

Dallas

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**Kansas City**

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 Karen E. Elsom, F.S.A.
 Jill J. Humes, F.S.A.
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Kathryn R. Koch, A.C.A.S.

Baltimore

David A. Palmer, C.F.E.

May 23, 2016

Jude Daye, Executive Assistant
 Blue Cross and Blue Shield of Vermont
 445 Industrial Lane
 Montpelier, VT 05601

Re: Blue Cross and Blue Shield of Vermont
 BCBSVT 2017 Vermont Qualified Health Plans Rate Filing
 SERFF Tracking #: BCVT-130567350

Dear Jude Daye:

We have been retained by the Green Mountain Care Board (“GMCB”) to review the above referenced group products filing submitted on 5/11/2016. 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 quantitative support for the unit cost trends for:
 - a. Vermont facilities and providers impacted by the hospital budget review process of the GMCB;
 - b. other providers within the BCBSVT service area; and
 - c. providers outside the BCBSVT service area.

Source: Actuarial Memorandum page 17

2. Please quantify the impact of the lower charges from the Rutland Regional Medical Center. Are any additional changes anticipated for other hospitals?

Source: Actuarial Memorandum page 16

3. Provide quantitative support for the considerably unfavorable paid claims experience.
Source: Actuarial Memorandum page 4
4. Please provide an actual to expected comparison of the contributions to reserves for the most recent 5 years based on the final premiums after amendments made by regulators.
5. Please provide quantitative support for the increase in the experience period administrative costs from \$28.40 in the prior filing to \$32.93 in the current filing.
Source: Actuarial Memorandum page 24 and 2016 Actuarial Memorandum page 28
6. Confirm that the projected period membership in the exhibit on the top of page 25 in the Actuarial Memorandum is correctly allocated between “Enrolled through VHC” and “Directly Enrolled with BCBSVT.”
7. What percentage of groups with 51 – 100 employees that were expected in the prior filing to offer a QHP, have offered or have informed you that they intend to offer a QHP?
Source: Actuarial Memorandum page 9
8. Please reconcile Exhibit 2B with the table in section 3.4.1 of the Actuarial Memorandum.
9. Please provide the projected number of contracts by plan by tier.

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 May 31, 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,



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