

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re: )  
Blue Cross and Blue Shield of Vermont )  
2016 Vermont Health Connect Rate Filing ) GMCB-08-15-rr

SUGGESTED CLARIFYING QUESTION TO PROVIDE TO BOARD ACTUARY

The Office of the Health Care Advocate (HCA) suggests the following question for the Board to provide to its consulting actuary to be posed to Blue Cross and Blue Shield of Vermont, to clarify the HCA's earlier suggested question concerning the assumptions regarding the morbidity of groups of 51 to 100 employees purchasing on the 2016 Exchange compared to the morbidity of small groups of the same size in the current market:

Your Actuarial Memorandum states at page 9 "These groups will either have to offer QHPs or move to a self-funded alternative. We assumed that only groups that would realize lower premium by choosing QHPs would join the risk pool." Considering the risks to small employers of being self-insured and the logistics involved in setting up a self-funded plan, please explain why you assume that all of the lower cost groups would move to self-funded plans, including any support you have for this assumption. Please calculate the impact on rates if all the groups with 51-100 employees choose to offer QHPs rather than choosing a self-funded option.

Dated at Montpelier, Vermont this 30th day of June, 2015.

/s/ Lila Richardson

Lila Richardson

Office of the Health Care Advocate  
P.O. Box 606  
Montpelier, Vt. 05601  
Voice (802) 223-6377 ext. 325

CERTIFICATE OF SERVICE

I, Lila Richardson, hereby certify that I have served the above Suggested Clarifying Question to Provide to the Board Actuary on Michael N. Donofrio, General Counsel to the Green Mountain Care Board, Judith Henkin, Health Policy Director of the Green Mountain Care Board, and Martine Brisson-Lemieux and Jacqueline A. Hughes, representatives of Blue Cross and Blue Shield of Vermont, by electronic mail, return receipt requested this 30th day of June, 2015.

/s/ Lila Richardson

Lila Richardson