

Green Mountain Care Board
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Kevin Mullin, Chair
Jessica Holmes, PhD
Robin Lunge, JD, MHCD
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Susan Barrett, JD, Executive Director

By electronic mail

June 1, 2020

Michael Donofrio, Esq.
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28 Elm Street, 2d Floor
Montpelier, VT 05602

Rebecca Heintz, Esq.
Blue Cross and Blue Shield of Vermont
PO Box 186
Montpelier, VT 05601-0186

Re: Blue Cross and Blue Shield of Vermont Large Group Filing (GMCB-002-20rr)
The Vermont Health Plan Large Group Filing (GMCB-003-20rr)
Blue Cross and Blue Shield of Vermont Association Health Plan Filing (GMCB-004-20rr)
Blue Cross and Blue Shield of Vermont Ind. and Small Group Filing (GMCB-005-20rr)

Dear Mike, Bridget, and Rebecca,

Pursuant to its authority under 8 V.S.A. § 4062 and 18 V.S.A. § 9375(b)(6), the Board requests that Blue Cross and Blue Shield of Vermont and The Vermont Health Plan provide the following information to assist with the Board's review of the above-referenced filing. This information is non-actuarial in nature and therefore has not been requested through SERFF.

1. Please provide more details on the status of BCBSVT's accrued corporate alternative minimum tax (AMT) credits, specifically:
 - a. the amounts of each payment that has been and will be received,
 - b. the date or expected date of receipt for each of the listed payments, and
 - c. if any of BCBSVT's AMT rebates were offset by tax liabilities, the extent of the offset, and which products the tax liability applied to.
2. On page 27 of the BCBSVT/TVHP large group actuarial memorandum, you predict that BCBSVT's membership will decrease in 2020. Please explain the basis for this prediction, which plan/s you expect will lose members, and how many members you expect each of those plans to lose.



3. BCBSVT created a new captive insurance product, BlueEdge, and began offering these plans in 2020. Please describe any reserves that have been specifically set aside to back the new captive insurance product and any short-term impacts of the captive product (including TVHP and BCBSVT selling stop loss to the captive) on the following:
 - a. BCBSVT's reserves,
 - b. BCBSVT's authorized control level (ACL), and
 - c. BCBSVT's overall RBC level.
4. Please provide more details on the current status of your pending action against the federal government to recover lost cost sharing reduction monies, *Blue Cross & Blue Shield of Vermont v. United States*, including:
 - a. the nature and amount of damages you are currently seeking in the case,
 - b. the status of the proceedings, and
 - c. your best estimate as to the timeframe within which you expect the claim to be resolved.
5. Please specify the amount of 2014 through 2016 unpaid risk corridor payments that BCBSVT will receive from the federal government assuming that its case will be resolved in line the Supreme Court of the United States' recent holding in *Maine Community Health Options v. United States*.
6. Please provide more detail on the extent to which BCBSVT expects to participate in OneCare Vermont in 2021. Separately for Vermont Individual and Small Group (VISG), Association Health Plan (AHP), BCBSVT large group, TVHP large group, and Administrative Services Only (ASO) populations, please describe the following:
 - a. whether you expect to include the population in an agreement with OneCare;
 - b. whether you expect to include upside risk, downside risk, or both;
 - c. whether you plan to implement fixed prospective payments;
 - d. your reasoning for variations between the populations in your answers to a.-c.; and
 - e. any impact you expect your OneCare participation to have on rates for each population, if not already specified in the relevant filing.

When providing the responses, please copy the question in the same numbered format as in this document and provide your response immediately following. To ensure that the review of your filings have been completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than June 10, 2010. Note that the responses can be submitted separately and do not have to be submitted all at the same time. Thank you in advance for your cooperation.

Sincerely,

/s/ Michael Barber

General Counsel
Green Mountain Care Board



cc: Kaili Kuiper, Esq., HCA
Eric Schultheis, Esq., HCA
Amerin Aborjaily, Esq., GMCB
Thomas Crompton, GMCB
Christina McLaughlin, GMCB

