
State: Vermont **Filing Company:** BCBSVT
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
Project Name/Number: /

Filing at a Glance

Company: BCBSVT
Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
State: Vermont
TOI: ML02 Multi-Line - Other
Sub-TOI: ML02.000 Multi-Line - Other
Filing Type: GMCB Trend / Admin Charge
Date Submitted: 01/14/2014
SERFF Tr Num: BCVT-129374060
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num:

Implementation: On Approval
Date Requested:
Author(s): Vince Mace, Pam Young, Seth Abbene, Jude Daye, Martine Brisson-Lemieux
Reviewer(s): Thomas Crompton (primary), Kelly Macnee, David Dillon, Jacqueline Lee
Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

State: Vermont **Filing Company:** BCBSVT
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
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General Information

Project Name: Status of Filing in Domicile:
Project Number: Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments:
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Large
Group Market Type: Employer Overall Rate Impact:
Filing Status Changed: 01/14/2014
State Status Changed: Deemer Date:
Created By: Jude Daye Submitted By: Jude Daye
Corresponding Filing Tracking Number:

Filing Description:
January 10, 2014

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

Subject: Blue Cross and Blue Shield of Vermont - NAIC # 53295
Provision for Large Claims and Stop Loss Filing for 2014

Dear Ms. Henkin:

Enclosed for your review and approval is Blue Cross and Blue Shield of Vermont's Provision for Large Claims and Stop Loss filing for 2014. This filing includes factors to be used in the determination of:

- o The provision for large claims in the rating of Merit business
- o The individual stop loss charges for Cost Plus business

Aggregate stop loss charges for Cost Plus business are addressed in a separate filing.

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

Sincerely,

Kevin Goddard

cc Tom Crompton / GMCB
Ruth Greene / BCBSVT
Vince Mace / BCBSVT
Paul Schultz/BCBSVT

State: Vermont **Filing Company:** BCBSVT
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Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
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Company and Contact

Filing Contact Information

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

Filing Company Information

BCBSVT	CoCode: 53295	State of Domicile: Vermont
PO BOX 186	Group Code:	Company Type: Hospital
Montpelier, VT 05601	Group Name:	Service Corp
(802) 371-3450 ext. [Phone]	FEIN Number: 03-0277307	State ID Number:

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

BCVT-129374060

State Tracking #:

Company Tracking #:

State: Vermont
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
Project Name/Number: /

Filing Company: BCBSVT

Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	2014 BCBSVT ISL 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):	2014 BCBSVT ISL Filing - Plain Language Summary.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Exhibits
Comments:	

SERFF Tracking #:

BCVT-129374060

State Tracking #:

Company Tracking #:

State: Vermont **Filing Company:** BCBSVT
TOI/Sub-TOI: ML02 Multi-Line - Other/ML02.000 Multi-Line - Other
Product Name: 2014 BCBSVT Provision for Large Claims and Stop Loss Filing
Project Name/Number: /

Attachment(s):	2014 BCBSVT ISL Filing - Exhibit 1.pdf 2014 BCBSVT ISL Filing - Exhibit 2.pdf 2014 BCBSVT ISL Filing - Exhibit 3.pdf 2014 BCBSVT ISL Filing - Exhibit 4.pdf 2014 BCBSVT ISL Filing - Exhibit 5.pdf
Item Status:	
Status Date:	

Blue Cross Blue Shield of Vermont Provision for Large Claims and Stop Loss Filing for 2014 Actuarial Memorandum

Summary

The purpose of this filing is to re-price:

1. the provision for large claims factors for experience-rated groups, and
2. the Specific Stop Loss coverage offerings to Cost Plus groups.

We intend to apply the new factors to determine rates for groups that are renewing or applying for coverage with Blue Cross and Blue Shield of Vermont (BCBSVT). The factors will be used for renewals or proposals delivered 10 or more business days after the date of approval of this filing, through 10 business days after the approval of a successor filing.

Specific Stop Loss Rate Development

In order to develop the provision for large claims factors and the projected costs for Specific Stop Loss coverage, allowed charges and paid claims through September 30, 2013 were analyzed for the experience years ending December 31, 2011 and December 31, 2012. Only amounts for BCBSVT and The Vermont Health Plan (TVHP) members in underwritten or Cost Plus groups were included in the experience data. Capitated services and claims incurred by Medicare-eligible members were excluded. Any groups that do not include prescription drugs as a covered expense under their BCBSVT/TVHP benefit plan were excluded.

In prior filings, although BCBSVT processed all managed mental health claims, the coverage was capitated and provided via an external vendor, and therefore was excluded from the stop loss analysis. Because managed mental health coverage is now provided by BCBSVT, we are including the history of such allowed charges and claims in this year's analysis.

Claims to Allowed Charges

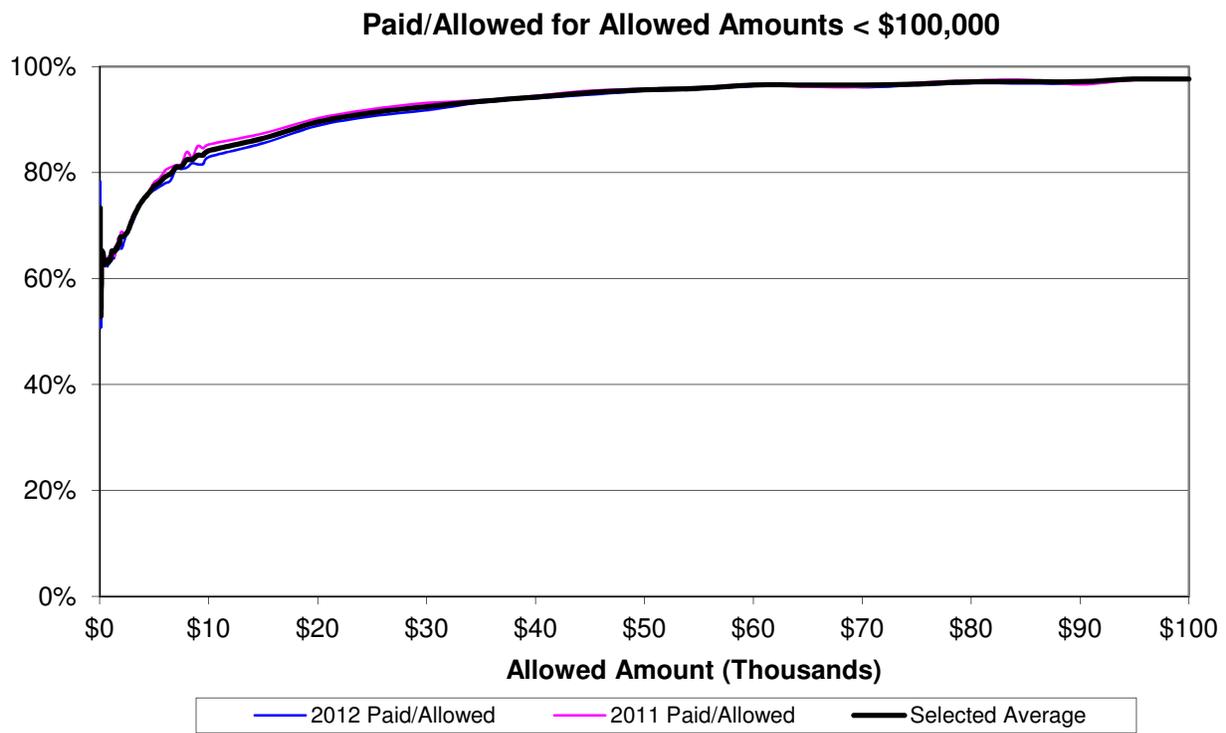
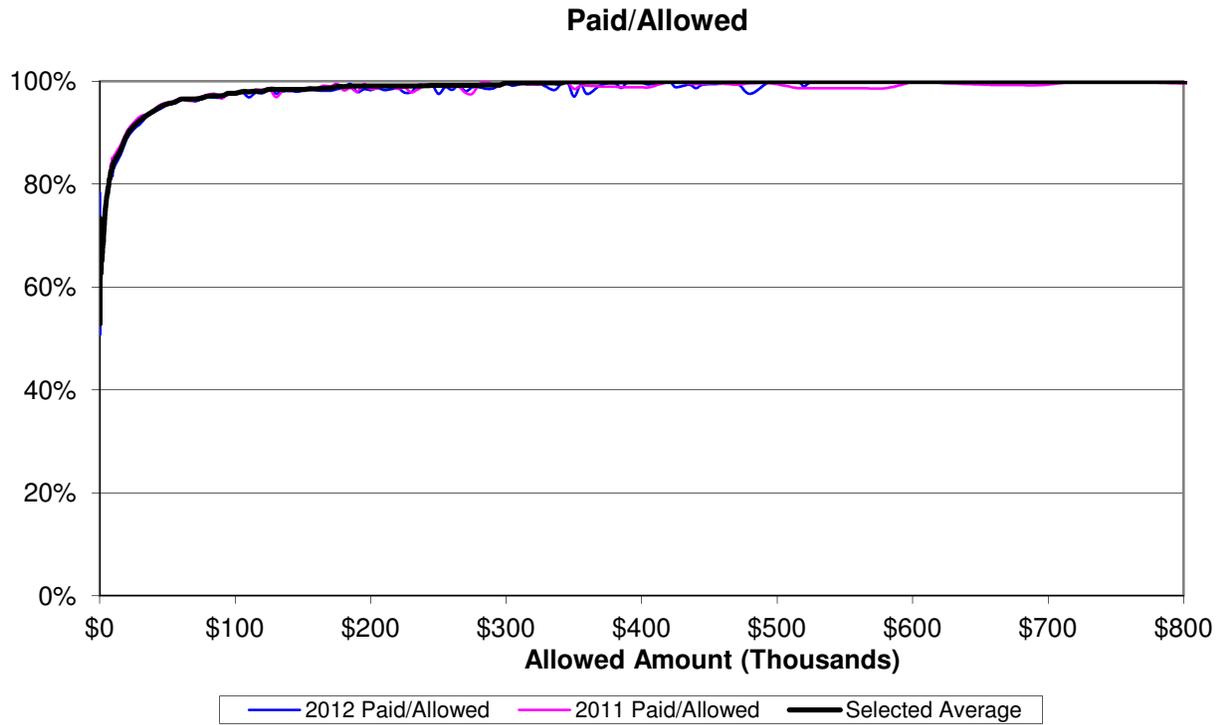
For each experience year, allowed charges and claim amounts were totaled for each claimant. These were then sorted into categories by the amount of allowed charges. The categories used were:

- \$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...

For each category, the ratio of the amount of the paid claim to the amount of allowed charges was calculated. The corresponding ratios for each year were averaged and 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. The result was a table of paid claims to allowed charges factors.

The following graphs show the observed and selected average paid/allowed factors:

Blue Cross Blue Shield of Vermont Provision for Large Claims and Stop Loss Filing for 2014 Actuarial Memorandum



Blue Cross Blue Shield of Vermont Provision for Large Claims and Stop Loss Filing for 2014 Actuarial Memorandum

Trended Claims

We calculated the charge factors assuming experience periods begin on the first day of the quarter.

The allowed amounts by claimant for 2011 were trended by the observed trend from 2011 to 2012, and then by 4.1% per annum (the overall trend factor implied by the uncapped allowed combined trend in the approved Q1-Q2 2014 BCBSVT Trend filing). The allowed amounts for 2012 were trended forward at 4.1% 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 2011 records with two copies of the trended 2012 records (thus weighting the 2012 experience twice as heavily as the 2011 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 also generated from the 2013 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/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 BCBSVT/TVHP factors (versus the Milliman factors) begins, as in previous filings, with the Q1 2008 established criteria of 1.00 for a \$30,000 limit, reduced uniformly to 0.01 for a \$195,000 limit. The \$30,000 and \$195,000 boundary values are increased by trend from Q1 2008 for all subsequent quarters.

For each limit, the expected claims over the limit as a percentage of claims below the limit factors were then developed by applying the credibility factor to the factor based on BCBSVT/TVHP experience and adding (1-credibility factor) applied to the factors from the Milliman data. This calculation is demonstrated in Exhibit 1.

Exhibit 2 demonstrates the pooling charge experience, as compared to expected from the previous approved filings, for 2011 and 2012. In part because BCBSVT was ordered to reduce the 2013 Stop Loss filing's pricing factors by 4%¹, the actual-to-expected comparison shown on page 1 in this exhibit is very unfavorable for 2012. Page 2 of this exhibit contains a graph comparing the pooling charges observed for 2012 to those observed for 2011, trended. This graph shows that the 2012 high claim experience is worse than the trended 2011 high claim experience.

We believe that our methodology for determining individual stop loss pooling factors is a sound one. We expect there will be some degree of fluctuation from year to year, due to the nature of high claims and the variability of such claims from year to year. Variations in basic assumptions, such as trend, can result in a systematic variance in the stop loss experience

¹ Green Mountain Care Board decision, GMCB-020-13-rr, dated August 5, 2013.

**Blue Cross Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Actuarial Memorandum**

which in no way reflects a bias in the method. We do not think adjustments for good or bad experience in any particular year should be made. For this reason, we did not find it necessary to load the 2014 factors for the poor experience observed in 2012.

Merit Provision for Large Claims Factors

For Merit business, the expected claims over the limit as a percentage of claims below the limit factors developed above are used to estimate claims over the pooling limit from the experience claims below the pooling limit. Exhibit 3 shows the provision for large claims factors for Merit cases with experience periods starting quarters Q4 2012 through Q1 2014.

Net Cost of Reinsurance

BCBSVT has purchased reinsurance for claims in excess of \$600,000 for 2014, and expects to purchase similar reinsurance in future years with limits approximately equal to the 2014 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 Exhibit 4.

Stop Loss Charge Factors for Cost Plus Business

Stop Loss charge factors for a Cost Plus group are to be applied to the total projected claims for the group. The factors listed in Exhibit 5 are based on the expected claims over the limit as a percentage of total claims. These factors also include a load for a 70% expected loss ratio (to include the cost of reinsurance).

Actuarial Certification

I am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and I meet the Academy's qualification standards for rendering opinions with regard to health rate filings.

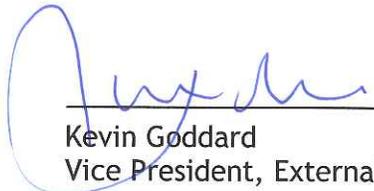
Based on my review of the block's underlying experience and methods applied, it is my opinion that the factors set forth in this filing are adequate and are neither excessive nor unfairly discriminatory.



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

January 6, 2014

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



Kevin Goddard
Vice President, External Affairs and Sales

1/13/14

Date

Blue Cross and Blue Shield of Vermont
2014 Factor Filing
Plain Language Summary

The purpose of this filing is to determine new factors applicable to large claim adjustment in the rating of experience-rated large groups, as well as repricing Specific Stop Loss coverage for Cost Plus groups. These factors will be applied to groups renewing or applying for coverage with Blue Cross and Blue Shield of Vermont (BCBSVT) for proposals delivered 10 or more business days after the approval of this filing.

The BCBSVT Merit Rating formula includes a mechanism that removes individual claims above a certain level from the base experience, and replaces those amounts with a large claim pooling charge. This makes health care more affordable for Vermonters by preventing a certain group from being penalized for a large claim event unlikely to repeat in future years, instead spreading the cost of such events across all plan sponsors. This reduces volatility in rates for all groups.

Individual stop loss is an insurance mechanism designed to protect plan sponsors in the event that a claim occurs greater than a certain high dollar amount. Loss ratios for individual stop loss tend to be lower than those for comprehensive health coverage because stop loss is protecting against a relatively unlikely event (namely, that a very high cost claim occurs); therefore, individual stop loss claims will experience a great deal of year-to-year fluctuation.

Since Cost Plus groups are not responsible for claims above a selected dollar level, or attachment point, best estimate stop loss charge factors are modified to produce a reasonable loss ratio for this type of business. Conversely, large claim factors within the experience rating formula are simply a means of spreading the cost of large claims equitably across groups, rather than an actual insurance mechanism; therefore, the same loss ratio adjustment need not apply.

Charge factors for individual stop loss arrangements are developed through a credibility-weighted blending of actual BCBSVT experience with claims distributions taken from the 2013 Milliman Health Cost Guidelines. Trend factors are a key input item. These are taken from the most recently approved trend filings.

We believe that our methodology for determining individual stop loss pooling factors is a sound one. We expect there will be some degree of fluctuation from year to year, due to the nature of high claims and the variability of such claims from year to year. Variations in basic assumptions, such as trend, can result in a systematic variance in the stop loss experience which in no way reflects a bias in the method.

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Expected Large Claims Factor Development
Experience Period Starting Q4 2012

Exhibit 1

a	b	c	d	e= b*d+c*(1-d) Merit net claim factor
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	
30,000	35.7%	36.5%	100%	35.7%
35,000	31.0%	31.9%	100%	31.0%
40,000	27.4%	28.3%	98%	27.4%
45,000	24.5%	25.4%	95%	24.5%
50,000	22.1%	23.0%	93%	22.1%
55,000	20.1%	21.0%	90%	20.1%
60,000	18.4%	19.2%	88%	18.5%
65,000	16.9%	17.7%	85%	17.0%
70,000	15.6%	16.4%	83%	15.7%
75,000	14.5%	15.3%	80%	14.6%
80,000	13.5%	14.2%	78%	13.6%
85,000	12.5%	13.4%	75%	12.8%
90,000	11.7%	12.5%	73%	12.0%
95,000	11.0%	11.8%	70%	11.2%
100,000	10.3%	11.1%	68%	10.6%
105,000	9.7%	10.5%	65%	10.0%
110,000	9.2%	10.0%	63%	9.5%
115,000	8.7%	9.4%	60%	9.0%
120,000	8.2%	9.0%	58%	8.5%
125,000	7.8%	8.6%	55%	8.1%
130,000	7.4%	8.2%	53%	7.8%
135,000	7.0%	7.8%	50%	7.4%
140,000	6.7%	7.4%	48%	7.1%
145,000	6.4%	7.1%	45%	6.8%
150,000	6.1%	6.8%	43%	6.5%
155,000	5.8%	6.5%	40%	6.2%
160,000	5.6%	6.3%	38%	6.0%
165,000	5.3%	6.1%	35%	5.8%
170,000	5.1%	5.8%	33%	5.6%
175,000	4.9%	5.6%	30%	5.4%
180,000	4.7%	5.4%	28%	5.2%
185,000	4.5%	5.2%	25%	5.0%
190,000	4.3%	5.0%	23%	4.9%
195,000	4.1%	4.9%	20%	4.7%
200,000	4.0%	4.7%	18%	4.6%

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Expected Large Claims Factor Development
Experience Period Starting Q4 2012

Exhibit 1

a	b	c	d	e= b*d+c*(1-d)
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	<u>Merit net claim factor</u>
205,000	3.8%	4.5%	15%	4.4%
210,000	3.7%	4.4%	13%	4.3%
215,000	3.5%	4.2%	10%	4.2%
220,000	3.4%	4.1%	8%	4.1%
225,000	3.3%	4.0%	5%	3.9%
230,000	3.2%	3.9%	3%	3.8%
235,000	3.0%	3.7%	0%	3.7%
240,000	2.9%	3.6%	0%	3.6%
245,000	2.8%	3.5%	0%	3.5%
250,000	2.8%	3.4%	0%	3.4%
255,000	2.7%	3.3%	0%	3.3%
260,000	2.6%	3.2%	0%	3.2%
265,000	2.5%	3.1%	0%	3.1%
270,000	2.4%	3.1%	0%	3.1%
275,000	2.4%	3.0%	0%	3.0%
280,000	2.3%	2.9%	0%	2.9%
285,000	2.2%	2.8%	0%	2.8%
290,000	2.2%	2.7%	0%	2.7%
295,000	2.1%	2.6%	0%	2.6%
300,000	2.0%	2.6%	0%	2.6%
305,000	2.0%	2.5%	0%	2.5%
310,000	1.9%	2.5%	0%	2.5%
315,000	1.9%	2.4%	0%	2.4%
320,000	1.8%	2.3%	0%	2.3%
325,000	1.8%	2.3%	0%	2.3%
330,000	1.8%	2.2%	0%	2.2%
335,000	1.7%	2.2%	0%	2.2%
340,000	1.7%	2.1%	0%	2.1%
345,000	1.6%	2.0%	0%	2.0%
350,000	1.6%	2.0%	0%	2.0%
355,000	1.6%	1.9%	0%	1.9%
360,000	1.5%	1.9%	0%	1.9%
365,000	1.5%	1.9%	0%	1.9%
370,000	1.5%	1.8%	0%	1.8%
375,000	1.4%	1.8%	0%	1.8%

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Expected Large Claims Factor Development
Experience Period Starting Q4 2012

Exhibit 1

a	b	c	d	e= b*d+c*(1-d)
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	<u>Merit net claim factor</u>
380,000	1.4%	1.7%	0%	1.7%
385,000	1.4%	1.7%	0%	1.7%
390,000	1.3%	1.7%	0%	1.7%
395,000	1.3%	1.6%	0%	1.6%
400,000	1.3%	1.6%	0%	1.6%
405,000	1.2%	1.5%	0%	1.5%
410,000	1.2%	1.5%	0%	1.5%
415,000	1.2%	1.5%	0%	1.5%
420,000	1.2%	1.4%	0%	1.4%
425,000	1.1%	1.4%	0%	1.4%
430,000	1.1%	1.4%	0%	1.4%
435,000	1.1%	1.4%	0%	1.4%
440,000	1.1%	1.3%	0%	1.3%
445,000	1.0%	1.3%	0%	1.3%
450,000	1.0%	1.3%	0%	1.3%
455,000	1.0%	1.2%	0%	1.2%
460,000	1.0%	1.2%	0%	1.2%
465,000	0.9%	1.2%	0%	1.2%
470,000	0.9%	1.2%	0%	1.2%
475,000	0.9%	1.1%	0%	1.1%
480,000	0.9%	1.1%	0%	1.1%
485,000	0.9%	1.1%	0%	1.1%
490,000	0.8%	1.1%	0%	1.1%
495,000	0.8%	1.1%	0%	1.1%
500,000	0.8%	1.0%	0%	1.0%
505,000	0.8%	1.0%	0%	1.0%
510,000	0.8%	1.0%	0%	1.0%
515,000	0.8%	1.0%	0%	1.0%
520,000	0.7%	0.9%	0%	0.9%
525,000	0.7%	0.9%	0%	0.9%
530,000	0.7%	0.9%	0%	0.9%
535,000	0.7%	0.9%	0%	0.9%
540,000	0.7%	0.9%	0%	0.9%
545,000	0.7%	0.9%	0%	0.9%
550,000	0.7%	0.9%	0%	0.9%

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
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Exhibit 1

a	b	c	d	e= b*d+c*(1-d)
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	<u>Merit net claim factor</u>
555,000	0.7%	0.8%	0%	0.8%
560,000	0.7%	0.8%	0%	0.8%
565,000	0.6%	0.8%	0%	0.8%
570,000	0.6%	0.8%	0%	0.8%
575,000	0.6%	0.8%	0%	0.8%
580,000	0.6%	0.8%	0%	0.8%
585,000	0.6%	0.7%	0%	0.7%
590,000	0.5%	0.7%	0%	0.7%
595,000	0.5%	0.7%	0%	0.7%
600,000	0.5%	0.7%	0%	0.7%
605,000	0.5%	0.7%	0%	0.7%
610,000	0.5%	0.7%	0%	0.7%
615,000	0.4%	0.6%	0%	0.6%
620,000	0.4%	0.6%	0%	0.6%
625,000	0.4%	0.6%	0%	0.6%
630,000	0.4%	0.6%	0%	0.6%
635,000	0.4%	0.6%	0%	0.6%
640,000	0.4%	0.6%	0%	0.6%
645,000	0.4%	0.6%	0%	0.6%
650,000	0.4%	0.6%	0%	0.6%
655,000	0.4%	0.6%	0%	0.6%
660,000	0.4%	0.6%	0%	0.6%
665,000	0.4%	0.6%	0%	0.6%
670,000	0.3%	0.6%	0%	0.6%
675,000	0.3%	0.5%	0%	0.5%
680,000	0.3%	0.5%	0%	0.5%
685,000	0.3%	0.5%	0%	0.5%
690,000	0.3%	0.5%	0%	0.5%
695,000	0.3%	0.5%	0%	0.5%
700,000	0.3%	0.5%	0%	0.5%
705,000	0.3%	0.5%	0%	0.5%
710,000	0.3%	0.5%	0%	0.5%
715,000	0.3%	0.5%	0%	0.5%
720,000	0.3%	0.5%	0%	0.5%
725,000	0.3%	0.5%	0%	0.5%

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Expected Large Claims Factor Development
Experience Period Starting Q4 2012

Exhibit 1

a	b	c	d	e= b*d+c*(1-d)
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	<u>Merit net claim factor</u>
730,000	0.3%	0.5%	0%	0.5%
735,000	0.2%	0.5%	0%	0.5%
740,000	0.2%	0.5%	0%	0.5%
745,000	0.2%	0.4%	0%	0.4%
750,000	0.2%	0.4%	0%	0.4%
755,000	0.2%	0.4%	0%	0.4%
760,000	0.2%	0.4%	0%	0.4%
765,000	0.2%	0.4%	0%	0.4%
770,000	0.2%	0.4%	0%	0.4%
775,000	0.2%	0.4%	0%	0.4%
780,000	0.2%	0.4%	0%	0.4%
785,000	0.2%	0.4%	0%	0.4%
790,000	0.2%	0.4%	0%	0.4%
795,000	0.2%	0.4%	0%	0.4%
800,000	0.2%	0.4%	0%	0.4%
805,000	0.2%	0.4%	0%	0.4%
810,000	0.2%	0.3%	0%	0.3%
815,000	0.2%	0.3%	0%	0.3%
820,000	0.2%	0.3%	0%	0.3%
825,000	0.2%	0.3%	0%	0.3%
830,000	0.2%	0.3%	0%	0.3%
835,000	0.2%	0.3%	0%	0.3%
840,000	0.2%	0.3%	0%	0.3%
845,000	0.1%	0.3%	0%	0.3%
850,000	0.1%	0.3%	0%	0.3%
855,000	0.1%	0.3%	0%	0.3%
860,000	0.1%	0.3%	0%	0.3%
865,000	0.1%	0.3%	0%	0.3%
870,000	0.1%	0.3%	0%	0.3%
875,000	0.1%	0.3%	0%	0.3%
880,000	0.1%	0.3%	0%	0.3%
885,000	0.1%	0.3%	0%	0.3%
890,000	0.1%	0.3%	0%	0.3%
895,000	0.1%	0.3%	0%	0.3%
900,000	0.1%	0.3%	0%	0.3%

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Expected Large Claims Factor Development
Experience Period Starting Q4 2012

Exhibit 1

a	b	c	d	e= b*d+c*(1-d)
<u>Limits</u>	<u>BCBSVT</u>	<u>Milliman</u>	<u>Credibility</u>	<u>Merit net claim factor</u>
905,000	0.1%	0.3%	0%	0.3%
910,000	0.1%	0.3%	0%	0.3%
915,000	0.1%	0.3%	0%	0.3%
920,000	0.1%	0.3%	0%	0.3%
925,000	0.1%	0.3%	0%	0.3%
930,000	0.1%	0.3%	0%	0.3%
935,000	0.1%	0.3%	0%	0.3%
940,000	0.1%	0.3%	0%	0.3%
945,000	0.1%	0.3%	0%	0.3%
950,000	0.1%	0.2%	0%	0.2%
955,000	0.1%	0.2%	0%	0.2%
960,000	0.1%	0.2%	0%	0.2%
965,000	0.1%	0.2%	0%	0.2%
970,000	0.1%	0.2%	0%	0.2%
975,000	0.1%	0.2%	0%	0.2%
980,000	0.1%	0.2%	0%	0.2%
985,000	0.0%	0.2%	0%	0.2%
990,000	0.0%	0.2%	0%	0.2%
995,000	0.0%	0.2%	0%	0.2%
1,000,000	0.0%	0.2%	0%	0.2%

**Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014**

Exhibit 2

Experience

The following shows the pooling charge experience, as compared to expected from the approved filings, for 2011 and 2012.

2011

Attachment Point	<u>% of claims below attachment point</u>		
	Pricing Expected Claims*	2011 Observed Claims	A/E Claims
\$35,000	27.0%	27.1%	101%
\$45,000	21.1%	21.2%	100%
\$60,000	15.9%	15.7%	99%
\$80,000	11.6%	11.3%	97%
\$100,000	9.1%	8.5%	94%
\$125,000	6.9%	6.3%	91%
\$175,000	4.4%	3.9%	87%
\$200,000	3.7%	3.1%	85%
\$225,000	3.1%	2.5%	82%
\$275,000	2.2%	1.8%	81%
\$300,000	1.9%	1.5%	82%
\$350,000	1.4%	1.2%	83%

* Per the amended and approved Stop Loss filing, VFN 57002

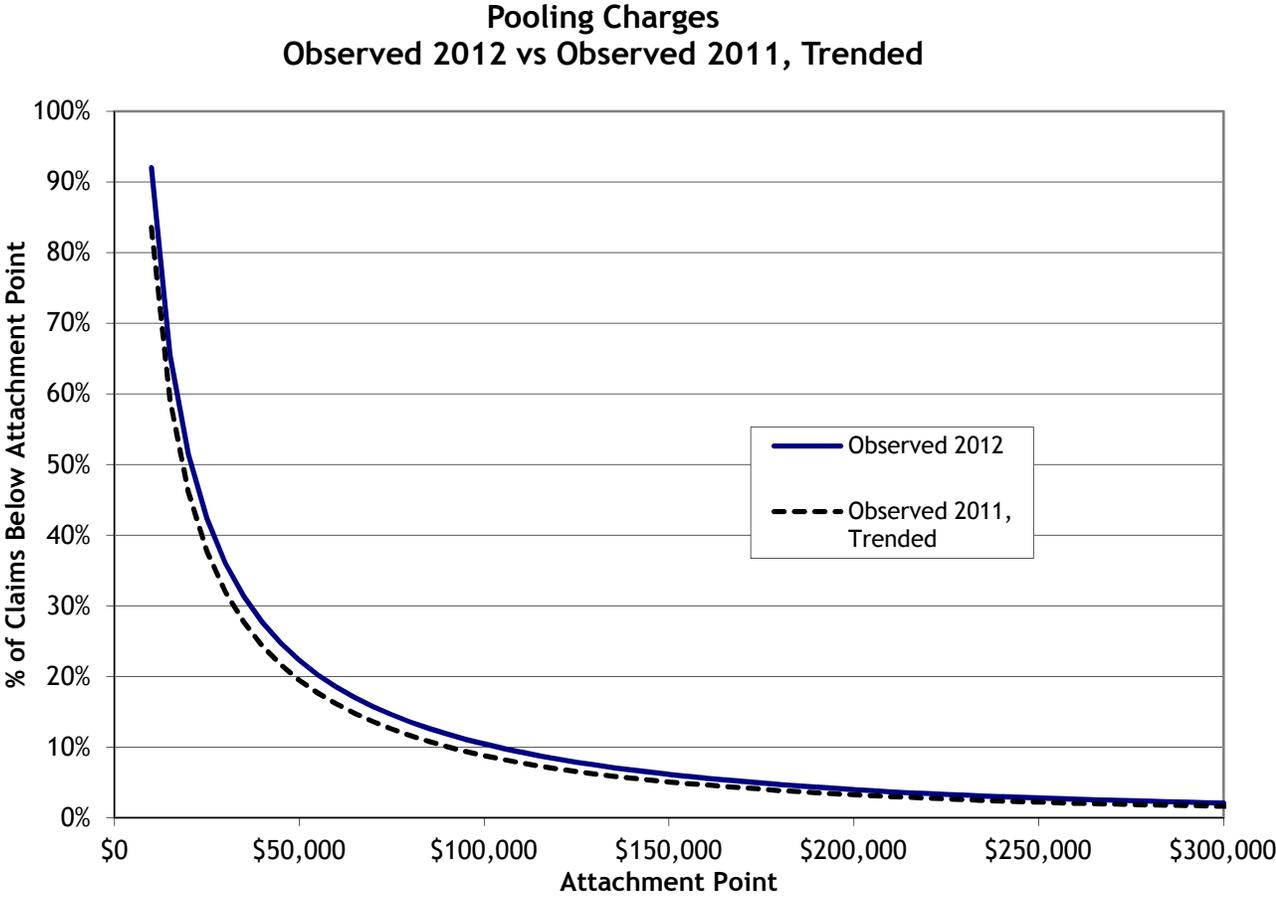
2012

Attachment Point	<u>% of claims below attachment point</u>		
	Pricing Expected Claims**	2012 Observed Claims	A/E claims
\$35,000	26.7%	31.3%	117%
\$45,000	20.9%	24.7%	118%
\$60,000	15.6%	18.5%	119%
\$80,000	11.4%	13.6%	119%
\$100,000	8.8%	10.4%	119%
\$125,000	6.7%	7.9%	118%
\$175,000	4.3%	4.9%	114%
\$200,000	3.5%	4.0%	112%
\$225,000	2.9%	3.3%	113%
\$275,000	2.1%	2.4%	115%
\$300,000	1.8%	2.1%	115%
\$350,000	1.3%	1.6%	126%

** Per the amended and approved Stop Loss filing, VFN 63456

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014

The graph below shows the observed 2012 percent of claims below the attachment point, compared to the percent of claims below the attachment point calculated from trended 2011 allowed charges:



**Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Pooling Charge Factors**

Exhibit 3

<u>Limit</u>	<u>Experience Period Starting Quarter</u>					
	<u>Q4 2012</u> <u>claim*</u> <u>factor</u>	<u>Q1 2013</u> <u>claim*</u> <u>factor</u>	<u>Q2 2013</u> <u>claim*</u> <u>factor</u>	<u>Q3 2013</u> <u>claim*</u> <u>factor</u>	<u>Q4 2013</u> <u>claim*</u> <u>factor</u>	<u>Q1 2014</u> <u>claim*</u> <u>factor</u>
\$30,000	35.66%	35.97%	36.28%	36.60%	36.92%	37.24%
\$35,000	31.00%	31.28%	31.55%	31.83%	32.12%	32.40%
\$40,000	27.38%	27.63%	27.88%	28.13%	28.39%	28.65%
\$45,000	24.46%	24.69%	24.92%	25.15%	25.39%	25.62%
\$50,000	22.05%	22.26%	22.47%	22.69%	22.90%	23.12%
\$55,000	20.06%	20.25%	20.45%	20.65%	20.84%	21.05%
\$60,000	18.35%	18.54%	18.72%	18.90%	19.09%	19.28%
\$65,000	16.90%	17.07%	17.24%	17.41%	17.59%	17.76%
\$70,000	15.61%	15.77%	15.94%	16.11%	16.27%	16.44%
\$75,000	14.46%	14.62%	14.78%	14.94%	15.10%	15.26%
\$80,000	13.45%	13.60%	13.75%	13.90%	14.05%	14.20%
\$85,000	12.55%	12.69%	12.83%	12.97%	13.12%	13.27%
\$90,000	11.73%	11.87%	12.00%	12.14%	12.28%	12.42%
\$95,000	10.99%	11.12%	11.25%	11.38%	11.52%	11.65%
\$100,000	10.33%	10.45%	10.57%	10.70%	10.83%	10.95%
\$105,000	9.72%	9.84%	9.96%	10.08%	10.20%	10.32%
\$110,000	9.17%	9.28%	9.39%	9.51%	9.63%	9.74%
\$115,000	8.66%	8.77%	8.88%	8.99%	9.10%	9.21%
\$120,000	8.20%	8.30%	8.41%	8.51%	8.62%	8.73%
\$125,000	7.78%	7.88%	7.98%	8.08%	8.18%	8.28%
\$130,000	7.38%	7.48%	7.58%	7.67%	7.77%	7.87%
\$135,000	7.02%	7.11%	7.21%	7.30%	7.39%	7.49%
\$140,000	6.69%	6.78%	6.87%	6.96%	7.05%	7.14%
\$145,000	6.38%	6.46%	6.55%	6.64%	6.72%	6.81%
\$150,000	6.08%	6.17%	6.25%	6.34%	6.42%	6.51%
\$155,000	5.81%	5.89%	5.97%	6.05%	6.13%	6.22%
\$160,000	5.55%	5.63%	5.71%	5.79%	5.87%	5.95%
\$165,000	5.32%	5.39%	5.47%	5.54%	5.62%	5.70%
\$170,000	5.09%	5.16%	5.24%	5.31%	5.38%	5.46%
\$175,000	4.88%	4.95%	5.02%	5.09%	5.16%	5.24%
\$180,000	4.68%	4.75%	4.82%	4.89%	4.96%	5.03%
\$185,000	4.48%	4.55%	4.62%	4.69%	4.76%	4.83%
\$190,000	4.30%	4.36%	4.43%	4.50%	4.57%	4.64%
\$195,000	4.12%	4.19%	4.25%	4.32%	4.39%	4.45%
\$200,000	3.96%	4.02%	4.08%	4.15%	4.21%	4.28%
\$205,000	3.80%	3.86%	3.92%	3.98%	4.05%	4.11%
\$210,000	3.65%	3.71%	3.77%	3.83%	3.89%	3.95%
\$215,000	3.51%	3.57%	3.63%	3.69%	3.75%	3.81%

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

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Pooling Charge Factors

Exhibit 3

\$220,000	3.38%	3.44%	3.49%	3.55%	3.61%	3.67%
\$225,000	3.27%	3.32%	3.37%	3.42%	3.48%	3.53%
\$230,000	3.15%	3.20%	3.25%	3.30%	3.35%	3.41%
\$235,000	3.05%	3.09%	3.14%	3.19%	3.24%	3.29%
\$240,000	2.94%	2.99%	3.04%	3.09%	3.13%	3.18%
\$245,000	2.85%	2.89%	2.94%	2.98%	3.03%	3.08%
\$250,000	2.75%	2.80%	2.84%	2.89%	2.93%	2.98%
\$255,000	2.66%	2.71%	2.75%	2.79%	2.84%	2.89%
\$260,000	2.58%	2.62%	2.66%	2.71%	2.75%	2.79%
\$265,000	2.50%	2.54%	2.58%	2.62%	2.66%	2.71%
\$270,000	2.42%	2.46%	2.50%	2.54%	2.58%	2.63%
\$275,000	2.35%	2.39%	2.43%	2.47%	2.51%	2.55%
\$280,000	2.29%	2.32%	2.36%	2.40%	2.43%	2.47%
\$285,000	2.22%	2.26%	2.29%	2.33%	2.37%	2.40%
\$290,000	2.16%	2.20%	2.23%	2.27%	2.30%	2.34%
\$295,000	2.10%	2.14%	2.17%	2.20%	2.24%	2.27%
\$300,000	2.05%	2.08%	2.11%	2.15%	2.18%	2.21%
\$305,000	1.99%	2.02%	2.06%	2.09%	2.12%	2.15%
\$310,000	1.94%	1.97%	2.00%	2.03%	2.07%	2.10%
\$315,000	1.90%	1.92%	1.95%	1.98%	2.01%	2.05%
\$320,000	1.85%	1.88%	1.91%	1.94%	1.96%	1.99%
\$325,000	1.80%	1.83%	1.86%	1.89%	1.92%	1.95%
\$330,000	1.76%	1.79%	1.81%	1.84%	1.87%	1.90%
\$335,000	1.72%	1.74%	1.77%	1.80%	1.83%	1.86%
\$340,000	1.68%	1.70%	1.73%	1.76%	1.78%	1.81%
\$345,000	1.63%	1.66%	1.69%	1.72%	1.74%	1.77%
\$350,000	1.59%	1.62%	1.65%	1.68%	1.70%	1.73%
\$355,000	1.56%	1.58%	1.61%	1.64%	1.66%	1.69%
\$360,000	1.52%	1.55%	1.57%	1.60%	1.62%	1.65%
\$365,000	1.49%	1.51%	1.53%	1.56%	1.59%	1.61%
\$370,000	1.45%	1.48%	1.50%	1.52%	1.55%	1.58%
\$375,000	1.42%	1.44%	1.47%	1.49%	1.52%	1.54%
\$380,000	1.38%	1.41%	1.43%	1.46%	1.48%	1.51%
\$385,000	1.35%	1.38%	1.40%	1.42%	1.45%	1.47%
\$390,000	1.32%	1.34%	1.37%	1.39%	1.42%	1.44%
\$395,000	1.29%	1.31%	1.34%	1.36%	1.38%	1.41%
\$400,000	1.26%	1.28%	1.31%	1.33%	1.35%	1.38%
\$405,000	1.23%	1.25%	1.28%	1.30%	1.32%	1.35%
\$410,000	1.20%	1.23%	1.25%	1.27%	1.29%	1.32%
\$415,000	1.18%	1.20%	1.22%	1.24%	1.26%	1.29%
\$420,000	1.15%	1.17%	1.19%	1.22%	1.24%	1.26%
\$425,000	1.13%	1.15%	1.17%	1.19%	1.21%	1.23%

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

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Pooling Charge Factors

Exhibit 3

\$430,000	1.10%	1.12%	1.14%	1.16%	1.18%	1.21%
\$435,000	1.07%	1.10%	1.12%	1.14%	1.16%	1.18%
\$440,000	1.05%	1.07%	1.09%	1.11%	1.13%	1.16%
\$445,000	1.03%	1.05%	1.07%	1.09%	1.11%	1.13%
\$450,000	1.00%	1.02%	1.04%	1.06%	1.09%	1.11%
\$455,000	0.98%	1.00%	1.02%	1.04%	1.06%	1.08%
\$460,000	0.96%	0.98%	1.00%	1.02%	1.04%	1.06%
\$465,000	0.94%	0.95%	0.97%	0.99%	1.01%	1.04%
\$470,000	0.91%	0.93%	0.95%	0.97%	0.99%	1.01%
\$475,000	0.89%	0.91%	0.93%	0.95%	0.97%	0.99%
\$480,000	0.87%	0.89%	0.91%	0.93%	0.95%	0.97%
\$485,000	0.85%	0.87%	0.89%	0.91%	0.93%	0.95%
\$490,000	0.83%	0.85%	0.87%	0.89%	0.91%	0.93%
\$495,000	0.82%	0.83%	0.85%	0.87%	0.89%	0.91%
\$500,000	0.80%	0.81%	0.83%	0.85%	0.87%	0.89%
\$505,000	0.78%	0.80%	0.81%	0.83%	0.85%	0.87%
\$510,000	0.78%	0.78%	0.80%	0.81%	0.83%	0.85%
\$515,000	0.78%	0.78%	0.78%	0.80%	0.81%	0.83%
\$520,000	0.75%	0.78%	0.78%	0.78%	0.81%	0.81%
\$525,000	0.71%	0.75%	0.78%	0.78%	0.79%	0.81%
\$530,000	0.69%	0.71%	0.78%	0.78%	0.76%	0.79%
\$535,000	0.68%	0.69%	0.74%	0.78%	0.76%	0.76%
\$540,000	0.66%	0.68%	0.70%	0.74%	0.76%	0.76%
\$545,000	0.66%	0.66%	0.68%	0.70%	0.73%	0.76%
\$550,000	0.66%	0.66%	0.66%	0.68%	0.70%	0.73%
\$555,000	0.66%	0.66%	0.66%	0.67%	0.68%	0.70%
\$560,000	0.66%	0.66%	0.66%	0.67%	0.67%	0.68%
\$565,000	0.62%	0.66%	0.66%	0.67%	0.67%	0.67%
\$570,000	0.57%	0.66%	0.66%	0.67%	0.67%	0.67%
\$575,000	0.57%	0.61%	0.66%	0.67%	0.67%	0.67%
\$580,000	0.57%	0.56%	0.61%	0.67%	0.67%	0.67%
\$585,000	0.57%	0.56%	0.56%	0.62%	0.67%	0.67%
\$590,000	0.54%	0.56%	0.56%	0.56%	0.62%	0.67%
\$595,000	0.50%	0.53%	0.56%	0.56%	0.57%	0.62%
\$600,000	0.50%	0.50%	0.53%	0.56%	0.57%	0.57%
\$605,000	0.50%	0.50%	0.51%	0.56%	0.57%	0.57%
\$610,000	0.47%	0.50%	0.51%	0.53%	0.57%	0.57%
\$615,000	0.45%	0.48%	0.51%	0.49%	0.53%	0.57%
\$620,000	0.43%	0.45%	0.48%	0.49%	0.50%	0.54%
\$625,000	0.42%	0.44%	0.45%	0.48%	0.50%	0.50%
\$630,000	0.42%	0.42%	0.44%	0.46%	0.50%	0.50%
\$635,000	0.42%	0.42%	0.43%	0.44%	0.47%	0.50%

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

**Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Pooling Charge Factors**

Exhibit 3

\$640,000	0.40%	0.42%	0.42%	0.43%	0.45%	0.47%
\$645,000	0.38%	0.40%	0.42%	0.42%	0.43%	0.45%
\$650,000	0.37%	0.38%	0.40%	0.42%	0.42%	0.44%
\$655,000	0.37%	0.37%	0.38%	0.42%	0.42%	0.42%
\$660,000	0.37%	0.37%	0.37%	0.40%	0.42%	0.41%
\$665,000	0.35%	0.37%	0.37%	0.38%	0.40%	0.41%
\$670,000	0.33%	0.37%	0.37%	0.37%	0.38%	0.40%
\$675,000	0.32%	0.35%	0.37%	0.37%	0.37%	0.38%
\$680,000	0.32%	0.33%	0.35%	0.37%	0.37%	0.37%
\$685,000	0.31%	0.32%	0.33%	0.35%	0.37%	0.36%
\$690,000	0.30%	0.32%	0.32%	0.33%	0.37%	0.36%
\$695,000	0.30%	0.31%	0.31%	0.32%	0.35%	0.36%
\$700,000	0.30%	0.30%	0.31%	0.32%	0.33%	0.35%
\$705,000	0.29%	0.30%	0.30%	0.31%	0.32%	0.33%
\$710,000	0.27%	0.29%	0.30%	0.30%	0.32%	0.32%
\$715,000	0.27%	0.28%	0.30%	0.30%	0.31%	0.31%
\$720,000	0.27%	0.28%	0.29%	0.30%	0.30%	0.31%
\$725,000	0.27%	0.28%	0.27%	0.29%	0.30%	0.30%
\$730,000	0.26%	0.28%	0.27%	0.27%	0.30%	0.30%
\$735,000	0.24%	0.28%	0.27%	0.27%	0.28%	0.30%
\$740,000	0.24%	0.26%	0.27%	0.27%	0.27%	0.29%
\$745,000	0.24%	0.24%	0.26%	0.27%	0.27%	0.27%
\$750,000	0.24%	0.23%	0.24%	0.27%	0.27%	0.27%
\$755,000	0.24%	0.23%	0.24%	0.26%	0.27%	0.27%
\$760,000	0.24%	0.23%	0.24%	0.24%	0.27%	0.27%
\$765,000	0.22%	0.23%	0.24%	0.23%	0.25%	0.27%
\$770,000	0.20%	0.23%	0.24%	0.23%	0.24%	0.26%
\$775,000	0.20%	0.22%	0.24%	0.23%	0.24%	0.24%
\$780,000	0.19%	0.20%	0.22%	0.23%	0.24%	0.23%
\$785,000	0.19%	0.20%	0.20%	0.23%	0.24%	0.23%
\$790,000	0.19%	0.19%	0.20%	0.22%	0.24%	0.23%
\$795,000	0.19%	0.19%	0.19%	0.20%	0.24%	0.23%
\$800,000	0.19%	0.19%	0.19%	0.20%	0.22%	0.23%
\$805,000	0.19%	0.19%	0.19%	0.19%	0.20%	0.22%
\$810,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.20%
\$815,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.20%
\$820,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
\$825,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
\$830,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
\$835,000	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
\$840,000	0.17%	0.19%	0.19%	0.19%	0.19%	0.19%
\$845,000	0.14%	0.19%	0.19%	0.19%	0.19%	0.19%

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

**Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Pooling Charge Factors**

Exhibit 3

\$850,000	0.14%	0.16%	0.19%	0.19%	0.19%	0.19%
\$855,000	0.14%	0.14%	0.19%	0.19%	0.19%	0.19%
\$860,000	0.14%	0.14%	0.17%	0.19%	0.19%	0.19%
\$865,000	0.14%	0.14%	0.14%	0.17%	0.19%	0.19%
\$870,000	0.14%	0.14%	0.14%	0.14%	0.19%	0.19%
\$875,000	0.14%	0.14%	0.14%	0.14%	0.16%	0.19%
\$880,000	0.14%	0.14%	0.14%	0.14%	0.14%	0.19%
\$885,000	0.14%	0.14%	0.14%	0.14%	0.14%	0.17%
\$890,000	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
\$895,000	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
\$900,000	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
\$905,000	0.11%	0.14%	0.14%	0.14%	0.14%	0.14%
\$910,000	0.09%	0.14%	0.14%	0.14%	0.14%	0.14%
\$915,000	0.09%	0.11%	0.14%	0.14%	0.14%	0.14%
\$920,000	0.09%	0.09%	0.14%	0.14%	0.14%	0.14%
\$925,000	0.09%	0.09%	0.11%	0.14%	0.14%	0.14%
\$930,000	0.09%	0.09%	0.09%	0.14%	0.14%	0.14%
\$935,000	0.08%	0.09%	0.09%	0.11%	0.14%	0.14%
\$940,000	0.07%	0.09%	0.09%	0.09%	0.14%	0.14%
\$945,000	0.07%	0.08%	0.09%	0.09%	0.11%	0.14%
\$950,000	0.07%	0.07%	0.09%	0.09%	0.09%	0.14%
\$955,000	0.07%	0.07%	0.08%	0.09%	0.09%	0.11%
\$960,000	0.07%	0.07%	0.07%	0.09%	0.09%	0.09%
\$965,000	0.07%	0.07%	0.07%	0.08%	0.09%	0.09%
\$970,000	0.07%	0.07%	0.07%	0.07%	0.09%	0.09%
\$975,000	0.07%	0.07%	0.07%	0.07%	0.08%	0.09%
\$980,000	0.06%	0.07%	0.07%	0.07%	0.07%	0.09%
\$985,000	0.04%	0.07%	0.07%	0.07%	0.07%	0.08%
\$990,000	0.04%	0.06%	0.07%	0.07%	0.07%	0.07%
\$995,000	0.04%	0.04%	0.07%	0.07%	0.07%	0.07%
\$1,000,000	0.04%	0.04%	0.06%	0.07%	0.07%	0.07%

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

**Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Merit Net Cost of Reinsurance (PMPM)**

Exhibit 4

<u>Pricing Period Starting Quarter</u>					
<u>Q2 2014</u>	<u>Q3 2014</u>	<u>Q4 2014</u>	<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>
\$1.05	\$1.06	\$1.06	\$1.08	\$1.09	\$1.11

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Individual Stop Loss Charge Factors for Cost Plus

Exhibit 5

<u>Limit</u>	<u>Pricing Period Starting Quarter</u>					
	<u>Q2 2014</u> charge <u>factor*</u>	<u>Q3 2014</u> charge <u>factor*</u>	<u>Q4 2014</u> charge <u>factor*</u>	<u>Q1 2015</u> charge <u>factor*</u>	<u>Q2 2015</u> charge <u>factor*</u>	<u>Q3 2015</u> charge <u>factor*</u>
\$30,000	39.01%	39.26%	39.51%	39.76%	40.01%	40.26%
\$35,000	35.20%	35.43%	35.67%	35.90%	36.14%	36.38%
\$40,000	32.04%	32.26%	32.49%	32.71%	32.94%	33.16%
\$45,000	29.38%	29.59%	29.81%	30.02%	30.24%	30.46%
\$50,000	27.09%	27.29%	27.50%	27.71%	27.92%	28.13%
\$55,000	25.10%	25.30%	25.50%	25.69%	25.89%	26.09%
\$60,000	23.37%	23.56%	23.75%	23.94%	24.13%	24.32%
\$65,000	21.84%	22.03%	22.21%	22.39%	22.57%	22.76%
\$70,000	20.48%	20.66%	20.83%	21.01%	21.19%	21.37%
\$75,000	19.24%	19.41%	19.58%	19.75%	19.92%	20.10%
\$80,000	18.12%	18.28%	18.45%	18.62%	18.78%	18.95%
\$85,000	17.08%	17.25%	17.41%	17.58%	17.74%	17.91%
\$90,000	16.17%	16.32%	16.47%	16.63%	16.78%	16.94%
\$95,000	15.31%	15.47%	15.62%	15.77%	15.92%	16.07%
\$100,000	14.52%	14.66%	14.81%	14.96%	15.11%	15.26%
\$105,000	13.81%	13.95%	14.09%	14.23%	14.37%	14.51%
\$110,000	13.14%	13.28%	13.41%	13.55%	13.69%	13.83%
\$115,000	12.53%	12.66%	12.79%	12.92%	13.05%	13.19%
\$120,000	11.97%	12.10%	12.22%	12.35%	12.48%	12.61%
\$125,000	11.44%	11.56%	11.68%	11.81%	11.93%	12.06%
\$130,000	10.96%	11.08%	11.19%	11.31%	11.43%	11.55%
\$135,000	10.50%	10.62%	10.73%	10.85%	10.97%	11.09%
\$140,000	10.09%	10.20%	10.31%	10.41%	10.53%	10.65%
\$145,000	9.69%	9.80%	9.91%	10.02%	10.13%	10.24%
\$150,000	9.33%	9.43%	9.53%	9.64%	9.75%	9.86%
\$155,000	8.99%	9.09%	9.19%	9.29%	9.39%	9.49%
\$160,000	8.65%	8.76%	8.86%	8.96%	9.06%	9.16%
\$165,000	8.35%	8.44%	8.53%	8.63%	8.74%	8.84%
\$170,000	8.08%	8.17%	8.25%	8.34%	8.42%	8.52%
\$175,000	7.81%	7.90%	7.99%	8.07%	8.16%	8.25%
\$180,000	7.55%	7.64%	7.73%	7.82%	7.90%	7.99%
\$185,000	7.30%	7.39%	7.48%	7.56%	7.65%	7.74%
\$190,000	7.06%	7.14%	7.23%	7.32%	7.40%	7.49%
\$195,000	6.86%	6.93%	7.00%	7.07%	7.16%	7.25%
\$200,000	6.67%	6.74%	6.81%	6.88%	6.95%	7.03%
\$205,000	6.47%	6.55%	6.62%	6.69%	6.76%	6.84%
\$210,000	6.29%	6.36%	6.44%	6.51%	6.58%	6.66%
\$215,000	6.10%	6.18%	6.25%	6.33%	6.40%	6.48%
\$220,000	5.93%	6.00%	6.07%	6.15%	6.22%	6.30%

*Percentages to be applied to total projected claims.

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Individual Stop Loss Charge Factors for Cost Plus

Exhibit 5

\$225,000	5.79%	5.85%	5.91%	5.97%	6.04%	6.12%
\$230,000	5.65%	5.71%	5.77%	5.83%	5.88%	5.95%
\$235,000	5.51%	5.57%	5.63%	5.69%	5.75%	5.81%
\$240,000	5.37%	5.44%	5.50%	5.56%	5.62%	5.68%
\$245,000	5.23%	5.30%	5.36%	5.42%	5.48%	5.55%
\$250,000	5.10%	5.16%	5.23%	5.29%	5.35%	5.42%
\$255,000	4.98%	5.04%	5.10%	5.15%	5.22%	5.28%
\$260,000	4.85%	4.92%	4.98%	5.04%	5.09%	5.15%
\$265,000	4.72%	4.79%	4.85%	4.91%	4.97%	5.04%
\$270,000	4.60%	4.66%	4.73%	4.79%	4.85%	4.92%
\$275,000	4.47%	4.54%	4.60%	4.67%	4.73%	4.80%
\$280,000	4.35%	4.41%	4.48%	4.54%	4.61%	4.68%
\$285,000	4.25%	4.31%	4.36%	4.42%	4.49%	4.55%
\$290,000	4.15%	4.21%	4.26%	4.32%	4.37%	4.43%
\$295,000	4.05%	4.10%	4.16%	4.22%	4.27%	4.33%
\$300,000	3.94%	4.00%	4.06%	4.12%	4.17%	4.23%
\$305,000	3.84%	3.90%	3.96%	4.02%	4.07%	4.13%
\$310,000	3.74%	3.80%	3.86%	3.92%	3.98%	4.04%
\$315,000	3.63%	3.70%	3.76%	3.82%	3.88%	3.94%
\$320,000	3.56%	3.61%	3.66%	3.72%	3.78%	3.84%
\$325,000	3.48%	3.53%	3.58%	3.62%	3.68%	3.74%
\$330,000	3.40%	3.45%	3.50%	3.55%	3.59%	3.65%
\$335,000	3.33%	3.38%	3.43%	3.47%	3.52%	3.57%
\$340,000	3.25%	3.30%	3.35%	3.40%	3.45%	3.49%
\$345,000	3.17%	3.23%	3.27%	3.32%	3.37%	3.42%
\$350,000	3.10%	3.15%	3.20%	3.25%	3.30%	3.35%
\$355,000	3.02%	3.07%	3.12%	3.18%	3.22%	3.28%
\$360,000	2.94%	3.00%	3.05%	3.10%	3.15%	3.20%
\$365,000	2.87%	2.92%	2.97%	3.03%	3.08%	3.13%
\$370,000	2.79%	2.84%	2.90%	2.95%	3.00%	3.06%
\$375,000	2.74%	2.78%	2.82%	2.88%	2.93%	2.98%
\$380,000	2.69%	2.73%	2.76%	2.80%	2.86%	2.91%
\$385,000	2.63%	2.67%	2.71%	2.75%	2.79%	2.84%
\$390,000	2.58%	2.62%	2.66%	2.70%	2.74%	2.78%
\$395,000	2.53%	2.57%	2.61%	2.65%	2.68%	2.72%
\$400,000	2.47%	2.52%	2.56%	2.60%	2.63%	2.67%
\$405,000	2.42%	2.46%	2.50%	2.54%	2.58%	2.62%
\$410,000	2.37%	2.41%	2.45%	2.49%	2.53%	2.57%
\$415,000	2.31%	2.36%	2.40%	2.44%	2.48%	2.52%
\$420,000	2.26%	2.30%	2.35%	2.39%	2.43%	2.47%
\$425,000	2.21%	2.25%	2.29%	2.34%	2.38%	2.42%
\$430,000	2.15%	2.20%	2.24%	2.28%	2.33%	2.37%
\$435,000	2.12%	2.15%	2.19%	2.23%	2.28%	2.32%

*Percentages to be applied to total projected claims.

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Individual Stop Loss Charge Factors for Cost Plus

Exhibit 5

\$440,000	2.08%	2.11%	2.14%	2.18%	2.22%	2.27%
\$445,000	2.04%	2.07%	2.10%	2.14%	2.17%	2.22%
\$450,000	2.00%	2.03%	2.07%	2.10%	2.13%	2.17%
\$455,000	1.96%	2.00%	2.03%	2.06%	2.09%	2.13%
\$460,000	1.92%	1.96%	1.99%	2.02%	2.06%	2.09%
\$465,000	1.88%	1.92%	1.95%	1.99%	2.02%	2.05%
\$470,000	1.85%	1.88%	1.92%	1.95%	1.98%	2.02%
\$475,000	1.81%	1.84%	1.88%	1.91%	1.95%	1.98%
\$480,000	1.77%	1.81%	1.84%	1.88%	1.91%	1.94%
\$485,000	1.73%	1.77%	1.80%	1.84%	1.87%	1.91%
\$490,000	1.69%	1.73%	1.77%	1.80%	1.84%	1.87%
\$495,000	1.66%	1.69%	1.73%	1.76%	1.80%	1.83%
\$500,000	1.63%	1.66%	1.69%	1.73%	1.76%	1.80%
\$505,000	1.60%	1.63%	1.66%	1.69%	1.73%	1.76%
\$510,000	1.58%	1.60%	1.63%	1.66%	1.69%	1.73%
\$515,000	1.55%	1.58%	1.60%	1.63%	1.66%	1.69%
\$520,000	1.52%	1.55%	1.58%	1.60%	1.63%	1.66%
\$525,000	1.49%	1.52%	1.55%	1.58%	1.60%	1.63%
\$530,000	1.46%	1.49%	1.52%	1.55%	1.58%	1.60%
\$535,000	1.43%	1.46%	1.49%	1.52%	1.55%	1.58%
\$540,000	1.41%	1.44%	1.46%	1.49%	1.52%	1.55%
\$545,000	1.38%	1.41%	1.44%	1.47%	1.49%	1.52%
\$550,000	1.35%	1.38%	1.41%	1.44%	1.47%	1.50%
\$555,000	1.32%	1.35%	1.38%	1.41%	1.44%	1.47%
\$560,000	1.30%	1.33%	1.35%	1.38%	1.41%	1.44%
\$565,000	1.28%	1.31%	1.33%	1.36%	1.39%	1.42%
\$570,000	1.26%	1.29%	1.31%	1.33%	1.36%	1.39%
\$575,000	1.24%	1.27%	1.29%	1.31%	1.33%	1.36%
\$580,000	1.22%	1.24%	1.27%	1.29%	1.31%	1.34%
\$585,000	1.20%	1.22%	1.25%	1.27%	1.29%	1.32%
\$590,000	1.18%	1.20%	1.23%	1.25%	1.27%	1.30%
\$595,000	1.16%	1.18%	1.21%	1.23%	1.25%	1.28%
\$600,000	1.14%	1.16%	1.18%	1.21%	1.23%	1.26%
\$605,000	1.12%	1.14%	1.16%	1.19%	1.21%	1.24%
\$610,000	1.09%	1.12%	1.14%	1.17%	1.19%	1.22%
\$615,000	1.07%	1.10%	1.12%	1.15%	1.17%	1.20%
\$620,000	1.05%	1.08%	1.10%	1.13%	1.15%	1.18%
\$625,000	1.03%	1.06%	1.08%	1.11%	1.13%	1.16%
\$630,000	1.01%	1.04%	1.06%	1.09%	1.11%	1.14%
\$635,000	0.99%	1.02%	1.04%	1.07%	1.09%	1.12%
\$640,000	0.97%	1.00%	1.02%	1.05%	1.07%	1.10%
\$645,000	0.95%	0.97%	1.00%	1.03%	1.05%	1.08%
\$650,000	0.93%	0.95%	0.98%	1.01%	1.03%	1.06%

*Percentages to be applied to total projected claims.

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Individual Stop Loss Charge Factors for Cost Plus

Exhibit 5

\$655,000	0.91%	0.93%	0.96%	0.99%	1.01%	1.04%
\$660,000	0.89%	0.91%	0.94%	0.97%	0.99%	1.02%
\$665,000	0.88%	0.89%	0.92%	0.95%	0.97%	1.00%
\$670,000	0.87%	0.88%	0.90%	0.93%	0.95%	0.98%
\$675,000	0.86%	0.87%	0.88%	0.90%	0.93%	0.96%
\$680,000	0.85%	0.86%	0.87%	0.88%	0.91%	0.94%
\$685,000	0.84%	0.85%	0.86%	0.87%	0.89%	0.92%
\$690,000	0.83%	0.84%	0.85%	0.87%	0.88%	0.90%
\$695,000	0.82%	0.83%	0.84%	0.86%	0.87%	0.88%
\$700,000	0.81%	0.82%	0.83%	0.85%	0.86%	0.87%
\$705,000	0.80%	0.81%	0.82%	0.84%	0.85%	0.86%
\$710,000	0.79%	0.80%	0.81%	0.83%	0.84%	0.85%
\$715,000	0.78%	0.79%	0.80%	0.82%	0.83%	0.84%
\$720,000	0.77%	0.78%	0.80%	0.81%	0.82%	0.83%
\$725,000	0.76%	0.77%	0.79%	0.80%	0.81%	0.83%
\$730,000	0.75%	0.76%	0.78%	0.79%	0.80%	0.82%
\$735,000	0.74%	0.75%	0.77%	0.78%	0.79%	0.81%
\$740,000	0.73%	0.74%	0.76%	0.77%	0.78%	0.80%
\$745,000	0.72%	0.73%	0.75%	0.76%	0.77%	0.79%
\$750,000	0.71%	0.72%	0.74%	0.75%	0.77%	0.78%
\$755,000	0.70%	0.71%	0.73%	0.74%	0.76%	0.77%
\$760,000	0.69%	0.71%	0.72%	0.73%	0.75%	0.76%
\$765,000	0.68%	0.70%	0.71%	0.72%	0.74%	0.75%
\$770,000	0.67%	0.69%	0.70%	0.71%	0.73%	0.74%
\$775,000	0.66%	0.68%	0.69%	0.71%	0.72%	0.73%
\$780,000	0.65%	0.67%	0.68%	0.70%	0.71%	0.72%
\$785,000	0.64%	0.66%	0.67%	0.69%	0.70%	0.71%
\$790,000	0.63%	0.65%	0.66%	0.68%	0.69%	0.71%
\$795,000	0.62%	0.64%	0.65%	0.67%	0.68%	0.70%
\$800,000	0.61%	0.63%	0.64%	0.66%	0.67%	0.69%
\$805,000	0.60%	0.62%	0.63%	0.65%	0.66%	0.68%
\$810,000	0.59%	0.61%	0.62%	0.64%	0.65%	0.67%
\$815,000	0.58%	0.60%	0.61%	0.63%	0.64%	0.66%
\$820,000	0.57%	0.59%	0.60%	0.62%	0.64%	0.65%
\$825,000	0.56%	0.58%	0.60%	0.61%	0.63%	0.64%
\$830,000	0.55%	0.57%	0.59%	0.60%	0.62%	0.63%
\$835,000	0.55%	0.56%	0.58%	0.59%	0.61%	0.62%
\$840,000	0.54%	0.55%	0.57%	0.58%	0.60%	0.61%
\$845,000	0.53%	0.54%	0.56%	0.57%	0.59%	0.60%
\$850,000	0.52%	0.53%	0.55%	0.56%	0.58%	0.60%
\$855,000	0.51%	0.52%	0.54%	0.55%	0.57%	0.59%
\$860,000	0.50%	0.51%	0.53%	0.55%	0.56%	0.58%
\$865,000	0.49%	0.50%	0.52%	0.54%	0.55%	0.57%

*Percentages to be applied to total projected claims.

Blue Cross and Blue Shield of Vermont
Provision for Large Claims and Stop Loss Filing for 2014
Individual Stop Loss Charge Factors for Cost Plus

Exhibit 5

\$870,000	0.48%	0.49%	0.51%	0.53%	0.54%	0.56%
\$875,000	0.47%	0.48%	0.50%	0.52%	0.53%	0.55%
\$880,000	0.46%	0.47%	0.49%	0.51%	0.52%	0.54%
\$885,000	0.45%	0.46%	0.48%	0.50%	0.51%	0.53%
\$890,000	0.44%	0.46%	0.47%	0.49%	0.50%	0.52%
\$895,000	0.44%	0.45%	0.46%	0.48%	0.50%	0.51%
\$900,000	0.44%	0.44%	0.45%	0.47%	0.49%	0.50%
\$905,000	0.43%	0.44%	0.44%	0.46%	0.48%	0.49%
\$910,000	0.43%	0.43%	0.44%	0.45%	0.47%	0.48%
\$915,000	0.42%	0.43%	0.44%	0.44%	0.46%	0.48%
\$920,000	0.42%	0.43%	0.43%	0.44%	0.45%	0.47%
\$925,000	0.42%	0.42%	0.43%	0.44%	0.44%	0.46%
\$930,000	0.41%	0.42%	0.43%	0.43%	0.44%	0.45%
\$935,000	0.41%	0.42%	0.42%	0.43%	0.44%	0.44%
\$940,000	0.41%	0.41%	0.42%	0.43%	0.43%	0.44%
\$945,000	0.40%	0.41%	0.42%	0.42%	0.43%	0.44%
\$950,000	0.40%	0.41%	0.41%	0.42%	0.42%	0.43%
\$955,000	0.39%	0.40%	0.41%	0.42%	0.42%	0.43%
\$960,000	0.39%	0.40%	0.40%	0.41%	0.42%	0.42%
\$965,000	0.39%	0.39%	0.40%	0.41%	0.41%	0.42%
\$970,000	0.38%	0.39%	0.40%	0.40%	0.41%	0.42%
\$975,000	0.38%	0.39%	0.39%	0.40%	0.41%	0.41%
\$980,000	0.38%	0.38%	0.39%	0.40%	0.40%	0.41%
\$985,000	0.37%	0.38%	0.39%	0.39%	0.40%	0.41%
\$990,000	0.37%	0.38%	0.38%	0.39%	0.40%	0.40%
\$995,000	0.36%	0.37%	0.38%	0.39%	0.39%	0.40%
\$1,000,000	0.36%	0.37%	0.38%	0.38%	0.39%	0.40%

*Percentages to be applied to total projected claims.