

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross Blue Shield of Vermont )  
VT Health Connect 2021 Filing ) GMCB-005-20rr  
)

**HCA ACTUARIAL QUESTIONS FOR BLUE CROSS BLUE SHIELD OF VERMONT**

The Office of the Health Care Advocate (HCA) submits to the Green Mountain Care Board the below-listed actuarial questions for Blue Cross Blue Shield of Vermont (BCBSVT) in the above-captioned matter.

1. Vermont Health Connect (VHC) has been responsible for billing consumers who purchased plans through VHC. The state had planned for carriers to take over billing these consumers starting in 2021. However, the planned switch was postponed. As in past years, VHC will bill these consumers in 2021.

BCBSVT specified that it added a 0.6% increase into the 2021 VHC rate filing related to the assumption that it would take over billing for VHC enrolled members. GMCB-005-20rr, Actuarial Mem. at 5. Given the timing of the announcement that VHC will continue to be responsible for VHC enrollee billing in 2021, it is understandable that BCBSVT did not incorporate this fact into its filing. Please list all changes to the filed rate that are now needed to reflect that VHC, and not BCBSVT, will be responsible for billing VHC enrolled members in 2021.

2. Do cost sharing reduction plans take more administrative time than other QHPs and therefore represent a larger portion of administrative costs? If yes, does BCBSVT silver stack these costs or spread it out among all plans?
3. Vermont implemented a special enrollment period (SEP) in response to the Covid-19 crisis which is still open. Please provide the following to date:
  - a. the number of Vermonters who have enrolled in a BCBSVT plan using this SEP, broken out by CSR plan and metal level, and
  - b. any impact this new member population had on age/demographic factors.

4. Please confirm the accuracy of the below-provided table that lists requested rates and rate components, allowed rates and rate components, and actual rate components. If the cell is blank or you believe the value listed is incorrect, please provide the value that you believe is correct.

Year Filed		2020 (PY 2021)	2019 (PY 2020)	2018* (PY 2019)	2017**** (PY 2018)
Docket #		GMCB-005-20rr	GMCB-006-19rr	GMCB-009-18rr	GMCB-008-17rr
Members		39,195	43,939	53,664	70,035
Average Rate Change	Proposed	6.3	15.6	9.6	12.7
	Approved	NA	12.4	5.8	9.2
Allowed Medical Trend	Proposed		5.9	4.7	4.7
	Approved	NA	5.2	4.7	3.6
	Actual***	NA	NA		7.0
Medical Unit Cost Trend	Proposed	3.6	2.6	2.7	2.6
	Approved	NA	2.6	2.7	2.6
	Actual***	NA	NA		2.1
Medical Utilization Trend	Proposed	3.6	3.2	2.0	2
	Approved	NA	2.5	2.0	1
	Actual***	NA	NA		4.8
Pharmacy Allowed Trend	Proposed	13.4	13.0	9.9	8.0
	Approved	NA	13.0	9.9	8.0
	Actual***	NA	NA		16.7
Total Administrative Charges PMPM	Proposed	48.85	46.54	40.26	36.06
	Approved	NA	46.54	40.29	36.06
	Actual***	NA	NA	45.87	47.05
CTR	Proposed	1.5	1.5	1.5	2
	Approved	NA	1.5	0.5	0.5

\* Numbers reflect original filing and not amendments.

\*\* Excludes the roughly 7,000 members from non-ACA compliant plans that were expected to enroll in ACA-compliant plans for the 2017 plan year.

\*\*\* Actual is for the year that the rates are effective for. For instance, for the column "2018", the actual field should be populated with the experience of 2019 (the year the rates are effective for).

\*\*\*\* Provided for reference only.

5. On page 6 of your Contribution to Policyholder Reserves Memorandum, you state (referring to Covid-19): "These costs and risks have are [*sic*] counterbalanced by the deferral of non-emergent care that has taken place during the declared state of emergency." Given you have some post COVID-19 data, can you provide an exhibit to show how the costs balance out?
6. Has BCBSVT implemented or planned to implement any risk optimization activities for years 2019, 2020, and or 2021?

Dated at Montpelier, Vermont this 8th day of June, 2020.

s/ Kaili Kuiper

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s/ Eric Schultheis

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### **CERTIFICATE OF SERVICE**

I, Eric Schultheis, hereby certify that I have served the above Actuarial Questions for Blue Cross Blue Shield of Vermont on Michael Barber, Green Mountain Care Board General Counsel; Amerin Aborjaily, Green Mountain Care Board Staff Attorney; and Mike Donofrio and Brigid Asay, representatives of BCBSVT in the above-captioned matter, by electronic mail, return receipt requested, this 8th day of June, 2020.

s/ Eric Schultheis

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