3.23%	3.30%	3.38%	3.46%	3.54%
$335,000	3.07%	3.15%	3.23%	3.31%	3.38%	3.46%
$340,000	2.99%	3.08%	3.15%	3.23%	3.31%	3.39%
$345,000	2.93%	3.00%	3.08%	3.16%	3.24%	3.32%
$350,000	2.87%	2.94%	3.00%	3.08%	3.16%	3.25%
$355,000	2.82%	2.88%	2.94%	3.01%	3.09%	3.17%
$360,000	2.76%	2.82%	2.88%	2.95%	3.02%	3.10%
$365,000	2.70%	2.76%	2.82%	2.89%	2.95%	3.03%
$370,000	2.64%	2.71%	2.77%	2.83%	2.90%	2.96%
$375,000	2.58%	2.65%	2.71%	2.78%	2.84%	2.91%
$380,000	2.52%	2.59%	2.65%	2.72%	2.79%	2.85%
$385,000	2.46%	2.53%	2.60%	2.66%	2.73%	2.80%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

Exhibit 2B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$390,000	2.40%	2.47%	2.54%	2.61%	2.68%	2.74%
$395,000	2.34%	2.42%	2.48%	2.55%	2.62%	2.69%
$400,000	2.30%	2.36%	2.43%	2.50%	2.57%	2.64%
$405,000	2.25%	2.31%	2.37%	2.44%	2.51%	2.58%
$410,000	2.21%	2.26%	2.31%	2.38%	2.46%	2.53%
$415,000	2.17%	2.22%	2.27%	2.33%	2.40%	2.47%
$420,000	2.13%	2.18%	2.23%	2.28%	2.35%	2.42%
$425,000	2.09%	2.14%	2.19%	2.24%	2.30%	2.37%
$430,000	2.04%	2.10%	2.15%	2.20%	2.26%	2.31%
$435,000	2.00%	2.06%	2.11%	2.16%	2.22%	2.27%
$440,000	1.96%	2.02%	2.07%	2.12%	2.18%	2.23%
$445,000	1.92%	1.98%	2.03%	2.08%	2.14%	2.20%
$450,000	1.88%	1.94%	1.99%	2.05%	2.10%	2.16%
$455,000	1.84%	1.90%	1.95%	2.01%	2.06%	2.12%
$460,000	1.80%	1.85%	1.91%	1.97%	2.02%	2.08%
$465,000	1.76%	1.81%	1.87%	1.93%	1.98%	2.04%
$470,000	1.73%	1.77%	1.83%	1.89%	1.95%	2.00%
$475,000	1.70%	1.74%	1.79%	1.85%	1.91%	1.97%
$480,000	1.67%	1.71%	1.75%	1.81%	1.87%	1.93%
$485,000	1.64%	1.68%	1.72%	1.77%	1.83%	1.89%
$490,000	1.61%	1.65%	1.69%	1.74%	1.79%	1.85%
$495,000	1.58%	1.62%	1.66%	1.71%	1.75%	1.81%
$500,000	1.55%	1.59%	1.64%	1.68%	1.73%	1.77%
$505,000	1.51%	1.56%	1.61%	1.65%	1.70%	1.74%
$510,000	1.48%	1.53%	1.58%	1.62%	1.67%	1.72%
$515,000	1.45%	1.50%	1.55%	1.59%	1.64%	1.69%
$520,000	1.42%	1.47%	1.52%	1.57%	1.61%	1.66%
$525,000	1.39%	1.44%	1.49%	1.54%	1.58%	1.63%
$530,000	1.36%	1.41%	1.46%	1.51%	1.56%	1.60%
$535,000	1.34%	1.38%	1.43%	1.48%	1.53%	1.58%
$540,000	1.32%	1.36%	1.40%	1.45%	1.50%	1.55%
$545,000	1.30%	1.34%	1.37%	1.42%	1.47%	1.52%
$550,000	1.28%	1.31%	1.35%	1.39%	1.44%	1.49%
$555,000	1.25%	1.29%	1.33%	1.36%	1.41%	1.46%
$560,000	1.23%	1.27%	1.31%	1.34%	1.39%	1.44%
$565,000	1.21%	1.25%	1.28%	1.32%	1.36%	1.41%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

Exhibit 2B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$570,000	1.19%	1.23%	1.26%	1.30%	1.34%	1.38%
$575,000	1.17%	1.20%	1.24%	1.28%	1.32%	1.36%
$580,000	1.14%	1.18%	1.22%	1.26%	1.30%	1.34%
$585,000	1.12%	1.16%	1.20%	1.24%	1.28%	1.31%
$590,000	1.10%	1.14%	1.18%	1.22%	1.25%	1.29%
$595,000	1.08%	1.12%	1.16%	1.20%	1.23%	1.27%
$600,000	1.06%	1.10%	1.13%	1.17%	1.21%	1.25%
$605,000	1.04%	1.07%	1.11%	1.15%	1.19%	1.23%
$610,000	1.03%	1.06%	1.09%	1.13%	1.17%	1.21%
$615,000	1.01%	1.04%	1.07%	1.11%	1.15%	1.19%
$620,000	0.99%	1.02%	1.05%	1.09%	1.13%	1.17%
$625,000	0.98%	1.01%	1.04%	1.07%	1.11%	1.15%
$630,000	0.96%	0.99%	1.02%	1.05%	1.09%	1.13%
$635,000	0.94%	0.98%	1.01%	1.04%	1.07%	1.11%
$640,000	0.93%	0.96%	0.99%	1.02%	1.05%	1.09%
$645,000	0.91%	0.94%	0.97%	1.01%	1.04%	1.07%
$650,000	0.89%	0.93%	0.96%	0.99%	1.02%	1.06%
$655,000	0.88%	0.91%	0.94%	0.97%	1.01%	1.04%
$660,000	0.86%	0.89%	0.93%	0.96%	0.99%	1.02%
$665,000	0.84%	0.88%	0.91%	0.94%	0.98%	1.01%
$670,000	0.83%	0.86%	0.89%	0.93%	0.96%	0.99%
$675,000	0.81%	0.84%	0.88%	0.91%	0.94%	0.98%
$680,000	0.79%	0.83%	0.86%	0.89%	0.93%	0.96%
$685,000	0.78%	0.81%	0.84%	0.88%	0.91%	0.95%
$690,000	0.76%	0.79%	0.83%	0.86%	0.90%	0.93%
$695,000	0.74%	0.78%	0.81%	0.85%	0.88%	0.92%
$700,000	0.73%	0.76%	0.80%	0.83%	0.87%	0.90%
$705,000	0.71%	0.75%	0.78%	0.82%	0.85%	0.89%
$710,000	0.69%	0.73%	0.76%	0.80%	0.83%	0.87%
$715,000	0.68%	0.71%	0.75%	0.78%	0.82%	0.86%
$720,000	0.67%	0.70%	0.73%	0.77%	0.80%	0.84%
$725,000	0.66%	0.68%	0.72%	0.75%	0.79%	0.82%
$730,000	0.66%	0.67%	0.70%	0.74%	0.77%	0.81%
$735,000	0.65%	0.67%	0.68%	0.72%	0.76%	0.79%
$740,000	0.64%	0.66%	0.68%	0.71%	0.74%	0.78%
$745,000	0.63%	0.65%	0.67%	0.69%	0.73%	0.76%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

The Vermont Health Plan **Exhibit 2B**

Q3 2016 Large Group Rating Program Filing

Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$750,000	0.63%	0.64%	0.66%	0.68%	0.71%	0.75%
$755,000	0.62%	0.64%	0.65%	0.67%	0.69%	0.73%
$760,000	0.61%	0.63%	0.65%	0.66%	0.68%	0.72%
$765,000	0.61%	0.62%	0.64%	0.66%	0.67%	0.70%
$770,000	0.60%	0.62%	0.63%	0.65%	0.67%	0.69%
$775,000	0.59%	0.61%	0.62%	0.64%	0.66%	0.68%
$780,000	0.58%	0.60%	0.62%	0.63%	0.65%	0.67%
$785,000	0.58%	0.59%	0.61%	0.63%	0.64%	0.66%
$790,000	0.57%	0.59%	0.60%	0.62%	0.64%	0.65%
$795,000	0.56%	0.58%	0.60%	0.61%	0.63%	0.65%
$800,000	0.55%	0.57%	0.59%	0.61%	0.62%	0.64%
$805,000	0.55%	0.56%	0.58%	0.60%	0.62%	0.63%
$810,000	0.54%	0.56%	0.57%	0.59%	0.61%	0.63%
$815,000	0.53%	0.55%	0.57%	0.59%	0.60%	0.62%
$820,000	0.52%	0.54%	0.56%	0.58%	0.60%	0.61%
$825,000	0.52%	0.54%	0.55%	0.57%	0.59%	0.61%
$830,000	0.51%	0.53%	0.55%	0.56%	0.58%	0.60%
$835,000	0.50%	0.52%	0.54%	0.56%	0.58%	0.59%
$840,000	0.49%	0.51%	0.53%	0.55%	0.57%	0.59%
$845,000	0.49%	0.51%	0.52%	0.54%	0.56%	0.58%
$850,000	0.48%	0.50%	0.52%	0.54%	0.55%	0.57%
$855,000	0.47%	0.49%	0.51%	0.53%	0.55%	0.57%
$860,000	0.46%	0.48%	0.50%	0.52%	0.54%	0.56%
$865,000	0.46%	0.48%	0.50%	0.51%	0.53%	0.55%
$870,000	0.45%	0.47%	0.49%	0.51%	0.53%	0.55%
$875,000	0.44%	0.46%	0.48%	0.50%	0.52%	0.54%
$880,000	0.44%	0.46%	0.47%	0.49%	0.51%	0.53%
$885,000	0.43%	0.45%	0.47%	0.49%	0.51%	0.53%
$890,000	0.42%	0.44%	0.46%	0.48%	0.50%	0.52%
$895,000	0.41%	0.43%	0.45%	0.47%	0.49%	0.51%
$900,000	0.41%	0.43%	0.45%	0.47%	0.49%	0.50%
$905,000	0.40%	0.42%	0.44%	0.46%	0.48%	0.50%
$910,000	0.39%	0.41%	0.43%	0.45%	0.47%	0.49%
$915,000	0.38%	0.40%	0.42%	0.44%	0.46%	0.48%
$920,000	0.38%	0.40%	0.42%	0.44%	0.46%	0.48%
$925,000	0.37%	0.39%	0.41%	0.43%	0.45%	0.47%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

Exhibit 2B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Insured Pooling Charge Factors

	Experience Period Starting Quarter					
	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Limit	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor	claim* factor
$930,000	0.36%	0.38%	0.40%	0.42%	0.44%	0.46%
$935,000	0.35%	0.38%	0.40%	0.42%	0.44%	0.46%
$940,000	0.35%	0.37%	0.39%	0.41%	0.43%	0.45%
$945,000	0.34%	0.36%	0.38%	0.40%	0.42%	0.44%
$950,000	0.33%	0.35%	0.37%	0.40%	0.42%	0.44%
$955,000	0.32%	0.35%	0.37%	0.39%	0.41%	0.43%
$960,000	0.32%	0.34%	0.36%	0.38%	0.40%	0.42%
$965,000	0.32%	0.33%	0.35%	0.37%	0.40%	0.42%
$970,000	0.31%	0.33%	0.35%	0.37%	0.39%	0.41%
$975,000	0.31%	0.32%	0.34%	0.36%	0.38%	0.40%
$980,000	0.31%	0.32%	0.33%	0.35%	0.38%	0.40%
$985,000	0.31%	0.31%	0.33%	0.35%	0.37%	0.39%
$990,000	0.30%	0.31%	0.32%	0.34%	0.36%	0.38%
$995,000	0.30%	0.31%	0.32%	0.33%	0.35%	0.38%
$1,000,000	0.30%	0.31%	0.31%	0.33%	0.35%	0.37%

*Percentages to be applied to experience claims below limit, to derive expected claims over limit.

Exhibit 3A

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Medical Trend Development

Illustration of Contract Normalization

Month	Contract Increase	Normalization Factor	Experience Claims	Normalized Claims
Dec-10		1.1699	$1,000,000	$1,169,859
Jan-11		1.1699	$1,000,000	$1,169,859
Feb-11		1.1699	$1,000,000	$1,169,859
Mar-11		1.1699	$1,000,000	$1,169,859
Apr-11		1.1699	$1,000,000	$1,169,859
May-11		1.1699	$1,000,000	$1,169,859
Jun-11		1.1699	$1,000,000	$1,169,859
Jul-11		1.1699	$1,000,000	$1,169,859
Aug-11		1.1699	$1,000,000	$1,169,859
Sep-11		1.1699	$1,000,000	$1,169,859
Oct-11	1.0400	1.1249	$1,000,000	$1,124,864
Nov-11		1.1249	$1,000,000	$1,124,864
Dec-11		1.1249	$1,000,000	$1,124,864
Jan-12		1.1249	$1,000,000	$1,124,864
Feb-12		1.1249	$1,000,000	$1,124,864
Mar-12		1.1249	$1,000,000	$1,124,864
Apr-12		1.1249	$1,000,000	$1,124,864
May-12		1.1249	$1,000,000	$1,124,864
Jun-12		1.1249	$1,000,000	$1,124,864
Jul-12		1.1249	$1,000,000	$1,124,864
Aug-12		1.1249	$1,000,000	$1,124,864
Sep-12		1.1249	$1,000,000	$1,124,864
Oct-12	1.0400	1.0816	$1,000,000	$1,081,600
Nov-12		1.0816	$1,000,000	$1,081,600
Dec-12		1.0816	$1,000,000	$1,081,600
Jan-13		1.0816	$1,000,000	$1,081,600
Feb-13		1.0816	$1,000,000	$1,081,600
Mar-13		1.0816	$1,000,000	$1,081,600
Apr-13		1.0816	$1,000,000	$1,081,600
May-13		1.0816	$1,000,000	$1,081,600
Jun-13		1.0816	$1,000,000	$1,081,600
Jul-13		1.0816	$1,000,000	$1,081,600
Aug-13		1.0816	$1,000,000	$1,081,600
Sep-13		1.0816	$1,000,000	$1,081,600
Oct-13	1.0400	1.0400	$1,000,000	$1,040,000
Nov-13		1.0400	$1,000,000	$1,040,000
Dec-13		1.0400	$1,000,000	$1,040,000
Jan-14		1.0400	$1,000,000	$1,040,000
Feb-14		1.0400	$1,000,000	$1,040,000
Mar-14		1.0400	$1,000,000	$1,040,000
Apr-14		1.0400	$1,000,000	$1,040,000
May-14		1.0400	$1,000,000	$1,040,000
Jun-14		1.0400	$1,000,000	$1,040,000
Jul-14		1.0400	$1,000,000	$1,040,000
Aug-14		1.0400	$1,000,000	$1,040,000
Sep-14		1.0400	$1,000,000	$1,040,000
Oct-14	1.0400	1.0000	$1,000,000	$1,000,000
Nov-14		1.0000	$1,000,000	$1,000,000

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Medical Trend Development
Utilization Trend Calculation

Exhibit 3B

Month	Membership	Original Claims	Original PMPM	Adjusted Claims - Normalized for Contract Changes	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months
Nov-11	88,625	$32,182,900	$363.14	$37,496,573	$423.09	$408.01
Dec-11	88,495	$33,097,007	$374.00	$38,587,676	$436.04	$408.35
Jan-12	87,129	$32,289,564	$370.59	$37,447,852	$429.80	$408.71
Feb-12	87,367	$33,532,798	$383.82	$38,750,948	$443.54	$409.07
Mar-12	87,115	$33,244,485	$381.62	$38,418,060	$441.00	$409.40
Apr-12	87,525	$31,619,366	$361.26	$36,422,920	$416.14	$409.76
May-12	87,652	$32,615,713	$372.10	$37,511,347	$427.96	$410.11
Jun-12	87,681	$31,269,844	$356.63	$35,986,063	$410.42	$410.47
Jul-12	87,643	$30,158,781	$344.11	$34,397,242	$392.47	$410.82
Aug-12	87,635	$32,829,350	$374.61	$37,641,705	$429.53	$411.18
Sep-12	87,913	$29,413,792	$334.58	$33,741,292	$383.80	$411.54
Oct-12	89,225	$35,830,590	$401.58	$40,527,937	$454.22	$411.89
Nov-12	88,924	$33,126,845	$372.53	$37,821,634	$425.33	$412.25
Dec-12	88,776	$29,837,564	$336.10	$32,487,722	$365.95	$412.60
Jan-13	89,728	$36,111,219	$402.45	$39,348,974	$438.54	$412.96
Feb-13	89,630	$34,194,622	$381.51	$37,377,840	$417.02	$413.32
Mar-13	89,651	$35,662,938	$397.80	$38,760,858	$432.35	$413.65
Apr-13	89,479	$35,601,778	$397.88	$38,613,822	$431.54	$414.01
May-13	89,718	$36,284,428	$404.43	$39,613,146	$441.53	$414.36
Jun-13	89,620	$33,627,343	$375.22	$36,656,496	$409.02	$414.73
Jul-13	89,622	$34,823,923	$388.56	$37,548,453	$418.96	$415.08
Aug-13	89,555	$35,144,179	$392.43	$37,917,806	$423.40	$415.44
Sep-13	89,938	$30,868,339	$343.22	$33,354,305	$370.86	$415.81
Oct-13	89,937	$36,014,759	$400.44	$38,525,869	$428.37	$416.16
Nov-13	89,807	$34,068,333	$379.35	$36,623,974	$407.81	$416.52
Dec-13	89,767	$36,287,467	$404.24	$39,054,463	$435.06	$416.88
Jan-14	88,882	$37,619,208	$423.25	$39,814,744	$447.95	$417.24
Feb-14	88,872	$32,870,606	$369.86	$34,812,967	$391.72	$417.61
Mar-14	88,701	$35,356,634	$398.60	$37,411,785	$421.77	$417.94
Apr-14	88,385	$37,313,923	$422.17	$39,467,499	$446.54	$418.30
May-14	88,890	$34,622,059	$389.49	$36,512,970	$410.77	$418.66
Jun-14	88,638	$36,333,494	$409.91	$38,256,801	$431.61	$419.03
Jul-14	87,734	$35,589,903	$405.66	$37,404,252	$426.34	$419.38
Aug-14	87,686	$33,352,779	$380.37	$35,007,918	$399.24	$419.75
Sep-14	88,357	$34,017,688	$385.00	$35,540,913	$402.24	$420.12
Oct-14	88,394	$38,232,171	$432.52	$39,812,684	$450.40	$420.47
Nov-14	88,290	$34,270,678	$388.16	$35,610,770	$403.34	$420.84
Dec-14	88,440	$37,392,125	$422.80	$38,799,925	$438.71	$421.20
Jan-15	86,570	$37,403,385	$432.06	$37,942,120	$438.28	$421.57
Feb-15	86,592	$34,702,615	$400.76	$35,144,885	$405.87	$421.94
Mar-15	86,482	$37,310,448	$431.42	$37,743,585	$436.43	$422.27
Apr-15	86,042	$37,798,727	$439.31	$38,235,875	$444.39	$422.64
May-15	85,986	$33,518,342	$389.81	$33,842,488	$393.58	$423.00
Jun-15	86,259	$38,018,800	$440.75	$38,351,117	$444.60	$423.37
Jul-15	85,370	$35,959,269	$421.22	$36,186,323	$423.88	$423.73
Aug-15	85,065	$33,170,900	$389.95	$33,355,269	$392.12	$424.10
Sep-15	85,193	$34,047,054	$399.65	$34,213,577	$401.60	$424.47
Oct-15	85,130	$38,629,571	$453.77	$38,629,571	$453.77	$424.83

Annual Increase 1.0%

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Medical Trend Development

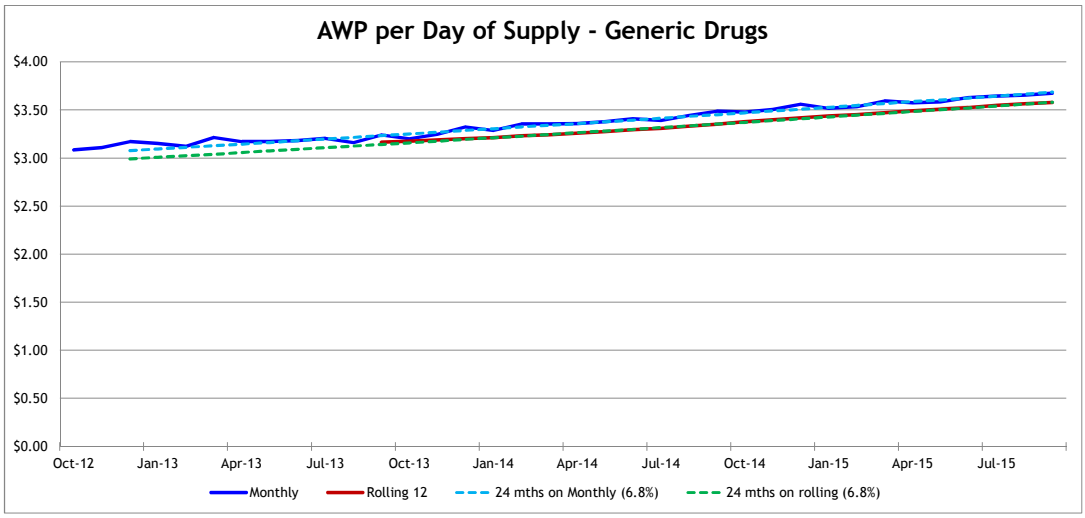
Exhibit 3C

Month	Membership	Adjusted Claims - Normalized for Contract Changes	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months	Average Induced Utilization Factor	Normalization Factor for Induced Utilization	Adjusted Claims - Normalized for Contract Changes and Induced Utilization Factor	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months
Sep-13	89,938	$33,354,305	$370.86	$415.81	1.0295	0.9924	$33,100,212	$368.03	$413.55
Oct-13	89,937	$38,525,869	$428.37	$416.16	1.0278	0.9940	$38,294,305	$425.79	$414.00
Nov-13	89,807	$36,623,974	$407.81	$416.52	1.0273	0.9945	$36,423,996	$405.58	$414.47
Dec-13	89,767	$39,054,463	$435.06	$416.88	1.0277	0.9941	$38,823,941	$432.50	$414.92
Jan-14	88,882	$39,814,744	$447.95	$417.24	1.0263	0.9954	$39,633,464	$445.91	$415.39
Feb-14	88,872	$34,812,967	$391.72	$417.61	1.0257	0.9961	$34,675,815	$390.18	$415.86
Mar-14	88,701	$37,411,785	$421.77	$417.94	1.0247	0.9970	$37,301,376	$420.53	$416.28
Apr-14	88,385	$39,467,499	$446.54	$418.30	1.0247	0.9970	$39,350,411	$445.22	$416.75
May-14	88,890	$36,512,970	$410.77	$418.66	1.0233	0.9984	$36,455,955	$410.12	$417.20
Jun-14	88,638	$38,256,801	$431.61	$419.03	1.0229	0.9988	$38,210,244	$431.08	$417.67
Jul-14	87,734	$37,404,252	$426.34	$419.38	1.0234	0.9983	$37,339,843	$425.60	$418.13
Aug-14	87,686	$35,007,918	$399.24	$419.75	1.0233	0.9984	$34,951,666	$398.60	$418.60
Sep-14	88,357	$35,540,913	$402.24	$420.12	1.0239	0.9978	$35,464,006	$401.37	$419.07
Oct-14	88,394	$39,812,684	$450.40	$420.47	1.0242	0.9975	$39,713,991	$449.28	$419.52
Nov-14	88,290	$35,610,770	$403.34	$420.84	1.0238	0.9979	$35,535,236	$402.48	$420.00
Dec-14	88,440	$38,799,925	$438.71	$421.20	1.0235	0.9982	$38,728,194	$437.90	$420.45
Jan-15	86,570	$37,942,120	$438.28	$421.57	1.0237	0.9980	$37,864,727	$437.39	$420.93
Feb-15	86,592	$35,144,885	$405.87	$421.94	1.0240	0.9977	$35,063,904	$404.93	$421.40
Mar-15	86,482	$37,743,585	$436.43	$422.27	1.0231	0.9986	$37,689,580	$435.81	$421.83
Apr-15	86,042	$38,235,875	$444.39	$422.64	1.0223	0.9993	$38,210,241	$444.09	$422.30
May-15	85,986	$33,842,488	$393.58	$423.00	1.0227	0.9990	$33,807,499	$393.17	$422.76
Jun-15	86,259	$38,351,117	$444.60	$423.37	1.0224	0.9993	$38,322,872	$444.28	$423.24
Jul-15	85,370	$36,186,323	$423.88	$423.73	1.0222	0.9995	$36,166,892	$423.65	$423.70
Aug-15	85,065	$33,355,269	$392.12	$424.10	1.0217	1.0000	$33,355,269	$392.12	$424.18
		Annual Increase		1.0%					1.3%
							Impact of Benefit Chages		**0.3%**

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Generic Drugs - Cost Trend

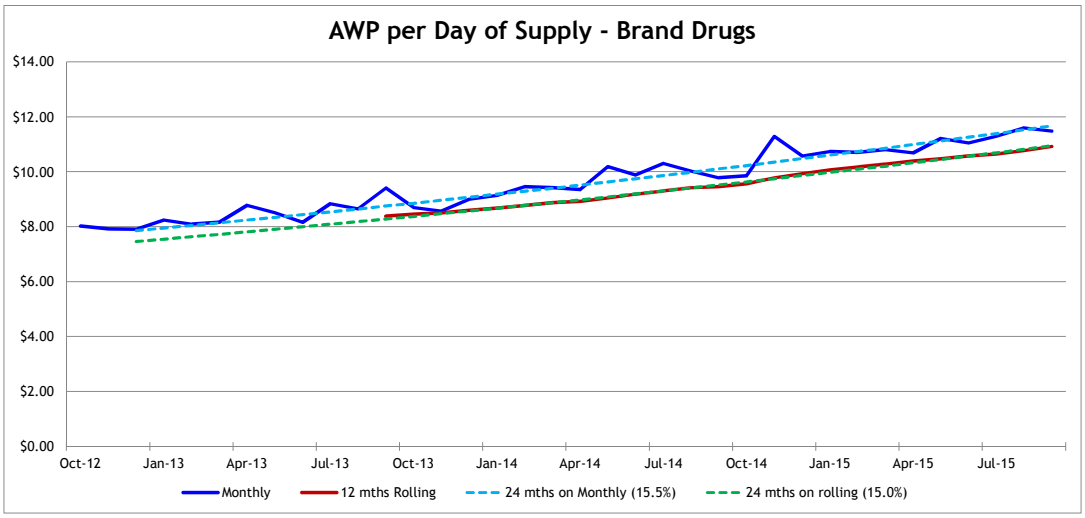
	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
Incurred Date	Supply	Average Wholesale Price	AWP / Supply	Monthly Cost Trend	Supply	Average Wholesale Price	AWP / Supply	Rolling 12 Cost Trend	Monthly Data	Rolling 12 Data
Oct-12	2,219,340	$6,848,136	$3.09							
Nov-12	2,118,676	$6,588,051	$3.11							
Dec-12	2,158,703	$6,848,612	$3.17						$3.08	$2.99
Jan-13	2,202,319	$6,940,356	$3.15						$3.10	$3.01
Feb-13	2,038,951	$6,368,220	$3.12						$3.11	$3.03
Mar-13	2,143,205	$6,886,965	$3.21						$3.13	$3.04
Apr-13	2,210,715	$7,013,675	$3.17						$3.15	$3.06
May-13	2,247,960	$7,131,421	$3.17						$3.17	$3.08
Jun-13	2,119,825	$6,747,027	$3.18						$3.18	$3.09
Jul-13	2,214,539	$7,096,763	$3.20						$3.20	$3.11
Aug-13	2,195,070	$6,942,398	$3.16						$3.22	$3.13
Sep-13	2,080,144	$6,746,083	$3.24		25,949,448	$82,157,706	$3.17		$3.24	$3.14
Oct-13	2,265,465	$7,254,039	$3.20	3.8%	25,995,573	$82,563,609	$3.18		$3.25	$3.16
Nov-13	2,121,226	$6,890,293	$3.25	4.5%	25,998,123	$82,865,852	$3.19		$3.27	$3.18
Dec-13	2,330,172	$7,748,428	$3.33	4.8%	26,169,591	$83,765,668	$3.20		$3.29	$3.20
Jan-14	2,190,570	$7,202,249	$3.29	4.3%	26,157,843	$84,027,562	$3.21		$3.31	$3.21
Feb-14	1,981,352	$6,648,876	$3.36	7.4%	26,100,243	$84,308,218	$3.23		$3.33	$3.23
Mar-14	2,168,405	$7,272,333	$3.35	4.4%	26,125,443	$84,693,586	$3.24		$3.34	$3.25
Apr-14	2,143,266	$7,199,325	$3.36	5.9%	26,057,994	$84,879,236	$3.26		$3.36	$3.27
May-14	2,201,756	$7,439,269	$3.38	6.5%	26,011,790	$85,187,085	$3.27		$3.38	$3.28
Jun-14	2,177,661	$7,419,688	$3.41	7.0%	26,069,626	$85,859,745	$3.29		$3.40	$3.30
Jul-14	2,183,058	$7,406,018	$3.39	5.9%	26,038,145	$86,169,000	$3.31		$3.42	$3.32
Aug-14	2,125,261	$7,321,031	$3.44	8.9%	25,968,336	$86,547,633	$3.33		$3.44	$3.34
Sep-14	2,143,410	$7,477,082	$3.49	7.6%	26,031,602	$87,278,632	$3.35	5.9%	$3.45	$3.36
Oct-14	2,269,169	$7,891,470	$3.48	8.6%	26,035,305	$87,916,063	$3.38	6.3%	$3.47	$3.38
Nov-14	2,074,437	$7,271,802	$3.51	7.9%	25,988,517	$88,297,572	$3.40	6.6%	$3.49	$3.39
Dec-14	2,366,724	$8,428,665	$3.56	7.1%	26,025,069	$88,977,808	$3.42	6.8%	$3.51	$3.41
Jan-15	2,149,259	$7,560,770	$3.52	7.0%	25,983,758	$89,336,330	$3.44	7.0%	$3.53	$3.43
Feb-15	2,007,986	$7,095,963	$3.53	5.3%	26,010,392	$89,783,416	$3.45	6.9%	$3.55	$3.45
Mar-15	2,236,956	$8,038,281	$3.59	7.1%	26,078,943	$90,549,364	$3.47	7.1%	$3.57	$3.47
Apr-15	2,163,448	$7,734,641	$3.58	6.4%	26,099,124	$91,084,680	$3.49	7.1%	$3.59	$3.49
May-15	2,134,372	$7,648,561	$3.58	6.1%	26,031,740	$91,293,972	$3.51	7.1%	$3.61	$3.51
Jun-15	2,229,403	$8,097,828	$3.63	6.6%	26,083,483	$91,972,112	$3.53	7.1%	$3.63	$3.53
Jul-15	2,148,963	$7,835,380	$3.65	7.5%	26,049,388	$92,401,475	$3.55	7.2%	$3.65	$3.54
Aug-15	2,118,959	$7,742,430	$3.65	6.1%	26,043,085	$92,822,873	$3.56	6.9%	$3.67	$3.56
Sep-15	2,116,714	$7,775,728	$3.67	5.3%	26,016,389	$93,121,519	$3.58	6.8%	$3.69	$3.58
								Exponential Trend:	6.8%	6.8%



The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Brand Drugs - Cost Trend

	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
Incurred Date	Supply	Average Wholesale Price	AWP / Supply	Monthly Cost Trend	Supply	Average Wholesale Price	AWP / Supply	Rolling 12 Cost Trend	Monthly Data	Rolling 12 Data
Oct-12	446,102	$3,577,669	$8.02							
Nov-12	421,587	$3,339,263	$7.92							
Dec-12	457,465	$3,618,361	$7.91						$7.86	$7.47
Jan-13	438,153	$3,614,748	$8.25						$7.96	$7.56
Feb-13	390,489	$3,160,049	$8.09						$8.06	$7.65
Mar-13	412,505	$3,367,548	$8.16						$8.15	$7.73
Apr-13	426,656	$3,745,039	$8.78						$8.25	$7.82
May-13	441,330	$3,755,797	$8.51						$8.35	$7.91
Jun-13	414,688	$3,387,135	$8.17						$8.45	$8.01
Jul-13	418,805	$3,700,177	$8.84						$8.55	$8.10
Aug-13	438,553	$3,797,201	$8.66						$8.65	$8.19
Sep-13	419,834	$3,949,278	$9.41		5,126,167	$43,012,265	$8.39		$8.76	$8.29
Oct-13	449,117	$3,910,062	$8.71	8.6%	5,129,182	$43,344,658	$8.45		$8.87	$8.39
Nov-13	419,206	$3,592,178	$8.57	8.2%	5,126,801	$43,597,573	$8.50		$8.97	$8.49
Dec-13	448,885	$4,040,544	$9.00	13.8%	5,118,221	$44,019,756	$8.60		$9.08	$8.59
Jan-14	388,828	$3,555,560	$9.14	10.8%	5,068,896	$43,960,568	$8.67		$9.19	$8.69
Feb-14	358,326	$3,389,132	$9.46	16.9%	5,036,732	$44,189,652	$8.77		$9.31	$8.79
Mar-14	382,649	$3,606,945	$9.43	15.5%	5,006,876	$44,429,049	$8.87		$9.41	$8.89
Apr-14	380,846	$3,562,102	$9.35	6.6%	4,961,066	$44,246,112	$8.92		$9.53	$8.99
May-14	375,966	$3,831,046	$10.19	19.7%	4,895,702	$44,321,361	$9.05		$9.64	$9.10
Jun-14	379,172	$3,750,817	$9.89	21.1%	4,860,187	$44,685,043	$9.19		$9.76	$9.20
Jul-14	372,132	$3,838,090	$10.31	16.7%	4,813,513	$44,822,955	$9.31		$9.87	$9.31
Aug-14	364,155	$3,651,934	$10.03	15.8%	4,739,116	$44,677,689	$9.43		$9.99	$9.42
Sep-14	377,166	$3,688,918	$9.78	4.0%	4,696,447	$44,417,329	$9.46	12.7%	$10.12	$9.53
Oct-14	401,992	$3,960,440	$9.85	13.2%	4,649,322	$44,467,707	$9.56	13.2%	$10.24	$9.64
Nov-14	358,140	$4,042,309	$11.29	31.7%	4,588,256	$44,917,837	$9.79	15.1%	$10.36	$9.76
Dec-14	433,654	$4,585,335	$10.57	17.5%	4,573,026	$45,462,629	$9.94	15.6%	$10.49	$9.87
Jan-15	350,286	$3,763,823	$10.74	17.5%	4,534,484	$45,670,892	$10.07	16.1%	$10.62	$9.99
Feb-15	333,321	$3,566,243	$10.70	13.1%	4,509,479	$45,848,003	$10.17	15.9%	$10.75	$10.11
Mar-15	361,097	$3,904,608	$10.81	14.7%	4,487,927	$46,145,666	$10.28	15.9%	$10.87	$10.22
Apr-15	352,689	$3,771,719	$10.69	14.3%	4,459,770	$46,355,282	$10.39	16.5%	$11.00	$10.34
May-15	345,641	$3,876,159	$11.21	10.1%	4,429,444	$46,400,395	$10.48	15.7%	$11.13	$10.46
Jun-15	355,255	$3,926,219	$11.05	11.7%	4,405,527	$46,575,798	$10.57	15.0%	$11.27	$10.58
Jul-15	339,252	$3,832,139	$11.30	9.5%	4,372,648	$46,569,846	$10.65	14.4%	$11.40	$10.70
Aug-15	345,575	$4,009,363	$11.60	15.7%	4,354,067	$46,927,275	$10.78	14.3%	$11.54	$10.83
Sep-15	338,723	$3,891,895	$11.49	17.5%	4,315,624	$47,130,252	$10.92	15.5%	$11.68	$10.96
								Exponential Trend:	15.5%	15.0%



The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Non-Specialty Drugs - Utilization Trend

	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
Incurred Date	Membership	Supply	Supply per Member	Monthly Utilization Trend	Membership	Supply	Supply per Member	Rolling 12 Utilization Trend	Monthly Data	Rolling 12 Data
Oct-12	86,271	2,665,442	30.896							
Nov-12	85,983	2,540,263	29.544							
Dec-12	85,860	2,616,168	30.470						29.711	29.729
Jan-13	86,712	2,640,472	30.451						29.726	29.740
Feb-13	86,622	2,429,441	28.046						29.741	29.751
Mar-13	86,672	2,555,711	29.487						29.754	29.761
Apr-13	86,552	2,637,372	30.472						29.769	29.772
May-13	86,752	2,689,290	31.000						29.784	29.783
Jun-13	86,671	2,534,512	29.243						29.799	29.794
Jul-13	86,687	2,633,344	30.378						29.814	29.805
Aug-13	86,680	2,633,623	30.383						29.829	29.816
Sep-13	87,052	2,499,978	28.718		1,038,514	31,075,615	29.923		29.844	29.828
Oct-13	87,015	2,714,582	31.197	1.0%	1,039,258	31,124,755	29.949		29.858	29.838
Nov-13	86,894	2,540,432	29.236	-1.0%	1,040,169	31,124,924	29.923		29.873	29.850
Dec-13	86,849	2,779,056	31.999	5.0%	1,041,158	31,287,812	30.051		29.888	29.861
Jan-14	85,959	2,579,398	30.007	-1.5%	1,040,405	31,226,739	30.014		29.903	29.872
Feb-14	85,900	2,339,678	27.237	-2.9%	1,039,683	31,136,976	29.949		29.918	29.883
Mar-14	85,756	2,551,054	29.748	0.9%	1,038,767	31,132,319	29.970		29.932	29.893
Apr-14	85,471	2,524,112	29.532	-3.1%	1,037,686	31,019,060	29.893		29.947	29.904
May-14	85,852	2,577,722	30.025	-3.1%	1,036,786	30,907,492	29.811		29.961	29.915
Jun-14	85,604	2,556,833	29.868	2.1%	1,035,719	30,929,813	29.863		29.976	29.927
Jul-14	84,706	2,555,189	30.165	-0.7%	1,033,738	30,851,658	29.845		29.991	29.937
Aug-14	84,620	2,489,417	29.419	-3.2%	1,031,678	30,707,452	29.765		30.006	29.949
Sep-14	85,297	2,520,575	29.551	2.9%	1,029,923	30,728,049	29.835	-0.3%	30.021	29.960
Oct-14	85,337	2,671,161	31.301	0.3%	1,028,245	30,684,627	29.842	-0.4%	30.036	29.971
Nov-14	85,272	2,432,577	28.527	-2.4%	1,026,623	30,576,773	29.784	-0.5%	30.051	29.982
Dec-14	85,388	2,800,378	32.796	2.5%	1,025,162	30,598,095	29.847	-0.7%	30.066	29.993
Jan-15	83,511	2,499,545	29.931	-0.3%	1,022,714	30,518,242	29.840	-0.6%	30.081	30.004
Feb-15	83,577	2,341,307	28.014	2.9%	1,020,391	30,519,871	29.910	-0.1%	30.096	30.016
Mar-15	83,437	2,598,053	31.138	4.7%	1,018,072	30,566,870	30.024	0.2%	30.110	30.026
Apr-15	83,002	2,516,136	30.314	2.6%	1,015,603	30,558,894	30.089	0.7%	30.125	30.037
May-15	82,849	2,480,013	29.934	-0.3%	1,012,600	30,461,185	30.082	0.9%	30.140	30.048
Jun-15	83,136	2,584,658	31.090	4.1%	1,010,132	30,489,009	30.183	1.1%	30.155	30.059
Jul-15	82,303	2,488,216	30.232	0.2%	1,007,729	30,422,036	30.189	1.2%	30.170	30.070
Aug-15	81,986	2,464,533	30.060	2.2%	1,005,095	30,397,153	30.243	1.6%	30.185	30.082
Sep-15	82,098	2,455,436	29.909	1.2%	1,001,896	30,332,014	30.275	1.5%	30.200	30.093
								Exponential Trend:	0.6%	0.4%

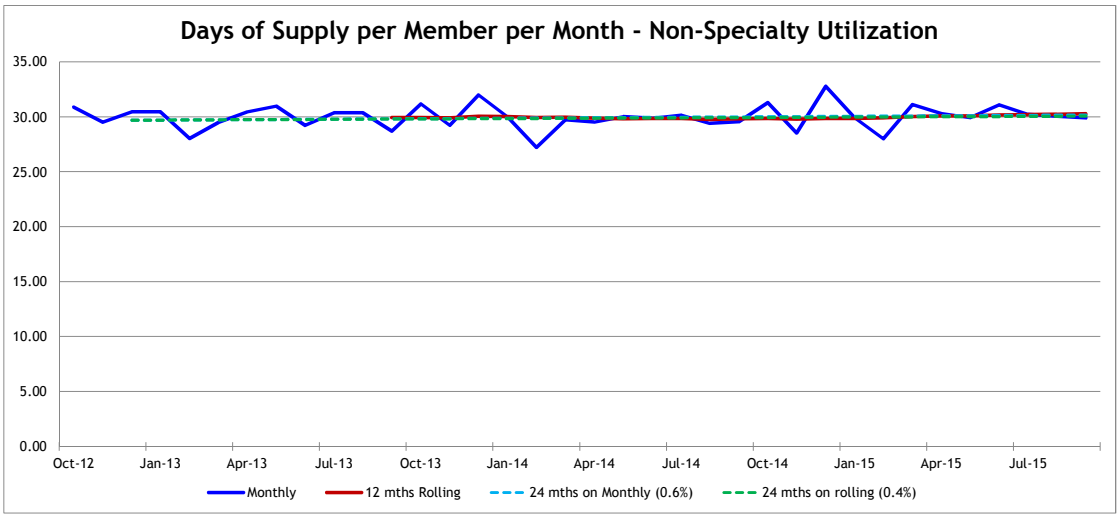


Exhibit 3E

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development
Generic Dispensing Rate Development

				Generic Dispensing Rate	
Month	Generic Supply	Brand Supply	Total Non-Specialty Supply	Monthly	Rolling 12
Nov-13	2,121,226	419,206	2,540,432	83.5%	
Dec-13	2,330,172	448,885	2,779,056	83.8%	
Jan-14	2,190,570	388,828	2,579,398	84.9%	
Feb-14	1,981,352	358,326	2,339,678	84.7%	
Mar-14	2,168,405	382,649	2,551,054	85.0%	
Apr-14	2,143,266	380,846	2,524,112	84.9%	
May-14	2,201,756	375,966	2,577,722	85.4%	
Jun-14	2,177,661	379,172	2,556,833	85.2%	
Jul-14	2,183,058	372,132	2,555,189	85.4%	
Aug-14	2,125,261	364,155	2,489,417	85.4%	
Sep-14	2,143,410	377,166	2,520,575	85.0%	
Oct-14	2,269,169	401,992	2,671,161	85.0%	84.8%
Nov-14	2,074,437	358,140	2,432,577	85.3%	85.0%
Dec-14	2,366,724	433,654	2,800,378	84.5%	85.1%
Jan-15	2,149,259	350,286	2,499,545	86.0%	85.1%
Feb-15	2,007,986	333,321	2,341,307	85.8%	85.2%
Mar-15	2,236,956	361,097	2,598,053	86.1%	85.3%
Apr-15	2,163,448	352,689	2,516,136	86.0%	85.4%
May-15	2,134,372	345,641	2,480,013	86.1%	85.5%
Jun-15	2,229,403	355,255	2,584,658	86.3%	85.6%
Jul-15	2,148,963	339,252	2,488,216	86.4%	85.6%
Aug-15	2,118,959	345,575	2,464,533	86.0%	85.7%
Sep-15	2,116,714	338,723	2,455,436	86.2%	85.8%
Oct-15	2,313,245	382,030	2,695,276	85.8%	85.8%
Nov-15	2,097,548	334,214	2,431,762	86.3%	85.9%
Dec-15	2,391,731	409,697	2,801,428	85.4%	86.0%
Jan-16	2,165,232	333,576	2,498,807	86.7%	86.1%
Feb-16	2,019,812	320,030	2,339,842	86.3%	86.1%
Mar-16	2,250,298	348,339	2,598,638	86.6%	86.1%
Apr-16	2,175,536	340,615	2,516,151	86.5%	86.2%
May-16	2,161,947	320,339	2,482,285	87.1%	86.3%
Jun-16	2,258,590	326,336	2,584,926	87.4%	86.4%
Jul-16	2,175,253	312,688	2,487,940	87.4%	86.5%
Aug-16	2,144,538	320,246	2,464,784	87.0%	86.5%
Sep-16	2,142,775	312,360	2,455,136	87.3%	86.6%
Oct-16	2,347,186	347,243	2,694,430	87.1%	86.7%
Nov-16	2,120,832	310,930	2,431,762	87.2%	86.8%
Dec-16	2,440,669	360,758	2,801,428	87.1%	87.0%
Jan-17	2,206,621	292,187	2,498,807	88.3%	87.1%
Feb-17	2,063,242	276,599	2,339,842	88.2%	87.3%
Mar-17	2,293,923	304,715	2,598,638	88.3%	87.4%
Apr-17	2,223,160	292,991	2,516,151	88.4%	87.6%
May-17	2,191,578	290,707	2,482,285	88.3%	87.7%
Jun-17	2,289,170	295,755	2,584,926	88.6%	87.8%
Jul-17	2,208,401	279,540	2,487,940	88.8%	87.9%
Aug-17	2,180,859	283,925	2,464,784	88.5%	88.0%
Sep-17	2,180,474	274,662	2,455,136	88.8%	88.1%
Oct-17	2,389,049	305,380	2,694,430	88.7%	88.2%
Nov-17	2,158,777	272,985	2,431,762	88.8%	88.4%
Dec-17	2,468,861	332,567	2,801,428	88.1%	88.5%

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Exhibit 3F

Non-Specialty Drugs

For the 12 months ending September 2015:		**Generic**	**Brand**	**Non-Specialty Total**
# Days Supply	a	26,016,389	4,315,624	30,332,014
Allowed Charge per Supply	b	$0.90	$8.82	
Total Allowed Charges	c=a*b	$23,531,566	$38,053,913	$61,585,479
Utilization Trends	d			**0.6%**
Projected # Days Supply (12 months ending December 2017)	e=a*(1+d)			30,739,909
Projected Rolling-12 dispensing rate (Generic and Brand split)	f	**88.5%**	**11.5%**	
Non-Specialty Projected # Days Supply: Generic and Brand	g=e*f	27,193,621	3,546,288	
Utilization Trends: Generic and Brand	h=g/a-1	**4.5%**	**-17.8%**	
Cost Trends	i	**6.8%**	**15.5%**	
Projected Allowed Charge per Supply	j=b*(1+h)	$1.05	$12.19	
Projected Total Allowed Charges	k=g*j	$28,503,832	$43,229,851	*$71,733,683*
Total Trends	l=k/c-1	**21.1%**	**13.6%**	***16.5%***
Annual Trends		**8.9%**	**5.8%**	***7.0%***
PMPM Calculation				
Member Months for the 12 months ending September 2015	m			1,001,896
PMPM by category	n=c/m	$23.49	$37.98	$61.47

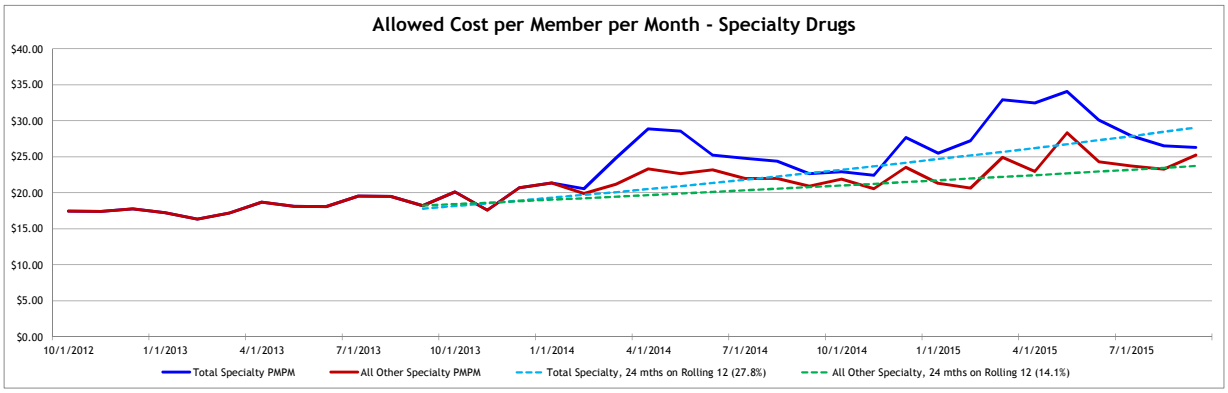
The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Specialty Drug Trend

	MONTHLY DATA				PMPM		ROLLING 12				PMPM		EXPONENTIAL FIT	
Incurred Date	Members	New Treatment[1] Allowed Charges	All Other Specialty Allowed Charges	Total Specialty Drug Allowed Charges	Total Specialty PMPM	All Other Specialty PMPM	Members	New Treatment Allowed Charges	All Other Specialty Allowed Charges	Total Specialty Drug Allowed Charges	Total Specialty PMPM	All Other Specialty PMPM	Total Specialty	Specialty Excluding New Treatments
10/1/2012	86,271	$ -	$ 1,505,878	$ 1,505,878	$17.46	$17.46								
11/1/2012	85,983	$ -	$ 1,497,064	$ 1,497,064	$17.41	$17.41								
12/1/2012	85,860	$ -	$ 1,527,220	$ 1,527,220	$17.79	$17.79								
1/1/2013	86,712	$ -	$ 1,493,867	$ 1,493,867	$17.23	$17.23								
2/1/2013	86,622	$ -	$ 1,415,184	$ 1,415,184	$16.34	$16.34								
3/1/2013	86,672	$ -	$ 1,489,138	$ 1,489,138	$17.18	$17.18								
4/1/2013	86,552	$ -	$ 1,618,704	$ 1,618,704	$18.70	$18.70								
5/1/2013	86,752	$ -	$ 1,573,817	$ 1,573,817	$18.14	$18.14								
6/1/2013	86,671	$ -	$ 1,566,916	$ 1,566,916	$18.08	$18.08								
7/1/2013	86,687	$ -	$ 1,693,604	$ 1,693,604	$19.54	$19.54								
8/1/2013	86,680	$ -	$ 1,692,508	$ 1,692,508	$19.53	$19.53								
9/1/2013	87,052	$ -	$ 1,584,272	$ 1,584,272	$18.20	$18.20	1,038,514	$ -	$ 18,658,173	$ 18,658,173	$17.97	$17.97	$17.82	$18.25
10/1/2013	87,015	$ -	$ 1,752,765	$ 1,752,765	$20.14	$20.14	1,039,258	$ -	$ 18,905,060	$ 18,905,060	$18.19	$18.19	$18.19	$18.45
11/1/2013	86,894	$ -	$ 1,530,146	$ 1,530,146	$17.61	$17.61	1,040,169	$ -	$ 18,938,141	$ 18,938,141	$18.21	$18.21	$18.57	$18.65
12/1/2013	86,849	$ -	$ 1,797,360	$ 1,797,360	$20.70	$20.70	1,041,158	$ -	$ 19,208,282	$ 19,208,282	$18.45	$18.45	$18.95	$18.86
1/1/2014	85,959	$ -	$ 1,836,677	$ 1,836,677	$21.37	$21.37	1,040,405	$ -	$ 19,551,092	$ 19,551,092	$18.79	$18.79	$19.34	$19.07
2/1/2014	85,900	$ 58,805	$ 1,708,263	$ 1,767,068	$20.57	$19.89	1,039,683	$ 58,805	$ 19,844,170	$ 19,902,975	$19.14	$19.09	$19.75	$19.28
3/1/2014	85,756	$ 309,526	$ 1,819,370	$ 2,128,896	$24.83	$21.22	1,038,767	$ 368,330	$ 20,174,402	$ 20,542,733	$19.78	$19.42	$20.13	$19.48
4/1/2014	85,471	$ 473,044	$ 1,994,507	$ 2,467,551	$28.87	$23.34	1,037,686	$ 841,375	$ 20,550,205	$ 21,391,580	$20.61	$19.80	$20.55	$19.70
5/1/2014	85,852	$ 508,886	$ 1,943,887	$ 2,452,773	$28.57	$22.64	1,036,786	$ 1,350,260	$ 20,920,274	$ 22,270,535	$21.48	$20.18	$20.97	$19.91
6/1/2014	85,604	$ 175,732	$ 1,985,356	$ 2,161,088	$25.25	$23.19	1,035,719	$ 1,525,993	$ 21,338,714	$ 22,864,707	$22.08	$20.60	$21.41	$20.14
7/1/2014	84,706	$ 235,888	$ 1,863,233	$ 2,099,121	$24.78	$22.00	1,033,738	$ 1,761,881	$ 21,508,342	$ 23,270,223	$22.51	$20.81	$21.84	$20.36
8/1/2014	84,620	$ 202,641	$ 1,862,185	$ 2,064,826	$24.40	$22.01	1,031,678	$ 1,964,522	$ 21,678,020	$ 23,642,542	$22.92	$21.01	$22.30	$20.59
9/1/2014	85,297	$ 148,707	$ 1,786,129	$ 1,934,837	$22.68	$20.94	1,029,923	$ 2,113,229	$ 21,879,877	$ 23,993,106	$23.30	$21.24	$22.77	$20.82
10/1/2014	85,337	$ 89,229	$ 1,867,573	$ 1,956,802	$22.93	$21.88	1,028,245	$ 2,202,458	$ 21,994,685	$ 24,197,143	$23.53	$21.39	$23.23	$21.05
11/1/2014	85,272	$ 158,372	$ 1,754,877	$ 1,913,249	$22.44	$20.58	1,026,623	$ 2,360,830	$ 22,219,417	$ 24,580,247	$23.94	$21.64	$23.72	$21.28
12/1/2014	85,388	$ 350,260	$ 2,012,552	$ 2,362,812	$27.67	$23.57	1,025,162	$ 2,711,090	$ 22,434,608	$ 25,145,698	$24.53	$21.88	$24.20	$21.52
1/1/2015	83,511	$ 347,681	$ 1,782,561	$ 2,130,242	$25.51	$21.35	1,022,714	$ 3,058,771	$ 22,380,492	$ 25,439,263	$24.87	$21.88	$24.71	$21.76
2/1/2015	83,577	$ 552,579	$ 1,725,389	$ 2,277,969	$27.26	$20.64	1,020,391	$ 3,552,546	$ 22,397,618	$ 25,950,164	$25.43	$21.95	$25.23	$22.00
3/1/2015	83,437	$ 665,773	$ 2,080,362	$ 2,746,136	$32.91	$24.93	1,018,072	$ 3,908,794	$ 22,658,611	$ 26,567,404	$26.10	$22.26	$25.71	$22.23
4/1/2015	83,002	$ 789,142	$ 1,908,256	$ 2,697,398	$32.50	$22.99	1,015,603	$ 4,224,892	$ 22,572,360	$ 26,797,251	$26.39	$22.23	$26.25	$22.48
5/1/2015	82,849	$ 476,559	$ 2,347,878	$ 2,824,436	$34.09	$28.34	1,012,600	$ 4,192,564	$ 22,976,350	$ 27,168,915	$26.83	$22.69	$26.78	$22.72
6/1/2015	83,136	$ 480,412	$ 2,019,718	$ 2,500,129	$30.07	$24.29	1,010,132	$ 4,497,244	$ 23,010,713	$ 27,507,956	$27.23	$22.78	$27.35	$22.98
7/1/2015	82,303	$ 345,033	$ 1,952,477	$ 2,297,510	$27.92	$23.72	1,007,729	$ 4,606,388	$ 23,099,957	$ 27,706,345	$27.49	$22.92	$27.90	$23.23
8/1/2015	81,986	$ 266,277	$ 1,909,461	$ 2,175,738	$26.54	$23.29	1,005,095	$ 4,670,025	$ 23,147,232	$ 27,817,257	$27.68	$23.03	$28.49	$23.49
9/1/2015	82,098	$ 86,779	$ 2,072,414	$ 2,159,194	$26.30	$25.24	1,001,896	$ 4,608,097	$ 23,433,517	$ 28,041,614	$27.99	$23.39	$29.09	$23.76

1. New treatments are hepatitis C drugs, PCSK9 inhibitors, and Orkambi

Exponential Trend:	27.8%	14.1%



Restated Specialty Drug Trend

Pharmacy Specialty Claims in the Experience	A	$ 28,041,614
Claims Removed from the Experience		
Hepatitis C	B1	$4,546,314
PCSK9 Inhibitors[1]	B2	$0
Orkambi	B3	$61,783
Total	B = B1+B2+B3	$4,608,097
Pharmacy Specialty Claims without Excluded Drugs	C = A - B	$23,433,517
Projected Specialty Claims using a 14.1% trend for 27 months	D = C x (1.141)^(27/12)	$31,531,396
Adding Incremental Cost of Excluded Treatments for the Projection Period		
Hepatitis C	E1	$4,363,471
PCSK9 Inhibitors	E2	$2,585,173
Orkambi	E3	$2,467,340
Total	E = E1+E2+E3	$9,415,984
Biosimilar Adjustment	F	($433,360)
Restated Projected Specialty Claims	G = D + E + F	$40,514,020
Restated Specialty Trend	H = (G/A)^(12/27) -1	17.8%

1. PCSK9 inhibitors in the formulary include Praluent, which was approved by the FDA on July 24, 2015, and Repatha, which was approved by the FDA on August 27, 2015.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Exhibit 3H

Contract Adjustment Factors

Experience Beginning	Projection Beginning 7/1/2016	8/1/2016	9/1/2016	10/1/2016	11/1/2016	12/1/2016	1/1/2017	2/1/2017	3/1/2017	4/1/2017	5/1/2017	6/1/2017	7/1/2017
10/1/2014	0.9447	0.9441	0.9435	0.9428	0.9422	0.9416	0.9410	0.9404	0.9398	0.9391	0.9385	0.9379	0.9373
11/1/2014	0.9490	0.9484	0.9478	0.9471	0.9465	0.9459	0.9452	0.9446	0.9441	0.9434	0.9428	0.9422	0.9415
12/1/2014	0.9531	0.9525	0.9519	0.9513	0.9506	0.9500	0.9494	0.9487	0.9482	0.9475	0.9469	0.9463	0.9456
1/1/2015	0.9579	0.9573	0.9566	0.9560	0.9554	0.9548	0.9541	0.9535	0.9529	0.9523	0.9516	0.9510	0.9504
2/1/2015	0.9623	0.9616	0.9610	0.9604	0.9597	0.9591	0.9585	0.9578	0.9573	0.9566	0.9560	0.9554	0.9547
3/1/2015	0.9665	0.9659	0.9652	0.9646	0.9639	0.9633	0.9627	0.9620	0.9615	0.9608	0.9602	0.9595	0.9589
4/1/2015	0.9713	0.9707	0.9701	0.9694	0.9688	0.9682	0.9675	0.9669	0.9663	0.9656	0.9650	0.9644	0.9637
5/1/2015	0.9761	0.9754	0.9748	0.9741	0.9735	0.9729	0.9722	0.9716	0.9710	0.9703	0.9697	0.9691	0.9684
6/1/2015	0.9808	0.9802	0.9795	0.9789	0.9782	0.9776	0.9769	0.9763	0.9757	0.9750	0.9744	0.9738	0.9731
7/1/2015		0.9851	0.9845	0.9838	0.9832	0.9826	0.9819	0.9812	0.9806	0.9800	0.9793	0.9787	0.9780
8/1/2015			0.9857	0.9850	0.9843	0.9837	0.9830	0.9824	0.9818	0.9811	0.9805	0.9799	0.9792
9/1/2015				0.9862	0.9855	0.9849	0.9842	0.9836	0.9830	0.9823	0.9817	0.9810	0.9803
10/1/2015					0.9867	0.9861	0.9854	0.9847	0.9841	0.9835	0.9828	0.9822	0.9815
11/1/2015						0.9873	0.9866	0.9859	0.9853	0.9847	0.9840	0.9834	0.9827
12/1/2015							0.9877	0.9870	0.9864	0.9858	0.9851	0.9845	0.9838
1/1/2016								0.9883	0.9877	0.9870	0.9864	0.9858	0.9851
2/1/2016									0.9889	0.9882	0.9875	0.9869	0.9862
3/1/2016										0.9893	0.9886	0.9880	0.9873
4/1/2016											0.9899	0.9892	0.9885
5/1/2016												0.9904	0.9897
6/1/2016													0.9909

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Restated Q3 2015 Filing

Non-Specialty Drugs

		Generic	Brand	Non-Specialty Total
For the 12 months ending October 2014:				
# Days Supply	a	26,052,980	4,653,778	30,706,759
Allowed Charge per Supply	b	$0.88	$7.74	
Total Allowed Charges	c=a*b	$22,929,100	$36,036,337	$58,965,437
Utilization Trends	d			**0.2%**
Projected # Days Supply (12 months ending December 2016)	e=a*(1+d)			30,865,121
Projected Rolling-12 dispensing rate (Generic and Brand split)	f	**86.3%**	**13.7%**	
Non-Specialty Projected # Days Supply: Generic and Brand	g=e*f	26,649,518	4,215,603	
Utilization Trends: Generic and Brand	h=g/a-1	**2.3%**	**-9.4%**	
Cost Trends	i	**10.1%**	**14.6%**	
Projected Allowed Charge per Supply	j=b*(1+h)	$1.08	$10.40	
Projected Total Allowed Charges	k=g*j	$28,890,868	$43,856,141	*$72,747,009*
Total Trends	l=k/c-1	**26.0%**	**21.7%**	***23.4%***
Annual Trends		**11.3%**	**9.5%**	***10.2%***
PMPM Calculation				
Member Months for the 12 months ending October 2014	m			1,028,555
Experience Period PMPM by category	n=c/m	$22.29	$35.04	$57.33

Restated Q3 2015 Filing

Restated Specialty Drug Trend

Pharmacy Specialty Claims in the Experience	$24,260,180
Claims Removed from the Experience	
Hepatitis C	$2,205,308
Pharmacy Specialty Claims without Excluded Drugs	$22,054,873
Projected Specialty Claims using a 15.5% trend for 26 months	$30,150,227
Adding Incremental Cost of Excluded Treatments for the Projection Period	
Hepatitis C	$2,160,000
PCSK9 Inhibitors	$2,052,000
Total	$4,212,000
Restated Projected Specialty Claims	$34,362,227
Restated Specialty Trend	17.4%

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Medical Trend Development

BlueCare LO Options (LO) and Open Access (OAP) Medical Plans

		Preferred Benefits							Standard Benefits			
index	Product	Deductible	Coinsurance	Out-of-Pocket	Office Copay	Specialist Copay	ER[1] Copay	AMB Copay	Deductible	Coinsurance	Out-of-Pocket	Leveraging Factor
1	LO	$2,500	0%	$2,500								1.0%
2	LO	$3,000	0%	$3,000								1.1%
3	OAP	$500	20%	$1,850	$20	$20	$100		$1,000	40%	$3,900	0.5%
4	OAP	$2,000	20%	$4,600	$30	$30	$100		$4,000	40%	$9,200	1.0%
5	OAP	$3,000	0%	$4,100	$30	$30	$100		$6,000	30%	$8,200	1.0%
6	OAP	$3,000	20%	$5,100	$30	$30	$100		$5,000	40%	$10,000	1.1%
7	OAP	$3,000	20%	$5,300	$30	$30	$100		$5,000	40%	$10,600	1.1%

1. **ER Copay**: the displayed member copay goes toward the facility allowed charges. Associated physician and ancillary charges are the covered at 100%.
2. For the BCLO product, Office and Specialist Copay can be under the deductible.
3. BCLO does not have Out-of-Network benefits.

BlueCare (HMO) Medical Plans

		In-Network								
index	Product	Inpatient Care Deductible[2]	Outpatient Surgery Copay	Combined Inpatient / Outpatient Deductible[2]	Office Copay	Specialist Copay	ER[3] Copay	AMB Copay	Out-of-Pocket	Leveraging Factor
1	HMO	$250	$100		$10	$20	$50	$0	$6,850	0.1%
2	HMO	$0	$0		$20	$30	$250	$0	$6,850	0.2%
3	HMO	$2,000	$1,000		$20	$30	$50	$50	$6,850	0.3%
4	HMO			$3,000	$20	$30	$100	$50	$6,850	0.5%
5	HMO			$750	$20	$30	$50	$50	$6,850	0.3%
6	HMO	$250	$100		$25	$40	$100	$50	$6,850	0.3%
7	HMO	$500	$200		$25	$40	$150	$50	$6,850	0.3%
8	HMO	$500	$200		$25	$40	$50	$0	$6,850	0.3%

1. All **HMO** Plans have a DME rider benefit of: $0 deductible, 20% coinsurance, built into the relativity.
2. Maximum of 2/yr per family
3. ER Copay: the displayed member copay goes toward the facility allowed charges. Associated physician and ancillary charges are the covered at 100%.
4. HMO Plans do not have Out-of-Network benefits.

Consumer Driven Health Plans (CDHP's)

		In-Network							Leveraging Factor	
index	Product	Deductible	Coinsurance	Out-of-Pocket	RX OOPM Limit[3]	Wellness Rx[1]	Drugs After Deductible[2]	Diabetic Supplies	Medical	Rx
1	CDHP	$1,500	0%	$1,500	$1,300	N/A	N/A	SAAO	0.8%	1.6%
2	CDHP	$2,500	0%	$2,500	$1,300	N/A	N/A	SAAO	1.0%	1.9%
3	CDHP	$3,000	0%	$3,000	$1,300	N/A	N/A	SAAO	1.1%	1.9%
4	CDHP	$4,000	0%	$4,000	$1,300	0%	N/A	SAAO	1.3%	1.3%
5	CDHP	$5,000	0%	$5,000	$1,300	N/A	N/A	SAAO	1.4%	2.2%
6	CDHP	$6,450	0%	$6,450	$1,300	N/A	N/A	SAAO	1.6%	2.2%

1. **Wellness Rx:** if applicable, cost sharing rules apply *before* the deductible is satisfied.
2. **All other drugs** are subject to deductible. Once the deductible is met, drugs are subject to the **Drugs**
3. The **Rx OOPM** Limit is as described in Vermont Act 171.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Pharmacy Trend Development

Benefit Leveraging Factors

			Copay ($) / Coinsurance (%)								
Index	Type	Deductible	Retail Generic	Retail Preferred Brand	Retail Non-Preferred Brand	Mail Order Generic	Mail Order Preferred Brand	Mail Order Non-Preferred Brand	OOPM	Diabetic Supplies	Leveraging Factor
1	CM1	$100	$5	40%	60%	$10	40%	60%	$1,300	SAAO	1.4%
2	COI	$0	50%	50%	50%	50%	50%	50%	$1,300	SAAO	1.2%
3	COP	$0	$5	$20	$35	$10	$40	$70	$1,300	SAAO	0.8%
4	COP	$0	$5	$20	$45	$10	$40	$90	$1,300	100%	0.7%
5	COP	$0	$5	$30	$50	$10	$60	$100	$1,300	SAAO	1.0%
6	COP	$0	$10	$20	$40	$20	$40	$80	$1,300	SAAO	1.1%
7	COP	$0	$10	$25	$40	$20	$50	$80	$1,300	100%	1.0%
8	COP	$0	$10	$25	$40	$20	$50	$80	$1,300	SAAO	1.1%
9	COP	$0	$10	$25	$50	$20	$50	$100	$1,300	SAAO	1.2%
10	COP	$0	$10	$25	$60	$20	$50	$120	$1,300	SAAO	1.2%
11	COP	$0	$10	$30	$50	$20	$60	$100	$1,300	100%	1.1%
12	COP	$0	$10	$30	$50	$20	$60	$100	$1,300	SAAO	1.2%
13	COP	$0	$10	$35	$60	$20	$70	$120	$1,300	SAAO	1.3%
14	COP	$0	$15	$25	$40	$30	$50	$80	$1,300	100%	1.1%
15	COP	$0	$15	$25	$40	$30	$50	$80	$1,300	SAAO	1.2%
16	COP	$0	$15	$30	$45	$30	$60	$90	$1,300	SAAO	1.3%
17	COP	$0	$20	$40	$60	$40	$80	$120	$1,300	SAAO	1.5%
18	COP	$50	$5	$10	$25	$10	$20	$50	$1,300	SAAO	0.8%
19	COP	$50	$10	$20	$35	$20	$40	$70	$1,300	SAAO	1.2%
20	COP	$50	$10	$25	$35	$20	$50	$70	$1,300	SAAO	1.2%
21	COP	$50	$10	$30	$50	$20	$60	$100	$1,300	SAAO	1.4%
22	COP	$50	$15	$25	$40	$30	$50	$80	$1,300	SAAO	1.3%
23	COP	$100	$5	$20	$40	$10	$40	$80	$1,300	SAAO	1.2%
24	COP	$100	$10	$15	$30	$20	$30	$60	$1,300	SAAO	1.2%
25	COP	$100	$10	$20	$40	$20	$40	$80	$1,300	SAAO	1.3%
26	COP	$100	$10	$25	$45	$20	$50	$90	$1,300	SAAO	1.4%
27	COP	$100	$10	$30	$50	$20	$60	$100	$1,300	100%	1.3%
28	COP	$100	$10	$30	$50	$20	$60	$100	$1,300	SAAO	1.5%
29	COP	$100	$15	$40	$60	$30	$80	$120	$1,300	SAAO	1.7%
30	COP	$150	$10	$20	$40	$20	$40	$80	$1,300	SAAO	1.4%

* **Type**: COI = coinsurance; COP = copay; CM1 = combined
* **Diabetic**: If "100%" then Diabetic medications and supplies are covered at 100% of allowed charges;
If "SAAO" then Diabetic medications and supplies are subject to cost sharing same as any other prescription drug.

Exhibit 4A

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Benefit Plan Relative Value Factors

BlueCare LO Options (LO) and Open Access (OAP) Medical Plans

		Preferred Benefits							Standard Benefits			Relativity
index	Product	Deductible	Coinsurance	Out-of-Pocket	Office Copay	Specialist Copay	ER[1] Copay	AMB Copay	Deductible	Coinsurance	Out-of-Pocket	Active
1	LO	$2,500	0%	$2,500								0.7013
2	LO	$3,000	0%	$3,000								0.6570
3	OAP	$500	20%	$1,850	$20	$20	$100		$1,000	40%	$3,900	0.9310
4	OAP	$2,000	20%	$4,600	$30	$30	$100		$4,000	40%	$9,200	0.7310
5	OAP	$3,000	0%	$4,100	$30	$30	$100		$6,000	30%	$8,200	0.7447
6	OAP	$3,000	20%	$5,100	$30	$30	$100		$5,000	40%	$10,000	0.6865
7	OAP	$3,000	20%	$5,300	$30	$30	$100		$5,000	40%	$10,600	0.6820

1. **ER Copay**: The displayed member copay goes toward the facility allowed charges.
   Associated physician and ancillary charges are then covered at 100%.
2. For the LO product, Office and Specialist Copay can be under the deductible.
3. LO does not have Out-of-Network benefits.

Exhibit 4B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Benefit Plan Relative Value Factors
BlueCare (HMO) Medical Plans

		In-Network							
index	Product	IP	OP	HOSP	PCP	SCP	ER	AMB	OOPM
1	HMO	$250	$100		$10	$20	$50	$0	$6,850
2	HMO	$0	$0		$20	$30	$250	$0	$6,850
3	HMO	$2,000	$1,000		$20	$30	$50	$50	$6,850
4	HMO			$3,000	$20	$30	$100	$50	$6,850
5	HMO			$750	$20	$30	$50	$50	$6,850
6	HMO	$250	$100		$25	$40	$100	$50	$6,850
7	HMO	$500	$200		$25	$40	$150	$50	$6,850
8	HMO	$500	$200		$25	$40	$50	$0	$6,850

PCP	Primary Care Physician Copay
SCP	Specialist Physician Copay
IP	Inpatient Care Deductible (max of 2/yr per family)
OP	Outpatient Surgery Copay
HOSP	Combined Inpatient Care & Outpatient Surgery Deductible (max of 2/yr per family)
ER	Emergency Room Copay
AMB	Ambulance Copay
OOPM	Per ACA, all copays accumulate toward the Out of Pocket Maximum

1. All HMO Plans have a DME rider benefit of: $0 deductible, 20% coinsurance, built into the relativity.

Exhibit 4C

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Benefit Plan Relative Value Factors

Consumer Driven Health Plans (CDHP's)

		In-Network							Relativity
index	Product	Deductible	Coinsurance	Out-of-Pocket	RX OOPM Limit[3]	Wellness Rx[1]	Drugs After Deductible[2]	Diabetic Supplies	Active
1	CDHP	$1,500	0%	$1,500	$1,300	N/A	N/A	SAAO	1.0327
2	CDHP	$1,500	0%	$1,500	$1,300	0%	N/A	SAAO	1.0427
3	CDHP	$1,500	20%	$2,500	$1,300	N/A	N/A	SAAO	0.9309
4	CDHP	$1,800	0%	$1,800	$1,300	N/A	N/A	SAAO	0.9809
5	CDHP	$2,000	0%	$2,000	$1,300	N/A	N/A	SAAO	0.9504
6	CDHP	$2,000	20%	$3,500	$1,300	N/A	10%/25%/25%	SAAO	0.8452
7	CDHP	$2,250	0%	$2,250	$1,300	N/A	N/A	SAAO	0.9161
8	CDHP	$2,250	0%	$2,250	$1,300	0%	N/A	SAAO	0.9308
9	CDHP	$2,250	20%	$3,250	$1,300	$15/$40/$60	N/A	SAAO	0.8446
10	CDHP	$2,500	0%	$2,500	$1,300	N/A	N/A	SAAO	0.8852
11	CDHP	$2,500	0%	$2,500	$1,300	0%	N/A	SAAO	0.9012
12	CDHP	$2,500	20%	$3,500	$1,300	$10/$30/$50	N/A	SAAO	0.8227
13	CDHP	$2,500	20%	$5,000	$1,300	0%	N/A	SAAO	0.7854
14	CDHP	$2,600	20%	$5,000	$1,300	0%	N/A	SAAO	0.7796
15	CDHP	$3,000	0%	$3,000	$1,300	N/A	N/A	SAAO	0.8321
16	CDHP	$3,000	0%	$3,000	$1,300	0%	N/A	SAAO	0.8496
17	CDHP	$3,000	20%	$4,000	$1,300	0%	N/A	SAAO	0.7900
18	CDHP	$3,000	20%	$5,000	$1,300	0%	N/A	SAAO	0.7589
19	CDHP	$3,000	20%	$5,500	$1,300	N/A	10%/25%/25%	SAAO	0.7289
20	CDHP	$3,000	20%	$5,500	$1,300	0%	10%/25%/25%	SAAO	0.7490
21	CDHP	$3,250	20%	$4,250	$1,300	$15/$40/$60	N/A	SAAO	0.7600
22	CDHP	$4,000	0%	$4,000	$1,300	0%	N/A	SAAO	0.7702
23	CDHP	$4,000	20%	$5,000	$1,300	0%	N/A	SAAO	0.7239
24	CDHP	$4,000	20%	$6,450	$1,300	0%	N/A	SAAO	0.6896
25	CDHP	$5,000	0%	$5,000	$1,300	N/A	N/A	SAAO	0.6896
26	CDHP	$5,000	0%	$5,000	$1,300	0%	N/A	SAAO	0.7109
27	CDHP	$6,350	0%	$6,350	$1,300	N/A	N/A	SAAO	0.6281
28	CDHP	$6,350	0%	$6,350	$1,300	0%	N/A	SAAO	0.6520
29	CDHP	$6,450	0%	$6,450	$1,300	N/A	N/A	SAAO	0.6259
30	CDHP	$6,450	0%	$6,450	$1,300	0%	N/A	SAAO	0.6497

1. **Wellness Rx:** if applicable, cost sharing rules apply *before* the deductible is satisfied.
   The member's cost share for **Wellness Rx** accumulates toward the Out-of-Pocket Maximum.
2. **All other drugs** are subject to deductible. Once the deductible is met, drugs are subject to the **Drugs After Deductible** cost share until the Out-of-Pocket Maximum is met.
3. The **Rx OOPM** Limit is as described in Vermont Act 171.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Benefit Plan Relative Value Factors

Prescription Drug Cards

			Copay ($) / Coinsurance (%)								Relativity
Index	Type	Deductible	Retail Generic	Retail Preferred Brand	Retail Non-Preferred Brand	Mail Order Generic	Mail Order Preferred Brand	Mail Order Non-Preferred Brand	OOPM	Diabetic Supplies	Active
1	CM1	$100	$5	40%	60%	$10	40%	60%	$1,300	SAAO	0.1742
2	COI	$0	50%	50%	50%	50%	50%	50%	$1,300	SAAO	0.1553
3	COP	$0	$5	$20	$35	$10	$40	$70	$1,300	SAAO	0.2380
4	COP	$0	$5	$20	$45	$10	$40	$90	$1,300	100%	0.2402
5	COP	$0	$5	$30	$50	$10	$60	$100	$1,300	SAAO	0.2189
6	COP	$0	$10	$20	$40	$20	$40	$80	$1,300	SAAO	0.2254
7	COP	$0	$10	$25	$40	$20	$50	$80	$1,300	100%	0.2249
8	COP	$0	$10	$25	$40	$20	$50	$80	$1,300	SAAO	0.2199
9	COP	$0	$10	$25	$50	$20	$50	$100	$1,300	SAAO	0.2179
10	COP	$0	$10	$25	$60	$20	$50	$120	$1,300	SAAO	0.2161
11	COP	$0	$10	$30	$50	$20	$60	$100	$1,300	100%	0.2089
12	COP	$0	$10	$30	$50	$20	$60	$100	$1,300	SAAO	0.2039
13	COP	$0	$10	$35	$60	$20	$70	$120	$1,300	SAAO	0.2011
14	COP	$0	$15	$25	$40	$30	$50	$80	$1,300	100%	0.2177
15	COP	$0	$15	$25	$40	$30	$50	$80	$1,300	SAAO	0.2129
16	COP	$0	$15	$30	$45	$30	$60	$90	$1,300	SAAO	0.2067
17	COP	$0	$20	$40	$60	$40	$80	$120	$1,300	SAAO	0.1820
18	COP	$50	$5	$10	$25	$10	$20	$50	$1,300	SAAO	0.2378
19	COP	$50	$10	$20	$35	$20	$40	$70	$1,300	SAAO	0.2181
20	COP	$50	$10	$25	$35	$20	$50	$70	$1,300	SAAO	0.2127
21	COP	$50	$10	$30	$50	$20	$60	$100	$1,300	SAAO	0.1960
22	COP	$50	$15	$25	$40	$30	$50	$80	$1,300	SAAO	0.2061
23	COP	$100	$5	$20	$40	$10	$40	$80	$1,300	SAAO	0.2172
24	COP	$100	$10	$15	$30	$20	$30	$60	$1,300	SAAO	0.2133
25	COP	$100	$10	$20	$40	$20	$40	$80	$1,300	SAAO	0.2095
26	COP	$100	$10	$25	$45	$20	$50	$90	$1,300	SAAO	0.2033
27	COP	$100	$10	$30	$50	$20	$60	$100	$1,300	100%	0.1938
28	COP	$100	$10	$30	$50	$20	$60	$100	$1,300	SAAO	0.1889
29	COP	$100	$15	$40	$60	$30	$80	$120	$1,300	SAAO	0.1775
30	COP	$150	$10	$20	$40	$20	$40	$80	$1,300	SAAO	0.2026

* **Type**: COI = coinsurance; COP = copay; CM1 = combined
* **Diabetic**: If "100%" then Diabetic medications and supplies are covered at 100% of allowed charges;
If "SAAO" then Diabetic medications and supplies are subject to cost sharing same as any other prescription drug.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Benefit Plan Relative Value Factors

Exhibit 4E

Tier Factors for Medical Benefits with Separate Rx Cards

		2-Tier		3-Tier			4-Tier			
Out-of-Pocket Range	Type	Single	Family	Single	2-Person	Family	Single	Subscriber & Spouse	Subscriber & Children	Family
NA/Stacked	Stacked	1.000	2.370	1.000	2.000	2.724	1.000	2.000	1.642	2.792
$0 - $3,499	Aggregate	1.000	2.312	1.000	1.842	2.673	1.000	1.933	1.591	2.740
$3,500 - $4,999	Aggregate	1.000	2.229	1.000	1.777	2.575	1.000	1.865	1.532	2.640
$5,000 - $7,150	Aggregate	1.000	2.190	1.000	1.743	2.532	1.000	1.833	1.479	2.599
$0 - $3,499	Hybrid	1.000	2.312	1.000	1.842	2.673	1.000	1.933	1.591	2.740
$3,500 - $4,999	Hybrid	1.000	2.244	1.000	1.794	2.589	1.000	1.883	1.546	2.654
$5,000 - $7,150	Hybrid	1.000	2.248	1.000	1.809	2.585	1.000	1.901	1.532	2.652

Tier Factors for Integrated Benefits

		2-Tier		3-Tier			4-Tier			
Out-of-Pocket Range	Type	Single	Family	Single	2-Person	Family	Single	Subscriber & Spouse	Subscriber & Children	Family
NA/Stacked	Stacked	1.000	2.370	1.000	2.000	2.724	1.000	2.000	1.642	2.792
$0 - $3,499	Aggregate	1.000	2.268	1.000	1.775	2.646	1.000	1.871	1.500	2.719
$3,500 - $4,999	Aggregate	1.000	2.180	1.000	1.708	2.542	1.000	1.803	1.425	2.614
$5,000 - $7,150	Aggregate	1.000	2.099	1.000	1.651	2.442	1.000	1.744	1.365	2.513
$0 - $3,499	Hybrid	1.000	2.268	1.000	1.775	2.646	1.000	1.871	1.500	2.719
$3,500 - $4,999	Hybrid	1.000	2.199	1.000	1.734	2.555	1.000	1.829	1.445	2.627
$5,000 - $7,150	Hybrid	1.000	2.235	1.000	1.806	2.564	1.000	1.904	1.490	2.634

Exhibit 5A

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Example of Manual Rate Adjustment

Manual Rate	$449.97
Average Age/Gender Factor	1.000
Average Industry Factor	1.000
Projection Period	3/1/2017
Trend Factor	7.60%

Group Information

Age/Gender Factor	1.100
Industry Factor	1.050
Projection Period	3/1/2017

Contract Conversion	Contract Distribution	Members	Tier Factor	"Contract Tiers"
Single	25	25	1	25
Two-Person	25	50	2	50
Family	50	197	2.79	139.5
	100	272		214.5

Manual Rate	A	$449.97
Adjustment for Age/Gender	B = 1.1 / 1	1.1000
Adjustment for Industry	C = 1.05 / 1	1.0500
Adjustment for Trend	D = 7.6% for 2 months	1.0123
Pharmacy Contract Adjustment	E =	0.9988
Contract Conversion Factor	F = 214.5 / 272	1.2681

Industry Factors

2-Digit SIC Code	Industry Description	Normalized Factor
01	Agricultural Production - Crops	0.975
02	Agricultural Production - Livestock And Animal Specialties	0.982
07	Agricultural Services	0.975
08	Forestry	0.981
09	Fishing, Hunting And Trapping	1.060
10	Metal Mining	1.116
12	Coal Mining	1.124
13	Oil And Gas Extraction	1.028
14	Mining And Quarrying Of Nonmetallic Minerals, Except Fuels	1.093
15	Building Cnstrctn - General Contractors & Operative Builders	0.995
16	Heavy Cnstrctn, Except Building Construction - Contractors	0.989
17	Construction - Special Trade Contractors	0.990
20	Food And Kindred Products	0.943
21	Tobacco Products	1.007
22	Textile Mill Products	0.959
23	Apparel, Finished Prdcts From Fabrics & Similar Materials	0.972
24	Lumber And Wood Products, Except Furniture	1.006
25	Furniture And Fixtures	0.959
26	Paper And Allied Products	0.969
27	Printing, Publishing And Allied Industries	0.950
28	Chemicals And Allied Products	0.999
29	Petroleum Refining And Related Industries	0.999
30	Rubber And Miscellaneous Plastic Products	0.955
31	Leather And Leather Products	0.985
32	Stone, Clay, Glass, And Concrete Products	0.993
33	Primary Metal Industries	0.978
34	Fabricated Metal Prdcts, Except Machinery & Transport Eqpmnt	0.958
35	Industrial And Commercial Machinery And Computer Equipment	0.955
36	Electronic, Elctrcl Eqpmnt & Cmpnts, Excpt Computer Eqpmnt	0.940
37	Transportation Equipment	0.987
38	Mesr/Anlyz/Cntrl Instrmnts; Photo/Med/Opt Gds; Watchs/Clocks	0.939
39	Miscellaneous Manufacturing Industries	0.953
40	Railroad Transportation	0.999
41	Local, Suburban Transit & Interurbn Hgwy Passenger Transport	1.041
42	Motor Freight Transportation	1.042
43	United States Postal Service	0.967
44	Water Transportation	1.020
45	Transportation By Air	0.965
46	Pipelines, Except Natural Gas	0.983
47	Transportation Services	0.947
48	Communications	0.922
49	Electric, Gas And Sanitary Services	0.991
50	Wholesale Trade - Durable Goods	0.970
51	Wholesale Trade - Nondurable Goods	0.959
52	Building Matrials, Hrdwr, Garden Supply & Mobile Home Dealrs	0.958
53	General Merchandise Stores	0.958
54	Food Stores	0.960
55	Automotive Dealers And Gasoline Service Stations	1.034
56	Apparel And Accessory Stores	0.959
57	Home Furniture, Furnishings And Equipment Stores	0.951
58	Eating And Drinking Places	1.086
59	Miscellaneous Retail	0.990
60	Depository Institutions	0.943
61	Nondepository Credit Institutions	0.913
62	Security & Commodity Brokers, Dealers, Exchanges & Services	0.943
63	Insurance Carriers	0.967
64	Insurance Agents, Brokers And Service	0.967
65	Real Estate	0.991
67	Holding And Other Investment Offices	0.943
70	Hotels, Rooming Houses, Camps, And Other Lodging Places	1.034

Industry Factors

2-Digit SIC Code	Industry Description	Normalized Factor
72	Personal Services	1.014
73	Business Services	0.956
75	Automotive Repair, Services And Parking	1.005
76	Miscellaneous Repair Services	0.970
78	Motion Pictures	0.983
79	Amusement And Recreation Services	1.056
80	Health Services	1.112
81	Legal Services	1.003
82	Educational Services	0.960
83	Social Services	1.112
84	Museums, Art Galleries And Botanical And Zoological Gardens	0.967
86	Membership Organizations	1.016
87	Engineering, Accounting, Research, Management & Related Svcs	0.918
88	Private Households	0.967
89	Services, Not Elsewhere Classified	0.971
91	Executive, Legislative & General Government, Except Finance	1.112
92	Justice, Public Order And Safety	1.112
93	Public Finance, Taxation And Monetary Policy	1.025
94	Administration Of Human Resource Programs	1.032
95	Administration Of Environmental Quality And Housing Programs	1.024
96	Administration Of Economic Programs	1.025
97	National Security And International Affairs	1.057
99	Nonclassifiable Establishments	0.967

Exhibit 6A

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Administrative Charges Development

Reconciliation of Experience Base Administrative Expense to Restated GAAP Expenses

(Dollars in 000's)

Business Segment	11/14 - 10/15 Experience Base	Reconciliation to GAAP [1]		
		Commissions	Reclassification Items[2]	Reported Expenses
Large Group				
BCBSVT Insured	$8,225	$1,666	($2,951)	$12,842
BCBSVT Cost Plus and ASO	$22,346	$371	($322)	$23,039
TVHP Insured	$4,850	$961	($1,364)	$7,174
Large Group Subtotal	*$35,420*	*$2,997*	*($4,637)*	*$43,054*
Individual/Other				
BCBSVT Small Group (QHP and Non-QHP)	$12,540	$128	($4,988)	$17,656
BCBSVT Individual (QHP and Non-QHP)	$13,007	$0	($2,807)	$15,814
TVHP Small Group	$0	($65)	($43)	($22)
Medicare Supplement	$1,269	$0	($80)	$1,349
Cost Plus Medicare Supplement[3]	$422	$0	$422	
TVHP Medigap Blue	$1,428	$0	($78)	$1,506
Other Member Categories				
FEP	$3,334	$0	($1,818)	$5,152
Blue MedicareRx	$691	$0	($56)	$748
Other Categories				
CBA	$8,675	$61	$0	$8,737
Host	$1,952	$0	$0	$1,952
Total	$78,741	$3,122	($14,084)	$95,946

Notes:

(1) Sources: Commissions and Reclassification Items are from Internal BCBSVT reports. Reported Expenses are from Underwriting Results GAAP Basis, restated for the new allocation, for the Experience Base period.

(2) Reclassification Items include the allocation of GHI expenses across relevant member categories and the removal of federal fees.

(3) Allocation of expenses for Cost Plus members with Med Supp coverage based on cost PMPM for insured Med Supp members. In GAAP financials, expenses are included in Large Group Cost Plus.

Exhibit 6B

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Administrative Charges Development
Projection Factors

Projection factor @ 2.4% per annum (1)

Factor to		Account	Billing Group	Member
CY	2016	1.028	1.028	1.028
CY	2017	1.052	1.052	1.052
CY	2018	1.076	1.076	1.076
Eff Date	Jul-16	1.040	1.040	1.040
Eff Date	Aug-16	1.042	1.042	1.042
Eff Date	Sep-16	1.044	1.044	1.044
Eff Date	Oct-16	1.046	1.046	1.046
Eff Date	Nov-16	1.048	1.048	1.048
Eff Date	Dec-16	1.050	1.050	1.050
Eff Date	Jan-17	1.052	1.052	1.052
Eff Date	Feb-17	1.054	1.054	1.054
Eff Date	Mar-17	1.056	1.056	1.056
Eff Date	Apr-17	1.058	1.058	1.058
Eff Date	May-17	1.060	1.060	1.060
Eff Date	Jun-17	1.062	1.062	1.062
Eff Date	Jul-17	1.064	1.064	1.064
Eff Date	Aug-17	1.066	1.066	1.066
Eff Date	Sep-17	1.068	1.068	1.068
Eff Date	Oct-17	1.070	1.070	1.070

Note:

(1) Calendar year increase of 2.4% per annum, compounded to produce factors for rating periods, from experience base period to the rating year with the indicated Effective Date.

Trend Calculation

	2015	% of Total
Employee costs:	**37,575,893**	**55.7%**
Salaries and taxes	27,971,678	
Benefits	9,604,215	
Purchased services *	**19,537,724**	**29.0%**
Other operating costs	**10,306,647**	**15.3%**
Subtotal administrative expenses	**67,420,264**	**100.0%**

Total Personnel Costs	78.5%
Trend for Personnel Costs	3.0%
Total Trend	**2.4%**

* We assumed that purchased costs have a similar ratio of personnel costs to total costs as BCBSVT.

Exhibit 6C

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing
Administrative Charges Development

Administrative Charges PUPM[4][5]

		Account	Billing Group	Member	Large Group Subtotal
Experience Base[1]					
Administrative Expenses[2]	(000s)	$796	$1,756	$23,110	$25,661
Unit Months[3]		2,087	3,589	989,550	
Expense PUPM		$381.42	$489.16	$23.35	
Increase for Membership		1.1%	1.1%	1.1%	
Updated Expense PUPM		$385.55	$494.47	$23.61	

Projection Periods Effective Date	Account	Billing Group	Member
Jul-15	$400.80	$514.02	$24.54
Aug-15	$401.58	$515.02	$24.59
Sep-15	$402.36	$516.02	$24.64
Oct-15	$403.14	$517.02	$24.68
Nov-15	$403.92	$518.02	$24.73
Dec-15	$404.70	$519.03	$24.78
Jan-16	$405.49	$520.04	$24.83
Feb-16	$406.28	$521.05	$24.88
Mar-16	$407.07	$522.06	$24.92
Apr-16	$407.86	$523.07	$24.97
May-16	$408.65	$524.09	$25.02
Jun-16	$409.44	$525.10	$25.07
Jul-16	$410.23	$526.12	$25.12
Aug-16	$411.03	$527.14	$25.17
Sep-16	$411.83	$528.17	$25.22
Oct-16	$412.63	$529.19	$25.27

Notes:

(1) Based on allocated administrative expenses and GAAP financials for the 11/14 - 10/15 Experience Base period. See Exhibit 6A for reconciliation of Experience Base to GAAP reported data. Member months are

(2) Expenses for "Group" are allocated by "Group" cost category (Accounts, Billing Group, etc).

(3) "Unit Months" for "Group" refers to months times number of Accounts, Billing Groups, etc. For "Small Group and Individual", it refers to member months.

(4) Calculated as the product of Experience Base Expense PUPM and the corresponding Adjusted Expense Projection Factor for the indicated Effective Date, from Exhibit 6B.

(5) Applicable to all Group regular and Medicare Secondary coverage.

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Exhibit 7A

Contribution to Reserve Development

Projected 2016 BCBSVT ACL	$ 23,380,420		
Target RBC %	600%		
Target capital	$ 140,282,520		
Estimated Benefit Trend	6.6%		
Estimated Increase in ACL	$ 1,537,786		
Estimated Increase in Capital to Maintain Target	$ 9,226,714		
Investment Income	3,949,212		
Tax rate	20.0%		
Inv Income Net of Tax	3,159,370		
Additional Required	6,067,344		
Grossed up for FIT	7,584,180		
2016 forecast premium		CTR proportions	
QHP	395,836,846	1.00	395,836,846
Cost Plus (equiv prem)	281,161,916	0.25	70,290,479
Other Insured	123,100,848	1.00	123,100,848
	800,099,609	0.74	589,228,173
Required Insured CTR Factor to Maintain Target	**1.3%**		

Exhibit 8A

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$30,000	100	2.793%	1.671%
$30,000	200	1.843%	0.892%
$30,000	300	1.403%	0.573%
$30,000	400	1.130%	0.397%
$30,000	500	0.938%	0.287%
$30,000	600	0.796%	0.214%
$30,000	700	0.685%	0.163%
$30,000	800	0.597%	0.126%
$30,000	900	0.525%	0.098%
$30,000	1,000	0.466%	0.078%
$30,000	1,500	0.281%	0.027%
$30,000	2,000	0.189%	0.011%
$30,000	3,000	0.104%	0.002%
$30,000	4,000	0.066%	0.001%
$30,000	5,000	0.045%	0.001%
$30,000	10,000	0.011%	0.001%
$30,000	20,000	0.002%	0.001%
$30,000	30,000	0.001%	0.001%
$30,000	40,000	0.001%	0.001%
$35,000	100	3.193%	1.987%
$35,000	200	2.126%	1.089%
$35,000	300	1.637%	0.719%
$35,000	400	1.334%	0.512%
$35,000	500	1.121%	0.381%
$35,000	600	0.961%	0.291%
$35,000	700	0.836%	0.226%
$35,000	800	0.735%	0.179%
$35,000	900	0.652%	0.143%
$35,000	1,000	0.583%	0.116%
$35,000	1,500	0.361%	0.044%
$35,000	2,000	0.247%	0.019%
$35,000	3,000	0.139%	0.005%
$35,000	4,000	0.090%	0.002%
$35,000	5,000	0.062%	0.001%
$35,000	10,000	0.016%	0.001%
$35,000	20,000	0.003%	0.001%
$35,000	30,000	0.002%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$35,000	40,000	0.001%	0.001%
$40,000	100	3.409%	2.151%
$40,000	200	2.276%	1.190%
$40,000	300	1.759%	0.792%
$40,000	400	1.439%	0.569%
$40,000	500	1.214%	0.427%
$40,000	600	1.045%	0.329%
$40,000	700	0.912%	0.258%
$40,000	800	0.804%	0.206%
$40,000	900	0.716%	0.166%
$40,000	1,000	0.641%	0.135%
$40,000	1,500	0.402%	0.053%
$40,000	2,000	0.277%	0.024%
$40,000	3,000	0.156%	0.006%
$40,000	4,000	0.102%	0.002%
$40,000	5,000	0.071%	0.001%
$40,000	10,000	0.019%	0.001%
$40,000	20,000	0.004%	0.001%
$40,000	30,000	0.002%	0.001%
$40,000	40,000	0.002%	0.001%
$45,000	100	3.622%	2.316%
$45,000	200	2.424%	1.292%
$45,000	300	1.880%	0.868%
$45,000	400	1.544%	0.629%
$45,000	500	1.307%	0.475%
$45,000	600	1.129%	0.369%
$45,000	700	0.989%	0.292%
$45,000	800	0.875%	0.234%
$45,000	900	0.781%	0.190%
$45,000	1,000	0.702%	0.156%
$45,000	1,500	0.445%	0.064%
$45,000	2,000	0.308%	0.029%
$45,000	3,000	0.175%	0.008%
$45,000	4,000	0.114%	0.003%
$45,000	5,000	0.081%	0.001%
$45,000	10,000	0.022%	0.001%
$45,000	20,000	0.004%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$45,000	30,000	0.002%	0.001%
$45,000	40,000	0.002%	0.001%
$50,000	100	3.823%	2.475%
$50,000	200	2.564%	1.390%
$50,000	300	1.994%	0.941%
$50,000	400	1.643%	0.687%
$50,000	500	1.396%	0.523%
$50,000	600	1.209%	0.409%
$50,000	700	1.062%	0.326%
$50,000	800	0.943%	0.264%
$50,000	900	0.844%	0.216%
$50,000	1,000	0.760%	0.178%
$50,000	1,500	0.487%	0.075%
$50,000	2,000	0.339%	0.035%
$50,000	3,000	0.194%	0.010%
$50,000	4,000	0.127%	0.003%
$50,000	5,000	0.090%	0.002%
$50,000	10,000	0.026%	0.001%
$50,000	20,000	0.005%	0.001%
$50,000	30,000	0.002%	0.001%
$50,000	40,000	0.002%	0.001%
$55,000	100	4.018%	2.631%
$55,000	200	2.700%	1.488%
$55,000	300	2.105%	1.014%
$55,000	400	1.739%	0.746%
$55,000	500	1.482%	0.572%
$55,000	600	1.288%	0.450%
$55,000	700	1.135%	0.361%
$55,000	800	1.010%	0.294%
$55,000	900	0.906%	0.242%
$55,000	1,000	0.818%	0.201%
$55,000	1,500	0.529%	0.087%
$55,000	2,000	0.371%	0.042%
$55,000	3,000	0.214%	0.012%
$55,000	4,000	0.141%	0.004%
$55,000	5,000	0.100%	0.002%
$55,000	10,000	0.029%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$55,000	20,000	0.006%	0.001%
$55,000	30,000	0.002%	0.001%
$55,000	40,000	0.002%	0.001%
$60,000	100	4.208%	2.786%
$60,000	200	2.832%	1.585%
$60,000	300	2.213%	1.087%
$60,000	400	1.834%	0.804%
$60,000	500	1.567%	0.620%
$60,000	600	1.365%	0.491%
$60,000	700	1.206%	0.397%
$60,000	800	1.076%	0.325%
$60,000	900	0.968%	0.269%
$60,000	1,000	0.876%	0.224%
$60,000	1,500	0.571%	0.100%
$60,000	2,000	0.404%	0.049%
$60,000	3,000	0.235%	0.014%
$60,000	4,000	0.155%	0.005%
$60,000	5,000	0.111%	0.002%
$60,000	10,000	0.033%	0.001%
$60,000	20,000	0.007%	0.001%
$60,000	30,000	0.003%	0.001%
$60,000	40,000	0.002%	0.001%
$65,000	100	4.441%	2.981%
$65,000	200	2.994%	1.709%
$65,000	300	2.347%	1.182%
$65,000	400	1.950%	0.881%
$65,000	500	1.672%	0.685%
$65,000	600	1.462%	0.546%
$65,000	700	1.296%	0.444%
$65,000	800	1.160%	0.366%
$65,000	900	1.046%	0.305%
$65,000	1,000	0.950%	0.257%
$65,000	1,500	0.627%	0.118%
$65,000	2,000	0.447%	0.060%
$65,000	3,000	0.262%	0.018%
$65,000	4,000	0.174%	0.007%
$65,000	5,000	0.125%	0.003%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$65,000	10,000	0.039%	0.001%
$65,000	20,000	0.008%	0.001%
$65,000	30,000	0.003%	0.001%
$65,000	40,000	0.002%	0.001%
$70,000	100	4.646%	3.153%
$70,000	200	3.137%	1.819%
$70,000	300	2.464%	1.265%
$70,000	400	2.053%	0.949%
$70,000	500	1.765%	0.742%
$70,000	600	1.547%	0.596%
$70,000	700	1.375%	0.487%
$70,000	800	1.234%	0.404%
$70,000	900	1.116%	0.339%
$70,000	1,000	1.015%	0.286%
$70,000	1,500	0.677%	0.135%
$70,000	2,000	0.486%	0.070%
$70,000	3,000	0.288%	0.022%
$70,000	4,000	0.192%	0.008%
$70,000	5,000	0.138%	0.004%
$70,000	10,000	0.044%	0.001%
$70,000	20,000	0.009%	0.001%
$70,000	30,000	0.003%	0.001%
$70,000	40,000	0.002%	0.001%
$75,000	100	4.811%	3.291%
$75,000	200	3.252%	1.907%
$75,000	300	2.557%	1.331%
$75,000	400	2.134%	1.003%
$75,000	500	1.838%	0.788%
$75,000	600	1.614%	0.635%
$75,000	700	1.437%	0.521%
$75,000	800	1.292%	0.434%
$75,000	900	1.170%	0.365%
$75,000	1,000	1.067%	0.310%
$75,000	1,500	0.717%	0.149%
$75,000	2,000	0.517%	0.079%
$75,000	3,000	0.308%	0.026%
$75,000	4,000	0.206%	0.010%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$75,000	5,000	0.149%	0.004%
$75,000	10,000	0.048%	0.001%
$75,000	20,000	0.011%	0.001%
$75,000	30,000	0.004%	0.001%
$75,000	40,000	0.002%	0.001%
$80,000	100	5.023%	3.474%
$80,000	200	3.399%	2.023%
$80,000	300	2.678%	1.421%
$80,000	400	2.240%	1.076%
$80,000	500	1.933%	0.850%
$80,000	600	1.702%	0.689%
$80,000	700	1.519%	0.569%
$80,000	800	1.369%	0.476%
$80,000	900	1.243%	0.403%
$80,000	1,000	1.136%	0.344%
$80,000	1,500	0.770%	0.169%
$80,000	2,000	0.560%	0.091%
$80,000	3,000	0.337%	0.031%
$80,000	4,000	0.227%	0.012%
$80,000	5,000	0.164%	0.006%
$80,000	10,000	0.054%	0.001%
$80,000	20,000	0.012%	0.001%
$80,000	30,000	0.004%	0.001%
$80,000	40,000	0.002%	0.001%
$85,000	100	5.240%	3.662%
$85,000	200	3.549%	2.144%
$85,000	300	2.801%	1.513%
$85,000	400	2.347%	1.152%
$85,000	500	2.031%	0.915%
$85,000	600	1.792%	0.745%
$85,000	700	1.603%	0.619%
$85,000	800	1.447%	0.520%
$85,000	900	1.317%	0.442%
$85,000	1,000	1.206%	0.379%
$85,000	1,500	0.826%	0.191%
$85,000	2,000	0.605%	0.105%
$85,000	3,000	0.368%	0.037%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$85,000	4,000	0.248%	0.015%
$85,000	5,000	0.180%	0.007%
$85,000	10,000	0.060%	0.001%
$85,000	20,000	0.014%	0.001%
$85,000	30,000	0.005%	0.001%
$85,000	40,000	0.003%	0.001%
$90,000	100	5.408%	3.807%
$90,000	200	3.666%	2.237%
$90,000	300	2.896%	1.584%
$90,000	400	2.430%	1.211%
$90,000	500	2.106%	0.965%
$90,000	600	1.861%	0.789%
$90,000	700	1.667%	0.657%
$90,000	800	1.508%	0.555%
$90,000	900	1.374%	0.473%
$90,000	1,000	1.260%	0.407%
$90,000	1,500	0.869%	0.208%
$90,000	2,000	0.640%	0.117%
$90,000	3,000	0.391%	0.042%
$90,000	4,000	0.266%	0.018%
$90,000	5,000	0.193%	0.008%
$90,000	10,000	0.065%	0.001%
$90,000	20,000	0.016%	0.001%
$90,000	30,000	0.006%	0.001%
$90,000	40,000	0.003%	0.001%
$95,000	100	5.544%	3.924%
$95,000	200	3.760%	2.312%
$95,000	300	2.972%	1.641%
$95,000	400	2.497%	1.258%
$95,000	500	2.166%	1.004%
$95,000	600	1.916%	0.824%
$95,000	700	1.718%	0.688%
$95,000	800	1.556%	0.582%
$95,000	900	1.420%	0.498%
$95,000	1,000	1.303%	0.429%
$95,000	1,500	0.903%	0.222%
$95,000	2,000	0.668%	0.126%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$95,000	3,000	0.411%	0.047%
$95,000	4,000	0.280%	0.020%
$95,000	5,000	0.204%	0.009%
$95,000	10,000	0.069%	0.001%
$95,000	20,000	0.017%	0.001%
$95,000	30,000	0.006%	0.001%
$95,000	40,000	0.003%	0.001%
$100,000	100	5.680%	4.041%
$100,000	200	3.854%	2.387%
$100,000	300	3.049%	1.698%
$100,000	400	2.563%	1.305%
$100,000	500	2.225%	1.044%
$100,000	600	1.971%	0.858%
$100,000	700	1.769%	0.719%
$100,000	800	1.604%	0.609%
$100,000	900	1.465%	0.522%
$100,000	1,000	1.346%	0.451%
$100,000	1,500	0.937%	0.237%
$100,000	2,000	0.696%	0.135%
$100,000	3,000	0.430%	0.051%
$100,000	4,000	0.294%	0.022%
$100,000	5,000	0.215%	0.010%
$100,000	10,000	0.074%	0.001%
$100,000	20,000	0.019%	0.001%
$100,000	30,000	0.007%	0.001%
$100,000	40,000	0.003%	0.001%
$105,000	100	5.812%	4.155%
$105,000	200	3.944%	2.460%
$105,000	300	3.122%	1.754%
$105,000	400	2.627%	1.350%
$105,000	500	2.283%	1.084%
$105,000	600	2.024%	0.893%
$105,000	700	1.819%	0.749%
$105,000	800	1.650%	0.637%
$105,000	900	1.509%	0.547%
$105,000	1,000	1.388%	0.474%
$105,000	1,500	0.970%	0.251%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$105,000	2,000	0.723%	0.145%
$105,000	3,000	0.449%	0.056%
$105,000	4,000	0.308%	0.024%
$105,000	5,000	0.225%	0.011%
$105,000	10,000	0.078%	0.001%
$105,000	20,000	0.020%	0.001%
$105,000	30,000	0.008%	0.001%
$105,000	40,000	0.004%	0.001%
$110,000	100	5.936%	4.263%
$110,000	200	4.030%	2.529%
$110,000	300	3.192%	1.807%
$110,000	400	2.688%	1.394%
$110,000	500	2.338%	1.121%
$110,000	600	2.074%	0.926%
$110,000	700	1.865%	0.778%
$110,000	800	1.694%	0.663%
$110,000	900	1.551%	0.570%
$110,000	1,000	1.427%	0.495%
$110,000	1,500	1.002%	0.265%
$110,000	2,000	0.749%	0.154%
$110,000	3,000	0.468%	0.060%
$110,000	4,000	0.321%	0.026%
$110,000	5,000	0.236%	0.013%
$110,000	10,000	0.082%	0.001%
$110,000	20,000	0.022%	0.001%
$110,000	30,000	0.008%	0.001%
$110,000	40,000	0.004%	0.001%
$115,000	100	6.061%	4.372%
$115,000	200	4.116%	2.599%
$115,000	300	3.262%	1.861%
$115,000	400	2.748%	1.438%
$115,000	500	2.392%	1.159%
$115,000	600	2.124%	0.959%
$115,000	700	1.912%	0.807%
$115,000	800	1.738%	0.689%
$115,000	900	1.592%	0.594%
$115,000	1,000	1.467%	0.517%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$115,000	1,500	1.034%	0.279%
$115,000	2,000	0.776%	0.164%
$115,000	3,000	0.487%	0.065%
$115,000	4,000	0.335%	0.029%
$115,000	5,000	0.246%	0.014%
$115,000	10,000	0.086%	0.001%
$115,000	20,000	0.023%	0.001%
$115,000	30,000	0.009%	0.001%
$115,000	40,000	0.004%	0.001%
$120,000	100	6.183%	4.478%
$120,000	200	4.200%	2.668%
$120,000	300	3.330%	1.913%
$120,000	400	2.807%	1.482%
$120,000	500	2.445%	1.196%
$120,000	600	2.173%	0.991%
$120,000	700	1.958%	0.836%
$120,000	800	1.781%	0.715%
$120,000	900	1.633%	0.618%
$120,000	1,000	1.506%	0.538%
$120,000	1,500	1.065%	0.293%
$120,000	2,000	0.802%	0.173%
$120,000	3,000	0.505%	0.070%
$120,000	4,000	0.349%	0.031%
$120,000	5,000	0.257%	0.015%
$120,000	10,000	0.091%	0.002%
$120,000	20,000	0.025%	0.001%
$120,000	30,000	0.009%	0.001%
$120,000	40,000	0.005%	0.001%
$125,000	100	6.295%	4.577%
$125,000	200	4.277%	2.731%
$125,000	300	3.393%	1.962%
$125,000	400	2.862%	1.522%
$125,000	500	2.495%	1.231%
$125,000	600	2.218%	1.022%
$125,000	700	2.000%	0.864%
$125,000	800	1.821%	0.740%
$125,000	900	1.670%	0.640%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$125,000	1,000	1.542%	0.558%
$125,000	1,500	1.094%	0.306%
$125,000	2,000	0.826%	0.183%
$125,000	3,000	0.523%	0.074%
$125,000	4,000	0.362%	0.034%
$125,000	5,000	0.267%	0.017%
$125,000	10,000	0.095%	0.002%
$125,000	20,000	0.026%	0.001%
$125,000	30,000	0.010%	0.001%
$125,000	40,000	0.005%	0.001%
$130,000	100	6.407%	4.677%
$130,000	200	4.355%	2.795%
$130,000	300	3.456%	2.011%
$130,000	400	2.917%	1.563%
$130,000	500	2.544%	1.266%
$130,000	600	2.264%	1.052%
$130,000	700	2.042%	0.891%
$130,000	800	1.861%	0.764%
$130,000	900	1.708%	0.662%
$130,000	1,000	1.577%	0.579%
$130,000	1,500	1.123%	0.320%
$130,000	2,000	0.850%	0.192%
$130,000	3,000	0.540%	0.079%
$130,000	4,000	0.375%	0.037%
$130,000	5,000	0.277%	0.018%
$130,000	10,000	0.099%	0.002%
$130,000	20,000	0.028%	0.001%
$130,000	30,000	0.011%	0.001%
$130,000	40,000	0.005%	0.001%
$135,000	100	6.519%	4.775%
$135,000	200	4.432%	2.859%
$135,000	300	3.518%	2.060%
$135,000	400	2.971%	1.603%
$135,000	500	2.592%	1.300%
$135,000	600	2.308%	1.083%
$135,000	700	2.084%	0.918%
$135,000	800	1.900%	0.789%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$135,000	900	1.745%	0.685%
$135,000	1,000	1.613%	0.599%
$135,000	1,500	1.152%	0.334%
$135,000	2,000	0.875%	0.202%
$135,000	3,000	0.558%	0.084%
$135,000	4,000	0.389%	0.039%
$135,000	5,000	0.288%	0.020%
$135,000	10,000	0.103%	0.002%
$135,000	20,000	0.029%	0.001%
$135,000	30,000	0.011%	0.001%
$135,000	40,000	0.006%	0.001%
$140,000	100	6.624%	4.868%
$140,000	200	4.504%	2.919%
$140,000	300	3.576%	2.107%
$140,000	400	3.021%	1.641%
$140,000	500	2.638%	1.333%
$140,000	600	2.350%	1.112%
$140,000	700	2.123%	0.944%
$140,000	800	1.937%	0.812%
$140,000	900	1.780%	0.706%
$140,000	1,000	1.646%	0.619%
$140,000	1,500	1.180%	0.347%
$140,000	2,000	0.898%	0.211%
$140,000	3,000	0.575%	0.089%
$140,000	4,000	0.402%	0.042%
$140,000	5,000	0.297%	0.021%
$140,000	10,000	0.107%	0.002%
$140,000	20,000	0.031%	0.001%
$140,000	30,000	0.012%	0.001%
$140,000	40,000	0.006%	0.001%
$145,000	100	6.728%	4.961%
$145,000	200	4.576%	2.979%
$145,000	300	3.635%	2.153%
$145,000	400	3.072%	1.679%
$145,000	500	2.683%	1.366%
$145,000	600	2.392%	1.141%
$145,000	700	2.162%	0.970%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$145,000	800	1.974%	0.836%
$145,000	900	1.815%	0.727%
$145,000	1,000	1.679%	0.638%
$145,000	1,500	1.207%	0.360%
$145,000	2,000	0.921%	0.220%
$145,000	3,000	0.592%	0.094%
$145,000	4,000	0.414%	0.045%
$145,000	5,000	0.308%	0.023%
$145,000	10,000	0.111%	0.002%
$145,000	20,000	0.032%	0.001%
$145,000	30,000	0.013%	0.001%
$145,000	40,000	0.006%	0.001%
$150,000	100	6.832%	5.054%
$150,000	200	4.648%	3.039%
$150,000	300	3.693%	2.199%
$150,000	400	3.122%	1.718%
$150,000	500	2.729%	1.399%
$150,000	600	2.434%	1.170%
$150,000	700	2.201%	0.996%
$150,000	800	2.010%	0.859%
$150,000	900	1.850%	0.749%
$150,000	1,000	1.712%	0.658%
$150,000	1,500	1.234%	0.373%
$150,000	2,000	0.944%	0.230%
$150,000	3,000	0.609%	0.099%
$150,000	4,000	0.428%	0.048%
$150,000	5,000	0.318%	0.025%
$150,000	10,000	0.115%	0.002%
$150,000	20,000	0.034%	0.001%
$150,000	30,000	0.013%	0.001%
$150,000	40,000	0.007%	0.001%
$155,000	100	6.930%	5.142%
$155,000	200	4.715%	3.096%
$155,000	300	3.748%	2.243%
$155,000	400	3.170%	1.754%
$155,000	500	2.771%	1.430%
$155,000	600	2.473%	1.197%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$155,000	700	2.237%	1.021%
$155,000	800	2.045%	0.882%
$155,000	900	1.883%	0.769%
$155,000	1,000	1.744%	0.677%
$155,000	1,500	1.260%	0.386%
$155,000	2,000	0.966%	0.239%
$155,000	3,000	0.626%	0.104%
$155,000	4,000	0.440%	0.050%
$155,000	5,000	0.328%	0.026%
$155,000	10,000	0.119%	0.002%
$155,000	20,000	0.035%	0.001%
$155,000	30,000	0.014%	0.001%
$155,000	40,000	0.007%	0.001%
$160,000	100	7.028%	5.230%
$160,000	200	4.783%	3.153%
$160,000	300	3.802%	2.287%
$160,000	400	3.217%	1.790%
$160,000	500	2.814%	1.462%
$160,000	600	2.512%	1.225%
$160,000	700	2.274%	1.046%
$160,000	800	2.079%	0.904%
$160,000	900	1.915%	0.790%
$160,000	1,000	1.775%	0.696%
$160,000	1,500	1.285%	0.399%
$160,000	2,000	0.988%	0.249%
$160,000	3,000	0.642%	0.110%
$160,000	4,000	0.453%	0.053%
$160,000	5,000	0.337%	0.028%
$160,000	10,000	0.123%	0.003%
$160,000	20,000	0.037%	0.001%
$160,000	30,000	0.015%	0.001%
$160,000	40,000	0.007%	0.001%
$165,000	100	7.126%	5.318%
$165,000	200	4.850%	3.210%
$165,000	300	3.857%	2.331%
$165,000	400	3.264%	1.827%
$165,000	500	2.856%	1.493%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$165,000	600	2.551%	1.253%
$165,000	700	2.310%	1.070%
$165,000	800	2.113%	0.927%
$165,000	900	1.948%	0.811%
$165,000	1,000	1.806%	0.715%
$165,000	1,500	1.311%	0.413%
$165,000	2,000	1.009%	0.258%
$165,000	3,000	0.658%	0.115%
$165,000	4,000	0.465%	0.056%
$165,000	5,000	0.347%	0.030%
$165,000	10,000	0.127%	0.003%
$165,000	20,000	0.038%	0.001%
$165,000	30,000	0.016%	0.001%
$165,000	40,000	0.008%	0.001%
$170,000	100	7.221%	5.403%
$170,000	200	4.916%	3.266%
$170,000	300	3.910%	2.374%
$170,000	400	3.310%	1.863%
$170,000	500	2.897%	1.524%
$170,000	600	2.589%	1.280%
$170,000	700	2.346%	1.095%
$170,000	800	2.147%	0.949%
$170,000	900	1.979%	0.831%
$170,000	1,000	1.836%	0.733%
$170,000	1,500	1.336%	0.426%
$170,000	2,000	1.031%	0.268%
$170,000	3,000	0.675%	0.120%
$170,000	4,000	0.478%	0.060%
$170,000	5,000	0.357%	0.032%
$170,000	10,000	0.132%	0.003%
$170,000	20,000	0.040%	0.001%
$170,000	30,000	0.016%	0.001%
$170,000	40,000	0.008%	0.001%
$175,000	100	7.316%	5.489%
$175,000	200	4.981%	3.322%
$175,000	300	3.962%	2.417%
$175,000	400	3.356%	1.898%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$175,000	500	2.938%	1.555%
$175,000	600	2.626%	1.307%
$175,000	700	2.381%	1.119%
$175,000	800	2.180%	0.971%
$175,000	900	2.011%	0.851%
$175,000	1,000	1.866%	0.752%
$175,000	1,500	1.361%	0.439%
$175,000	2,000	1.052%	0.277%
$175,000	3,000	0.691%	0.126%
$175,000	4,000	0.491%	0.063%
$175,000	5,000	0.368%	0.034%
$175,000	10,000	0.136%	0.003%
$175,000	20,000	0.041%	0.001%
$175,000	30,000	0.017%	0.001%
$175,000	40,000	0.008%	0.001%
$180,000	100	7.411%	5.575%
$180,000	200	5.046%	3.378%
$180,000	300	4.015%	2.460%
$180,000	400	3.401%	1.934%
$180,000	500	2.979%	1.586%
$180,000	600	2.664%	1.335%
$180,000	700	2.416%	1.144%
$180,000	800	2.213%	0.994%
$180,000	900	2.042%	0.872%
$180,000	1,000	1.896%	0.771%
$180,000	1,500	1.386%	0.452%
$180,000	2,000	1.074%	0.287%
$180,000	3,000	0.707%	0.131%
$180,000	4,000	0.503%	0.066%
$180,000	5,000	0.378%	0.036%
$180,000	10,000	0.140%	0.003%
$180,000	20,000	0.043%	0.001%
$180,000	30,000	0.018%	0.001%
$180,000	40,000	0.009%	0.001%
$185,000	100	7.517%	5.672%
$185,000	200	5.119%	3.441%
$185,000	300	4.074%	2.509%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$185,000	400	3.452%	1.975%
$185,000	500	3.025%	1.621%
$185,000	600	2.706%	1.366%
$185,000	700	2.455%	1.172%
$185,000	800	2.250%	1.019%
$185,000	900	2.078%	0.896%
$185,000	1,000	1.930%	0.793%
$185,000	1,500	1.414%	0.467%
$185,000	2,000	1.098%	0.298%
$185,000	3,000	0.726%	0.138%
$185,000	4,000	0.518%	0.070%
$185,000	5,000	0.390%	0.038%
$185,000	10,000	0.145%	0.004%
$185,000	20,000	0.045%	0.001%
$185,000	30,000	0.019%	0.001%
$185,000	40,000	0.009%	0.001%
$190,000	100	7.623%	5.770%
$190,000	200	5.193%	3.505%
$190,000	300	4.134%	2.558%
$190,000	400	3.504%	2.016%
$190,000	500	3.071%	1.657%
$190,000	600	2.749%	1.398%
$190,000	700	2.495%	1.201%
$190,000	800	2.288%	1.045%
$190,000	900	2.113%	0.919%
$190,000	1,000	1.964%	0.815%
$190,000	1,500	1.443%	0.483%
$190,000	2,000	1.123%	0.310%
$190,000	3,000	0.745%	0.144%
$190,000	4,000	0.533%	0.074%
$190,000	5,000	0.402%	0.040%
$190,000	10,000	0.150%	0.004%
$190,000	20,000	0.047%	0.001%
$190,000	30,000	0.020%	0.001%
$190,000	40,000	0.010%	0.001%
$195,000	100	7.730%	5.867%
$195,000	200	5.266%	3.569%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$195,000	300	4.193%	2.608%
$195,000	400	3.555%	2.057%
$195,000	500	3.117%	1.692%
$195,000	600	2.791%	1.429%
$195,000	700	2.534%	1.229%
$195,000	800	2.325%	1.071%
$195,000	900	2.149%	0.943%
$195,000	1,000	1.998%	0.837%
$195,000	1,500	1.471%	0.499%
$195,000	2,000	1.147%	0.322%
$195,000	3,000	0.764%	0.151%
$195,000	4,000	0.548%	0.078%
$195,000	5,000	0.414%	0.043%
$195,000	10,000	0.155%	0.004%
$195,000	20,000	0.049%	0.001%
$195,000	30,000	0.021%	0.001%
$195,000	40,000	0.011%	0.001%
$200,000	100	7.836%	5.965%
$200,000	200	5.339%	3.633%
$200,000	300	4.252%	2.657%
$200,000	400	3.606%	2.098%
$200,000	500	3.163%	1.728%
$200,000	600	2.833%	1.461%
$200,000	700	2.574%	1.258%
$200,000	800	2.362%	1.097%
$200,000	900	2.184%	0.967%
$200,000	1,000	2.032%	0.859%
$200,000	1,500	1.500%	0.515%
$200,000	2,000	1.172%	0.334%
$200,000	3,000	0.783%	0.158%
$200,000	4,000	0.564%	0.083%
$200,000	5,000	0.426%	0.046%
$200,000	10,000	0.161%	0.004%
$200,000	20,000	0.051%	0.001%
$200,000	30,000	0.022%	0.001%
$200,000	40,000	0.011%	0.001%
$205,000	100	7.930%	6.051%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$205,000	200	5.404%	3.689%
$205,000	300	4.304%	2.701%
$205,000	400	3.651%	2.135%
$205,000	500	3.204%	1.759%
$205,000	600	2.870%	1.489%
$205,000	700	2.609%	1.283%
$205,000	800	2.395%	1.120%
$205,000	900	2.215%	0.988%
$205,000	1,000	2.061%	0.879%
$205,000	1,500	1.524%	0.529%
$205,000	2,000	1.194%	0.344%
$205,000	3,000	0.800%	0.165%
$205,000	4,000	0.577%	0.086%
$205,000	5,000	0.437%	0.048%
$205,000	10,000	0.165%	0.005%
$205,000	20,000	0.053%	0.001%
$205,000	30,000	0.023%	0.001%
$205,000	40,000	0.012%	0.001%
$210,000	100	8.018%	6.132%
$210,000	200	5.464%	3.742%
$210,000	300	4.353%	2.742%
$210,000	400	3.693%	2.169%
$210,000	500	3.242%	1.789%
$210,000	600	2.905%	1.515%
$210,000	700	2.641%	1.307%
$210,000	800	2.425%	1.142%
$210,000	900	2.244%	1.008%
$210,000	1,000	2.089%	0.897%
$210,000	1,500	1.548%	0.542%
$210,000	2,000	1.214%	0.354%
$210,000	3,000	0.816%	0.171%
$210,000	4,000	0.590%	0.090%
$210,000	5,000	0.447%	0.051%
$210,000	10,000	0.170%	0.005%
$210,000	20,000	0.055%	0.001%
$210,000	30,000	0.024%	0.001%
$210,000	40,000	0.012%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$215,000	100	8.106%	6.213%
$215,000	200	5.525%	3.795%
$215,000	300	4.402%	2.783%
$215,000	400	3.736%	2.203%
$215,000	500	3.279%	1.819%
$215,000	600	2.940%	1.542%
$215,000	700	2.673%	1.331%
$215,000	800	2.456%	1.164%
$215,000	900	2.273%	1.028%
$215,000	1,000	2.117%	0.916%
$215,000	1,500	1.571%	0.555%
$215,000	2,000	1.234%	0.364%
$215,000	3,000	0.832%	0.177%
$215,000	4,000	0.603%	0.094%
$215,000	5,000	0.458%	0.053%
$215,000	10,000	0.174%	0.005%
$215,000	20,000	0.056%	0.001%
$215,000	30,000	0.025%	0.001%
$215,000	40,000	0.013%	0.001%
$220,000	100	8.194%	6.294%
$220,000	200	5.585%	3.848%
$220,000	300	4.451%	2.824%
$220,000	400	3.778%	2.237%
$220,000	500	3.317%	1.848%
$220,000	600	2.975%	1.568%
$220,000	700	2.706%	1.354%
$220,000	800	2.486%	1.186%
$220,000	900	2.302%	1.048%
$220,000	1,000	2.145%	0.934%
$220,000	1,500	1.594%	0.569%
$220,000	2,000	1.254%	0.374%
$220,000	3,000	0.848%	0.183%
$220,000	4,000	0.615%	0.098%
$220,000	5,000	0.468%	0.056%
$220,000	10,000	0.179%	0.006%
$220,000	20,000	0.058%	0.001%
$220,000	30,000	0.026%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$220,000	40,000	0.013%	0.001%
$225,000	100	8.281%	6.375%
$225,000	200	5.646%	3.901%
$225,000	300	4.499%	2.866%
$225,000	400	3.820%	2.272%
$225,000	500	3.355%	1.878%
$225,000	600	3.009%	1.594%
$225,000	700	2.738%	1.378%
$225,000	800	2.516%	1.207%
$225,000	900	2.331%	1.068%
$225,000	1,000	2.172%	0.953%
$225,000	1,500	1.617%	0.582%
$225,000	2,000	1.275%	0.384%
$225,000	3,000	0.864%	0.189%
$225,000	4,000	0.628%	0.102%
$225,000	5,000	0.479%	0.058%
$225,000	10,000	0.184%	0.006%
$225,000	20,000	0.060%	0.001%
$225,000	30,000	0.027%	0.001%
$225,000	40,000	0.014%	0.001%
$230,000	100	8.369%	6.456%
$230,000	200	5.706%	3.955%
$230,000	300	4.548%	2.907%
$230,000	400	3.862%	2.306%
$230,000	500	3.393%	1.908%
$230,000	600	3.044%	1.621%
$230,000	700	2.770%	1.402%
$230,000	800	2.547%	1.229%
$230,000	900	2.360%	1.088%
$230,000	1,000	2.200%	0.972%
$230,000	1,500	1.641%	0.596%
$230,000	2,000	1.295%	0.395%
$230,000	3,000	0.880%	0.195%
$230,000	4,000	0.641%	0.106%
$230,000	5,000	0.489%	0.061%
$230,000	10,000	0.188%	0.007%
$230,000	20,000	0.062%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$230,000	30,000	0.028%	0.001%
$230,000	40,000	0.014%	0.001%
$235,000	100	8.450%	6.530%
$235,000	200	5.762%	4.003%
$235,000	300	4.593%	2.945%
$235,000	400	3.900%	2.337%
$235,000	500	3.427%	1.935%
$235,000	600	3.075%	1.645%
$235,000	700	2.799%	1.424%
$235,000	800	2.575%	1.249%
$235,000	900	2.386%	1.107%
$235,000	1,000	2.225%	0.989%
$235,000	1,500	1.662%	0.608%
$235,000	2,000	1.313%	0.404%
$235,000	3,000	0.895%	0.201%
$235,000	4,000	0.653%	0.110%
$235,000	5,000	0.499%	0.063%
$235,000	10,000	0.193%	0.007%
$235,000	20,000	0.064%	0.001%
$235,000	30,000	0.029%	0.001%
$235,000	40,000	0.015%	0.001%
$240,000	100	8.514%	6.589%
$240,000	200	5.806%	4.042%
$240,000	300	4.628%	2.975%
$240,000	400	3.931%	2.362%
$240,000	500	3.454%	1.957%
$240,000	600	3.100%	1.664%
$240,000	700	2.823%	1.441%
$240,000	800	2.597%	1.265%
$240,000	900	2.407%	1.122%
$240,000	1,000	2.245%	1.002%
$240,000	1,500	1.678%	0.618%
$240,000	2,000	1.328%	0.412%
$240,000	3,000	0.906%	0.206%
$240,000	4,000	0.663%	0.113%
$240,000	5,000	0.507%	0.065%
$240,000	10,000	0.196%	0.007%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$240,000	20,000	0.065%	0.001%
$240,000	30,000	0.030%	0.001%
$240,000	40,000	0.015%	0.001%
$245,000	100	8.578%	6.648%
$245,000	200	5.850%	4.081%
$245,000	300	4.664%	3.005%
$245,000	400	3.961%	2.387%
$245,000	500	3.482%	1.978%
$245,000	600	3.125%	1.683%
$245,000	700	2.846%	1.459%
$245,000	800	2.618%	1.281%
$245,000	900	2.428%	1.136%
$245,000	1,000	2.265%	1.016%
$245,000	1,500	1.695%	0.628%
$245,000	2,000	1.343%	0.419%
$245,000	3,000	0.918%	0.211%
$245,000	4,000	0.672%	0.116%
$245,000	5,000	0.514%	0.067%
$245,000	10,000	0.200%	0.007%
$245,000	20,000	0.066%	0.001%
$245,000	30,000	0.030%	0.001%
$245,000	40,000	0.016%	0.001%
$250,000	100	8.641%	6.707%
$250,000	200	5.894%	4.120%
$250,000	300	4.699%	3.035%
$250,000	400	3.992%	2.413%
$250,000	500	3.509%	2.000%
$250,000	600	3.150%	1.703%
$250,000	700	2.869%	1.476%
$250,000	800	2.640%	1.297%
$250,000	900	2.449%	1.151%
$250,000	1,000	2.285%	1.030%
$250,000	1,500	1.712%	0.638%
$250,000	2,000	1.357%	0.427%
$250,000	3,000	0.930%	0.215%
$250,000	4,000	0.682%	0.119%
$250,000	5,000	0.522%	0.069%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$250,000	10,000	0.203%	0.008%
$250,000	20,000	0.068%	0.001%
$250,000	30,000	0.031%	0.001%
$250,000	40,000	0.016%	0.001%
$255,000	100	8.705%	6.767%
$255,000	200	5.938%	4.159%
$255,000	300	4.735%	3.065%
$255,000	400	4.023%	2.438%
$255,000	500	3.536%	2.022%
$255,000	600	3.176%	1.722%
$255,000	700	2.893%	1.494%
$255,000	800	2.662%	1.313%
$255,000	900	2.470%	1.166%
$255,000	1,000	2.305%	1.043%
$255,000	1,500	1.729%	0.648%
$255,000	2,000	1.372%	0.435%
$255,000	3,000	0.941%	0.220%
$255,000	4,000	0.691%	0.122%
$255,000	5,000	0.530%	0.071%
$255,000	10,000	0.207%	0.008%
$255,000	20,000	0.069%	0.001%
$255,000	30,000	0.032%	0.001%
$255,000	40,000	0.017%	0.001%
$260,000	100	8.770%	6.826%
$260,000	200	5.982%	4.197%
$260,000	300	4.770%	3.095%
$260,000	400	4.053%	2.463%
$260,000	500	3.564%	2.044%
$260,000	600	3.201%	1.741%
$260,000	700	2.916%	1.511%
$260,000	800	2.684%	1.329%
$260,000	900	2.490%	1.180%
$260,000	1,000	2.324%	1.057%
$260,000	1,500	1.745%	0.658%
$260,000	2,000	1.386%	0.442%
$260,000	3,000	0.953%	0.225%
$260,000	4,000	0.701%	0.125%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$260,000	5,000	0.538%	0.074%
$260,000	10,000	0.210%	0.008%
$260,000	20,000	0.071%	0.001%
$260,000	30,000	0.033%	0.001%
$260,000	40,000	0.017%	0.001%
$265,000	100	8.834%	6.885%
$265,000	200	6.026%	4.236%
$265,000	300	4.806%	3.125%
$265,000	400	4.084%	2.488%
$265,000	500	3.591%	2.065%
$265,000	600	3.226%	1.761%
$265,000	700	2.939%	1.529%
$265,000	800	2.706%	1.345%
$265,000	900	2.511%	1.195%
$265,000	1,000	2.344%	1.071%
$265,000	1,500	1.762%	0.668%
$265,000	2,000	1.401%	0.450%
$265,000	3,000	0.965%	0.230%
$265,000	4,000	0.710%	0.128%
$265,000	5,000	0.546%	0.076%
$265,000	10,000	0.214%	0.009%
$265,000	20,000	0.072%	0.001%
$265,000	30,000	0.033%	0.001%
$265,000	40,000	0.018%	0.001%
$270,000	100	8.898%	6.944%
$270,000	200	6.070%	4.275%
$270,000	300	4.841%	3.155%
$270,000	400	4.114%	2.513%
$270,000	500	3.618%	2.087%
$270,000	600	3.251%	1.780%
$270,000	700	2.963%	1.546%
$270,000	800	2.728%	1.361%
$270,000	900	2.532%	1.210%
$270,000	1,000	2.364%	1.084%
$270,000	1,500	1.779%	0.678%
$270,000	2,000	1.416%	0.458%
$270,000	3,000	0.976%	0.235%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$270,000	4,000	0.720%	0.132%
$270,000	5,000	0.554%	0.078%
$270,000	10,000	0.218%	0.009%
$270,000	20,000	0.074%	0.001%
$270,000	30,000	0.034%	0.001%
$270,000	40,000	0.018%	0.001%
$275,000	100	8.954%	6.996%
$275,000	200	6.109%	4.310%
$275,000	300	4.873%	3.182%
$275,000	400	4.141%	2.535%
$275,000	500	3.642%	2.106%
$275,000	600	3.273%	1.797%
$275,000	700	2.983%	1.561%
$275,000	800	2.747%	1.375%
$275,000	900	2.550%	1.223%
$275,000	1,000	2.382%	1.096%
$275,000	1,500	1.793%	0.687%
$275,000	2,000	1.428%	0.465%
$275,000	3,000	0.987%	0.239%
$275,000	4,000	0.728%	0.135%
$275,000	5,000	0.561%	0.080%
$275,000	10,000	0.221%	0.009%
$275,000	20,000	0.075%	0.001%
$275,000	30,000	0.035%	0.001%
$275,000	40,000	0.019%	0.001%
$280,000	100	9.008%	7.047%
$280,000	200	6.146%	4.343%
$280,000	300	4.903%	3.208%
$280,000	400	4.167%	2.557%
$280,000	500	3.666%	2.125%
$280,000	600	3.294%	1.814%
$280,000	700	3.003%	1.577%
$280,000	800	2.766%	1.389%
$280,000	900	2.568%	1.236%
$280,000	1,000	2.398%	1.108%
$280,000	1,500	1.807%	0.696%
$280,000	2,000	1.441%	0.472%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$280,000	3,000	0.997%	0.244%
$280,000	4,000	0.737%	0.137%
$280,000	5,000	0.568%	0.082%
$280,000	10,000	0.224%	0.010%
$280,000	20,000	0.076%	0.001%
$280,000	30,000	0.036%	0.001%
$280,000	40,000	0.019%	0.001%
$285,000	100	9.063%	7.098%
$285,000	200	6.184%	4.376%
$285,000	300	4.933%	3.234%
$285,000	400	4.193%	2.578%
$285,000	500	3.689%	2.144%
$285,000	600	3.315%	1.830%
$285,000	700	3.023%	1.592%
$285,000	800	2.785%	1.402%
$285,000	900	2.585%	1.248%
$285,000	1,000	2.415%	1.120%
$285,000	1,500	1.822%	0.704%
$285,000	2,000	1.453%	0.478%
$285,000	3,000	1.007%	0.248%
$285,000	4,000	0.745%	0.140%
$285,000	5,000	0.575%	0.084%
$285,000	10,000	0.227%	0.010%
$285,000	20,000	0.077%	0.001%
$285,000	30,000	0.036%	0.001%
$285,000	40,000	0.019%	0.001%
$290,000	100	9.117%	7.148%
$290,000	200	6.221%	4.410%
$290,000	300	4.963%	3.260%
$290,000	400	4.219%	2.600%
$290,000	500	3.712%	2.163%
$290,000	600	3.336%	1.847%
$290,000	700	3.042%	1.607%
$290,000	800	2.803%	1.416%
$290,000	900	2.603%	1.261%
$290,000	1,000	2.432%	1.132%
$290,000	1,500	1.836%	0.713%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$290,000	2,000	1.466%	0.485%
$290,000	3,000	1.017%	0.252%
$290,000	4,000	0.753%	0.143%
$290,000	5,000	0.582%	0.086%
$290,000	10,000	0.231%	0.011%
$290,000	20,000	0.079%	0.001%
$290,000	30,000	0.037%	0.001%
$290,000	40,000	0.020%	0.001%
$295,000	100	9.172%	7.199%
$295,000	200	6.259%	4.443%
$295,000	300	4.993%	3.286%
$295,000	400	4.245%	2.622%
$295,000	500	3.735%	2.181%
$295,000	600	3.358%	1.864%
$295,000	700	3.062%	1.622%
$295,000	800	2.822%	1.430%
$295,000	900	2.621%	1.274%
$295,000	1,000	2.449%	1.144%
$295,000	1,500	1.850%	0.722%
$295,000	2,000	1.478%	0.492%
$295,000	3,000	1.027%	0.257%
$295,000	4,000	0.761%	0.146%
$295,000	5,000	0.589%	0.088%
$295,000	10,000	0.234%	0.011%
$295,000	20,000	0.080%	0.001%
$295,000	30,000	0.038%	0.001%
$295,000	40,000	0.020%	0.001%
$300,000	100	9.226%	7.250%
$300,000	200	6.297%	4.477%
$300,000	300	5.024%	3.312%
$300,000	400	4.271%	2.643%
$300,000	500	3.759%	2.200%
$300,000	600	3.379%	1.880%
$300,000	700	3.082%	1.637%
$300,000	800	2.840%	1.444%
$300,000	900	2.638%	1.287%
$300,000	1,000	2.466%	1.156%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$300,000	1,500	1.864%	0.731%
$300,000	2,000	1.491%	0.499%
$300,000	3,000	1.037%	0.261%
$300,000	4,000	0.770%	0.149%
$300,000	5,000	0.596%	0.090%
$300,000	10,000	0.237%	0.011%
$300,000	20,000	0.081%	0.001%
$300,000	30,000	0.039%	0.001%
$300,000	40,000	0.021%	0.001%
$305,000	100	9.281%	7.300%
$305,000	200	6.334%	4.510%
$305,000	300	5.054%	3.338%
$305,000	400	4.297%	2.665%
$305,000	500	3.782%	2.219%
$305,000	600	3.400%	1.897%
$305,000	700	3.102%	1.652%
$305,000	800	2.859%	1.458%
$305,000	900	2.656%	1.299%
$305,000	1,000	2.483%	1.168%
$305,000	1,500	1.878%	0.739%
$305,000	2,000	1.503%	0.506%
$305,000	3,000	1.047%	0.266%
$305,000	4,000	0.778%	0.152%
$305,000	5,000	0.603%	0.092%
$305,000	10,000	0.240%	0.012%
$305,000	20,000	0.083%	0.001%
$305,000	30,000	0.039%	0.001%
$305,000	40,000	0.021%	0.001%
$310,000	100	9.335%	7.350%
$310,000	200	6.371%	4.543%
$310,000	300	5.084%	3.363%
$310,000	400	4.323%	2.686%
$310,000	500	3.805%	2.237%
$310,000	600	3.421%	1.914%
$310,000	700	3.121%	1.667%
$310,000	800	2.877%	1.471%
$310,000	900	2.673%	1.312%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$310,000	1,000	2.499%	1.179%
$310,000	1,500	1.892%	0.748%
$310,000	2,000	1.515%	0.512%
$310,000	3,000	1.057%	0.270%
$310,000	4,000	0.786%	0.155%
$310,000	5,000	0.609%	0.094%
$310,000	10,000	0.244%	0.012%
$310,000	20,000	0.084%	0.001%
$310,000	30,000	0.040%	0.001%
$310,000	40,000	0.022%	0.001%
$315,000	100	9.384%	7.396%
$315,000	200	6.405%	4.573%
$315,000	300	5.111%	3.387%
$315,000	400	4.346%	2.706%
$315,000	500	3.826%	2.254%
$315,000	600	3.440%	1.929%
$315,000	700	3.139%	1.681%
$315,000	800	2.894%	1.484%
$315,000	900	2.689%	1.324%
$315,000	1,000	2.514%	1.190%
$315,000	1,500	1.905%	0.756%
$315,000	2,000	1.527%	0.519%
$315,000	3,000	1.066%	0.274%
$315,000	4,000	0.794%	0.158%
$315,000	5,000	0.616%	0.096%
$315,000	10,000	0.247%	0.012%
$315,000	20,000	0.085%	0.001%
$315,000	30,000	0.041%	0.001%
$315,000	40,000	0.022%	0.001%
$320,000	100	9.434%	7.443%
$320,000	200	6.439%	4.604%
$320,000	300	5.138%	3.411%
$320,000	400	4.370%	2.726%
$320,000	500	3.847%	2.272%
$320,000	600	3.459%	1.944%
$320,000	700	3.157%	1.694%
$320,000	800	2.911%	1.497%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$320,000	900	2.705%	1.335%
$320,000	1,000	2.530%	1.201%
$320,000	1,500	1.918%	0.764%
$320,000	2,000	1.538%	0.525%
$320,000	3,000	1.076%	0.278%
$320,000	4,000	0.802%	0.161%
$320,000	5,000	0.622%	0.098%
$320,000	10,000	0.250%	0.013%
$320,000	20,000	0.086%	0.001%
$320,000	30,000	0.041%	0.001%
$320,000	40,000	0.022%	0.001%
$325,000	100	9.483%	7.489%
$325,000	200	6.473%	4.635%
$325,000	300	5.166%	3.434%
$325,000	400	4.394%	2.746%
$325,000	500	3.868%	2.289%
$325,000	600	3.479%	1.959%
$325,000	700	3.175%	1.708%
$325,000	800	2.928%	1.509%
$325,000	900	2.721%	1.347%
$325,000	1,000	2.545%	1.212%
$325,000	1,500	1.931%	0.772%
$325,000	2,000	1.549%	0.531%
$325,000	3,000	1.085%	0.282%
$325,000	4,000	0.809%	0.163%
$325,000	5,000	0.629%	0.100%
$325,000	10,000	0.253%	0.013%
$325,000	20,000	0.088%	0.001%
$325,000	30,000	0.042%	0.001%
$325,000	40,000	0.023%	0.001%
$330,000	100	9.532%	7.535%
$330,000	200	6.507%	4.665%
$330,000	300	5.193%	3.458%
$330,000	400	4.417%	2.765%
$330,000	500	3.889%	2.306%
$330,000	600	3.498%	1.975%
$330,000	700	3.193%	1.722%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$330,000	800	2.944%	1.522%
$330,000	900	2.737%	1.359%
$330,000	1,000	2.560%	1.223%
$330,000	1,500	1.943%	0.781%
$330,000	2,000	1.561%	0.538%
$330,000	3,000	1.094%	0.287%
$330,000	4,000	0.817%	0.166%
$330,000	5,000	0.635%	0.102%
$330,000	10,000	0.256%	0.013%
$330,000	20,000	0.089%	0.001%
$330,000	30,000	0.043%	0.001%
$330,000	40,000	0.023%	0.001%
$335,000	100	9.582%	7.581%
$335,000	200	6.541%	4.696%
$335,000	300	5.221%	3.482%
$335,000	400	4.441%	2.785%
$335,000	500	3.910%	2.323%
$335,000	600	3.517%	1.990%
$335,000	700	3.210%	1.736%
$335,000	800	2.961%	1.535%
$335,000	900	2.753%	1.371%
$335,000	1,000	2.575%	1.234%
$335,000	1,500	1.956%	0.789%
$335,000	2,000	1.572%	0.544%
$335,000	3,000	1.103%	0.291%
$335,000	4,000	0.825%	0.169%
$335,000	5,000	0.642%	0.104%
$335,000	10,000	0.259%	0.014%
$335,000	20,000	0.090%	0.001%
$335,000	30,000	0.043%	0.001%
$335,000	40,000	0.024%	0.001%
$340,000	100	9.631%	7.628%
$340,000	200	6.575%	4.726%
$340,000	300	5.248%	3.506%
$340,000	400	4.464%	2.805%
$340,000	500	3.931%	2.340%
$340,000	600	3.536%	2.005%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$340,000	700	3.228%	1.750%
$340,000	800	2.978%	1.547%
$340,000	900	2.769%	1.382%
$340,000	1,000	2.590%	1.245%
$340,000	1,500	1.969%	0.797%
$340,000	2,000	1.583%	0.551%
$340,000	3,000	1.112%	0.295%
$340,000	4,000	0.832%	0.172%
$340,000	5,000	0.648%	0.106%
$340,000	10,000	0.262%	0.014%
$340,000	20,000	0.091%	0.001%
$340,000	30,000	0.044%	0.001%
$340,000	40,000	0.024%	0.001%
$345,000	100	9.681%	7.674%
$345,000	200	6.610%	4.757%
$345,000	300	5.276%	3.530%
$345,000	400	4.488%	2.825%
$345,000	500	3.952%	2.358%
$345,000	600	3.556%	2.021%
$345,000	700	3.246%	1.764%
$345,000	800	2.995%	1.560%
$345,000	900	2.785%	1.394%
$345,000	1,000	2.606%	1.256%
$345,000	1,500	1.982%	0.805%
$345,000	2,000	1.594%	0.557%
$345,000	3,000	1.122%	0.299%
$345,000	4,000	0.840%	0.175%
$345,000	5,000	0.655%	0.108%
$345,000	10,000	0.265%	0.015%
$345,000	20,000	0.093%	0.002%
$345,000	30,000	0.045%	0.001%
$345,000	40,000	0.025%	0.001%
$350,000	100	9.733%	7.723%
$350,000	200	6.645%	4.789%
$350,000	300	5.304%	3.555%
$350,000	400	4.513%	2.846%
$350,000	500	3.974%	2.376%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$350,000	600	3.576%	2.037%
$350,000	700	3.265%	1.778%
$350,000	800	3.012%	1.574%
$350,000	900	2.802%	1.407%
$350,000	1,000	2.622%	1.267%
$350,000	1,500	1.995%	0.814%
$350,000	2,000	1.606%	0.564%
$350,000	3,000	1.131%	0.304%
$350,000	4,000	0.848%	0.178%
$350,000	5,000	0.662%	0.110%
$350,000	10,000	0.269%	0.015%
$350,000	20,000	0.094%	0.002%
$350,000	30,000	0.046%	0.001%
$350,000	40,000	0.025%	0.001%
$355,000	100	9.786%	7.773%
$355,000	200	6.682%	4.823%
$355,000	300	5.334%	3.581%
$355,000	400	4.538%	2.868%
$355,000	500	3.997%	2.395%
$355,000	600	3.597%	2.054%
$355,000	700	3.284%	1.794%
$355,000	800	3.031%	1.588%
$355,000	900	2.819%	1.420%
$355,000	1,000	2.638%	1.280%
$355,000	1,500	2.009%	0.823%
$355,000	2,000	1.619%	0.571%
$355,000	3,000	1.142%	0.309%
$355,000	4,000	0.857%	0.181%
$355,000	5,000	0.669%	0.112%
$355,000	10,000	0.272%	0.016%
$355,000	20,000	0.095%	0.002%
$355,000	30,000	0.046%	0.001%
$355,000	40,000	0.026%	0.001%
$360,000	100	9.840%	7.824%
$360,000	200	6.719%	4.856%
$360,000	300	5.364%	3.607%
$360,000	400	4.564%	2.890%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$360,000	500	4.020%	2.414%
$360,000	600	3.618%	2.071%
$360,000	700	3.304%	1.809%
$360,000	800	3.049%	1.602%
$360,000	900	2.836%	1.433%
$360,000	1,000	2.655%	1.292%
$360,000	1,500	2.023%	0.832%
$360,000	2,000	1.631%	0.578%
$360,000	3,000	1.152%	0.313%
$360,000	4,000	0.865%	0.185%
$360,000	5,000	0.676%	0.115%
$360,000	10,000	0.276%	0.016%
$360,000	20,000	0.097%	0.002%
$360,000	30,000	0.047%	0.001%
$360,000	40,000	0.026%	0.001%
$365,000	100	9.893%	7.874%
$365,000	200	6.756%	4.890%
$365,000	300	5.394%	3.633%
$365,000	400	4.589%	2.911%
$365,000	500	4.042%	2.433%
$365,000	600	3.638%	2.088%
$365,000	700	3.323%	1.824%
$365,000	800	3.067%	1.616%
$365,000	900	2.853%	1.446%
$365,000	1,000	2.671%	1.304%
$365,000	1,500	2.037%	0.841%
$365,000	2,000	1.643%	0.586%
$365,000	3,000	1.162%	0.318%
$365,000	4,000	0.874%	0.188%
$365,000	5,000	0.684%	0.117%
$365,000	10,000	0.279%	0.017%
$365,000	20,000	0.098%	0.002%
$365,000	30,000	0.048%	0.001%
$365,000	40,000	0.027%	0.001%
$370,000	100	9.947%	7.925%
$370,000	200	6.793%	4.924%
$370,000	300	5.423%	3.659%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$370,000	400	4.615%	2.933%
$370,000	500	4.065%	2.452%
$370,000	600	3.659%	2.105%
$370,000	700	3.342%	1.840%
$370,000	800	3.085%	1.630%
$370,000	900	2.871%	1.459%
$370,000	1,000	2.688%	1.316%
$370,000	1,500	2.051%	0.850%
$370,000	2,000	1.656%	0.593%
$370,000	3,000	1.172%	0.323%
$370,000	4,000	0.883%	0.192%
$370,000	5,000	0.691%	0.119%
$370,000	10,000	0.283%	0.017%
$370,000	20,000	0.100%	0.002%
$370,000	30,000	0.049%	0.001%
$370,000	40,000	0.027%	0.001%
$375,000	100	10.001%	7.976%
$375,000	200	6.830%	4.957%
$375,000	300	5.453%	3.686%
$375,000	400	4.641%	2.955%
$375,000	500	4.088%	2.471%
$375,000	600	3.680%	2.122%
$375,000	700	3.362%	1.855%
$375,000	800	3.103%	1.644%
$375,000	900	2.888%	1.472%
$375,000	1,000	2.704%	1.328%
$375,000	1,500	2.065%	0.860%
$375,000	2,000	1.668%	0.600%
$375,000	3,000	1.182%	0.328%
$375,000	4,000	0.891%	0.195%
$375,000	5,000	0.698%	0.122%
$375,000	10,000	0.287%	0.018%
$375,000	20,000	0.101%	0.002%
$375,000	30,000	0.050%	0.001%
$375,000	40,000	0.028%	0.001%
$380,000	100	10.055%	8.026%
$380,000	200	6.867%	4.991%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$380,000	300	5.483%	3.712%
$380,000	400	4.666%	2.977%
$380,000	500	4.111%	2.490%
$380,000	600	3.701%	2.139%
$380,000	700	3.381%	1.871%
$380,000	800	3.122%	1.658%
$380,000	900	2.905%	1.485%
$380,000	1,000	2.721%	1.341%
$380,000	1,500	2.079%	0.869%
$380,000	2,000	1.680%	0.608%
$380,000	3,000	1.192%	0.333%
$380,000	4,000	0.900%	0.198%
$380,000	5,000	0.705%	0.124%
$380,000	10,000	0.290%	0.018%
$380,000	20,000	0.103%	0.002%
$380,000	30,000	0.051%	0.001%
$380,000	40,000	0.028%	0.001%
$385,000	100	10.108%	8.077%
$385,000	200	6.904%	5.025%
$385,000	300	5.513%	3.738%
$385,000	400	4.692%	2.999%
$385,000	500	4.134%	2.509%
$385,000	600	3.722%	2.156%
$385,000	700	3.400%	1.886%
$385,000	800	3.140%	1.672%
$385,000	900	2.922%	1.498%
$385,000	1,000	2.737%	1.353%
$385,000	1,500	2.093%	0.878%
$385,000	2,000	1.693%	0.615%
$385,000	3,000	1.203%	0.338%
$385,000	4,000	0.908%	0.202%
$385,000	5,000	0.713%	0.127%
$385,000	10,000	0.294%	0.019%
$385,000	20,000	0.104%	0.002%
$385,000	30,000	0.052%	0.001%
$385,000	40,000	0.029%	0.001%
$390,000	100	10.162%	8.128%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$390,000	200	6.941%	5.058%
$390,000	300	5.542%	3.764%
$390,000	400	4.717%	3.021%
$390,000	500	4.157%	2.528%
$390,000	600	3.743%	2.173%
$390,000	700	3.420%	1.901%
$390,000	800	3.158%	1.687%
$390,000	900	2.940%	1.511%
$390,000	1,000	2.753%	1.365%
$390,000	1,500	2.106%	0.887%
$390,000	2,000	1.705%	0.622%
$390,000	3,000	1.213%	0.343%
$390,000	4,000	0.917%	0.205%
$390,000	5,000	0.720%	0.129%
$390,000	10,000	0.298%	0.019%
$390,000	20,000	0.106%	0.002%
$390,000	30,000	0.052%	0.001%
$390,000	40,000	0.029%	0.001%
$395,000	100	10.211%	8.174%
$395,000	200	6.975%	5.089%
$395,000	300	5.569%	3.788%
$395,000	400	4.741%	3.041%
$395,000	500	4.177%	2.546%
$395,000	600	3.762%	2.188%
$395,000	700	3.437%	1.916%
$395,000	800	3.175%	1.699%
$395,000	900	2.955%	1.523%
$395,000	1,000	2.768%	1.376%
$395,000	1,500	2.119%	0.896%
$395,000	2,000	1.716%	0.629%
$395,000	3,000	1.222%	0.347%
$395,000	4,000	0.925%	0.209%
$395,000	5,000	0.727%	0.132%
$395,000	10,000	0.301%	0.020%
$395,000	20,000	0.107%	0.002%
$395,000	30,000	0.053%	0.001%
$395,000	40,000	0.030%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$400,000	100	10.254%	8.215%
$400,000	200	7.005%	5.116%
$400,000	300	5.593%	3.810%
$400,000	400	4.761%	3.059%
$400,000	500	4.196%	2.561%
$400,000	600	3.778%	2.202%
$400,000	700	3.453%	1.928%
$400,000	800	3.189%	1.711%
$400,000	900	2.969%	1.534%
$400,000	1,000	2.782%	1.386%
$400,000	1,500	2.130%	0.903%
$400,000	2,000	1.726%	0.635%
$400,000	3,000	1.230%	0.351%
$400,000	4,000	0.932%	0.211%
$400,000	5,000	0.733%	0.134%
$400,000	10,000	0.304%	0.020%
$400,000	20,000	0.108%	0.002%
$400,000	30,000	0.054%	0.001%
$400,000	40,000	0.030%	0.001%
$405,000	100	10.297%	8.255%
$405,000	200	7.034%	5.143%
$405,000	300	5.617%	3.831%
$405,000	400	4.782%	3.077%
$405,000	500	4.214%	2.576%
$405,000	600	3.795%	2.216%
$405,000	700	3.468%	1.940%
$405,000	800	3.204%	1.722%
$405,000	900	2.983%	1.544%
$405,000	1,000	2.795%	1.396%
$405,000	1,500	2.141%	0.911%
$405,000	2,000	1.736%	0.641%
$405,000	3,000	1.238%	0.355%
$405,000	4,000	0.939%	0.214%
$405,000	5,000	0.739%	0.136%
$405,000	10,000	0.307%	0.021%
$405,000	20,000	0.110%	0.002%
$405,000	30,000	0.055%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$405,000	40,000	0.031%	0.001%
$410,000	100	10.340%	8.296%
$410,000	200	7.064%	5.170%
$410,000	300	5.641%	3.852%
$410,000	400	4.802%	3.094%
$410,000	500	4.232%	2.592%
$410,000	600	3.812%	2.229%
$410,000	700	3.484%	1.953%
$410,000	800	3.218%	1.734%
$410,000	900	2.997%	1.555%
$410,000	1,000	2.808%	1.406%
$410,000	1,500	2.152%	0.918%
$410,000	2,000	1.746%	0.647%
$410,000	3,000	1.247%	0.360%
$410,000	4,000	0.946%	0.217%
$410,000	5,000	0.745%	0.138%
$410,000	10,000	0.310%	0.021%
$410,000	20,000	0.111%	0.002%
$410,000	30,000	0.055%	0.001%
$410,000	40,000	0.031%	0.001%
$415,000	100	10.383%	8.337%
$415,000	200	7.094%	5.198%
$415,000	300	5.665%	3.873%
$415,000	400	4.823%	3.112%
$415,000	500	4.251%	2.607%
$415,000	600	3.828%	2.243%
$415,000	700	3.499%	1.965%
$415,000	800	3.233%	1.745%
$415,000	900	3.011%	1.566%
$415,000	1,000	2.821%	1.416%
$415,000	1,500	2.163%	0.926%
$415,000	2,000	1.756%	0.653%
$415,000	3,000	1.255%	0.364%
$415,000	4,000	0.953%	0.220%
$415,000	5,000	0.751%	0.140%
$415,000	10,000	0.313%	0.022%
$415,000	20,000	0.112%	0.002%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$415,000	30,000	0.056%	0.001%
$415,000	40,000	0.032%	0.001%
$420,000	100	10.426%	8.378%
$420,000	200	7.124%	5.225%
$420,000	300	5.689%	3.894%
$420,000	400	4.843%	3.130%
$420,000	500	4.269%	2.623%
$420,000	600	3.845%	2.257%
$420,000	700	3.515%	1.978%
$420,000	800	3.247%	1.757%
$420,000	900	3.024%	1.576%
$420,000	1,000	2.834%	1.426%
$420,000	1,500	2.175%	0.933%
$420,000	2,000	1.765%	0.659%
$420,000	3,000	1.263%	0.368%
$420,000	4,000	0.960%	0.223%
$420,000	5,000	0.757%	0.142%
$420,000	10,000	0.316%	0.022%
$420,000	20,000	0.113%	0.002%
$420,000	30,000	0.057%	0.001%
$420,000	40,000	0.032%	0.001%
$425,000	100	10.470%	8.419%
$425,000	200	7.154%	5.252%
$425,000	300	5.713%	3.916%
$425,000	400	4.864%	3.148%
$425,000	500	4.287%	2.638%
$425,000	600	3.862%	2.271%
$425,000	700	3.530%	1.990%
$425,000	800	3.262%	1.768%
$425,000	900	3.038%	1.587%
$425,000	1,000	2.848%	1.436%
$425,000	1,500	2.186%	0.941%
$425,000	2,000	1.775%	0.665%
$425,000	3,000	1.271%	0.372%
$425,000	4,000	0.967%	0.226%
$425,000	5,000	0.763%	0.144%
$425,000	10,000	0.319%	0.023%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$425,000	20,000	0.115%	0.002%
$425,000	30,000	0.058%	0.001%
$425,000	40,000	0.033%	0.001%
$430,000	100	10.513%	8.460%
$430,000	200	7.183%	5.279%
$430,000	300	5.737%	3.937%
$430,000	400	4.885%	3.165%
$430,000	500	4.306%	2.654%
$430,000	600	3.879%	2.284%
$430,000	700	3.546%	2.003%
$430,000	800	3.277%	1.780%
$430,000	900	3.052%	1.598%
$430,000	1,000	2.861%	1.446%
$430,000	1,500	2.197%	0.948%
$430,000	2,000	1.785%	0.671%
$430,000	3,000	1.279%	0.376%
$430,000	4,000	0.974%	0.229%
$430,000	5,000	0.769%	0.146%
$430,000	10,000	0.323%	0.023%
$430,000	20,000	0.116%	0.002%
$430,000	30,000	0.058%	0.001%
$430,000	40,000	0.033%	0.001%
$435,000	100	10.556%	8.501%
$435,000	200	7.213%	5.307%
$435,000	300	5.761%	3.958%
$435,000	400	4.905%	3.183%
$435,000	500	4.324%	2.669%
$435,000	600	3.895%	2.298%
$435,000	700	3.562%	2.015%
$435,000	800	3.291%	1.791%
$435,000	900	3.066%	1.608%
$435,000	1,000	2.874%	1.456%
$435,000	1,500	2.208%	0.956%
$435,000	2,000	1.795%	0.677%
$435,000	3,000	1.287%	0.380%
$435,000	4,000	0.980%	0.232%
$435,000	5,000	0.775%	0.148%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$435,000	10,000	0.326%	0.024%
$435,000	20,000	0.117%	0.002%
$435,000	30,000	0.059%	0.001%
$435,000	40,000	0.034%	0.001%
$440,000	100	10.599%	8.542%
$440,000	200	7.243%	5.334%
$440,000	300	5.785%	3.980%
$440,000	400	4.926%	3.201%
$440,000	500	4.342%	2.685%
$440,000	600	3.912%	2.312%
$440,000	700	3.577%	2.028%
$440,000	800	3.306%	1.803%
$440,000	900	3.080%	1.619%
$440,000	1,000	2.887%	1.465%
$440,000	1,500	2.219%	0.963%
$440,000	2,000	1.805%	0.683%
$440,000	3,000	1.296%	0.384%
$440,000	4,000	0.987%	0.235%
$440,000	5,000	0.781%	0.151%
$440,000	10,000	0.329%	0.024%
$440,000	20,000	0.118%	0.002%
$440,000	30,000	0.060%	0.001%
$440,000	40,000	0.034%	0.001%
$445,000	100	10.643%	8.583%
$445,000	200	7.273%	5.361%
$445,000	300	5.809%	4.001%
$445,000	400	4.946%	3.219%
$445,000	500	4.361%	2.700%
$445,000	600	3.929%	2.326%
$445,000	700	3.593%	2.040%
$445,000	800	3.320%	1.814%
$445,000	900	3.093%	1.630%
$445,000	1,000	2.900%	1.475%
$445,000	1,500	2.230%	0.971%
$445,000	2,000	1.815%	0.689%
$445,000	3,000	1.304%	0.388%
$445,000	4,000	0.994%	0.238%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$445,000	5,000	0.787%	0.153%
$445,000	10,000	0.332%	0.025%
$445,000	20,000	0.120%	0.002%
$445,000	30,000	0.060%	0.001%
$445,000	40,000	0.035%	0.001%
$450,000	100	10.686%	8.624%
$450,000	200	7.303%	5.389%
$450,000	300	5.833%	4.022%
$450,000	400	4.967%	3.237%
$450,000	500	4.379%	2.716%
$450,000	600	3.946%	2.340%
$450,000	700	3.608%	2.053%
$450,000	800	3.335%	1.826%
$450,000	900	3.107%	1.640%
$450,000	1,000	2.913%	1.485%
$450,000	1,500	2.241%	0.978%
$450,000	2,000	1.824%	0.695%
$450,000	3,000	1.312%	0.393%
$450,000	4,000	1.001%	0.241%
$450,000	5,000	0.793%	0.155%
$450,000	10,000	0.335%	0.025%
$450,000	20,000	0.121%	0.002%
$450,000	30,000	0.061%	0.001%
$450,000	40,000	0.035%	0.001%
$455,000	100	10.729%	8.665%
$455,000	200	7.332%	5.416%
$455,000	300	5.857%	4.044%
$455,000	400	4.988%	3.255%
$455,000	500	4.397%	2.731%
$455,000	600	3.962%	2.353%
$455,000	700	3.624%	2.065%
$455,000	800	3.349%	1.837%
$455,000	900	3.121%	1.651%
$455,000	1,000	2.926%	1.495%
$455,000	1,500	2.252%	0.986%
$455,000	2,000	1.834%	0.701%
$455,000	3,000	1.320%	0.397%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$455,000	4,000	1.008%	0.244%
$455,000	5,000	0.799%	0.157%
$455,000	10,000	0.338%	0.026%
$455,000	20,000	0.122%	0.002%
$455,000	30,000	0.062%	0.001%
$455,000	40,000	0.036%	0.001%
$460,000	100	10.769%	8.703%
$460,000	200	7.360%	5.441%
$460,000	300	5.879%	4.063%
$460,000	400	5.007%	3.271%
$460,000	500	4.414%	2.745%
$460,000	600	3.978%	2.366%
$460,000	700	3.638%	2.077%
$460,000	800	3.363%	1.848%
$460,000	900	3.134%	1.661%
$460,000	1,000	2.939%	1.505%
$460,000	1,500	2.262%	0.993%
$460,000	2,000	1.843%	0.707%
$460,000	3,000	1.328%	0.401%
$460,000	4,000	1.015%	0.247%
$460,000	5,000	0.805%	0.159%
$460,000	10,000	0.341%	0.026%
$460,000	20,000	0.124%	0.002%
$460,000	30,000	0.063%	0.001%
$460,000	40,000	0.036%	0.001%
$465,000	100	10.801%	8.733%
$465,000	200	7.382%	5.462%
$465,000	300	5.897%	4.079%
$465,000	400	5.022%	3.284%
$465,000	500	4.428%	2.757%
$465,000	600	3.990%	2.377%
$465,000	700	3.650%	2.087%
$465,000	800	3.374%	1.857%
$465,000	900	3.144%	1.669%
$465,000	1,000	2.948%	1.512%
$465,000	1,500	2.270%	0.999%
$465,000	2,000	1.851%	0.711%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$465,000	3,000	1.334%	0.404%
$465,000	4,000	1.020%	0.249%
$465,000	5,000	0.809%	0.161%
$465,000	10,000	0.344%	0.027%
$465,000	20,000	0.125%	0.002%
$465,000	30,000	0.063%	0.001%
$465,000	40,000	0.036%	0.001%
$470,000	100	10.834%	8.764%
$470,000	200	7.405%	5.482%
$470,000	300	5.915%	4.095%
$470,000	400	5.037%	3.298%
$470,000	500	4.442%	2.769%
$470,000	600	4.003%	2.387%
$470,000	700	3.661%	2.096%
$470,000	800	3.385%	1.865%
$470,000	900	3.154%	1.677%
$470,000	1,000	2.958%	1.520%
$470,000	1,500	2.279%	1.004%
$470,000	2,000	1.858%	0.716%
$470,000	3,000	1.340%	0.407%
$470,000	4,000	1.025%	0.251%
$470,000	5,000	0.814%	0.163%
$470,000	10,000	0.346%	0.027%
$470,000	20,000	0.126%	0.002%
$470,000	30,000	0.064%	0.001%
$470,000	40,000	0.037%	0.001%
$475,000	100	10.866%	8.795%
$475,000	200	7.427%	5.503%
$475,000	300	5.933%	4.112%
$475,000	400	5.053%	3.311%
$475,000	500	4.456%	2.780%
$475,000	600	4.015%	2.397%
$475,000	700	3.673%	2.105%
$475,000	800	3.396%	1.874%
$475,000	900	3.165%	1.685%
$475,000	1,000	2.968%	1.527%
$475,000	1,500	2.287%	1.010%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$475,000	2,000	1.865%	0.721%
$475,000	3,000	1.346%	0.410%
$475,000	4,000	1.031%	0.253%
$475,000	5,000	0.818%	0.164%
$475,000	10,000	0.348%	0.027%
$475,000	20,000	0.127%	0.002%
$475,000	30,000	0.064%	0.001%
$475,000	40,000	0.037%	0.001%
$480,000	100	10.899%	8.826%
$480,000	200	7.450%	5.523%
$480,000	300	5.951%	4.128%
$480,000	400	5.068%	3.325%
$480,000	500	4.469%	2.792%
$480,000	600	4.028%	2.408%
$480,000	700	3.684%	2.115%
$480,000	800	3.406%	1.883%
$480,000	900	3.175%	1.693%
$480,000	1,000	2.978%	1.535%
$480,000	1,500	2.295%	1.016%
$480,000	2,000	1.873%	0.725%
$480,000	3,000	1.352%	0.413%
$480,000	4,000	1.036%	0.256%
$480,000	5,000	0.823%	0.166%
$480,000	10,000	0.351%	0.028%
$480,000	20,000	0.128%	0.003%
$480,000	30,000	0.065%	0.001%
$480,000	40,000	0.038%	0.001%
$485,000	100	10.931%	8.857%
$485,000	200	7.472%	5.544%
$485,000	300	5.969%	4.144%
$485,000	400	5.084%	3.338%
$485,000	500	4.483%	2.804%
$485,000	600	4.040%	2.418%
$485,000	700	3.696%	2.124%
$485,000	800	3.417%	1.891%
$485,000	900	3.185%	1.701%
$485,000	1,000	2.988%	1.542%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$485,000	1,500	2.304%	1.021%
$485,000	2,000	1.880%	0.730%
$485,000	3,000	1.358%	0.417%
$485,000	4,000	1.041%	0.258%
$485,000	5,000	0.827%	0.168%
$485,000	10,000	0.353%	0.028%
$485,000	20,000	0.129%	0.003%
$485,000	30,000	0.066%	0.001%
$485,000	40,000	0.038%	0.001%
$490,000	100	10.964%	8.888%
$490,000	200	7.494%	5.565%
$490,000	300	5.987%	4.160%
$490,000	400	5.099%	3.352%
$490,000	500	4.497%	2.816%
$490,000	600	4.053%	2.429%
$490,000	700	3.708%	2.134%
$490,000	800	3.428%	1.900%
$490,000	900	3.196%	1.709%
$490,000	1,000	2.998%	1.550%
$490,000	1,500	2.312%	1.027%
$490,000	2,000	1.887%	0.734%
$490,000	3,000	1.365%	0.420%
$490,000	4,000	1.047%	0.260%
$490,000	5,000	0.832%	0.169%
$490,000	10,000	0.356%	0.029%
$490,000	20,000	0.130%	0.003%
$490,000	30,000	0.066%	0.001%
$490,000	40,000	0.038%	0.001%
$495,000	100	10.996%	8.918%
$495,000	200	7.517%	5.585%
$495,000	300	6.005%	4.176%
$495,000	400	5.115%	3.365%
$495,000	500	4.511%	2.827%
$495,000	600	4.066%	2.439%
$495,000	700	3.719%	2.143%
$495,000	800	3.439%	1.909%
$495,000	900	3.206%	1.717%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$495,000	1,000	3.007%	1.557%
$495,000	1,500	2.320%	1.033%
$495,000	2,000	1.895%	0.739%
$495,000	3,000	1.371%	0.423%
$495,000	4,000	1.052%	0.263%
$495,000	5,000	0.837%	0.171%
$495,000	10,000	0.358%	0.029%
$495,000	20,000	0.131%	0.003%
$495,000	30,000	0.067%	0.001%
$495,000	40,000	0.039%	0.001%
$500,000	100	11.029%	8.949%
$500,000	200	7.539%	5.606%
$500,000	300	6.023%	4.192%
$500,000	400	5.130%	3.379%
$500,000	500	4.524%	2.839%
$500,000	600	4.078%	2.450%
$500,000	700	3.731%	2.153%
$500,000	800	3.450%	1.917%
$500,000	900	3.216%	1.725%
$500,000	1,000	3.017%	1.565%
$500,000	1,500	2.328%	1.039%
$500,000	2,000	1.902%	0.744%
$500,000	3,000	1.377%	0.426%
$500,000	4,000	1.057%	0.265%
$500,000	5,000	0.841%	0.173%
$500,000	10,000	0.361%	0.030%
$500,000	20,000	0.132%	0.003%
$500,000	30,000	0.067%	0.001%
$500,000	40,000	0.039%	0.001%
$505,000	100	11.061%	8.980%
$505,000	200	7.562%	5.626%
$505,000	300	6.041%	4.208%
$505,000	400	5.146%	3.392%
$505,000	500	4.538%	2.851%
$505,000	600	4.091%	2.460%
$505,000	700	3.743%	2.162%
$505,000	800	3.461%	1.926%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$505,000	900	3.227%	1.733%
$505,000	1,000	3.027%	1.572%
$505,000	1,500	2.337%	1.044%
$505,000	2,000	1.909%	0.748%
$505,000	3,000	1.383%	0.430%
$505,000	4,000	1.062%	0.267%
$505,000	5,000	0.846%	0.175%
$505,000	10,000	0.363%	0.030%
$505,000	20,000	0.133%	0.003%
$505,000	30,000	0.068%	0.001%
$505,000	40,000	0.039%	0.001%
$510,000	100	11.094%	9.011%
$510,000	200	7.584%	5.647%
$510,000	300	6.059%	4.224%
$510,000	400	5.161%	3.406%
$510,000	500	4.552%	2.862%
$510,000	600	4.103%	2.471%
$510,000	700	3.754%	2.172%
$510,000	800	3.472%	1.935%
$510,000	900	3.237%	1.741%
$510,000	1,000	3.037%	1.580%
$510,000	1,500	2.345%	1.050%
$510,000	2,000	1.917%	0.753%
$510,000	3,000	1.389%	0.433%
$510,000	4,000	1.068%	0.270%
$510,000	5,000	0.850%	0.176%
$510,000	10,000	0.365%	0.030%
$510,000	20,000	0.134%	0.003%
$510,000	30,000	0.069%	0.001%
$510,000	40,000	0.040%	0.001%
$515,000	100	11.126%	9.042%
$515,000	200	7.606%	5.668%
$515,000	300	6.077%	4.240%
$515,000	400	5.177%	3.419%
$515,000	500	4.566%	2.874%
$515,000	600	4.116%	2.481%
$515,000	700	3.766%	2.181%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$515,000	800	3.483%	1.944%
$515,000	900	3.247%	1.749%
$515,000	1,000	3.047%	1.588%
$515,000	1,500	2.353%	1.056%
$515,000	2,000	1.924%	0.758%
$515,000	3,000	1.395%	0.436%
$515,000	4,000	1.073%	0.272%
$515,000	5,000	0.855%	0.178%
$515,000	10,000	0.368%	0.031%
$515,000	20,000	0.135%	0.003%
$515,000	30,000	0.069%	0.001%
$515,000	40,000	0.040%	0.001%
$520,000	100	11.158%	9.073%
$520,000	200	7.629%	5.688%
$520,000	300	6.095%	4.257%
$520,000	400	5.192%	3.433%
$520,000	500	4.579%	2.886%
$520,000	600	4.128%	2.491%
$520,000	700	3.777%	2.191%
$520,000	800	3.494%	1.952%
$520,000	900	3.258%	1.758%
$520,000	1,000	3.057%	1.595%
$520,000	1,500	2.361%	1.062%
$520,000	2,000	1.931%	0.762%
$520,000	3,000	1.401%	0.439%
$520,000	4,000	1.078%	0.275%
$520,000	5,000	0.859%	0.180%
$520,000	10,000	0.370%	0.031%
$520,000	20,000	0.136%	0.003%
$520,000	30,000	0.070%	0.001%
$520,000	40,000	0.041%	0.001%
$525,000	100	11.191%	9.104%
$525,000	200	7.651%	5.709%
$525,000	300	6.114%	4.273%
$525,000	400	5.208%	3.446%
$525,000	500	4.593%	2.898%
$525,000	600	4.141%	2.502%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$525,000	700	3.789%	2.200%
$525,000	800	3.505%	1.961%
$525,000	900	3.268%	1.766%
$525,000	1,000	3.066%	1.603%
$525,000	1,500	2.370%	1.067%
$525,000	2,000	1.939%	0.767%
$525,000	3,000	1.407%	0.443%
$525,000	4,000	1.083%	0.277%
$525,000	5,000	0.864%	0.182%
$525,000	10,000	0.373%	0.032%
$525,000	20,000	0.137%	0.003%
$525,000	30,000	0.070%	0.001%
$525,000	40,000	0.041%	0.001%
$530,000	100	11.223%	9.135%
$530,000	200	7.674%	5.730%
$530,000	300	6.132%	4.289%
$530,000	400	5.223%	3.460%
$530,000	500	4.607%	2.909%
$530,000	600	4.153%	2.512%
$530,000	700	3.801%	2.210%
$530,000	800	3.515%	1.970%
$530,000	900	3.278%	1.774%
$530,000	1,000	3.076%	1.610%
$530,000	1,500	2.378%	1.073%
$530,000	2,000	1.946%	0.772%
$530,000	3,000	1.414%	0.446%
$530,000	4,000	1.089%	0.279%
$530,000	5,000	0.869%	0.183%
$530,000	10,000	0.375%	0.032%
$530,000	20,000	0.138%	0.003%
$530,000	30,000	0.071%	0.001%
$530,000	40,000	0.041%	0.001%
$535,000	100	11.256%	9.165%
$535,000	200	7.696%	5.750%
$535,000	300	6.149%	4.305%
$535,000	400	5.238%	3.473%
$535,000	500	4.621%	2.921%

* Applied to total projected claims

The Vermont Health Plan
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Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$535,000	600	4.166%	2.523%
$535,000	700	3.812%	2.219%
$535,000	800	3.526%	1.978%
$535,000	900	3.288%	1.782%
$535,000	1,000	3.086%	1.618%
$535,000	1,500	2.386%	1.079%
$535,000	2,000	1.953%	0.776%
$535,000	3,000	1.420%	0.449%
$535,000	4,000	1.094%	0.282%
$535,000	5,000	0.873%	0.185%
$535,000	10,000	0.378%	0.033%
$535,000	20,000	0.139%	0.003%
$535,000	30,000	0.072%	0.001%
$535,000	40,000	0.042%	0.001%
$540,000	100	11.286%	9.194%
$540,000	200	7.717%	5.769%
$540,000	300	6.166%	4.320%
$540,000	400	5.253%	3.486%
$540,000	500	4.633%	2.932%
$540,000	600	4.178%	2.533%
$540,000	700	3.823%	2.228%
$540,000	800	3.536%	1.987%
$540,000	900	3.298%	1.789%
$540,000	1,000	3.095%	1.625%
$540,000	1,500	2.394%	1.084%
$540,000	2,000	1.960%	0.781%
$540,000	3,000	1.425%	0.452%
$540,000	4,000	1.099%	0.284%
$540,000	5,000	0.878%	0.187%
$540,000	10,000	0.380%	0.033%
$540,000	20,000	0.140%	0.003%
$540,000	30,000	0.072%	0.001%
$540,000	40,000	0.042%	0.001%
$545,000	100	11.316%	9.223%
$545,000	200	7.738%	5.789%
$545,000	300	6.183%	4.335%
$545,000	400	5.267%	3.498%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$545,000	500	4.646%	2.943%
$545,000	600	4.189%	2.543%
$545,000	700	3.834%	2.237%
$545,000	800	3.546%	1.995%
$545,000	900	3.308%	1.797%
$545,000	1,000	3.104%	1.632%
$545,000	1,500	2.401%	1.090%
$545,000	2,000	1.967%	0.785%
$545,000	3,000	1.431%	0.455%
$545,000	4,000	1.104%	0.286%
$545,000	5,000	0.882%	0.189%
$545,000	10,000	0.383%	0.034%
$545,000	20,000	0.141%	0.003%
$545,000	30,000	0.073%	0.001%
$545,000	40,000	0.043%	0.001%
$550,000	100	11.346%	9.252%
$550,000	200	7.759%	5.808%
$550,000	300	6.200%	4.350%
$550,000	400	5.282%	3.511%
$550,000	500	4.659%	2.954%
$550,000	600	4.201%	2.552%
$550,000	700	3.845%	2.246%
$550,000	800	3.557%	2.003%
$550,000	900	3.317%	1.805%
$550,000	1,000	3.113%	1.639%
$550,000	1,500	2.409%	1.095%
$550,000	2,000	1.974%	0.790%
$550,000	3,000	1.437%	0.458%
$550,000	4,000	1.109%	0.289%
$550,000	5,000	0.886%	0.190%
$550,000	10,000	0.385%	0.034%
$550,000	20,000	0.142%	0.003%
$550,000	30,000	0.073%	0.001%
$550,000	40,000	0.043%	0.001%
$555,000	100	11.376%	9.281%
$555,000	200	7.779%	5.827%
$555,000	300	6.217%	4.365%

* Applied to total projected claims

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$555,000	400	5.296%	3.524%
$555,000	500	4.672%	2.965%
$555,000	600	4.212%	2.562%
$555,000	700	3.855%	2.255%
$555,000	800	3.567%	2.011%
$555,000	900	3.327%	1.812%
$555,000	1,000	3.122%	1.646%
$555,000	1,500	2.417%	1.101%
$555,000	2,000	1.980%	0.794%
$555,000	3,000	1.443%	0.462%
$555,000	4,000	1.114%	0.291%
$555,000	5,000	0.891%	0.192%
$555,000	10,000	0.387%	0.035%
$555,000	20,000	0.143%	0.003%
$555,000	30,000	0.074%	0.001%
$555,000	40,000	0.043%	0.001%
$560,000	100	11.407%	9.310%
$560,000	200	7.800%	5.847%
$560,000	300	6.233%	4.380%
$560,000	400	5.310%	3.536%
$560,000	500	4.685%	2.976%
$560,000	600	4.224%	2.572%
$560,000	700	3.866%	2.264%
$560,000	800	3.577%	2.019%
$560,000	900	3.336%	1.820%
$560,000	1,000	3.132%	1.653%
$560,000	1,500	2.424%	1.106%
$560,000	2,000	1.987%	0.798%
$560,000	3,000	1.448%	0.465%
$560,000	4,000	1.119%	0.293%
$560,000	5,000	0.895%	0.194%
$560,000	10,000	0.390%	0.035%
$560,000	20,000	0.144%	0.003%
$560,000	30,000	0.074%	0.001%
$560,000	40,000	0.044%	0.001%
$565,000	100	11.437%	9.338%
$565,000	200	7.821%	5.866%

* Applied to total projected claims

The Vermont Health Plan
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Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$565,000	300	6.250%	4.396%
$565,000	400	5.325%	3.549%
$565,000	500	4.697%	2.987%
$565,000	600	4.236%	2.582%
$565,000	700	3.877%	2.273%
$565,000	800	3.587%	2.028%
$565,000	900	3.346%	1.828%
$565,000	1,000	3.141%	1.660%
$565,000	1,500	2.432%	1.112%
$565,000	2,000	1.994%	0.803%
$565,000	3,000	1.454%	0.468%
$565,000	4,000	1.124%	0.295%
$565,000	5,000	0.899%	0.196%
$565,000	10,000	0.392%	0.036%
$565,000	20,000	0.145%	0.003%
$565,000	30,000	0.075%	0.001%
$565,000	40,000	0.044%	0.001%
$570,000	100	11.467%	9.367%
$570,000	200	7.842%	5.885%
$570,000	300	6.267%	4.411%
$570,000	400	5.339%	3.562%
$570,000	500	4.710%	2.998%
$570,000	600	4.247%	2.592%
$570,000	700	3.888%	2.282%
$570,000	800	3.597%	2.036%
$570,000	900	3.355%	1.835%
$570,000	1,000	3.150%	1.668%
$570,000	1,500	2.440%	1.117%
$570,000	2,000	2.001%	0.807%
$570,000	3,000	1.460%	0.471%
$570,000	4,000	1.129%	0.298%
$570,000	5,000	0.904%	0.197%
$570,000	10,000	0.394%	0.036%
$570,000	20,000	0.146%	0.003%
$570,000	30,000	0.076%	0.001%
$570,000	40,000	0.045%	0.001%
$575,000	100	11.497%	9.396%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$575,000	200	7.863%	5.905%
$575,000	300	6.284%	4.426%
$575,000	400	5.353%	3.574%
$575,000	500	4.723%	3.009%
$575,000	600	4.259%	2.602%
$575,000	700	3.898%	2.291%
$575,000	800	3.607%	2.044%
$575,000	900	3.365%	1.843%
$575,000	1,000	3.159%	1.675%
$575,000	1,500	2.447%	1.123%
$575,000	2,000	2.008%	0.812%
$575,000	3,000	1.465%	0.474%
$575,000	4,000	1.134%	0.300%
$575,000	5,000	0.908%	0.199%
$575,000	10,000	0.397%	0.037%
$575,000	20,000	0.147%	0.003%
$575,000	30,000	0.076%	0.001%
$575,000	40,000	0.045%	0.001%
$580,000	100	11.527%	9.425%
$580,000	200	7.884%	5.924%
$580,000	300	6.300%	4.441%
$580,000	400	5.368%	3.587%
$580,000	500	4.736%	3.020%
$580,000	600	4.271%	2.611%
$580,000	700	3.909%	2.300%
$580,000	800	3.617%	2.052%
$580,000	900	3.375%	1.850%
$580,000	1,000	3.168%	1.682%
$580,000	1,500	2.455%	1.128%
$580,000	2,000	2.014%	0.816%
$580,000	3,000	1.471%	0.477%
$580,000	4,000	1.139%	0.302%
$580,000	5,000	0.912%	0.201%
$580,000	10,000	0.399%	0.037%
$580,000	20,000	0.148%	0.003%
$580,000	30,000	0.077%	0.001%
$580,000	40,000	0.045%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$585,000	100	11.558%	9.454%
$585,000	200	7.905%	5.943%
$585,000	300	6.317%	4.456%
$585,000	400	5.382%	3.600%
$585,000	500	4.749%	3.031%
$585,000	600	4.282%	2.621%
$585,000	700	3.920%	2.309%
$585,000	800	3.627%	2.061%
$585,000	900	3.384%	1.858%
$585,000	1,000	3.177%	1.689%
$585,000	1,500	2.463%	1.134%
$585,000	2,000	2.021%	0.821%
$585,000	3,000	1.477%	0.480%
$585,000	4,000	1.144%	0.305%
$585,000	5,000	0.917%	0.203%
$585,000	10,000	0.402%	0.038%
$585,000	20,000	0.149%	0.003%
$585,000	30,000	0.077%	0.001%
$585,000	40,000	0.046%	0.001%
$590,000	100	11.588%	9.483%
$590,000	200	7.925%	5.963%
$590,000	300	6.334%	4.471%
$590,000	400	5.397%	3.613%
$590,000	500	4.761%	3.043%
$590,000	600	4.294%	2.631%
$590,000	700	3.931%	2.318%
$590,000	800	3.638%	2.069%
$590,000	900	3.394%	1.866%
$590,000	1,000	3.186%	1.696%
$590,000	1,500	2.470%	1.139%
$590,000	2,000	2.028%	0.825%
$590,000	3,000	1.483%	0.484%
$590,000	4,000	1.149%	0.307%
$590,000	5,000	0.921%	0.204%
$590,000	10,000	0.404%	0.038%
$590,000	20,000	0.150%	0.004%
$590,000	30,000	0.078%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$590,000	40,000	0.046%	0.001%
$595,000	100	11.618%	9.512%
$595,000	200	7.946%	5.982%
$595,000	300	6.351%	4.487%
$595,000	400	5.411%	3.625%
$595,000	500	4.774%	3.054%
$595,000	600	4.306%	2.641%
$595,000	700	3.942%	2.326%
$595,000	800	3.648%	2.077%
$595,000	900	3.403%	1.873%
$595,000	1,000	3.195%	1.703%
$595,000	1,500	2.478%	1.144%
$595,000	2,000	2.035%	0.829%
$595,000	3,000	1.488%	0.487%
$595,000	4,000	1.154%	0.309%
$595,000	5,000	0.925%	0.206%
$595,000	10,000	0.407%	0.039%
$595,000	20,000	0.151%	0.004%
$595,000	30,000	0.079%	0.001%
$595,000	40,000	0.047%	0.001%
$600,000	100	11.648%	9.540%
$600,000	200	7.967%	6.001%
$600,000	300	6.367%	4.502%
$600,000	400	5.425%	3.638%
$600,000	500	4.787%	3.065%
$600,000	600	4.317%	2.651%
$600,000	700	3.952%	2.335%
$600,000	800	3.658%	2.085%
$600,000	900	3.413%	1.881%
$600,000	1,000	3.204%	1.710%
$600,000	1,500	2.485%	1.150%
$600,000	2,000	2.042%	0.834%
$600,000	3,000	1.494%	0.490%
$600,000	4,000	1.158%	0.312%
$600,000	5,000	0.930%	0.208%
$600,000	10,000	0.409%	0.039%
$600,000	20,000	0.152%	0.004%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$600,000	30,000	0.079%	0.001%
$600,000	40,000	0.047%	0.001%
$605,000	100	11.678%	9.569%
$605,000	200	7.988%	6.021%
$605,000	300	6.384%	4.517%
$605,000	400	5.440%	3.651%
$605,000	500	4.800%	3.076%
$605,000	600	4.329%	2.661%
$605,000	700	3.963%	2.344%
$605,000	800	3.668%	2.094%
$605,000	900	3.422%	1.889%
$605,000	1,000	3.214%	1.718%
$605,000	1,500	2.493%	1.155%
$605,000	2,000	2.048%	0.838%
$605,000	3,000	1.500%	0.493%
$605,000	4,000	1.163%	0.314%
$605,000	5,000	0.934%	0.210%
$605,000	10,000	0.411%	0.040%
$605,000	20,000	0.153%	0.004%
$605,000	30,000	0.080%	0.001%
$605,000	40,000	0.047%	0.001%
$610,000	100	11.709%	9.598%
$610,000	200	8.009%	6.040%
$610,000	300	6.401%	4.532%
$610,000	400	5.454%	3.663%
$610,000	500	4.813%	3.087%
$610,000	600	4.341%	2.671%
$610,000	700	3.974%	2.353%
$610,000	800	3.678%	2.102%
$610,000	900	3.432%	1.896%
$610,000	1,000	3.223%	1.725%
$610,000	1,500	2.501%	1.161%
$610,000	2,000	2.055%	0.843%
$610,000	3,000	1.506%	0.496%
$610,000	4,000	1.168%	0.317%
$610,000	5,000	0.938%	0.211%
$610,000	10,000	0.414%	0.040%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$610,000	20,000	0.154%	0.004%
$610,000	30,000	0.080%	0.001%
$610,000	40,000	0.048%	0.001%
$615,000	100	11.734%	9.623%
$615,000	200	8.026%	6.057%
$615,000	300	6.415%	4.545%
$615,000	400	5.466%	3.674%
$615,000	500	4.823%	3.096%
$615,000	600	4.350%	2.679%
$615,000	700	3.983%	2.361%
$615,000	800	3.686%	2.109%
$615,000	900	3.440%	1.903%
$615,000	1,000	3.230%	1.731%
$615,000	1,500	2.507%	1.166%
$615,000	2,000	2.061%	0.847%
$615,000	3,000	1.510%	0.499%
$615,000	4,000	1.173%	0.319%
$615,000	5,000	0.942%	0.213%
$615,000	10,000	0.416%	0.040%
$615,000	20,000	0.155%	0.004%
$615,000	30,000	0.081%	0.001%
$615,000	40,000	0.048%	0.001%
$620,000	100	11.758%	9.646%
$620,000	200	8.043%	6.072%
$620,000	300	6.429%	4.557%
$620,000	400	5.478%	3.684%
$620,000	500	4.834%	3.105%
$620,000	600	4.360%	2.687%
$620,000	700	3.992%	2.368%
$620,000	800	3.695%	2.115%
$620,000	900	3.448%	1.909%
$620,000	1,000	3.238%	1.737%
$620,000	1,500	2.513%	1.170%
$620,000	2,000	2.066%	0.850%
$620,000	3,000	1.515%	0.502%
$620,000	4,000	1.177%	0.320%
$620,000	5,000	0.946%	0.214%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$620,000	10,000	0.418%	0.041%
$620,000	20,000	0.156%	0.004%
$620,000	30,000	0.081%	0.001%
$620,000	40,000	0.048%	0.001%
$625,000	100	11.782%	9.669%
$625,000	200	8.060%	6.088%
$625,000	300	6.442%	4.569%
$625,000	400	5.489%	3.695%
$625,000	500	4.844%	3.114%
$625,000	600	4.369%	2.695%
$625,000	700	4.000%	2.375%
$625,000	800	3.703%	2.122%
$625,000	900	3.455%	1.915%
$625,000	1,000	3.245%	1.742%
$625,000	1,500	2.519%	1.174%
$625,000	2,000	2.072%	0.854%
$625,000	3,000	1.519%	0.504%
$625,000	4,000	1.181%	0.322%
$625,000	5,000	0.949%	0.216%
$625,000	10,000	0.420%	0.041%
$625,000	20,000	0.157%	0.004%
$625,000	30,000	0.082%	0.001%
$625,000	40,000	0.049%	0.001%
$630,000	100	11.806%	9.692%
$630,000	200	8.076%	6.103%
$630,000	300	6.455%	4.581%
$630,000	400	5.501%	3.705%
$630,000	500	4.854%	3.123%
$630,000	600	4.378%	2.703%
$630,000	700	4.009%	2.383%
$630,000	800	3.711%	2.129%
$630,000	900	3.463%	1.921%
$630,000	1,000	3.252%	1.748%
$630,000	1,500	2.525%	1.179%
$630,000	2,000	2.077%	0.857%
$630,000	3,000	1.524%	0.507%
$630,000	4,000	1.185%	0.324%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$630,000	5,000	0.953%	0.217%
$630,000	10,000	0.422%	0.042%
$630,000	20,000	0.157%	0.004%
$630,000	30,000	0.082%	0.001%
$630,000	40,000	0.049%	0.001%
$635,000	100	11.831%	9.715%
$635,000	200	8.093%	6.119%
$635,000	300	6.469%	4.594%
$635,000	400	5.512%	3.715%
$635,000	500	4.864%	3.132%
$635,000	600	4.388%	2.711%
$635,000	700	4.018%	2.390%
$635,000	800	3.719%	2.135%
$635,000	900	3.470%	1.927%
$635,000	1,000	3.259%	1.754%
$635,000	1,500	2.532%	1.183%
$635,000	2,000	2.083%	0.861%
$635,000	3,000	1.529%	0.509%
$635,000	4,000	1.189%	0.326%
$635,000	5,000	0.956%	0.219%
$635,000	10,000	0.424%	0.042%
$635,000	20,000	0.158%	0.004%
$635,000	30,000	0.083%	0.001%
$635,000	40,000	0.049%	0.001%
$640,000	100	11.855%	9.738%
$640,000	200	8.110%	6.134%
$640,000	300	6.482%	4.606%
$640,000	400	5.524%	3.725%
$640,000	500	4.875%	3.141%
$640,000	600	4.397%	2.719%
$640,000	700	4.026%	2.397%
$640,000	800	3.727%	2.142%
$640,000	900	3.478%	1.934%
$640,000	1,000	3.267%	1.760%
$640,000	1,500	2.538%	1.188%
$640,000	2,000	2.088%	0.865%
$640,000	3,000	1.533%	0.512%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$640,000	4,000	1.193%	0.328%
$640,000	5,000	0.960%	0.220%
$640,000	10,000	0.426%	0.043%
$640,000	20,000	0.159%	0.004%
$640,000	30,000	0.083%	0.001%
$640,000	40,000	0.050%	0.001%
$645,000	100	11.879%	9.761%
$645,000	200	8.127%	6.150%
$645,000	300	6.496%	4.618%
$645,000	400	5.535%	3.735%
$645,000	500	4.885%	3.149%
$645,000	600	4.406%	2.727%
$645,000	700	4.035%	2.404%
$645,000	800	3.735%	2.148%
$645,000	900	3.486%	1.940%
$645,000	1,000	3.274%	1.765%
$645,000	1,500	2.544%	1.192%
$645,000	2,000	2.093%	0.868%
$645,000	3,000	1.538%	0.514%
$645,000	4,000	1.197%	0.330%
$645,000	5,000	0.963%	0.222%
$645,000	10,000	0.428%	0.043%
$645,000	20,000	0.160%	0.004%
$645,000	30,000	0.084%	0.001%
$645,000	40,000	0.050%	0.001%
$650,000	100	11.903%	9.785%
$650,000	200	8.143%	6.165%
$650,000	300	6.509%	4.630%
$650,000	400	5.547%	3.746%
$650,000	500	4.895%	3.158%
$650,000	600	4.416%	2.735%
$650,000	700	4.043%	2.411%
$650,000	800	3.743%	2.155%
$650,000	900	3.493%	1.946%
$650,000	1,000	3.281%	1.771%
$650,000	1,500	2.550%	1.196%
$650,000	2,000	2.099%	0.872%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$650,000	3,000	1.542%	0.517%
$650,000	4,000	1.200%	0.332%
$650,000	5,000	0.967%	0.223%
$650,000	10,000	0.430%	0.043%
$650,000	20,000	0.161%	0.004%
$650,000	30,000	0.084%	0.001%
$650,000	40,000	0.050%	0.001%
$655,000	100	11.927%	9.808%
$655,000	200	8.160%	6.181%
$655,000	300	6.523%	4.642%
$655,000	400	5.558%	3.756%
$655,000	500	4.905%	3.167%
$655,000	600	4.425%	2.743%
$655,000	700	4.052%	2.419%
$655,000	800	3.751%	2.162%
$655,000	900	3.501%	1.952%
$655,000	1,000	3.288%	1.777%
$655,000	1,500	2.556%	1.201%
$655,000	2,000	2.104%	0.875%
$655,000	3,000	1.547%	0.520%
$655,000	4,000	1.204%	0.334%
$655,000	5,000	0.970%	0.225%
$655,000	10,000	0.432%	0.044%
$655,000	20,000	0.162%	0.004%
$655,000	30,000	0.085%	0.001%
$655,000	40,000	0.051%	0.001%
$660,000	100	11.951%	9.831%
$660,000	200	8.177%	6.196%
$660,000	300	6.536%	4.655%
$660,000	400	5.570%	3.766%
$660,000	500	4.916%	3.176%
$660,000	600	4.434%	2.750%
$660,000	700	4.061%	2.426%
$660,000	800	3.759%	2.168%
$660,000	900	3.509%	1.958%
$660,000	1,000	3.296%	1.783%
$660,000	1,500	2.562%	1.205%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$660,000	2,000	2.110%	0.879%
$660,000	3,000	1.551%	0.522%
$660,000	4,000	1.208%	0.336%
$660,000	5,000	0.974%	0.226%
$660,000	10,000	0.434%	0.044%
$660,000	20,000	0.163%	0.004%
$660,000	30,000	0.085%	0.001%
$660,000	40,000	0.051%	0.001%
$665,000	100	11.976%	9.854%
$665,000	200	8.193%	6.212%
$665,000	300	6.549%	4.667%
$665,000	400	5.581%	3.776%
$665,000	500	4.926%	3.185%
$665,000	600	4.444%	2.758%
$665,000	700	4.069%	2.433%
$665,000	800	3.767%	2.175%
$665,000	900	3.516%	1.964%
$665,000	1,000	3.303%	1.788%
$665,000	1,500	2.568%	1.210%
$665,000	2,000	2.115%	0.883%
$665,000	3,000	1.556%	0.525%
$665,000	4,000	1.212%	0.338%
$665,000	5,000	0.977%	0.228%
$665,000	10,000	0.436%	0.045%
$665,000	20,000	0.163%	0.004%
$665,000	30,000	0.086%	0.001%
$665,000	40,000	0.051%	0.001%
$670,000	100	12.000%	9.877%
$670,000	200	8.210%	6.228%
$670,000	300	6.563%	4.679%
$670,000	400	5.593%	3.787%
$670,000	500	4.936%	3.194%
$670,000	600	4.453%	2.766%
$670,000	700	4.078%	2.440%
$670,000	800	3.775%	2.182%
$670,000	900	3.524%	1.971%
$670,000	1,000	3.310%	1.794%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$670,000	1,500	2.574%	1.214%
$670,000	2,000	2.120%	0.886%
$670,000	3,000	1.561%	0.527%
$670,000	4,000	1.216%	0.340%
$670,000	5,000	0.981%	0.229%
$670,000	10,000	0.438%	0.045%
$670,000	20,000	0.164%	0.004%
$670,000	30,000	0.086%	0.001%
$670,000	40,000	0.052%	0.001%
$675,000	100	12.024%	9.901%
$675,000	200	8.227%	6.243%
$675,000	300	6.576%	4.691%
$675,000	400	5.604%	3.797%
$675,000	500	4.946%	3.203%
$675,000	600	4.462%	2.774%
$675,000	700	4.087%	2.447%
$675,000	800	3.783%	2.188%
$675,000	900	3.531%	1.977%
$675,000	1,000	3.318%	1.800%
$675,000	1,500	2.580%	1.219%
$675,000	2,000	2.126%	0.890%
$675,000	3,000	1.565%	0.530%
$675,000	4,000	1.220%	0.342%
$675,000	5,000	0.984%	0.231%
$675,000	10,000	0.440%	0.046%
$675,000	20,000	0.165%	0.004%
$675,000	30,000	0.087%	0.001%
$675,000	40,000	0.052%	0.001%
$680,000	100	12.048%	9.924%
$680,000	200	8.244%	6.259%
$680,000	300	6.590%	4.703%
$680,000	400	5.616%	3.807%
$680,000	500	4.957%	3.212%
$680,000	600	4.472%	2.782%
$680,000	700	4.095%	2.455%
$680,000	800	3.791%	2.195%
$680,000	900	3.539%	1.983%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$680,000	1,000	3.325%	1.806%
$680,000	1,500	2.586%	1.223%
$680,000	2,000	2.131%	0.894%
$680,000	3,000	1.570%	0.533%
$680,000	4,000	1.224%	0.344%
$680,000	5,000	0.988%	0.232%
$680,000	10,000	0.442%	0.046%
$680,000	20,000	0.166%	0.004%
$680,000	30,000	0.087%	0.001%
$680,000	40,000	0.052%	0.001%
$685,000	100	12.072%	9.947%
$685,000	200	8.260%	6.274%
$685,000	300	6.603%	4.716%
$685,000	400	5.628%	3.817%
$685,000	500	4.967%	3.221%
$685,000	600	4.481%	2.790%
$685,000	700	4.104%	2.462%
$685,000	800	3.799%	2.202%
$685,000	900	3.547%	1.989%
$685,000	1,000	3.332%	1.812%
$685,000	1,500	2.592%	1.228%
$685,000	2,000	2.137%	0.897%
$685,000	3,000	1.574%	0.535%
$685,000	4,000	1.228%	0.346%
$685,000	5,000	0.991%	0.234%
$685,000	10,000	0.444%	0.047%
$685,000	20,000	0.167%	0.005%
$685,000	30,000	0.088%	0.001%
$685,000	40,000	0.053%	0.001%
$690,000	100	12.101%	9.975%
$690,000	200	8.280%	6.293%
$690,000	300	6.619%	4.730%
$690,000	400	5.641%	3.830%
$690,000	500	4.979%	3.232%
$690,000	600	4.492%	2.800%
$690,000	700	4.114%	2.471%
$690,000	800	3.809%	2.210%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$690,000	900	3.556%	1.997%
$690,000	1,000	3.341%	1.819%
$690,000	1,500	2.600%	1.233%
$690,000	2,000	2.143%	0.902%
$690,000	3,000	1.580%	0.538%
$690,000	4,000	1.233%	0.348%
$690,000	5,000	0.996%	0.235%
$690,000	10,000	0.446%	0.047%
$690,000	20,000	0.168%	0.005%
$690,000	30,000	0.088%	0.001%
$690,000	40,000	0.053%	0.001%
$695,000	100	12.134%	10.007%
$695,000	200	8.303%	6.315%
$695,000	300	6.638%	4.747%
$695,000	400	5.657%	3.844%
$695,000	500	4.993%	3.244%
$695,000	600	4.505%	2.811%
$695,000	700	4.126%	2.481%
$695,000	800	3.820%	2.219%
$695,000	900	3.566%	2.005%
$695,000	1,000	3.351%	1.827%
$695,000	1,500	2.608%	1.239%
$695,000	2,000	2.151%	0.907%
$695,000	3,000	1.586%	0.542%
$695,000	4,000	1.239%	0.351%
$695,000	5,000	1.000%	0.238%
$695,000	10,000	0.449%	0.048%
$695,000	20,000	0.169%	0.005%
$695,000	30,000	0.089%	0.001%
$695,000	40,000	0.054%	0.001%
$700,000	100	12.167%	10.039%
$700,000	200	8.326%	6.336%
$700,000	300	6.656%	4.764%
$700,000	400	5.673%	3.858%
$700,000	500	5.007%	3.256%
$700,000	600	4.518%	2.822%
$700,000	700	4.138%	2.491%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$700,000	800	3.831%	2.228%
$700,000	900	3.577%	2.014%
$700,000	1,000	3.361%	1.835%
$700,000	1,500	2.616%	1.245%
$700,000	2,000	2.158%	0.912%
$700,000	3,000	1.592%	0.546%
$700,000	4,000	1.244%	0.354%
$700,000	5,000	1.005%	0.240%
$700,000	10,000	0.452%	0.048%
$700,000	20,000	0.170%	0.005%
$700,000	30,000	0.090%	0.001%
$700,000	40,000	0.054%	0.001%
$705,000	100	12.200%	10.071%
$705,000	200	8.349%	6.358%
$705,000	300	6.675%	4.781%
$705,000	400	5.689%	3.872%
$705,000	500	5.021%	3.269%
$705,000	600	4.530%	2.833%
$705,000	700	4.150%	2.501%
$705,000	800	3.842%	2.237%
$705,000	900	3.587%	2.022%
$705,000	1,000	3.371%	1.843%
$705,000	1,500	2.625%	1.252%
$705,000	2,000	2.165%	0.917%
$705,000	3,000	1.599%	0.549%
$705,000	4,000	1.250%	0.356%
$705,000	5,000	1.010%	0.242%
$705,000	10,000	0.455%	0.049%
$705,000	20,000	0.172%	0.005%
$705,000	30,000	0.091%	0.001%
$705,000	40,000	0.055%	0.001%
$710,000	100	12.234%	10.103%
$710,000	200	8.372%	6.379%
$710,000	300	6.693%	4.798%
$710,000	400	5.704%	3.887%
$710,000	500	5.035%	3.281%
$710,000	600	4.543%	2.844%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$710,000	700	4.161%	2.511%
$710,000	800	3.853%	2.247%
$710,000	900	3.598%	2.031%
$710,000	1,000	3.381%	1.851%
$710,000	1,500	2.633%	1.258%
$710,000	2,000	2.173%	0.922%
$710,000	3,000	1.605%	0.553%
$710,000	4,000	1.255%	0.359%
$710,000	5,000	1.015%	0.244%
$710,000	10,000	0.458%	0.050%
$710,000	20,000	0.173%	0.005%
$710,000	30,000	0.091%	0.001%
$710,000	40,000	0.055%	0.001%
$715,000	100	12.267%	10.135%
$715,000	200	8.395%	6.401%
$715,000	300	6.711%	4.815%
$715,000	400	5.720%	3.901%
$715,000	500	5.049%	3.294%
$715,000	600	4.556%	2.855%
$715,000	700	4.173%	2.521%
$715,000	800	3.864%	2.256%
$715,000	900	3.608%	2.040%
$715,000	1,000	3.391%	1.859%
$715,000	1,500	2.641%	1.264%
$715,000	2,000	2.180%	0.927%
$715,000	3,000	1.611%	0.557%
$715,000	4,000	1.261%	0.362%
$715,000	5,000	1.020%	0.246%
$715,000	10,000	0.460%	0.050%
$715,000	20,000	0.174%	0.005%
$715,000	30,000	0.092%	0.001%
$715,000	40,000	0.056%	0.001%
$720,000	100	12.300%	10.167%
$720,000	200	8.418%	6.422%
$720,000	300	6.730%	4.832%
$720,000	400	5.736%	3.915%
$720,000	500	5.063%	3.306%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$720,000	600	4.569%	2.866%
$720,000	700	4.185%	2.531%
$720,000	800	3.876%	2.265%
$720,000	900	3.619%	2.048%
$720,000	1,000	3.401%	1.867%
$720,000	1,500	2.650%	1.270%
$720,000	2,000	2.188%	0.932%
$720,000	3,000	1.618%	0.561%
$720,000	4,000	1.266%	0.365%
$720,000	5,000	1.025%	0.248%
$720,000	10,000	0.463%	0.051%
$720,000	20,000	0.175%	0.005%
$720,000	30,000	0.093%	0.001%
$720,000	40,000	0.056%	0.001%
$725,000	100	12.333%	10.199%
$725,000	200	8.440%	6.444%
$725,000	300	6.748%	4.849%
$725,000	400	5.752%	3.929%
$725,000	500	5.077%	3.318%
$725,000	600	4.582%	2.877%
$725,000	700	4.197%	2.541%
$725,000	800	3.887%	2.274%
$725,000	900	3.629%	2.057%
$725,000	1,000	3.410%	1.875%
$725,000	1,500	2.658%	1.276%
$725,000	2,000	2.195%	0.937%
$725,000	3,000	1.624%	0.564%
$725,000	4,000	1.272%	0.368%
$725,000	5,000	1.030%	0.251%
$725,000	10,000	0.466%	0.052%
$725,000	20,000	0.177%	0.005%
$725,000	30,000	0.094%	0.002%
$725,000	40,000	0.057%	0.001%
$730,000	100	12.366%	10.231%
$730,000	200	8.463%	6.465%
$730,000	300	6.767%	4.866%
$730,000	400	5.768%	3.943%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$730,000	500	5.091%	3.331%
$730,000	600	4.594%	2.888%
$730,000	700	4.209%	2.551%
$730,000	800	3.898%	2.284%
$730,000	900	3.640%	2.065%
$730,000	1,000	3.420%	1.883%
$730,000	1,500	2.666%	1.283%
$730,000	2,000	2.203%	0.942%
$730,000	3,000	1.630%	0.568%
$730,000	4,000	1.278%	0.370%
$730,000	5,000	1.035%	0.253%
$730,000	10,000	0.469%	0.052%
$730,000	20,000	0.178%	0.005%
$730,000	30,000	0.094%	0.002%
$730,000	40,000	0.057%	0.001%
$735,000	100	12.399%	10.263%
$735,000	200	8.486%	6.487%
$735,000	300	6.785%	4.883%
$735,000	400	5.783%	3.958%
$735,000	500	5.105%	3.343%
$735,000	600	4.607%	2.900%
$735,000	700	4.220%	2.561%
$735,000	800	3.909%	2.293%
$735,000	900	3.650%	2.074%
$735,000	1,000	3.430%	1.891%
$735,000	1,500	2.675%	1.289%
$735,000	2,000	2.210%	0.948%
$735,000	3,000	1.637%	0.572%
$735,000	4,000	1.283%	0.373%
$735,000	5,000	1.040%	0.255%
$735,000	10,000	0.472%	0.053%
$735,000	20,000	0.179%	0.005%
$735,000	30,000	0.095%	0.002%
$735,000	40,000	0.058%	0.001%
$740,000	100	12.432%	10.295%
$740,000	200	8.509%	6.509%
$740,000	300	6.803%	4.900%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$740,000	400	5.799%	3.972%
$740,000	500	5.119%	3.356%
$740,000	600	4.620%	2.911%
$740,000	700	4.232%	2.571%
$740,000	800	3.920%	2.302%
$740,000	900	3.660%	2.083%
$740,000	1,000	3.440%	1.899%
$740,000	1,500	2.683%	1.295%
$740,000	2,000	2.217%	0.953%
$740,000	3,000	1.643%	0.575%
$740,000	4,000	1.289%	0.376%
$740,000	5,000	1.045%	0.257%
$740,000	10,000	0.475%	0.054%
$740,000	20,000	0.180%	0.005%
$740,000	30,000	0.096%	0.002%
$740,000	40,000	0.058%	0.001%
$745,000	100	12.465%	10.327%
$745,000	200	8.532%	6.530%
$745,000	300	6.822%	4.917%
$745,000	400	5.815%	3.986%
$745,000	500	5.133%	3.368%
$745,000	600	4.633%	2.922%
$745,000	700	4.244%	2.582%
$745,000	800	3.931%	2.312%
$745,000	900	3.671%	2.091%
$745,000	1,000	3.450%	1.907%
$745,000	1,500	2.691%	1.301%
$745,000	2,000	2.225%	0.958%
$745,000	3,000	1.649%	0.579%
$745,000	4,000	1.294%	0.379%
$745,000	5,000	1.050%	0.259%
$745,000	10,000	0.478%	0.055%
$745,000	20,000	0.182%	0.006%
$745,000	30,000	0.097%	0.002%
$745,000	40,000	0.059%	0.001%
$750,000	100	12.498%	10.359%
$750,000	200	8.555%	6.552%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$750,000	300	6.840%	4.934%
$750,000	400	5.831%	4.001%
$750,000	500	5.147%	3.380%
$750,000	600	4.645%	2.933%
$750,000	700	4.256%	2.592%
$750,000	800	3.942%	2.321%
$750,000	900	3.681%	2.100%
$750,000	1,000	3.460%	1.915%
$750,000	1,500	2.700%	1.308%
$750,000	2,000	2.232%	0.963%
$750,000	3,000	1.656%	0.583%
$750,000	4,000	1.300%	0.382%
$750,000	5,000	1.055%	0.262%
$750,000	10,000	0.481%	0.055%
$750,000	20,000	0.183%	0.006%
$750,000	30,000	0.097%	0.002%
$750,000	40,000	0.059%	0.001%
$755,000	100	12.532%	10.391%
$755,000	200	8.578%	6.573%
$755,000	300	6.859%	4.951%
$755,000	400	5.847%	4.015%
$755,000	500	5.162%	3.393%
$755,000	600	4.658%	2.944%
$755,000	700	4.268%	2.602%
$755,000	800	3.953%	2.330%
$755,000	900	3.692%	2.109%
$755,000	1,000	3.470%	1.923%
$755,000	1,500	2.708%	1.314%
$755,000	2,000	2.240%	0.968%
$755,000	3,000	1.662%	0.587%
$755,000	4,000	1.305%	0.385%
$755,000	5,000	1.059%	0.264%
$755,000	10,000	0.484%	0.056%
$755,000	20,000	0.184%	0.006%
$755,000	30,000	0.098%	0.002%
$755,000	40,000	0.060%	0.001%
$760,000	100	12.565%	10.423%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$760,000	200	8.601%	6.595%
$760,000	300	6.877%	4.968%
$760,000	400	5.862%	4.029%
$760,000	500	5.176%	3.405%
$760,000	600	4.671%	2.955%
$760,000	700	4.280%	2.612%
$760,000	800	3.964%	2.340%
$760,000	900	3.702%	2.117%
$760,000	1,000	3.480%	1.932%
$760,000	1,500	2.716%	1.320%
$760,000	2,000	2.247%	0.973%
$760,000	3,000	1.668%	0.590%
$760,000	4,000	1.311%	0.387%
$760,000	5,000	1.064%	0.266%
$760,000	10,000	0.487%	0.057%
$760,000	20,000	0.186%	0.006%
$760,000	30,000	0.099%	0.002%
$760,000	40,000	0.060%	0.001%
$765,000	100	12.598%	10.455%
$765,000	200	8.624%	6.617%
$765,000	300	6.896%	4.985%
$765,000	400	5.878%	4.043%
$765,000	500	5.190%	3.418%
$765,000	600	4.684%	2.966%
$765,000	700	4.291%	2.622%
$765,000	800	3.975%	2.349%
$765,000	900	3.713%	2.126%
$765,000	1,000	3.490%	1.940%
$765,000	1,500	2.725%	1.326%
$765,000	2,000	2.254%	0.978%
$765,000	3,000	1.674%	0.594%
$765,000	4,000	1.316%	0.390%
$765,000	5,000	1.069%	0.268%
$765,000	10,000	0.489%	0.057%
$765,000	20,000	0.187%	0.006%
$765,000	30,000	0.100%	0.002%
$765,000	40,000	0.061%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$770,000	100	12.631%	10.487%
$770,000	200	8.647%	6.638%
$770,000	300	6.914%	5.002%
$770,000	400	5.894%	4.058%
$770,000	500	5.204%	3.430%
$770,000	600	4.697%	2.977%
$770,000	700	4.303%	2.632%
$770,000	800	3.986%	2.358%
$770,000	900	3.723%	2.135%
$770,000	1,000	3.500%	1.948%
$770,000	1,500	2.733%	1.333%
$770,000	2,000	2.262%	0.984%
$770,000	3,000	1.681%	0.598%
$770,000	4,000	1.322%	0.393%
$770,000	5,000	1.074%	0.270%
$770,000	10,000	0.492%	0.058%
$770,000	20,000	0.188%	0.006%
$770,000	30,000	0.100%	0.002%
$770,000	40,000	0.061%	0.001%
$775,000	100	12.664%	10.519%
$775,000	200	8.670%	6.660%
$775,000	300	6.933%	5.019%
$775,000	400	5.910%	4.072%
$775,000	500	5.218%	3.443%
$775,000	600	4.709%	2.989%
$775,000	700	4.315%	2.642%
$775,000	800	3.997%	2.368%
$775,000	900	3.734%	2.143%
$775,000	1,000	3.510%	1.956%
$775,000	1,500	2.741%	1.339%
$775,000	2,000	2.269%	0.989%
$775,000	3,000	1.687%	0.602%
$775,000	4,000	1.327%	0.396%
$775,000	5,000	1.079%	0.273%
$775,000	10,000	0.495%	0.059%
$775,000	20,000	0.189%	0.006%
$775,000	30,000	0.101%	0.002%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$775,000	40,000	0.062%	0.001%
$780,000	100	12.697%	10.551%
$780,000	200	8.693%	6.682%
$780,000	300	6.951%	5.036%
$780,000	400	5.926%	4.086%
$780,000	500	5.232%	3.455%
$780,000	600	4.722%	3.000%
$780,000	700	4.327%	2.652%
$780,000	800	4.008%	2.377%
$780,000	900	3.744%	2.152%
$780,000	1,000	3.520%	1.964%
$780,000	1,500	2.750%	1.345%
$780,000	2,000	2.277%	0.994%
$780,000	3,000	1.693%	0.606%
$780,000	4,000	1.333%	0.399%
$780,000	5,000	1.084%	0.275%
$780,000	10,000	0.498%	0.060%
$780,000	20,000	0.191%	0.006%
$780,000	30,000	0.102%	0.002%
$780,000	40,000	0.062%	0.001%
$785,000	100	12.730%	10.583%
$785,000	200	8.716%	6.703%
$785,000	300	6.969%	5.053%
$785,000	400	5.942%	4.101%
$785,000	500	5.246%	3.468%
$785,000	600	4.735%	3.011%
$785,000	700	4.339%	2.663%
$785,000	800	4.019%	2.386%
$785,000	900	3.754%	2.161%
$785,000	1,000	3.530%	1.972%
$785,000	1,500	2.758%	1.352%
$785,000	2,000	2.284%	0.999%
$785,000	3,000	1.700%	0.609%
$785,000	4,000	1.338%	0.402%
$785,000	5,000	1.089%	0.277%
$785,000	10,000	0.501%	0.060%
$785,000	20,000	0.192%	0.006%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$785,000	30,000	0.103%	0.002%
$785,000	40,000	0.063%	0.001%
$790,000	100	12.763%	10.615%
$790,000	200	8.739%	6.725%
$790,000	300	6.988%	5.070%
$790,000	400	5.957%	4.115%
$790,000	500	5.260%	3.480%
$790,000	600	4.748%	3.022%
$790,000	700	4.350%	2.673%
$790,000	800	4.030%	2.396%
$790,000	900	3.765%	2.169%
$790,000	1,000	3.540%	1.980%
$790,000	1,500	2.766%	1.358%
$790,000	2,000	2.291%	1.004%
$790,000	3,000	1.706%	0.613%
$790,000	4,000	1.344%	0.405%
$790,000	5,000	1.094%	0.279%
$790,000	10,000	0.504%	0.061%
$790,000	20,000	0.193%	0.006%
$790,000	30,000	0.103%	0.002%
$790,000	40,000	0.063%	0.001%
$795,000	100	12.797%	10.647%
$795,000	200	8.761%	6.747%
$795,000	300	7.006%	5.087%
$795,000	400	5.973%	4.129%
$795,000	500	5.274%	3.493%
$795,000	600	4.760%	3.033%
$795,000	700	4.362%	2.683%
$795,000	800	4.041%	2.405%
$795,000	900	3.775%	2.178%
$795,000	1,000	3.550%	1.988%
$795,000	1,500	2.774%	1.364%
$795,000	2,000	2.299%	1.009%
$795,000	3,000	1.712%	0.617%
$795,000	4,000	1.349%	0.408%
$795,000	5,000	1.099%	0.282%
$795,000	10,000	0.507%	0.062%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$795,000	20,000	0.195%	0.007%
$795,000	30,000	0.104%	0.002%
$795,000	40,000	0.064%	0.001%
$800,000	100	12.830%	10.679%
$800,000	200	8.784%	6.768%
$800,000	300	7.025%	5.104%
$800,000	400	5.989%	4.144%
$800,000	500	5.288%	3.505%
$800,000	600	4.773%	3.044%
$800,000	700	4.374%	2.693%
$800,000	800	4.052%	2.414%
$800,000	900	3.786%	2.187%
$800,000	1,000	3.560%	1.997%
$800,000	1,500	2.783%	1.370%
$800,000	2,000	2.306%	1.015%
$800,000	3,000	1.718%	0.621%
$800,000	4,000	1.355%	0.411%
$800,000	5,000	1.104%	0.284%
$800,000	10,000	0.510%	0.063%
$800,000	20,000	0.196%	0.007%
$800,000	30,000	0.105%	0.002%
$800,000	40,000	0.064%	0.001%
$805,000	100	12.863%	10.711%
$805,000	200	8.807%	6.790%
$805,000	300	7.043%	5.121%
$805,000	400	6.005%	4.158%
$805,000	500	5.302%	3.518%
$805,000	600	4.786%	3.056%
$805,000	700	4.386%	2.703%
$805,000	800	4.064%	2.424%
$805,000	900	3.796%	2.195%
$805,000	1,000	3.569%	2.005%
$805,000	1,500	2.791%	1.377%
$805,000	2,000	2.313%	1.020%
$805,000	3,000	1.725%	0.625%
$805,000	4,000	1.361%	0.413%
$805,000	5,000	1.109%	0.286%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$805,000	10,000	0.513%	0.063%
$805,000	20,000	0.197%	0.007%
$805,000	30,000	0.106%	0.002%
$805,000	40,000	0.065%	0.001%
$810,000	100	12.896%	10.743%
$810,000	200	8.830%	6.812%
$810,000	300	7.062%	5.138%
$810,000	400	6.021%	4.172%
$810,000	500	5.316%	3.530%
$810,000	600	4.799%	3.067%
$810,000	700	4.398%	2.713%
$810,000	800	4.075%	2.433%
$810,000	900	3.807%	2.204%
$810,000	1,000	3.579%	2.013%
$810,000	1,500	2.799%	1.383%
$810,000	2,000	2.321%	1.025%
$810,000	3,000	1.731%	0.628%
$810,000	4,000	1.366%	0.416%
$810,000	5,000	1.114%	0.289%
$810,000	10,000	0.516%	0.064%
$810,000	20,000	0.199%	0.007%
$810,000	30,000	0.107%	0.002%
$810,000	40,000	0.065%	0.001%
$815,000	100	12.929%	10.775%
$815,000	200	8.853%	6.833%
$815,000	300	7.080%	5.155%
$815,000	400	6.037%	4.187%
$815,000	500	5.330%	3.543%
$815,000	600	4.812%	3.078%
$815,000	700	4.410%	2.723%
$815,000	800	4.086%	2.442%
$815,000	900	3.817%	2.213%
$815,000	1,000	3.589%	2.021%
$815,000	1,500	2.808%	1.389%
$815,000	2,000	2.328%	1.030%
$815,000	3,000	1.737%	0.632%
$815,000	4,000	1.372%	0.419%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$815,000	5,000	1.119%	0.291%
$815,000	10,000	0.519%	0.065%
$815,000	20,000	0.200%	0.007%
$815,000	30,000	0.107%	0.002%
$815,000	40,000	0.066%	0.001%
$820,000	100	12.962%	10.808%
$820,000	200	8.876%	6.855%
$820,000	300	7.099%	5.172%
$820,000	400	6.052%	4.201%
$820,000	500	5.344%	3.555%
$820,000	600	4.824%	3.089%
$820,000	700	4.421%	2.734%
$820,000	800	4.097%	2.452%
$820,000	900	3.827%	2.221%
$820,000	1,000	3.599%	2.029%
$820,000	1,500	2.816%	1.396%
$820,000	2,000	2.336%	1.035%
$820,000	3,000	1.743%	0.636%
$820,000	4,000	1.377%	0.422%
$820,000	5,000	1.124%	0.293%
$820,000	10,000	0.522%	0.066%
$820,000	20,000	0.201%	0.007%
$820,000	30,000	0.108%	0.002%
$820,000	40,000	0.066%	0.001%
$825,000	100	12.992%	10.836%
$825,000	200	8.897%	6.874%
$825,000	300	7.115%	5.188%
$825,000	400	6.066%	4.214%
$825,000	500	5.357%	3.566%
$825,000	600	4.836%	3.099%
$825,000	700	4.432%	2.743%
$825,000	800	4.106%	2.460%
$825,000	900	3.837%	2.229%
$825,000	1,000	3.608%	2.036%
$825,000	1,500	2.823%	1.401%
$825,000	2,000	2.342%	1.040%
$825,000	3,000	1.749%	0.639%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$825,000	4,000	1.382%	0.425%
$825,000	5,000	1.128%	0.295%
$825,000	10,000	0.525%	0.066%
$825,000	20,000	0.203%	0.007%
$825,000	30,000	0.109%	0.002%
$825,000	40,000	0.067%	0.001%
$830,000	100	13.006%	10.849%
$830,000	200	8.906%	6.883%
$830,000	300	7.123%	5.195%
$830,000	400	6.073%	4.220%
$830,000	500	5.363%	3.572%
$830,000	600	4.841%	3.104%
$830,000	700	4.437%	2.747%
$830,000	800	4.111%	2.464%
$830,000	900	3.841%	2.233%
$830,000	1,000	3.612%	2.040%
$830,000	1,500	2.827%	1.404%
$830,000	2,000	2.345%	1.042%
$830,000	3,000	1.752%	0.641%
$830,000	4,000	1.384%	0.426%
$830,000	5,000	1.130%	0.296%
$830,000	10,000	0.526%	0.067%
$830,000	20,000	0.203%	0.007%
$830,000	30,000	0.109%	0.002%
$830,000	40,000	0.067%	0.001%
$835,000	100	13.020%	10.863%
$835,000	200	8.916%	6.893%
$835,000	300	7.131%	5.202%
$835,000	400	6.080%	4.226%
$835,000	500	5.369%	3.577%
$835,000	600	4.846%	3.109%
$835,000	700	4.442%	2.751%
$835,000	800	4.116%	2.468%
$835,000	900	3.846%	2.236%
$835,000	1,000	3.616%	2.043%
$835,000	1,500	2.830%	1.406%
$835,000	2,000	2.348%	1.044%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$835,000	3,000	1.754%	0.643%
$835,000	4,000	1.387%	0.427%
$835,000	5,000	1.132%	0.297%
$835,000	10,000	0.527%	0.067%
$835,000	20,000	0.204%	0.007%
$835,000	30,000	0.109%	0.002%
$835,000	40,000	0.067%	0.001%
$840,000	100	13.034%	10.877%
$840,000	200	8.926%	6.902%
$840,000	300	7.139%	5.209%
$840,000	400	6.086%	4.232%
$840,000	500	5.375%	3.582%
$840,000	600	4.852%	3.113%
$840,000	700	4.447%	2.756%
$840,000	800	4.120%	2.472%
$840,000	900	3.850%	2.240%
$840,000	1,000	3.621%	2.047%
$840,000	1,500	2.834%	1.409%
$840,000	2,000	2.351%	1.047%
$840,000	3,000	1.757%	0.644%
$840,000	4,000	1.389%	0.429%
$840,000	5,000	1.134%	0.298%
$840,000	10,000	0.528%	0.067%
$840,000	20,000	0.204%	0.007%
$840,000	30,000	0.110%	0.002%
$840,000	40,000	0.068%	0.001%
$845,000	100	13.048%	10.890%
$845,000	200	8.936%	6.911%
$845,000	300	7.146%	5.217%
$845,000	400	6.093%	4.238%
$845,000	500	5.381%	3.588%
$845,000	600	4.857%	3.118%
$845,000	700	4.452%	2.760%
$845,000	800	4.125%	2.476%
$845,000	900	3.854%	2.244%
$845,000	1,000	3.625%	2.050%
$845,000	1,500	2.837%	1.412%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$845,000	2,000	2.354%	1.049%
$845,000	3,000	1.759%	0.646%
$845,000	4,000	1.391%	0.430%
$845,000	5,000	1.136%	0.299%
$845,000	10,000	0.530%	0.068%
$845,000	20,000	0.205%	0.007%
$845,000	30,000	0.110%	0.002%
$845,000	40,000	0.068%	0.001%
$850,000	100	13.062%	10.904%
$850,000	200	8.945%	6.920%
$850,000	300	7.154%	5.224%
$850,000	400	6.100%	4.244%
$850,000	500	5.387%	3.593%
$850,000	600	4.863%	3.123%
$850,000	700	4.457%	2.764%
$850,000	800	4.130%	2.480%
$850,000	900	3.859%	2.248%
$850,000	1,000	3.629%	2.054%
$850,000	1,500	2.841%	1.415%
$850,000	2,000	2.358%	1.051%
$850,000	3,000	1.762%	0.648%
$850,000	4,000	1.394%	0.431%
$850,000	5,000	1.138%	0.300%
$850,000	10,000	0.531%	0.068%
$850,000	20,000	0.205%	0.007%
$850,000	30,000	0.110%	0.002%
$850,000	40,000	0.068%	0.001%
$855,000	100	13.076%	10.918%
$855,000	200	8.955%	6.929%
$855,000	300	7.162%	5.231%
$855,000	400	6.107%	4.250%
$855,000	500	5.393%	3.598%
$855,000	600	4.868%	3.128%
$855,000	700	4.462%	2.769%
$855,000	800	4.135%	2.484%
$855,000	900	3.863%	2.251%
$855,000	1,000	3.633%	2.057%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$855,000	1,500	2.844%	1.417%
$855,000	2,000	2.361%	1.053%
$855,000	3,000	1.765%	0.649%
$855,000	4,000	1.396%	0.432%
$855,000	5,000	1.141%	0.301%
$855,000	10,000	0.532%	0.068%
$855,000	20,000	0.206%	0.008%
$855,000	30,000	0.111%	0.002%
$855,000	40,000	0.068%	0.001%
$860,000	100	13.090%	10.931%
$860,000	200	8.965%	6.939%
$860,000	300	7.170%	5.238%
$860,000	400	6.113%	4.256%
$860,000	500	5.398%	3.604%
$860,000	600	4.874%	3.132%
$860,000	700	4.467%	2.773%
$860,000	800	4.139%	2.488%
$860,000	900	3.868%	2.255%
$860,000	1,000	3.637%	2.060%
$860,000	1,500	2.848%	1.420%
$860,000	2,000	2.364%	1.055%
$860,000	3,000	1.767%	0.651%
$860,000	4,000	1.398%	0.434%
$860,000	5,000	1.143%	0.302%
$860,000	10,000	0.534%	0.069%
$860,000	20,000	0.207%	0.008%
$860,000	30,000	0.111%	0.002%
$860,000	40,000	0.069%	0.001%
$865,000	100	13.104%	10.945%
$865,000	200	8.975%	6.948%
$865,000	300	7.178%	5.246%
$865,000	400	6.120%	4.262%
$865,000	500	5.404%	3.609%
$865,000	600	4.879%	3.137%
$865,000	700	4.472%	2.777%
$865,000	800	4.144%	2.492%
$865,000	900	3.872%	2.259%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$865,000	1,000	3.642%	2.064%
$865,000	1,500	2.851%	1.423%
$865,000	2,000	2.367%	1.058%
$865,000	3,000	1.770%	0.652%
$865,000	4,000	1.401%	0.435%
$865,000	5,000	1.145%	0.303%
$865,000	10,000	0.535%	0.069%
$865,000	20,000	0.207%	0.008%
$865,000	30,000	0.112%	0.002%
$865,000	40,000	0.069%	0.001%
$870,000	100	13.118%	10.959%
$870,000	200	8.984%	6.957%
$870,000	300	7.186%	5.253%
$870,000	400	6.127%	4.269%
$870,000	500	5.410%	3.614%
$870,000	600	4.884%	3.142%
$870,000	700	4.477%	2.781%
$870,000	800	4.149%	2.496%
$870,000	900	3.876%	2.262%
$870,000	1,000	3.646%	2.067%
$870,000	1,500	2.855%	1.425%
$870,000	2,000	2.370%	1.060%
$870,000	3,000	1.773%	0.654%
$870,000	4,000	1.403%	0.436%
$870,000	5,000	1.147%	0.304%
$870,000	10,000	0.536%	0.069%
$870,000	20,000	0.208%	0.008%
$870,000	30,000	0.112%	0.002%
$870,000	40,000	0.069%	0.001%
$875,000	100	13.132%	10.972%
$875,000	200	8.994%	6.966%
$875,000	300	7.193%	5.260%
$875,000	400	6.134%	4.275%
$875,000	500	5.416%	3.620%
$875,000	600	4.890%	3.147%
$875,000	700	4.482%	2.786%
$875,000	800	4.153%	2.500%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$875,000	900	3.881%	2.266%
$875,000	1,000	3.650%	2.071%
$875,000	1,500	2.858%	1.428%
$875,000	2,000	2.373%	1.062%
$875,000	3,000	1.775%	0.656%
$875,000	4,000	1.405%	0.437%
$875,000	5,000	1.149%	0.305%
$875,000	10,000	0.537%	0.070%
$875,000	20,000	0.208%	0.008%
$875,000	30,000	0.112%	0.002%
$875,000	40,000	0.069%	0.001%
$880,000	100	13.147%	10.986%
$880,000	200	9.004%	6.976%
$880,000	300	7.201%	5.267%
$880,000	400	6.140%	4.281%
$880,000	500	5.422%	3.625%
$880,000	600	4.895%	3.151%
$880,000	700	4.487%	2.790%
$880,000	800	4.158%	2.504%
$880,000	900	3.885%	2.270%
$880,000	1,000	3.654%	2.074%
$880,000	1,500	2.862%	1.431%
$880,000	2,000	2.376%	1.064%
$880,000	3,000	1.778%	0.657%
$880,000	4,000	1.408%	0.439%
$880,000	5,000	1.151%	0.306%
$880,000	10,000	0.539%	0.070%
$880,000	20,000	0.209%	0.008%
$880,000	30,000	0.113%	0.002%
$880,000	40,000	0.069%	0.001%
$885,000	100	13.161%	10.999%
$885,000	200	9.014%	6.985%
$885,000	300	7.209%	5.275%
$885,000	400	6.147%	4.287%
$885,000	500	5.428%	3.630%
$885,000	600	4.901%	3.156%
$885,000	700	4.492%	2.794%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$885,000	800	4.163%	2.508%
$885,000	900	3.890%	2.273%
$885,000	1,000	3.658%	2.078%
$885,000	1,500	2.865%	1.433%
$885,000	2,000	2.379%	1.067%
$885,000	3,000	1.781%	0.659%
$885,000	4,000	1.410%	0.440%
$885,000	5,000	1.153%	0.307%
$885,000	10,000	0.540%	0.070%
$885,000	20,000	0.210%	0.008%
$885,000	30,000	0.113%	0.002%
$885,000	40,000	0.070%	0.001%
$890,000	100	13.175%	11.013%
$890,000	200	9.023%	6.994%
$890,000	300	7.217%	5.282%
$890,000	400	6.154%	4.293%
$890,000	500	5.434%	3.636%
$890,000	600	4.906%	3.161%
$890,000	700	4.497%	2.799%
$890,000	800	4.167%	2.512%
$890,000	900	3.894%	2.277%
$890,000	1,000	3.663%	2.081%
$890,000	1,500	2.869%	1.436%
$890,000	2,000	2.382%	1.069%
$890,000	3,000	1.783%	0.661%
$890,000	4,000	1.412%	0.441%
$890,000	5,000	1.155%	0.308%
$890,000	10,000	0.541%	0.071%
$890,000	20,000	0.210%	0.008%
$890,000	30,000	0.113%	0.002%
$890,000	40,000	0.070%	0.001%
$895,000	100	13.189%	11.027%
$895,000	200	9.033%	7.003%
$895,000	300	7.225%	5.289%
$895,000	400	6.160%	4.299%
$895,000	500	5.440%	3.641%
$895,000	600	4.912%	3.166%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$895,000	700	4.502%	2.803%
$895,000	800	4.172%	2.516%
$895,000	900	3.899%	2.281%
$895,000	1,000	3.667%	2.085%
$895,000	1,500	2.872%	1.439%
$895,000	2,000	2.386%	1.071%
$895,000	3,000	1.786%	0.662%
$895,000	4,000	1.415%	0.443%
$895,000	5,000	1.157%	0.309%
$895,000	10,000	0.543%	0.071%
$895,000	20,000	0.211%	0.008%
$895,000	30,000	0.114%	0.002%
$895,000	40,000	0.070%	0.001%
$900,000	100	13.203%	11.040%
$900,000	200	9.043%	7.012%
$900,000	300	7.233%	5.296%
$900,000	400	6.167%	4.305%
$900,000	500	5.446%	3.646%
$900,000	600	4.917%	3.170%
$900,000	700	4.507%	2.807%
$900,000	800	4.177%	2.520%
$900,000	900	3.903%	2.285%
$900,000	1,000	3.671%	2.088%
$900,000	1,500	2.876%	1.441%
$900,000	2,000	2.389%	1.073%
$900,000	3,000	1.789%	0.664%
$900,000	4,000	1.417%	0.444%
$900,000	5,000	1.159%	0.310%
$900,000	10,000	0.544%	0.071%
$900,000	20,000	0.211%	0.008%
$900,000	30,000	0.114%	0.002%
$900,000	40,000	0.070%	0.001%
$905,000	100	13.217%	11.054%
$905,000	200	9.053%	7.022%
$905,000	300	7.241%	5.304%
$905,000	400	6.174%	4.311%
$905,000	500	5.452%	3.652%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$905,000	600	4.922%	3.175%
$905,000	700	4.512%	2.812%
$905,000	800	4.181%	2.524%
$905,000	900	3.907%	2.288%
$905,000	1,000	3.675%	2.092%
$905,000	1,500	2.879%	1.444%
$905,000	2,000	2.392%	1.075%
$905,000	3,000	1.791%	0.665%
$905,000	4,000	1.419%	0.445%
$905,000	5,000	1.162%	0.311%
$905,000	10,000	0.545%	0.072%
$905,000	20,000	0.212%	0.008%
$905,000	30,000	0.114%	0.002%
$905,000	40,000	0.071%	0.001%
$910,000	100	13.231%	11.068%
$910,000	200	9.062%	7.031%
$910,000	300	7.248%	5.311%
$910,000	400	6.181%	4.317%
$910,000	500	5.458%	3.657%
$910,000	600	4.928%	3.180%
$910,000	700	4.517%	2.816%
$910,000	800	4.186%	2.528%
$910,000	900	3.912%	2.292%
$910,000	1,000	3.679%	2.095%
$910,000	1,500	2.883%	1.447%
$910,000	2,000	2.395%	1.078%
$910,000	3,000	1.794%	0.667%
$910,000	4,000	1.422%	0.446%
$910,000	5,000	1.164%	0.312%
$910,000	10,000	0.546%	0.072%
$910,000	20,000	0.212%	0.008%
$910,000	30,000	0.115%	0.002%
$910,000	40,000	0.071%	0.001%
$915,000	100	13.245%	11.081%
$915,000	200	9.072%	7.040%
$915,000	300	7.256%	5.318%
$915,000	400	6.187%	4.324%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$915,000	500	5.464%	3.662%
$915,000	600	4.933%	3.185%
$915,000	700	4.522%	2.820%
$915,000	800	4.191%	2.532%
$915,000	900	3.916%	2.296%
$915,000	1,000	3.684%	2.099%
$915,000	1,500	2.886%	1.449%
$915,000	2,000	2.398%	1.080%
$915,000	3,000	1.796%	0.669%
$915,000	4,000	1.424%	0.448%
$915,000	5,000	1.166%	0.313%
$915,000	10,000	0.548%	0.073%
$915,000	20,000	0.213%	0.008%
$915,000	30,000	0.115%	0.002%
$915,000	40,000	0.071%	0.001%
$920,000	100	13.259%	11.095%
$920,000	200	9.082%	7.049%
$920,000	300	7.264%	5.326%
$920,000	400	6.194%	4.330%
$920,000	500	5.470%	3.668%
$920,000	600	4.939%	3.189%
$920,000	700	4.527%	2.825%
$920,000	800	4.195%	2.536%
$920,000	900	3.921%	2.299%
$920,000	1,000	3.688%	2.102%
$920,000	1,500	2.890%	1.452%
$920,000	2,000	2.401%	1.082%
$920,000	3,000	1.799%	0.670%
$920,000	4,000	1.426%	0.449%
$920,000	5,000	1.168%	0.314%
$920,000	10,000	0.549%	0.073%
$920,000	20,000	0.214%	0.008%
$920,000	30,000	0.115%	0.002%
$920,000	40,000	0.071%	0.001%
$925,000	100	13.273%	11.109%
$925,000	200	9.092%	7.059%
$925,000	300	7.272%	5.333%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$925,000	400	6.201%	4.336%
$925,000	500	5.476%	3.673%
$925,000	600	4.944%	3.194%
$925,000	700	4.532%	2.829%
$925,000	800	4.200%	2.540%
$925,000	900	3.925%	2.303%
$925,000	1,000	3.692%	2.106%
$925,000	1,500	2.893%	1.455%
$925,000	2,000	2.404%	1.084%
$925,000	3,000	1.802%	0.672%
$925,000	4,000	1.429%	0.450%
$925,000	5,000	1.170%	0.315%
$925,000	10,000	0.550%	0.073%
$925,000	20,000	0.214%	0.008%
$925,000	30,000	0.116%	0.002%
$925,000	40,000	0.072%	0.001%
$930,000	100	13.287%	11.122%
$930,000	200	9.101%	7.068%
$930,000	300	7.280%	5.340%
$930,000	400	6.208%	4.342%
$930,000	500	5.482%	3.678%
$930,000	600	4.950%	3.199%
$930,000	700	4.537%	2.833%
$930,000	800	4.205%	2.544%
$930,000	900	3.930%	2.307%
$930,000	1,000	3.696%	2.109%
$930,000	1,500	2.897%	1.457%
$930,000	2,000	2.407%	1.087%
$930,000	3,000	1.804%	0.674%
$930,000	4,000	1.431%	0.451%
$930,000	5,000	1.172%	0.316%
$930,000	10,000	0.552%	0.074%
$930,000	20,000	0.215%	0.008%
$930,000	30,000	0.116%	0.002%
$930,000	40,000	0.072%	0.001%
$935,000	100	13.301%	11.136%
$935,000	200	9.111%	7.077%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$935,000	300	7.288%	5.347%
$935,000	400	6.214%	4.348%
$935,000	500	5.488%	3.684%
$935,000	600	4.955%	3.204%
$935,000	700	4.542%	2.838%
$935,000	800	4.210%	2.548%
$935,000	900	3.934%	2.310%
$935,000	1,000	3.700%	2.113%
$935,000	1,500	2.900%	1.460%
$935,000	2,000	2.410%	1.089%
$935,000	3,000	1.807%	0.675%
$935,000	4,000	1.433%	0.453%
$935,000	5,000	1.174%	0.317%
$935,000	10,000	0.553%	0.074%
$935,000	20,000	0.215%	0.008%
$935,000	30,000	0.116%	0.002%
$935,000	40,000	0.072%	0.001%
$940,000	100	13.316%	11.150%
$940,000	200	9.121%	7.086%
$940,000	300	7.296%	5.355%
$940,000	400	6.221%	4.354%
$940,000	500	5.494%	3.689%
$940,000	600	4.960%	3.209%
$940,000	700	4.547%	2.842%
$940,000	800	4.214%	2.552%
$940,000	900	3.938%	2.314%
$940,000	1,000	3.705%	2.116%
$940,000	1,500	2.904%	1.463%
$940,000	2,000	2.413%	1.091%
$940,000	3,000	1.810%	0.677%
$940,000	4,000	1.436%	0.454%
$940,000	5,000	1.176%	0.318%
$940,000	10,000	0.554%	0.074%
$940,000	20,000	0.216%	0.008%
$940,000	30,000	0.117%	0.002%
$940,000	40,000	0.072%	0.001%
$945,000	100	13.330%	11.163%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$945,000	200	9.131%	7.096%
$945,000	300	7.303%	5.362%
$945,000	400	6.228%	4.360%
$945,000	500	5.500%	3.694%
$945,000	600	4.966%	3.213%
$945,000	700	4.552%	2.846%
$945,000	800	4.219%	2.556%
$945,000	900	3.943%	2.318%
$945,000	1,000	3.709%	2.119%
$945,000	1,500	2.907%	1.466%
$945,000	2,000	2.417%	1.093%
$945,000	3,000	1.812%	0.679%
$945,000	4,000	1.438%	0.455%
$945,000	5,000	1.178%	0.319%
$945,000	10,000	0.555%	0.075%
$945,000	20,000	0.217%	0.008%
$945,000	30,000	0.117%	0.002%
$945,000	40,000	0.072%	0.001%
$950,000	100	13.344%	11.177%
$950,000	200	9.140%	7.105%
$950,000	300	7.311%	5.369%
$950,000	400	6.234%	4.366%
$950,000	500	5.506%	3.700%
$950,000	600	4.971%	3.218%
$950,000	700	4.557%	2.851%
$950,000	800	4.224%	2.560%
$950,000	900	3.947%	2.322%
$950,000	1,000	3.713%	2.123%
$950,000	1,500	2.911%	1.468%
$950,000	2,000	2.420%	1.095%
$950,000	3,000	1.815%	0.680%
$950,000	4,000	1.440%	0.456%
$950,000	5,000	1.180%	0.320%
$950,000	10,000	0.557%	0.075%
$950,000	20,000	0.217%	0.009%
$950,000	30,000	0.117%	0.002%
$950,000	40,000	0.073%	0.001%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$955,000	100	13.358%	11.191%
$955,000	200	9.150%	7.114%
$955,000	300	7.319%	5.376%
$955,000	400	6.241%	4.373%
$955,000	500	5.512%	3.705%
$955,000	600	4.977%	3.223%
$955,000	700	4.562%	2.855%
$955,000	800	4.228%	2.563%
$955,000	900	3.952%	2.325%
$955,000	1,000	3.717%	2.126%
$955,000	1,500	2.914%	1.471%
$955,000	2,000	2.423%	1.098%
$955,000	3,000	1.818%	0.682%
$955,000	4,000	1.443%	0.458%
$955,000	5,000	1.182%	0.321%
$955,000	10,000	0.558%	0.075%
$955,000	20,000	0.218%	0.009%
$955,000	30,000	0.118%	0.002%
$955,000	40,000	0.073%	0.001%
$960,000	100	13.372%	11.204%
$960,000	200	9.160%	7.123%
$960,000	300	7.327%	5.384%
$960,000	400	6.248%	4.379%
$960,000	500	5.518%	3.710%
$960,000	600	4.982%	3.228%
$960,000	700	4.567%	2.859%
$960,000	800	4.233%	2.567%
$960,000	900	3.956%	2.329%
$960,000	1,000	3.721%	2.130%
$960,000	1,500	2.918%	1.474%
$960,000	2,000	2.426%	1.100%
$960,000	3,000	1.820%	0.684%
$960,000	4,000	1.445%	0.459%
$960,000	5,000	1.185%	0.322%
$960,000	10,000	0.559%	0.076%
$960,000	20,000	0.218%	0.009%
$960,000	30,000	0.118%	0.002%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$960,000	40,000	0.073%	0.001%
$965,000	100	13.386%	11.218%
$965,000	200	9.170%	7.133%
$965,000	300	7.335%	5.391%
$965,000	400	6.255%	4.385%
$965,000	500	5.524%	3.716%
$965,000	600	4.988%	3.232%
$965,000	700	4.572%	2.864%
$965,000	800	4.238%	2.571%
$965,000	900	3.961%	2.333%
$965,000	1,000	3.726%	2.133%
$965,000	1,500	2.921%	1.476%
$965,000	2,000	2.429%	1.102%
$965,000	3,000	1.823%	0.685%
$965,000	4,000	1.447%	0.460%
$965,000	5,000	1.187%	0.323%
$965,000	10,000	0.561%	0.076%
$965,000	20,000	0.219%	0.009%
$965,000	30,000	0.118%	0.002%
$965,000	40,000	0.073%	0.001%
$970,000	100	13.400%	11.231%
$970,000	200	9.179%	7.142%
$970,000	300	7.343%	5.398%
$970,000	400	6.261%	4.391%
$970,000	500	5.530%	3.721%
$970,000	600	4.993%	3.237%
$970,000	700	4.577%	2.868%
$970,000	800	4.242%	2.575%
$970,000	900	3.965%	2.336%
$970,000	1,000	3.730%	2.137%
$970,000	1,500	2.925%	1.479%
$970,000	2,000	2.432%	1.104%
$970,000	3,000	1.826%	0.687%
$970,000	4,000	1.450%	0.462%
$970,000	5,000	1.189%	0.324%
$970,000	10,000	0.562%	0.076%
$970,000	20,000	0.220%	0.009%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$970,000	30,000	0.119%	0.002%
$970,000	40,000	0.074%	0.001%
$975,000	100	13.414%	11.245%
$975,000	200	9.189%	7.151%
$975,000	300	7.351%	5.406%
$975,000	400	6.268%	4.397%
$975,000	500	5.536%	3.726%
$975,000	600	4.998%	3.242%
$975,000	700	4.582%	2.873%
$975,000	800	4.247%	2.579%
$975,000	900	3.969%	2.340%
$975,000	1,000	3.734%	2.140%
$975,000	1,500	2.928%	1.482%
$975,000	2,000	2.435%	1.107%
$975,000	3,000	1.828%	0.689%
$975,000	4,000	1.452%	0.463%
$975,000	5,000	1.191%	0.325%
$975,000	10,000	0.563%	0.077%
$975,000	20,000	0.220%	0.009%
$975,000	30,000	0.119%	0.002%
$975,000	40,000	0.074%	0.001%
$980,000	100	13.428%	11.259%
$980,000	200	9.199%	7.160%
$980,000	300	7.358%	5.413%
$980,000	400	6.275%	4.403%
$980,000	500	5.542%	3.732%
$980,000	600	5.004%	3.247%
$980,000	700	4.587%	2.877%
$980,000	800	4.252%	2.583%
$980,000	900	3.974%	2.344%
$980,000	1,000	3.738%	2.144%
$980,000	1,500	2.932%	1.484%
$980,000	2,000	2.438%	1.109%
$980,000	3,000	1.831%	0.690%
$980,000	4,000	1.454%	0.464%
$980,000	5,000	1.193%	0.326%
$980,000	10,000	0.565%	0.077%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$980,000	20,000	0.221%	0.009%
$980,000	30,000	0.119%	0.002%
$980,000	40,000	0.074%	0.001%
$985,000	100	13.442%	11.272%
$985,000	200	9.209%	7.170%
$985,000	300	7.366%	5.420%
$985,000	400	6.282%	4.409%
$985,000	500	5.548%	3.737%
$985,000	600	5.009%	3.252%
$985,000	700	4.592%	2.881%
$985,000	800	4.256%	2.587%
$985,000	900	3.978%	2.348%
$985,000	1,000	3.742%	2.147%
$985,000	1,500	2.935%	1.487%
$985,000	2,000	2.441%	1.111%
$985,000	3,000	1.833%	0.692%
$985,000	4,000	1.457%	0.465%
$985,000	5,000	1.195%	0.327%
$985,000	10,000	0.566%	0.078%
$985,000	20,000	0.221%	0.009%
$985,000	30,000	0.120%	0.002%
$985,000	40,000	0.074%	0.001%
$990,000	100	13.457%	11.286%
$990,000	200	9.219%	7.179%
$990,000	300	7.374%	5.427%
$990,000	400	6.288%	4.415%
$990,000	500	5.554%	3.742%
$990,000	600	5.015%	3.256%
$990,000	700	4.597%	2.886%
$990,000	800	4.261%	2.591%
$990,000	900	3.983%	2.351%
$990,000	1,000	3.747%	2.151%
$990,000	1,500	2.939%	1.490%
$990,000	2,000	2.444%	1.113%
$990,000	3,000	1.836%	0.693%
$990,000	4,000	1.459%	0.467%
$990,000	5,000	1.197%	0.328%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$990,000	10,000	0.567%	0.078%
$990,000	20,000	0.222%	0.009%
$990,000	30,000	0.120%	0.002%
$990,000	40,000	0.075%	0.001%
$995,000	100	13.471%	11.300%
$995,000	200	9.228%	7.188%
$995,000	300	7.382%	5.435%
$995,000	400	6.295%	4.422%
$995,000	500	5.560%	3.748%
$995,000	600	5.020%	3.261%
$995,000	700	4.602%	2.890%
$995,000	800	4.266%	2.595%
$995,000	900	3.987%	2.355%
$995,000	1,000	3.751%	2.154%
$995,000	1,500	2.942%	1.492%
$995,000	2,000	2.448%	1.115%
$995,000	3,000	1.839%	0.695%
$995,000	4,000	1.461%	0.468%
$995,000	5,000	1.199%	0.329%
$995,000	10,000	0.568%	0.078%
$995,000	20,000	0.223%	0.009%
$995,000	30,000	0.121%	0.002%
$995,000	40,000	0.075%	0.001%
$1,000,000	100	13.485%	11.313%
$1,000,000	200	9.238%	7.197%
$1,000,000	300	7.390%	5.442%
$1,000,000	400	6.302%	4.428%
$1,000,000	500	5.566%	3.753%
$1,000,000	600	5.026%	3.266%
$1,000,000	700	4.607%	2.894%
$1,000,000	800	4.270%	2.599%
$1,000,000	900	3.991%	2.359%
$1,000,000	1,000	3.755%	2.158%
$1,000,000	1,500	2.946%	1.495%
$1,000,000	2,000	2.451%	1.118%
$1,000,000	3,000	1.841%	0.697%
$1,000,000	4,000	1.464%	0.469%

* Applied to total projected claims

The Vermont Health Plan
Q3 2016 Large Group Rating Program Filing

Experience Refund Risk Charge Factors*

Pooling Limit	members	5% Margin	10% Margin
$1,000,000	5,000	1.201%	0.330%
$1,000,000	10,000	0.570%	0.079%
$1,000,000	20,000	0.223%	0.009%
$1,000,000	30,000	0.121%	0.002%
$1,000,000	40,000	0.075%	0.001%

* Applied to total projected claims

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association

March 15, 2016

Mr. Josh Hammerquist, A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 03/08/2016 Questions re: The Vermont Health Plan
3Q 2016 Large Group Rating Program Filing (SERFF Tracking #: BCVT-130457790)

Dear Mr. Hammerquist:

In response to your request dated March 8, 2016, here are *your questions* and our answers:

1. Please provide the Exhibits in Excel with working formulas.

Please see the attached file *Q3 2016 TVHP Large Group Rating Program Filing Exhibits with Formulas.xlsx*. Note that Exhibit 6C was filed with incorrect labels for the effective dates: the dates should have been one year later. We have corrected the exhibit in the attached file. The factors on each line are not impacted by the change.

2. Please explain why ASO business has been included in this year's rate development.

We included ASO groups in the development of the Large Claims Factors, Trend Factors, and Benefit Relativity Factors. ASO groups generally have similar benefits to and use the same network contracts as Insured and Cost Plus groups. Many had either Insured or Cost Plus products prior to switching to the ASO arrangement. Adding these groups to the development of the factors increases the credibility of the experience basis for the factor development, and these groups are a reasonable proxy for large group experience. Note that ASO business was **not** included in the development of the manual rate.

3. What percentage of claims was attributable to ASO business?

We included claims from ASO groups in the development of the Large Claims Factors, Trend Factors, and Benefit Relativity Factors. The percentage of claims attributable to ASO groups varies by factor.

In the development of the Large Claims Factors we used allowed charges from three years: 2012, 2013, and 2014, paid through September 2015. ASO groups were included only if they offered both medical and prescription drug coverage. For 2012, we did not have any ASO groups that qualified for inclusion (the ASO groups enrolled did not have prescription drug coverage), for 2013 ASO claims were 3.9% of the total, and for 2014, ASO claims were 7.5% of

the total. We built a distribution of claims by trending the 2012 and 2013 claims to 2014 using observed trend and including one copy of the 2012 claims, two copies of the 2013 claims, and three copies of the 2014 claims. ASO claims are 5.1% of this blended distribution.

To develop the medical Trend Factors we used allowed charges from November 2011 to August 2015, paid through October 2015. We excluded claims from ASO groups that offered special reimbursement rates at specific facilities and two large ASO groups that were not active for the entire experience period. Claims from ASO groups make up 6.5% of the total allowed charges.

In the development of the prescription drug Trend Factors we used allowed charges from October 2013 to September 2015, paid through October 2015. Claims from ASO groups make up 8.1% of the total allowed charges.

To develop the Benefit Relativity Factors we used allowed charges from August 2014 to July 2015, paid through October 2015. ASO groups were included only if they offered both medical and prescription drug coverage. Claims from ASO groups make up 4.5% of medical claims and 5.6% of prescription drug claims.

4. Please explain the material increase in impacted membership from the prior filing.

The impacted membership indicated in the memorandum (15,500 members (7,800 subscribers) in 67 groups) includes BCBSVT members and groups. Limiting to TVHP members only, the impacted membership is 4,100 members (2,200 subscribers) in 25 groups. There were 7,700 members (4,000 subscribers) in 37 groups impacted by the prior filing.

5. This question involves confidential and proprietary information and will be provided under separate cover.

6. Please provide additional support including quantitative justification for the increase in the net cost of reinsurance.

The net cost of reinsurance is the expected annual cost of claims above the reinsurance limit, multiplied by 0.33 to reflect an anticipated loss ratio of 75% and divided by 12 to convert the annual cost to a per-member-per-month. The expected annual cost of claims above the limit is calculated from a distribution of claims generated by the 2014 Milliman Health Cost Guidelines, adjusted to Vermont and trended to produce the same expected average annual allowed charge per member as the trended BCBSVT/TVHP distribution. We use the Milliman distribution as BCBSVT/TVHP data is not credible at the reinsurance limit ($750,000 for Q1 2016).

The increase in the average allowed charge per member is the source of the increase in the net cost of reinsurance from the prior filing. This increase has two causes: the claims used in the calculation and the observed trend from 2013 to 2014. See below for a table comparing the expected average allowed charges for the corresponding periods in each filing:

From 2015 Filing			From 2016 Filing		
2015 Filing Period	2015 Average Allowed	2015 Net Cost of Reinsurance	2016 Filing Period	2016 Average Allowed	2016 Net Cost of Reinsurance
Q1 2016	$6,254	$1.02	Q1 2017	$7,276	$1.32
Q2 2016	$6,348	$1.03	Q2 2017	$7,393	$1.36
Q3 2016	$6,443	$1.05	Q3 2017	$7,512	$1.37

The first source for the increase in the average allowed charge per member is the claims used in the calculation. The claims base used in the prior filing accidentally included claimants from Small Groups (under 51 employees) in addition to Large Groups. We noticed the error in our data as we were preparing the current filing and correctly excluded the Small Group claimants. Removing the Small Group claimants increases the average allowed charges for 2013 by 7.5%.

The second reason for the increase in the average allowed charge per member is the observed trend from 2013 (the year used for the average in the prior filing) to 2014 (the year used in this filing). The average allowed charge (for Large Group claimants only) increased by 5.0%.

The chart below illustrates the incremental impact of each factor:

	Average Allowed Charges	Increase in Average Allowed Charges	Percent Increase from Prior Filing	Additional Annual Claim Cost over $750,000 (From Milliman Distribution)	Increase in Net Cost of Reinsurance
2013 with Large and Small Groups	$5,259				
2013 with Large Groups	$5,653	$394	7.5%	$6.01	$0.17
2014 with Large Groups	$5,937	$285	5.4%	$4.35	$0.12

The total increase to the net cost of reinsurance is $0.29, which is consistent with the comparison of the factors in the prior and current filings for Q1 2016.

7. Please provide the combined medical and pharmacy experience for the prior five calendar years. Please include the following:
a. Incurred Claims
b. Earned Premium
c. Loss Ratio
d. Number of Groups
e. Number of Members

Below is the combined medical and pharmacy experience for the prior five calendar years. This only includes TVHP Large Group experience.

Year	Incurred Claims	Earned Premium	Loss Ratio	Number of Groups	Number of Members Months
2011	$60,024,023	$70,394,332	85.3%	91	179,352
2012	$64,804,618	$75,012,242	86.4%	97	195,686
2013	$59,893,298	$65,090,227	92.0%	104	179,709
2014	$42,277,031	$46,976,469	90.0%	84	126,349
2015	$36,936,814	$42,123,384	87.7%	71	102,396

The incurred claims and earned premium are from TVHP's GAAP financials. The claims include capitations, fee-for-services claims, certain assessments, and other claims expenses.

8. Please provide additional quantitative support for the estimates of the number of members expected to receive PCSK9, Orkambi, and Viekira.

BCBSVT's current policy is to approve PCSK9 inhibitors for the treatment of familial hypercholesterolemia (FH), a genetic disease characterized by very high levels of cholesterols in the blood. Current incidence studies suggest that 200 persons per 100,000 lives are diagnosed with FH. As of September 20, 2015 there were 82,098 Large Group (Insured, Cost Plus, and ASO) members. Applying the incidence rate of 0.2% to this population results in 164 members with FH. BCBSVT currently has two Large Group members taking Juxtapid for the treatment of FH; we assume these members will not switch to a PCSK9 inhibitor, so the total is 162.

Another indication for these drugs is for patients who have had a heart attack and then failed two different high-dose statins for 60 days. We looked at Large Group members who had a heart attack in the last two years (299) and combined it with the percentage of statin users who have failed two rounds of treatment (8.7%) to estimate the number of members that would be eligible for this drug (26 members). Combining the FH and heart attack members, the total number of members we expect to use a PCSK9 inhibitor is 188.

Orkambi is used to treat a specific mutation of the cystic fibrosis that is found in roughly 50 percent of cystic fibrosis patients. Orkambi is prescribed to patients age 12 and older. We assumed that 50 percent of our members diagnosed with cystic fibrosis who are at least age 12 will take Orkambi. This corresponds to 10 of our 19 Large Group cystic fibrosis patients.

Through October 2015, there were 29 Large Group members who began a Hepatitis C treatment with a specialty drug. We used the projected percentage of members expected to receive treatment provided by ESI to estimate the utilization of Hepatitis C drugs in 2017. Based on this information, we expect there to be 37 Large Group members who begin a treatment in 2017.

9. When do you expect to approve PCSK9 inhibitors for patients who have had a heart attack and then failed two different high-dose statins for 60 days?

For members who have already had a heart attack and failed two different high-dose statins, we would approve a PCSK9 inhibitor immediately upon request. A member who has a heart attack for the first time would have to fail two different statins, so there would be at least a 120-day period between the heart attack and the approval of a PCSK9 inhibitor.

10. This question involves confidential and proprietary information and will be provided under separate cover.

11. Please provide an exhibit detailing an actual-to-expected contribution to surplus for the previous 5-years.

The chart below shows the expected and actual contribution to reserves from the previous five years for Insured Large Groups. The expected contribution to reserves is based on our forecasting model, which incorporates final premiums including amendments ordered by regulators.

Year	Expected	Actual
2011	1.6%	4.7%
2012	2.1%	5.0%
2013	3.0%	-1.3%
2014	-3.2%	-3.3%
2015	-4.7%	-2.0%

12. Please provide an exhibit detailing the component breakdown of the 7.3% increase in administrative expenses.

The 7.3% increase in administrative expenses has four components: the effect of the new cost allocation, an increase in administrative costs that was greater than anticipated, an additional year of trend to the projection period, and a decrease in membership.

BCBSVT completed a comprehensive cost accounting study for the first time in a number of years. As part of the study, each department was asked to reassess the allocation of their resources by line of business. This reallocation increased the Large Group PMPM by 0.6% as demonstrated below:

Year Ending October 2015	Old Allocations	New Allocations	Change due to New Allocations
Large Group	$25.77	$25.93	0.6%
All other Lines of Business	$28.32	$27.47	-3.0%
Total	$26.95	$26.95	0.0%

The overall administrative charges for BCBSVT and TVHP combined increased by 5.7% on a per member per month basis, which is 3.1% more than was expected in the previous filing.

	Previous Filing Year Ending November 2014	Current Filing Year Ending October 2015
Total Administrative Expenses	$73,739,452	$78,740,791
Member Months	2,891,952	2,922,115
PMPM	$25.50	$26.95
Increase		5.7%

As described in the Projection Factors section beginning on page 22 of the Actuarial Memorandum, we are increasing projected administrative expenses by a weighted average of 2.4 percent per annum.

Finally, as described on page 23 of the memorandum, we increased the base PUPM charge by 1.1% to account for the reduction in membership.

The total impact of these four factors is the 7.3% increase in administrative costs.

13. Please provide the ACA adjusted MLR for the most recent two years available.

The TVHP credibility-adjusted MLR for Large Group was 90.5% in 2013 and 95.4% in 2014.

14. Please demonstrate an estimate of the projected 2017 MLR using the manual rate as a proxy for projected claims.

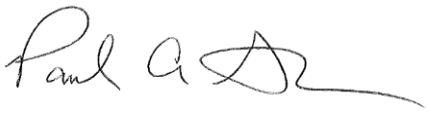
Using the manual rate as a proxy for projected claims, we project a 2017 MLR of 90.7%.

(A)	Manual Rate	$449.97	Exhibit 5A
(B)	Rebates	$4.86	2014 MLR Filing, untrended
(C)	Estimated HCQ	$3.87	2014 MLR Filing, untrended
(D)	State Mandates and Assessments	$9.18	Calculation as described on Exhibit 1B, using latest actual PMPM as needed
(E)	**MLR Numerator**	**$458.15**	**= (A) - (B) + (C) + (D)**
(F)	Projected Claims	$454.28	= (A) - (B) + (D)
(G)	Net Cost of Reinsurance	$1.32	Actuarial Memorandum, Section 4.6
(H)	PCORI	$0.20	Actuarial Memorandum, Section 4.10
(I)	Administrative Charge	$27.57	Calculation as of January 2017, from Exhibit 6C
(J)	Subtotal	$483.37	= (F) + (G) + (H) + (I)
(K)	Total Premium	$505.09	= (J) / (1-0.01-0.02)
(L)	Commissions	$11.62	= (K) x 2.30% (from 2014 MLR filing)
(M)	Contribution to Reserve	$10.10	= (K) x 2.00% (from Actuarial Memorandum, Section 4.8)
(N)	**MLR Denominator**	**$504.89**	**= (K) - (H)**
(O)	**MLR**	**90.7%**	**= (E) / (N)**

The above calculation represents an estimate assuming that all pricing assumptions hold true, and assuming no change from 2014 values for various quantities (e.g. rebates, commissions).

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul Schultz, F.S.A., M.A.A.A.

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association

April 4, 2016

Mr. Josh Hammerquist, A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 04/02/2016 Questions re: The Vermont Health Plan
3Q 2016 TVHP Large Group Rating Program Filing (SERFF Tracking #: BCVT-130457790)

Dear Mr. Hammerquist:

In response to your request dated April 2, 2016, here are *your questions* and our answers:

1. This question involves confidential and proprietary information and will be provided under separate cover.

2. We note that Exhibit 3B has utilization data through October 2015, but the 24 month regression that results in a 1.0% utilization trend only uses data through August 2015. Why was the updated information through October 2015 not used? Please also provide updated data for Exhibit 3C.

The data in Exhibit 3B represents claims incurred November 2011 through October 2015 and paid through October 2015. We consider two months of runout to be sufficient for medical claims, so we used claims incurred September 2013 through August 2015 as the basis for our regression.

The Exh 3C sheet of the attached file *Medical Utilization Trend and GDR Calculation.xlsx* contains an updated Exhibit 3C featuring data through October 2015. Note that the regressions still use the 24-month period ending August 2015 as that is the most recent period with two months of runout.

We have also included historical information supporting the table on page 9 of the actuarial memorandum.

3. For PCSK9 inhibitors TVHP provides an incidence rate of 200 persons per 100,000 lives. Is this for the population as a whole, including persons > 65? If so, what is the incidence rate for persons < age 65?

The incidence rate of familial hypercholesterolemia (FH) is estimated from the rates of affected individuals with either homozygous disease (1 in 1,000,000) or heterozygous disease (1 in 500 in North America and Europe). We are not aware of any studies that break this down

by age in the population. Our medical officers note that there is a founder effect for FH and it is more common among French Canadians (1:270), Christian Lebanese (1:85), South African Ashkenazi Jews and South African Afrikaners (both 1:67).

4. This question involves confidential and proprietary information and will be provided under separate cover.

5. Please provide the calculation of the projected 88.5% GDR.

Please see the GDR Calculation sheet in the attached file *Medical Utilization Trend and GDR Calculation.xlsx*.

6. The filing has incorporated a 1.1% load into the TVHP PUPM pricing component for administrative expenses to reflect the impact of lower membership.

For purposes of this response, "BCBSVT" refers to both Blue Cross and Blue Shield of Vermont and TVHP, since the data warehouse and accounting systems involved span both entities.

a. Please provide clarification as to whether this reduction in membership is for TVHP as a whole, or if it is only for large group.

For the adjustment to the administrative charges, we used total BCBSVT membership, not just Large Group membership. The experience period used to develop the administrative charges was November 2014 through October 2015. We recalculated the per-member-per-month charges using January 2016 enrollment, which was lower than the experience period enrollment, to quantify the impact of the reduced enrollment.

b. Did TVHP as a company lose members OR were the members reclassified as small group instead of large group? If there is a change as a result of reclassification, please demonstrate that any increase in administrative charge for large groups attributable to the change in definition is balanced by a decrease in the administrative charge for the combined market.

The 1.1% load to the PUPM pricing components for administrative expenses is based on a loss of members for BCBSVT as a whole. We used the load to reflect the fact that the fixed expenses will be distributed among a smaller pool of members.

7. Please state whether there were changes to the industry factors in Exhibit 5B from the 2015 filing.

The industry factors have changed from the prior filing. The relationships between industries have been recalibrated using claims data from October 2014 to September 2015 and then normalized such that the experience underlying the Manual Rate has a factor of one.

8. If there were changes, please show the old factor, new factor, 2015 membership, and 2015 premium and demonstrate that the starting manual rate was adjusted to reflect the net impact of any change in industry factors.

Please see the attached file *Industry Factor Comparison.xlsx*.

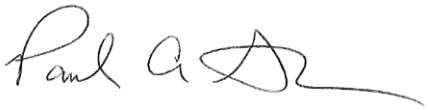
In the previous filing, industry factors were assigned by four-digit Standard Industrial Classification (SIC) code, with about 120 codes with their own factor and the remaining codes receiving a generic factor. In this filing, we assign the factors by two-digit SIC code, which captures a more general class of industries. There is still a factor for uncategorized industries, but fewer groups fall into this category than in the previous filing.

In each filing, we adjust the industry factors such that the experience underlying the Manual Rate has a factor of one. We find the member-month-weighted average industry factor for the population and divide each factor by the average to normalize them. If we did not change the relationships underlying the industry factors from the previous filing, we would still normalize them to the new experience period.

We calculate the projected manual claims for each group by taking the product of the Manual Rate, demographic factor, industry factor, contract conversion factor, benefit relativity value, and the complement of the group's credibility and multiplying by twelve times the number of members to get an annual figure. The impact of the change in industry factors is the difference between the projected manual claims calculated with the prior industry factors (normalized to the Manual Rate experience period) and the new industry factors. The attached spreadsheet shows that the new factors decrease the projected manual claims by about $20,000. To ensure no net change in premium as a result of the new factors, we would need to increase the Manual Rate from $449.97 to $450.24. Our calculated Manual Rate does not include this adjustment. We feel that this adjustment is de minimis and would not propose to include it in the filing.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul A. Schultz, F.S.A., M.A.A.A.

Month	Membership	Adjusted Claims - Normalized for Contract Changes	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months	Average Induced Utilization Factor	Normalization Factor for Induced Utilization	Adjusted Claims - Normalized for Contract Changes and Induced Utilization Factor	Adjusted PMPM	Regression on Adjusted PMPM - 24 Months
Nov-11	88,625	$37,496,573	$423.09	$408.01	1.0824	0.9438	$35,390,680	$399.33	$403.62
Dec-11	88,495	$38,587,676	$436.04	$408.35	1.0854	0.9412	$36,320,198	$410.42	$404.06
Jan-12	87,129	$37,447,852	$429.80	$408.71	1.0422	0.9803	$36,708,520	$421.31	$404.51
Feb-12	87,367	$38,750,948	$443.54	$409.07	1.0302	0.9917	$38,428,190	$439.85	$404.97
Mar-12	87,115	$38,418,060	$441.00	$409.40	1.0277	0.9941	$38,190,743	$438.39	$405.40
Apr-12	87,525	$36,422,920	$416.14	$409.76	1.0277	0.9941	$36,207,549	$413.68	$405.85
May-12	87,652	$37,511,347	$427.96	$410.11	1.0284	0.9934	$37,264,387	$425.14	$406.29
Jun-12	87,681	$35,986,063	$410.42	$410.47	1.0303	0.9916	$35,683,638	$406.97	$406.75
Jul-12	87,643	$34,397,242	$392.47	$410.82	1.0320	0.9900	$34,053,403	$388.55	$407.20
Aug-12	87,635	$37,641,705	$429.53	$411.18	1.0345	0.9876	$37,175,855	$424.21	$407.65
Sep-12	87,913	$33,741,292	$383.80	$411.54	1.0372	0.9850	$33,234,874	$378.04	$408.11
Oct-12	89,225	$40,527,937	$454.22	$411.89	1.0401	0.9823	$39,809,598	$446.17	$408.56
Nov-12	88,924	$37,821,634	$425.33	$412.25	1.0395	0.9828	$37,171,612	$418.02	$409.02
Dec-12	88,776	$32,487,722	$365.95	$412.60	1.0380	0.9842	$31,975,995	$360.19	$409.46
Jan-13	89,728	$39,348,974	$438.54	$412.96	1.0371	0.9851	$38,763,963	$432.02	$409.92
Feb-13	89,630	$37,377,840	$417.02	$413.32	1.0367	0.9855	$36,836,724	$410.99	$410.38
Mar-13	89,651	$38,760,858	$432.35	$413.65	1.0355	0.9866	$38,240,882	$426.55	$410.80
Apr-13	89,479	$38,613,822	$431.54	$414.01	1.0347	0.9874	$38,128,093	$426.11	$411.26
May-13	89,718	$39,613,146	$441.53	$414.36	1.0345	0.9876	$39,120,020	$436.03	$411.71
Jun-13	89,620	$36,656,496	$409.02	$414.73	1.0344	0.9877	$36,204,804	$403.98	$412.18
Jul-13	89,622	$37,548,453	$418.96	$415.08	1.0327	0.9893	$37,147,571	$414.49	$412.62
Aug-13	89,555	$37,917,806	$423.40	$415.44	1.0316	0.9903	$37,551,404	$419.31	$413.09
Sep-13	89,938	$33,354,305	$370.86	$415.81	1.0295	0.9924	$33,100,212	$368.03	$413.55
Oct-13	89,937	$38,525,869	$428.37	$416.16	1.0278	0.9940	$38,294,305	$425.79	$414.00
Nov-13	89,807	$36,623,974	$407.81	$416.52	1.0273	0.9945	$36,423,996	$405.58	$414.47
Dec-13	89,767	$39,054,463	$435.06	$416.88	1.0277	0.9941	$38,823,941	$432.50	$414.92
Jan-14	88,882	$39,814,744	$447.95	$417.24	1.0263	0.9954	$39,633,464	$445.91	$415.39
Feb-14	88,872	$34,812,967	$391.72	$417.61	1.0257	0.9961	$34,675,815	$390.18	$415.86
Mar-14	88,701	$37,411,785	$421.77	$417.94	1.0247	0.9970	$37,301,376	$420.53	$416.28
Apr-14	88,385	$39,467,499	$446.54	$418.30	1.0247	0.9970	$39,350,411	$445.22	$416.75
May-14	88,890	$36,512,970	$410.77	$418.66	1.0233	0.9984	$36,455,955	$410.12	$417.20
Jun-14	88,638	$38,256,801	$431.61	$419.03	1.0229	0.9988	$38,210,244	$431.08	$417.67
Jul-14	87,734	$37,404,252	$426.34	$419.38	1.0234	0.9983	$37,339,843	$425.60	$418.13
Aug-14	87,686	$35,007,918	$399.24	$419.75	1.0233	0.9984	$34,951,666	$398.60	$418.60
Sep-14	88,357	$35,540,913	$402.24	$420.12	1.0239	0.9978	$35,464,006	$401.37	$419.07
Oct-14	88,394	$39,812,684	$450.40	$420.47	1.0242	0.9975	$39,713,991	$449.28	$419.52
Nov-14	88,290	$35,610,770	$403.34	$420.84	1.0238	0.9979	$35,535,236	$402.48	$420.00
Dec-14	88,440	$38,799,925	$438.71	$421.20	1.0235	0.9982	$38,728,194	$437.90	$420.45
Jan-15	86,570	$37,942,120	$438.28	$421.57	1.0237	0.9980	$37,864,727	$437.39	$420.93
Feb-15	86,592	$35,144,885	$405.87	$421.94	1.0240	0.9977	$35,063,904	$404.93	$421.40
Mar-15	86,482	$37,743,585	$436.43	$422.27	1.0231	0.9986	$37,689,580	$435.81	$421.83
Apr-15	86,042	$38,235,875	$444.39	$422.64	1.0223	0.9993	$38,210,241	$444.09	$422.30
May-15	85,986	$33,842,488	$393.58	$423.00	1.0227	0.9990	$33,807,499	$393.17	$422.76
Jun-15	86,259	$38,351,117	$444.60	$423.37	1.0224	0.9993	$38,322,872	$444.28	$423.24
Jul-15	85,370	$36,186,323	$423.88	$423.73	1.0222	0.9995	$36,166,892	$423.65	$423.70
Aug-15	85,065	$33,355,269	$392.12	$424.10	1.0217	1.0000	$33,355,269	$392.12	$424.18
Sep-15	85,193	$34,047,054	$399.65	$424.47	1.0205	1.0012	$34,086,746	$400.11	$424.66
Oct-15	85,130	$38,629,571	$453.77	$424.83	1.0160	1.0055	$38,842,863	$456.28	$425.12
		Annual Increase		1.0%					1.3%

Regressions

	Adjusted PMPM - 24
1.00003	128.6205
0.00005	2.1937
1.31%	0.0540
0.29093	22

	Adjusted PMPM - 24
1.00004	91.6667
0.00005	2.2017
2.12%	0.0542
0.47619	22

Impact of Benefit Chages **0.29%**

date	rx_cat	_201311	_201312	_201401	_201402	_201403	_201404	_201405	_201406	_201407	_201408	_201409	_201410	_201411	_201412	_201501	_201502	_201503	_201504	_201505
201301	Brand	169	263	315	162	275	47	84	152	72	117	160	95	78	273	184	94	98	50	49
201302	Brand	0	0	0	0	90	0	0	0	0	0	90	0	0	90	0	0	0	30	30
201303	Brand	819	1028	796	945	1074	570	940	983	775	566	1037	740	825	1087	883	677	752	895	878
201304	Brand	123	106	151	64	27	20	145	77	117	53	69	105	84	154	90	191	185	17	0
201305	Brand	180	120	209	255	209	85	180	60	207	60	60	57	66	90	87	60	162	147	126
201306	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201307	Brand	0	30	30	0	0	0	0	0	0	0	0	30	30	0	30	0	0	0	0
201308	Brand	0	60	44	0	30	14	14	0	0	0	0	0	0	0	0	0	0	0	0
201309	Brand	514	274	210	210	470	210	290	420	60	210	320	30	90	360	120	150	0	180	268
201310	Brand	0	0	0	30	0	0	30	30	32	30	64	68	0	30	0	30	0	0	0
201311	Brand	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201312	Brand	12,065	8,064	1,736	660	510	510	345	360	315	345	225	584	285	330	270	225	390	480	180
201401	Brand	1,432	1,156	708	356	120	259	222	259	139	381	222	231	291	192	171	270	60	60	330
201402	Brand	76	99	115	57	0	14	0	0	0	0	0	0	0	0	7	0	0	0	0
201403	Brand	1,155	1,493	1,802	1,422	1,119	280	210	0	70	0	100	70	30	190	30	30	34	40	40
201404	Brand	3,345	3,519	3,554	3,117	2,904	2,047	380	720	660	404	734	600	270	480	390	120	480	360	210
201405	Brand	595	540	518	340	795	475	318	60	60	30	0	0	0	120	0	0	15	30	30
201406	Brand	90	0	0	90	0	0	0	90	0	0	0	0	0	0	0	0	0	0	0
201407	Brand	4,110	4,305	3,635	3,600	4,140	3,784	3,510	4,380	1,687	60	450	90	180	180	90	0	90	90	0
201408	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201409	Brand	180	90	60	180	90	90	120	210	90	60	240	30	0	60	30	0	0	0	0
201410	Brand	30	90	60	90	60	90	63	30	30	30	30	30	30	0	0	30	30	0	30
201411	Brand	447	233	425	255	338	436	398	178	430	172	363	592	375	231	28	116	90	0	30
201412	Brand	10,379	9,942	10,632	9,090	9,409	9,301	10,307	9,275	8,763	9,842	8,933	9,225	9,479	5,663	1,303	844	1,083	753	472
201501	Brand	4,327	3,668	4,124	3,182	3,147	4,032	3,492	3,317	3,579	3,229	2,756	3,355	2,856	3,061	2,724	2,529	2,789	2,838	2,672
201502	NEXIUM	7,018	7,407	6,057	6,028	7,288	6,583	6,416	6,751	6,388	6,297	6,624	6,349	5,840	7,064	5,324	3,570	854	718	796
201503	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201504	Brand	271	113	176	210	182	175	84	56	142	86	194	94	66	140	9	0	120	30	12
201504	ABILIFY	3,615	4,099	4,063	3,281	3,072	4,146	3,886	3,946	4,416	3,261	2,874	4,141	2,661	3,742	3,558	2,780	3,624	3,139	300
201505	Brand	390	480	480	330	570	660	480	450	300	330	390	420	390	420	450	480	600	510	450
201506	Brand	0	14	0	0	0	7	0	0	0	0	5	0	20	0	14	28	14	18	0
201507	Brand	1,575	951	1,253	945	971	1,229	1,020	1,092	1,180	1,307	1,258	994	1,149	1,477	917	1,039	975	983	915
201508	Brand	0	0	0	0	0	30	30	30	30	30	30	30	60	30	10	28	42	28	28
201509	Brand	180	150	150	120	60	180	120	120	210	150	150	224	134	208	134	150	270	120	120
201510	Brand	860	983	990	630	750	1,145	647	675	1,083	480	879	1,119	345	874	448	510	1,010	556	374
201511	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201512	Brand	933	1,225	695	776	973	1,204	1,740	992	1,398	1,375	1,036	1,176	645	1,394	1,079	876	1,084	928	1,786
201601	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201602	Brand	330	330	60	90	300	60	240	150	330	30	180	210	60	150	330	150	30	330	180
201603	Brand	208	208	268	148	120	120	120	120	270	120	60	180	180	120	60	90	120	180	90
201604	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201605	CRESTOR	18,961	20,475	18,462	16,763	18,103	18,699	18,700	17,530	20,441	18,702	17,195	19,050	15,968	20,952	17,136	16,671	17,728	18,169	16,959
201606	Brand	510	390	420	210	240	390	360	240	330	180	360	210	180	300	240	180	240	210	224
201607	Brand	1,505	1,602	695	780	1,158	1,080	660	690	1,122	594	704	914	667	1,049	825	841	1,051	841	811
201608	Brand	58	272	982	589	235	196	59	20	5	5	5	30	106	762	2,535	2,301	717	297	20
201609	Brand	205	340	225	155	207	225	176	224	80	327	295	390	295	399	305	175	193	230	385
201610	Brand	6,001	6,555	6,420	5,430	5,920	6,370	5,526	5,955	6,330	5,851	5,896	5,859	5,289	6,915	4,562	5,321	5,032	5,134	5,570
201610	VAGIFEM	4,538	6,406	4,091	4,656	4,700	4,763	4,373	5,115	4,794	5,071	5,340	5,152	4,722	5,330	4,232	4,692	4,487	4,524	4,674
201611	Brand	448	684	508	508	657	402	638	568	612	444	491	439	746	492	398	824	328	412	418
201612	Brand	4,680	4,890	4,710	4,500	4,440	4,560	3,660	4,323	4,230	3,840	4,591	4,261	3,698	4,081	3,932	2,939	3,032	4,684	2,793
201612	PROAIR	12,331	14,093	13,709	12,554	12,146	14,121	12,566	12,848	11,237	11,921	15,749	17,362	16,066	18,102	16,894	16,969	16,964	16,780	15,473
201701	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201702	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201703	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201704	Brand	1,440	1,800	1,230	1,108	1,800	1,200	1,020	1,380	1,140	990	1,050	1,290	1,200	960	870	1,081	871	721	961
201705	Brand	2,724	2,469	2,709	2,325	2,791	2,015	2,571	2,071	2,242	2,212	2,203	2,379	2,346	2,547	2,748	2,113	2,749	2,494	2,432
201706	Brand	915	1,039	501	636	744	660	484	599	665	426	463	537	502	483	462	556	592	563	670
201707	ADVAIR	9,003	10,651	8,610	6,750	8,623	8,460	8,490	9,360	8,160	7,621	8,281	8,401	7,352	10,503	7,984	6,304	7,686	8,257	6,456
201707	Brand	0	3	0	10	21	0	16	0	0	0	3	86	29	17	0	17	0	0	3
201708	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201709	Brand	70	18	56	28	56	28	56	84	56	56	84	57	87	57	28	28	28	28	56
201710	Brand	90	90	30	90	90	90	60	30	30	0	0	20	0	0	30	0	0	30	30
201711	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201712	Brand	10,547	11,827	8,772	7,580	8,058	8,251	8,132	7,516	7,790	6,946	6,359	6,848	6,743	8,059	6,393	6,316	5,821	6,591	6,128
999999	Brand	289,751	314,238	273,379	256,988	273,565	271,533	272,588	275,636	270,033	269,913	278,563	297,837	265,624	324,433	261,939	250,925	278,576	269,211	271,179
999999	Generic	2,121,226	2,330,172	2,190,570	1,981,352	2,168,405	2,143,266	2,201,756	2,177,661	2,183,058	2,125,261	2,143,410	2,269,169	2,074,437	2,366,724	2,149,259	2,007,986	2,236,956	2,163,448	2,134,372
999999	Specialty	12,226	13,544	12,653	11,985	13,955	14,166	14,647	13,374	13,268	13,926	13,155	13,842	12,888	14,752	12,965	12,238	14,288	13,718	15,975
	total brand	419,206	448,885	388,828	358,326	382,649	380,846	375,966	379,172	372,132	364,155	377,166	401,992	358,140	433,654	350,286	333,321	361,097	352,689	345,641
	Total	**2,552,657**	**2,792,600**	**2,592,051**	**2,351,662**	**2,565,010**	**2,538,278**	**2,592,369**	**2,570,207**	**2,568,458**	**2,503,342**	**2,533,730**	**2,685,003**	**2,445,465**	**2,815,130**	**2,512,510**	**2,353,544**	**2,612,341**	**2,529,854**	**2,495,988**
	ck	2,552,657	2,792,600	2,592,051	2,351,662	2,565,010	2,538,278	2,592,369	2,570,207	2,568,458	2,503,342	2,533,730	2,685,003	2,445,465	2,815,130	2,512,510	2,353,544	2,612,341	2,529,854	2,495,988
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

date	rx_cat	_201506	_201507	_201508	_201509	_201510	201511	201512	201601	201602	201603	201604	201605	201606	201607	201608	201609	201610	201611	201612
201301	Brand	43	64	62	6	64														
201302	Brand	30	0	0	0	0														
201303	Brand	1015	731	1186	643	1350														
201304	Brand	62	180	35	0	22														
201305	Brand	225	47	72	151	32														
201306	Brand	0	0	0	0	0														
201307	Brand	0	0	0	0	0														
201308	Brand	0	0	0	0	0														
201309	Brand	90	150	30	241	69														
201310	Brand	0	30	0	0	0														
201311	Brand	0	0	0	0	0														
201312	Brand	300	240	210	120	645														
201401	Brand	120	74	120	210	59														
201402	Brand	0	0	0	0	0														
201403	Brand	90	90	120	0	0														
201404	Brand	420	210	270	121	634														
201405	Brand	0	0	0	0	56														
201406	Brand	0	0	0	0	0														
201407	Brand	0	270	30	0	228														
201408	Brand	0	0	0	0	0														
201409	Brand	0	0	0	0	0														
201410	Brand	30	30	30	0	64														
201411	Brand	30	0	30	30	0														
201412	Brand	1093	446	605	558	245														
201501	Brand	2,321	2543	2423	2184	3652														
201502	NEXIUM	706	800	1082	754	407														
201503	Brand	0	0	0	0	0														
201504	Brand	0	0	0	10	19														
201504	ABILIFY	240	180	133	91	145														
201505	Brand	210	420	240	301	194														
201506	Brand	0	21	0	0	12	20													
201507	Brand	872	670	591	304	127	1,149	1,477												
201508	Brand	42	28	42	28	65	60	30	10											
201509	Brand	120	240	210	30	0	134	208	134	150										
201510	Brand	752	577	584	1,114	211	345	874	448	510	1,010									
201511	Brand	0	0	0	0	0	0	0	0	0	0	0								
201512	Brand	853	1,152	1,609	789	1,204	645	1,394	1,079	876	1,084	928	1,786							
201601	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0						
201602	Brand	90	180	210	438	191	60	150	330	150	30	330	180	90	180					
201603	Brand	90	90	150	60	357	180	120	60	90	120	180	90	90	90	150				
201604	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
201605	CRESTOR	19,254	17,371	15,403	18,178	20,382	15,968	20,952	17,136	16,671	17,728	18,169	0	0	0	0	0	0		
201606	Brand	300	210	330	211	187	180	300	240	180	240	210	224	300	210	330	211	187	180	
201607	Brand	851	1,321	668	973	964	667	1,049	825	841	1,051	841	811	851	1,321	668	973	964	667	1,049
201608	Brand	0	0	0	20	47	106	762	2,535	2,301	717	297	20	0	0	0	20	47	106	762
201609	Brand	491	203	432	215	483	295	399	305	175	193	230	385	491	203	432	215	483	295	399
201610	Brand	4,693	4,680	4,962	4,549	5,892	5,289	6,915	4,562	5,321	5,032	5,134	5,570	4,693	4,680	4,962	4,549	5,892	5,289	6,915
201610	VAGIFEM	5,031	4,313	5,187	4,299	4,353	4,722	5,330	4,232	4,692	4,487	4,524	4,674	5,031	4,313	5,187	4,299	0	0	0
201611	Brand	430	519	489	541	387	746	492	398	824	328	412	418	430	519	489	541	387	746	492
201612	Brand	3,754	3,333	3,385	4,060	3,918	3,698	4,081	3,932	2,939	3,032	4,684	2,793	3,754	3,333	3,385	4,060	3,918	3,698	4,081
201612	PROAIR	14,850	12,021	13,991	16,004	20,849	16,066	18,102	16,894	16,969	16,964	16,780	15,473	14,850	12,021	13,991	16,004	20,849	16,066	0
201701	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201702	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201703	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201704	Brand	961	931	661	934	816	1,200	960	870	1,081	871	721	961	961	931	661	934	816	1,200	960
201705	Brand	2,019	2,501	2,494	1,880	1,386	2,346	2,547	2,748	2,113	2,749	2,494	2,432	2,019	2,501	2,494	1,880	1,386	2,346	2,547
201706	Brand	528	708	497	452	620	502	483	462	556	592	563	670	528	708	497	452	620	502	483
201707	ADVAIR	7,898	6,276	6,725	6,827	8,320	7,352	10,503	7,984	6,304	7,686	8,257	6,456	7,898	6,276	6,725	6,827	8,320	7,352	10,503
201707	Brand	84	6	3	98	6	29	17	0	17	0	0	3	84	6	3	98	6	29	17
201708	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201709	Brand	84	84	112	56	119	87	57	28	28	28	28	56	84	84	112	56	119	87	57
201710	Brand	0	30	30	0	0	0	0	30	0	0	30	30	0	30	30	0	0	0	0
201711	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201712	Brand	7,533	6,437	6,382	6,681	6,779	6,743	8,059	6,393	6,316	5,821	6,591	6,128	7,533	6,437	6,382	6,681	6,779	6,743	8,059
999999	Brand	276,649	268,844	273,746	264,561	296,471	265,624	324,433	261,939	250,925	278,576	269,211	271,179	276,649	268,844	273,746	264,561	296,471	265,624	324,433
999999	Generic	2,229,403	2,148,963	2,118,959	2,116,714	2,313,245	2,097,548	2,391,731	2,165,232	2,019,812	2,250,298	2,175,536	2,161,947	2,258,590	2,175,253	2,144,538	2,142,775	2,347,186	2,120,832	2,440,669
999999	Specialty	13,971	13,428	13,953	13,402	12,857	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703
	total brand	355,255	339,252	345,575	338,723	382,030	334,214	409,697	333,576	320,030	348,339	340,615	320,339	326,336	312,688	320,246	312,360	347,243	310,930	360,758
	Total	**2,598,628**	**2,501,643**	**2,478,486**	**2,468,838**	**2,708,132**	**2,445,465**	**2,815,130**	**2,512,510**	**2,353,544**	**2,612,341**	**2,529,854**	**2,495,988**	**2,598,628**	**2,501,643**	**2,478,486**	**2,468,838**	**2,708,132**	**2,445,465**	**2,815,130**
	ck	2,598,628	2,501,643	2,478,486	2,468,838	2,708,132	2,445,465	2,815,130	2,512,510	2,353,544	2,612,341	2,529,854	2,495,988	2,598,628	2,501,643	2,478,486	2,468,838	2,708,132	2,445,465	2,815,130
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Exclusive | Multi Source | No Exclusivity

date	rx_cat	201701	201702	201703	201704	201705	201706	201707	201708	201709	201710	201711	201712	201801	201802	201803
201301	Brand															
201302	Brand															
201303	Brand															
201304	Brand															
201305	Brand															
201306	Brand															
201307	Brand															
201308	Brand															
201309	Brand															
201310	Brand															
201311	Brand															
201312	Brand															
201401	Brand															
201402	Brand															
201403	Brand															
201404	Brand															
201405	Brand															
201406	Brand															
201407	Brand															
201408	Brand															
201409	Brand															
201410	Brand															
201411	Brand															
201412	Brand															
201501	Brand															
201502	NEXIUM															
201503	Brand															
201504	Brand															
201504	ABILIFY															
201505	Brand															
201506	Brand															
201507	Brand															
201508	Brand															
201509	Brand															
201510	Brand															
201511	Brand															
201512	Brand															
201601	Brand															
201602	Brand															
201603	Brand															
201604	Brand															
201605	CRESTOR															
201606	Brand															
201607	Brand															
201608	Brand	2,535														
201609	Brand	305	175													
201610	Brand	4,562	5,321	5,032												
201610	VAGIFEM	0	0	0												
201611	Brand	398	824	328	412											
201612	Brand	3,932	2,939	3,032	4,684	2,793										
201612	PROAIR	0	0	0	0	0										
201701	Brand	0	0	0	0	0	0									
201702	Brand	0	0	0	0	0	0	0								
201703	Brand	0	0	0	0	0	0	0	0							
201704	Brand	870	1,081	871	721	961	961	931	661	934						
201705	Brand	2,748	2,113	2,749	2,494	2,432	2,019	2,501	2,494	1,880	1,386					
201706	Brand	462	556	592	563	670	528	708	497	452	620	502				
201707	ADVAIR	7,984	6,304	7,686	8,257	6,456	7,898	0	0	0	0	0	0			
201707	Brand	0	17	0	0	3	84	6	3	98	6	29	17			
201708	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0		
201709	Brand	28	28	28	28	56	84	84	112	56	119	87	57	28	28	
201710	Brand	30	0	0	30	30	0	30	30	0	0	0	0	30	0	0
201711	Brand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201712	Brand	6,393	6,316	5,821	6,591	6,128	7,533	6,437	6,382	6,681	6,779	6,743	8,059	6,393	6,316	5,821
999999	Brand	261,939	250,925	278,576	269,211	271,179	276,649	268,844	273,746	264,561	296,471	265,624	324,433	261,939	250,925	278,576
999999	Generic	2,206,621	2,063,242	2,293,923	2,223,160	2,191,578	2,289,170	2,208,401	2,180,859	2,180,474	2,389,049	2,158,777	2,468,861	2,230,417	2,082,572	2,314,240
999999	Specialty	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703	13,703
	total brand	292,187	276,599	304,715	292,991	290,707	295,755	279,540	283,925	274,662	305,380	272,985	332,567	268,390	257,269	284,397
	Total	**2,512,510**	**2,353,544**	**2,612,341**	**2,529,854**	**2,495,988**	**2,598,628**	**2,501,643**	**2,478,486**	**2,468,838**	**2,708,132**	**2,445,465**	**2,815,130**	**2,512,510**	**2,353,544**	**2,612,341**
	ck	2,512,510	2,353,544	2,612,341	2,529,854	2,495,988	2,598,628	2,501,643	2,478,486	2,468,838	2,708,132	2,445,465	2,815,130	2,512,510	2,353,544	2,612,341
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Industry	2016 Re-Normalized Industry Factor[1]	2017 Normalized Industry Factor	Member Months[2]	Adjusted Manual Rate[3]	Average Credibility	Expected Manual Claims Adjusted for 2016 Industry Factors	Expected Manual Claims Adjusted for 2017 Industry Factors
A	0.891	0.942	15,513	$433.02	35%	$3,916,966	$4,141,169
B	0.911	0.917	2,859	$450.42	26%	$871,731	$877,472
C	0.911	0.954	2,893	$325.10	29%	$608,122	$636,826
D	0.911	1.005	8,285	$277.26	76%	$491,899	$542,655
E	0.979	0.917	3,081	$503.78	33%	$1,013,510	$949,324
F	0.979	0.940	3,646	$314.42	46%	$611,238	$586,888
G	0.979	0.942	3,878	$381.23	21%	$1,138,580	$1,095,549
H	0.979	0.946	8,061	$330.80	73%	$712,029	$688,028
I	0.979	0.954	6,030	$366.32	33%	$1,448,818	$1,411,821
J	0.979	0.957	4,915	$426.95	55%	$933,815	$912,830
K	0.979	0.958	286	$527.73	6%	$138,752	$135,775
L	0.979	0.959	28,600	$440.31	47%	$6,552,772	$6,418,905
M	0.979	0.960	1,836	$275.37	25%	$370,040	$362,859
N	0.979	0.966	19,319	$420.38	59%	$3,267,886	$3,224,492
O	0.979	0.969	504	$510.61	15%	$214,342	$212,153
P	0.979	0.989	1,159	$392.44	21%	$353,178	$356,785
Q	0.979	0.991	5,725	$449.59	32%	$1,705,498	$1,726,403
R	0.979	0.994	1,829	$417.82	15%	$636,972	$646,732
S	0.979	1.003	3,672	$467.77	34%	$1,114,608	$1,141,932
T	0.979	1.013	1,826	$367.46	23%	$507,625	$525,255
U	0.979	1.015	6,407	$598.56	38%	$2,345,995	$2,432,262
V	0.979	1.023	1,421	$655.11	19%	$735,900	$768,975
W	0.979	1.033	9,657	$403.64	30%	$2,653,017	$2,799,353
X	0.979	1.055	594	$391.90	9%	$206,679	$222,724
Y	1.106	1.041	2,773	$289.68	35%	$574,635	$540,863
Z	1.116	1.111	24,179	$393.19	35%	$6,915,248	$6,884,265
AA	1.154	1.092	4,084	$561.48	41%	$1,562,397	$1,478,455
BB	1.154	1.111	10,247	$474.96	31%	$3,903,311	$3,757,867
						$45,505,562	$45,478,619

Impact of New Industry Factors	-$26,944
Required Adjustment	1.0006
Adjusted Manual Rate	450.24

(1) These are the 2016 factors from the previous filing normalized to the Manual Rate experience period from the current filing
(2) Member months are from the Manual Rate experience period, October 2015 through September 2015
(3) The Manual Rate of $449.97 multiplied by the demographic factor, contract conversion factor, and benefit relativity factor

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association

April 7, 2016

Mr. Josh Hammerquist, A.S.A., M.A.A.A.
Assistant Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 04/06/2016 Questions re: The Vermont Health Plan
3Q 2016 BCBSVT Large Group Rating Program Filing (SERFF Tracking #: BCVT-130457790)

Dear Mr. Hammerquist:

In response to your request dated April 6, 2016, here are *your questions* and our answers:

1. Please provide a PMPM breakdown of all components listed in the Impact of Formula and Factor Changes of the Actuarial Memorandum (i.e., the average PMPM components of the overall 4.3% rate increase).

The overall 4.3% rate increase translates to a $19.92 PMPM increase. The PMPM increase can be broken down as follows:

Component	2016 PMPM	2017 PMPM	PMPM Change	Impact on Premium Increase
Projected Paid claims[1]	$400.80	$427.77	$26.98	5.9%
Administrative charges	$27.25	$29.24	$1.98	0.4%
Contribution to Reserve	$4.92	$9.33	$4.41	0.8%
Federal Programs	$14.50	$0.19	-$14.32	-2.9%
Additional Items[2]	$17.99	$18.86	$0.87	0.2%
Total	**$465.47**	**$485.39**	**$19.92**	**4.3%**

(1) Projected paid claims include manual claims (5.9% increase), experience claims (7.7% increase), and projected rebates (1.9% increase).

(2) Additional Items includes net cost of reinsurance, Cost Plus stop loss, broker commissions, State mandates and assessments, fees paid to outside vendors, and the Refund-Eligible margin & risk charge.

2. Please explain and provide the quantitative impact of the contributing factors to the greater than anticipated administrative expenses for last year.

As noted in our response to question 12 of the inquiries dated March 2, 2016, the overall administrative charges increased by 5.7% on a PMPM basis, which is 3.1% ($0.81 PMPM) more than previously expected.

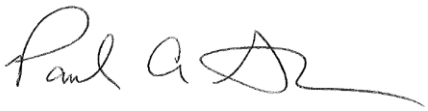
The primary reason for the greater than anticipated administrative expense was the inclusion of the fee for the Vermont Collaborative Care (VCC) program in the base administrative charge PMPM. In previous filing, the cost of VCC was excluded from the base administrative charge and added back in as a line item. This represents an increase of $0.65 PMPM.

The remaining increase in administrative expenses year over year includes significant upgrades to our cybersecurity protocols as well as timing of business technology projects to maintain and enhance our operating systems. These increases were slightly offset by an increase in membership.

It has come to our attention that the actuarial memorandum should have been more precise as to which groups were included in the experience and in the groups impacted by this filing. BCBSVT currently insures four groups with 51 to 100 employees that are grandfathered. Starting in January 2016, these groups are recategorized as small groups per Vermont Law. Grandfathered groups have been allowed to be exempt from some ACA requirements as long as they maintain their grandfathered status. These groups are therefore allowed to continue to offer non-QHP plans to their employees even though they are now considered small groups. For rating purposes, we have been and intend to continue renewing them using the same factors and formula as described in this filing. As there is no off-Exchange small group market in Vermont, there is no clear alternative available. We have therefore included these four groups in the experience for this filing, as well as the total number of groups impacted by this filing.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul A. Schultz, F.S.A., M.A.A.A.