

**State:** Vermont **Filing Company:** BCBSVT  
**TOI/Sub-TOI:** ML02 - Multi-Line - Other/ML02.0000 - Multi-Line - Other  
**Product Name:** BCBSVT 1Q-2Q 2014 Trend Filing  
**Project Name/Number:** /

## Filing at a Glance

Company: BCBSVT  
Product Name: BCBSVT 1Q-2Q 2014 Trend Filing  
State: Vermont  
TOI: ML02 - Multi-Line - Other  
Sub-TOI: ML02.0000 - Multi-Line - Other  
Filing Type: Trend / Admin Charge  
Date Submitted: 09/10/2013  
SERFF Tr Num: BCVT-129197073  
SERFF Status: Assigned  
State Tr Num: 68007  
State Status: Pending Department Review  
Co Tr Num:

Implementation: On Approval  
Date Requested:  
Author(s): Vince Mace, Pam Young, Seth Abbene, Jude Daye, Martine Brisson-Lemieux  
Reviewer(s): Phil Keller (primary)  
Disposition Date:  
Disposition Status:  
Implementation Date:

State Filing Description:

**State:** Vermont **Filing Company:** BCBSVT  
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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: 09/12/2013  
State Status Changed: 09/12/2013 Deemer Date:  
Created By: Jude Daye Submitted By: Pam Young  
Corresponding Filing Tracking Number:

Filing Description:  
September 10, 2013

Phil Keller  
Director of Insurance Rates and Forms  
Vermont Department of Financial Regulation  
89 Main Street  
Montpelier, VT 05620-3101

Subject: Blue Cross and Blue Shield of Vermont – NAIC # 53295  
First and Second Quarter 2014 Trend Filing

Dear Mr. Keller:

Enclosed for your review and approval is the filing for First and Second Quarter 2014 rating trends for Blue Cross and Blue Shield of Vermont (BCBSVT). Upon approval, these trends will be used until the approval of the Third and Fourth Quarter 2014 BCBSVT trend filing.

BCBSVT proposes the following allowed base uncapped trend factors:

Medical Trend: 3.9% (3.7% allowed base, capped at \$200K)  
Pharmacy Trend: 7.2%  
Combined Trend: 4.4%

Support for these trend selections is in the attached Actuarial Memorandum, which describes the methodology used to arrive at the trend values. Underlying data supporting the trend selections is included in Exhibits II – VII.

Please let us know if you have any questions or need additional information during your review.

Sincerely,

Kevin Goddard

cc: Tammy Tomczyk/Oliver Wyman

**State:** Vermont **Filing Company:** BCBSVT  
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**Project Name/Number:** /

Ruth Greene/BCBSVT  
 Vince Mace/BCBSVT  
 Paul Schultz/BCBSVT  
 Donna Lee/BCBSVT

## 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? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation:  
 Per Company: Yes

Company	Amount	Date Processed	Transaction #
BCBSVT	\$50.00	09/10/2013	73868952

SERFF Tracking #:

BCVT-129197073

State Tracking #:

68007

Company Tracking #:

**State:** Vermont  
**TOI/Sub-TOI:** ML02 - Multi-Line - Other/ML02.0000 - Multi-Line - Other  
**Product Name:** BCBSVT 1Q-2Q 2014 Trend Filing  
**Filing Company:** BCBSVT  
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## Supporting Document Schedules

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	1Q-2Q14 BCBS Trend - Actuarial Memorandum.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Filing Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Filing Compliance Certificate.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Health Administrative Forms
<b>Comments:</b>	
<b>Attachment(s):</b>	F106 Health Filing Form - BCBSVT 1Q-2Q 2014 Trend Filing.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Health Filing Data
<b>Bypass Reason:</b>	Our variability data is filed with our outline of coverage filings.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Third Party Filing Authorization
<b>Bypass Reason:</b>	BCBSVT does not use a Third Party to submit filings.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Table of Contents and Exhibits
<b>Comments:</b>	

SERFF Tracking #:

BCVT-129197073

State Tracking #:

68007

Company Tracking #:

State:

Vermont

Filing Company:

BCBSVT

TOI/Sub-TOI:

ML02 - Multi-Line - Other/ML02.0000 - Multi-Line - Other

Product Name:

BCBSVT 1Q-2Q 2014 Trend Filing

Project Name/Number:

/

<b>Attachment(s):</b>	1Q-2Q14 BCBS Trend - Table of Contents.pdf 1Q-2Q14 BCBS Trend - Exhibit I -Trend Data Summary.pdf 1Q-2Q14 BCBS Trend - Exhibit II - Pharmacy Trend Development.pdf 1Q-2Q14 BCBS Trend - Exhibit III - Medical Regression Analysis.pdf 1Q-2Q14 BCBS Trend - Exhibit IV - Requested Trend Table.pdf 1Q-2Q14 BCBS Trend - Exhibit V - Medical Claims Experience - Rolling 12 Basis - \$200K Attachment Point.pdf 1Q-2Q14 BCBS Trend - Exhibit VI - Demographics.pdf 1Q-2Q14 BCBS Trend - Exhibit VII - Medical Claims Experience - Monthly Basis - Uncapped.pdf 1Q-2Q14 BCBS Trend - Plain Language Summary.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

# Blue Cross and Blue Shield of Vermont First and Second Quarter 2014 Trend Filing Actuarial Memorandum

## PURPOSE

The purpose of this filing is to develop claim trends for use in the calculation of rates for Blue Cross and Blue Shield of Vermont (BCBSVT) large groups. Because Vermont Health Connect is expected to be established on January 1, 2014, this trend filing is no longer applicable to individual and small group products.

## EFFECTIVE PERIOD

Once approved, the trend factors from this filing will be used for large group proposals and renewals prepared until the filing and approval of Third and Fourth Quarter 2014 trend factors, or until superseded by a subsequent trend filing.

## MEDICAL TREND DEVELOPMENT

The source of the data is BCBSVT's data warehouse. Exhibits include claims incurred from January 1, 2009 to May 31, 2013, with payments through July 31, 2013. Completion factors are applied to estimate the ultimate incurred claims for each period shown in the exhibits.

The data includes claims from BCBSVT Cost Plus groups, Insured Groups, and Nongroup business (excluding Catamount business). CDHP and Non- CDHP claims are combined. The data from three large groups has been excluded because they were not active for the entire experience period.

Allowed charges are used in this filing instead of claim payments in order to reduce the effect of benefit changes on observed trends. Prior trend filings excluded behavioral health claims from the claims history. This was because behavioral health coverage was capitated and provided via an external vendor. However, behavioral health coverage is now provided by BCBSVT, and behavioral health claims are now included in the rating process. Thus we have included the history of such claims in the trend analysis.

Medicare carve out claims are excluded.

The data has been prepared using a high charges removal point of \$200K, i.e. for members with medical claims in excess of \$200K during a rolling 12 month period, claim amounts over \$200K have been removed from the Inpatient, Outpatient, Professional and Other categories during that period.

## 12-Month Rolling Model

The 12-month rolling trends by service category (with a \$200K attachment point) can be found in Exhibit V. This exhibit provides cost, utilization and pure premium data, along with the 12-month rolling trends, for the last 30 months. The pure premium 12-month rolling trends as of the May 2013 data point for the medical service categories are:

Inpatient	6.9%
Outpatient	-1.3%
Professional	2.0%
Other	-4.8%
Combined Medical	1.1%

# Blue Cross and Blue Shield of Vermont First and Second Quarter 2014 Trend Filing Actuarial Memorandum

## Regression Models

The second model type uses regression analysis to develop the trends. This method has the advantage of smoothing out the variability that exists even in a 12-month rolling average analysis. For example, the 12-month rolling model calculates a -1.3% Outpatient trend. This trend result is skewed by an atypical pattern of several months of higher-than-normal claims in the first half of 2012, followed immediately by lower-than-normal claims in the final six months of 2012.

For each service category, a regression line is developed for the cost and utilization trend components. The total trend for a service category is the product of the cost and utilization trends.

The regressions are performed with 24 and 36 data points. These regressions provide the best fit for the data. Exhibit III shows the graphs of the 12-month rolling data (with claims capped at \$200K) and the regression analysis results of 3.6% and 3.8% for the current weights total pure premium medical trends using 24 and 36 data points, respectively. The selected BCBSVT medical allowed capped (at \$200K) trend is the average of these two regressions, or 3.7%. This compares to the filed BCBSVT medical allowed capped (at \$200K) trend for Q3-Q4 2013 of 4.7% (3.4% was approved).

## PHARMACY TREND DEVELOPMENT

The source of the data is BCBSVT's data warehouse. Because the pharmacy trend developed in this filing will no longer apply to individual and small group products, we have decided to combine the pharmacy experience of BCBSVT and TVHP large groups to develop the pharmacy trend. We used claims incurred from January 1, 2010 to June 30, 2013, with payments through July 31, 2013 (pharmacy claims are largely completed within one month of incurral). Drug card and HSA drug experience is combined, and completion factors (based on the total drug card and HSA pharmacy experience for both companies) were applied to estimate the ultimate incurred claims. Allowed charges are used rather than claim payments, in order to reduce the effect of benefit changes on observed trends. The data from two large groups has been excluded because the groups were not active for the entire experience period.

With the emergence of new and expensive specialty drugs, as well as the increasing shift to generics as more brand drugs come off patent, we have developed a new approach to developing the pharmacy trend. Our new method separately examines the cost and utilization trends of brand, generic, and specialty drugs. The overall pharmacy trend is then calculated by combining the separate components. We have projected the generic dispensing rate, based on the brand drugs that are scheduled to lose patent in the next few years.

ESI has been the pharmacy benefits manager for BCBSVT and TVHP since July 2009. The initial ESI contract was for a period of 3 years; a new contract became effective July 2012. We have adjusted the historical pharmacy claims data, as well as the projected pharmacy claims, to reflect the various discount guarantees within these contracts.

Exhibit II, Pages 1, 2 and 3 provide the monthly and the 12-month rolling data, along with the corresponding year-over-year and exponential regression trends, for pharmacy cost. These are shown separately for the brand, generic, and specialty categories. The 'Supply' columns show the number of days supply, rather than the number of scripts. This corrects for changes

## Blue Cross and Blue Shield of Vermont First and Second Quarter 2014 Trend Filing Actuarial Memorandum

in the days supply per script (e.g. increased use of 90-day fills). The regressions use 18 data points on the monthly data, in order to best capture the most recent history of drug costs.

Exhibit II, pages 4 and 5 provide the monthly and the 12-month rolling data, along with the corresponding year-over-year trend and exponential regression trends, for pharmacy utilization. These are shown separately for the non-specialty and specialty categories. Because there are several popular brand drugs that have become generic during the experience period, or will become generic during the projected period, we have combined the data for generic and brand drugs into the non-specialty drug category for purposes of analyzing utilization patterns. To calculate the overall pharmacy trend, the combined data for the non-specialty category will be allocated into the generic and brand categories via the projected generic dispensing rate (GDR), as discussed below. Because there is some seasonality expected for drug utilization (in particular, for HSA plans), we performed the regressions using 12-month rolling data in order to smooth the seasonal pattern. 18 data points were used for the regression for the non-specialty drug category, and 12 points were used for the specialty drug category. These regression criteria were chosen in order to best capture the most recent history of drug costs. The shorter period was chosen for the specialty drug category due to the rapidly evolving marketplace for these drugs.

Exhibit II, page 6 provides an analysis and projection of the generic dispensing rate. The GDR has been increasing steadily over the past 18 months and we expect it to continue to grow, but at a slower rate. Several brand drugs, including popular drugs like Cymbalta and Nexium, are expected to come off patent in the next few years. We have projected the breakdown of the number of days supply into the future assuming:

- For each of the categories of drugs listed in the exhibit (specific brand drugs that will lose patent in the next few years, generic drugs, and specialty drugs), we assumed the average days supply for the 6 month period, January 2013 -June 2013, continues into the future months.
- For the brand drugs coming off patent, this 6 month average is expected to continue through 6 months past the patent-ending date, during which time the drug would still be supplied by a single source. During this exclusivity period, pricing differences from the prior brand drug are relatively small.
- After the 6 months single-source period, the generic days supply increases by the days supply for the formerly brand drug, now a multi-source generic drug.

Exhibit II, page 6 shows the following average dispensing rates for the projection period of April 2014 - March 2015 (this is the average plan year for groups new or renewing during the first and second quarter of 2014):

- Generic dispensing rate: 83.4% of the total days supply
- Brand dispensing rate: 16.0% of the total days supply
- Specialty dispensing rate: 0.6% of the total days supply

Exhibit II, page 7 provides the components of trend for the generic, brand and specialty categories and calculates the overall trend, using data from the 12 months ending May 2013 and the GDR to combine all of the categories. The following table summarizes the pharmacy allowed (uncapped) trends:



**Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Actuarial Memorandum**

<u>Trends</u>	Generic	Brand	Non-Specialty = Generic + Brand	Specialty	Total
Utilization	1.9%	-6.4%	0.5%	18.1%	0.6%
Cost	-3.7%	10.0%	0.6%	6.8%	6.6%
Total	-1.9%	2.9%	1.0%	26.2%	7.2%

**LEVERAGED TRENDS**

The above trends are based on allowed charges and do not account for the leveraging effect of deductibles and copays. Exhibit IV shows leveraged trend values based upon claim probability distributions for several deductible and copay levels. Leverage factors are included for both medical and Rx benefits, and are developed from claims distributions data from BCBSVT and TVHP data and Milliman Health Cost Guidelines® (2013 version). Paid-to-allowed factors (based on 2010 and 2011 combined BCBSVT and TVHP claim experience) are used in the development of Stop Loss Dampened trends

**STOP LOSS DAMPENED TREND AND NO STOP LOSS TREND**

Stop Loss Dampened Trends have also been developed and are displayed in Exhibit IV. To obtain a final rating trend, the appropriate benefit leveraging factor must be added to the Stop Loss Dampened Trend. Base trend factors for No Stop Loss are also included. To obtain a final rating trend for business without a stop loss attachment point, the appropriate benefit leveraging factor must be added to the No Stop Loss Trend.

**DEMOGRAPHIC EXHIBIT**

Exhibit VI shows a 5-year history of the average age and the average age/sex factors of the BCBSVT membership, based on the 2013 Milliman Health Cost Guidelines®. The historical member data shown in this exhibit is lower than that in the comparable exhibit in the prior BCBSVT trend filing for some of the months, due to the removal of the data for a large group from the experience period for this filing.

**Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Actuarial Memorandum**

**ACTUARIAL OPINION**

The purpose of this filing is to develop claim trends for use in the rating of Blue Cross and Blue Shield of Vermont large group plans. This filing is not intended to be used for other purposes.

The data used in this analysis has been reviewed for reasonableness and consistency; however, it has not been audited.

It is my opinion that, in aggregate, the rating trends presented in this filing fall within a range of reasonable trend values. They will produce premium rates that are reasonable in relation to the benefits provided, and will not be excessive, deficient or unfairly discriminatory.

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's Qualification Standards to render this opinion.

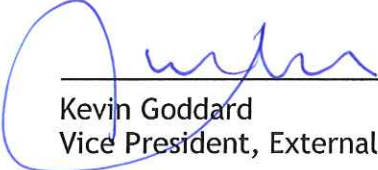
*Donna M. Lee*

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Donna M. Lee, F.S.A., M.A.A.A.

August 30, 2013

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

9/21/13  
\_\_\_\_\_  
Date

**Health Filing Form F106 (7/98)  
Required Information for All Filings & the Fee**

NAIC#: 53295  
Company Name Blue Cross Blue Shield of Vermont  
Address: PO Box 186  
City, State, Zip: Montpelier, VT 05601  
Phone: 371-3450 Contact Person: Alison Partridge

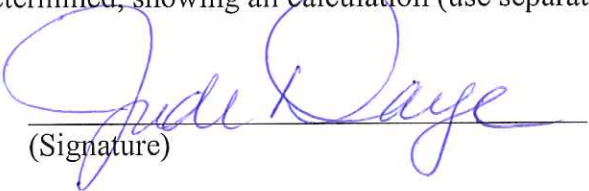
**Filing Contents:** BCBSVT 1Q-2Q 2014 Trend Filing

- 1) New:  Change:   
If a Change: Latest Approval Date: \_\_\_\_\_ Vermont Filing #: \_\_\_\_\_  
2) Rates:  Forms:  Rates & Forms:   
3) Policy:  Contract:  Amendment:  Endorsement:   
Handbook:  Rider:  Certificate:  Other: Outline  
4) Individual:  Small Group (1-50):  Large Group (51+):  All Groups:

**Type of Filing:**

- |   |  |   |
|---|--|---|
| Accident Only: <input type="checkbox"/>                   | Dental: <input type="checkbox"/>                       | Miscellaneous: <input type="checkbox"/>         |
| AD&D: <input type="checkbox"/>                            | Disability: <input type="checkbox"/>                   | Nursing Home Only: <input type="checkbox"/>     |
| Advertising: <input type="checkbox"/>                     | Home Health Only: <input type="checkbox"/>             | Organ Transplant: <input type="checkbox"/>      |
| Blanket: <input type="checkbox"/>                         | Hospital Indemnity: <input type="checkbox"/>           | Prescription Drug: <input type="checkbox"/>     |
| Cancer Expense: <input type="checkbox"/>                  | Limited Benefit: <input type="checkbox"/>              | Student/Athlete: <input type="checkbox"/>       |
| Comprehensive/<br>Major Medical: <input type="checkbox"/> | Long Term Care:<br>Qualified: <input type="checkbox"/> | Stop Loss/Excess Risk: <input type="checkbox"/> |
| Conversion: <input type="checkbox"/>                      | Non-Qualified: <input type="checkbox"/>                | Travel: <input type="checkbox"/>                |
| Critical Illness: <input type="checkbox"/>                | Medicare Supplement: <input type="checkbox"/>          | Vision: <input type="checkbox"/>                |
|   |  | Other: <u>Health</u>                            |

**Mandatory - Filing Fee Information:**

1. State of Domicile: Vermont
2. Amount of Fee: \$50.00
3. Is the Fee you are sending based on your state of domicile's retaliatory fee? Yes  No
4. Explain how each part of the Fee was determined, showing all calculation (use separate sheet if necessary). Vermont filing fee
5. Fee calculated by: Jude Daye  
(Printed Name)   
(Signature)

# Blue Cross and Blue Shield of Vermont First and Second Quarter 2014 Trend Filing

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Exhibit VI Demographics

Exhibit VII Medical Claims Experience (Monthly Basis, Uncapped)

**Exhibit I**  
**BCBSVT Trend Data Summary**  
**First and Second Quarter 2014**

**View 1: Medical Trend**

12 Month Rolling Trends - \$200K High Claims Attachment Point

	Util <u>Trend</u>	Cost <u>Trend</u>	Util <u>Units</u>	Pure Premium <u>PMPM</u>	Pure Premium <u>Trend</u>
Inpatient	1.0%	5.8%	47.8	\$75.69	6.9%
Outpatient	-0.9%	-0.4%	2,564.8	\$163.32	-1.3%
Professional	-1.0%	3.0%	8,422.5	\$120.02	2.0%
Other	-4.0%	-0.8%	1,359.7	\$16.65	-4.8%
Combined Medical				\$375.69	1.1%
Current Weights Total					1.2%

Note : If the Outpatient trend was at a typical, historical trend level of 4.2%, the overall trend, using current weights, would be 3.6%.

**View 2: Medical Trend**

Linear Regression Analysis Summary - 24 Month & 36 Month - \$200K High Claims Attachment Point

(Uses claims incurred through May 2013, paid through July 2013)

PMPM Summary	24 Month			36 Month			Medical Weight
	Utilization	Cost	PMPM	Utilization	Cost	PMPM	
\$75.69 IP	0.0%	4.8%	4.8%	0.6%	3.9%	4.5%	20.1%
\$163.32 OP	1.0%	3.0%	4.0%	0.1%	4.2%	4.4%	43.5%
\$120.02 Prof	0.5%	2.3%	2.8%	0.3%	2.2%	2.5%	31.9%
\$16.65 Other	-1.1%	2.1%	1.0%	0.4%	3.2%	3.6%	4.4%
<u>\$375.69 Total Med</u>			3.6%			3.7%	100.0%
Current Weights Total			3.6%			3.8%	

**Selected Medical Trends (Capped at \$200K)**

(Uses averages of the utilization trends and the cost trends from the 24 month & 36 month regressions)

PMPM Summary	Utilization	Cost	PMPM
\$75.69 IP	0.3%	4.3%	4.7%
\$163.32 OP	0.6%	3.6%	4.2%
\$120.02 Prof	0.4%	2.2%	2.6%
\$16.65 Other	-0.4%	2.6%	2.3%
<u>\$375.69 Current Weights Total</u>			<b>3.7%</b>

**Selected Pharmacy Trend (Uncapped)**

(From Exhibit II, Page 7)

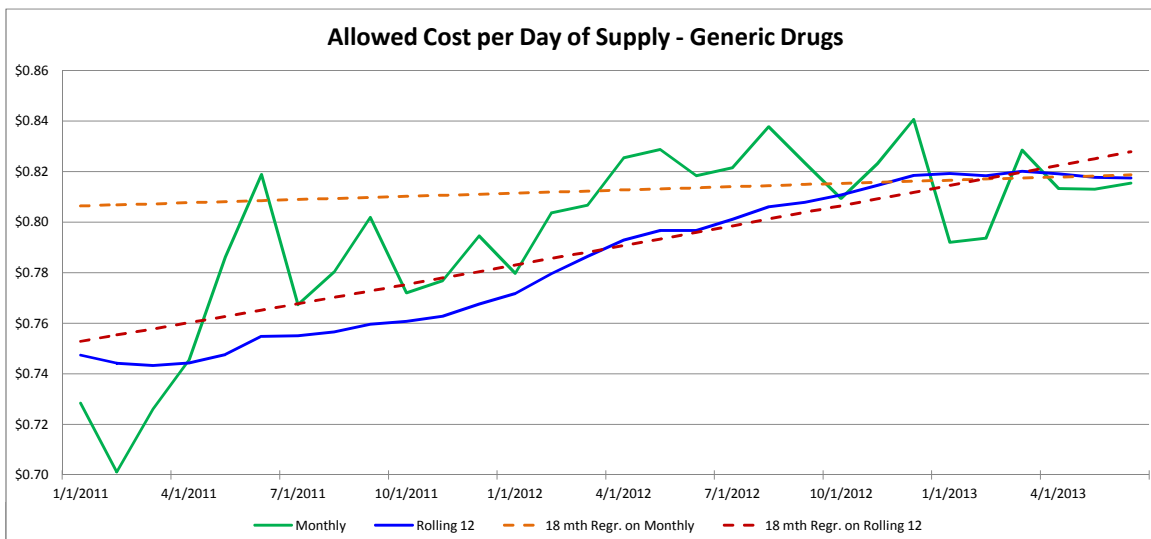
PMPM	Utilization	Cost	PMPM
\$21.05 Generic	1.9%	-3.7%	-1.9%
\$32.20 Brand	-6.4%	10.0%	2.9%
\$17.31 Specialty	18.1%	6.8%	26.2%
<u>\$70.56</u>			<b>7.2%</b>

Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

GENERIC DRUGS

Incurred Date	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
	Supply	Adjusted Allowed Charge	Cost/ Supply	Monthly Cost Trend	Supply	Adjusted Allowed Charge	Cost/ Supply	Rolling 12 Cost Trend	Monthly Data	Rolling 12 Data
Jan-10	1,661,072	\$1,180,260	\$0.71							
Feb-10	1,566,473	\$1,157,498	\$0.74							
Mar-10	1,816,131	\$1,336,369	\$0.74							
Apr-10	1,741,221	\$1,276,454	\$0.73							
May-10	1,714,668	\$1,285,371	\$0.75							
Jun-10	1,850,148	\$1,364,000	\$0.74							
Jul-10	1,760,921	\$1,348,220	\$0.77							
Aug-10	1,808,463	\$1,379,775	\$0.76							
Sep-10	1,770,934	\$1,359,481	\$0.77							
Oct-10	1,833,702	\$1,390,536	\$0.76							
Nov-10	1,830,941	\$1,378,904	\$0.75							
Dec-10	1,977,938	\$1,462,883	\$0.74							
Jan-11	1,929,700	\$1,405,801	\$0.73	2.5%	21,601,240	\$16,145,293	\$0.75		\$0.81	\$0.75
Feb-11	1,783,450	\$1,250,664	\$0.70	-5.1%	21,818,217	\$16,238,458	\$0.74		\$0.81	\$0.76
Mar-11	2,032,701	\$1,476,027	\$0.73	-1.3%	22,034,787	\$16,378,116	\$0.74		\$0.81	\$0.76
Apr-11	1,922,132	\$1,433,180	\$0.75	1.7%	22,215,699	\$16,534,842	\$0.74		\$0.81	\$0.76
May-11	2,009,912	\$1,580,167	\$0.79	4.9%	22,510,943	\$16,829,638	\$0.75		\$0.81	\$0.76
Jun-11	2,025,686	\$1,658,838	\$0.82	11.1%	22,686,480	\$17,124,476	\$0.75		\$0.81	\$0.77
Jul-11	1,921,903	\$1,474,852	\$0.77	0.2%	22,847,462	\$17,251,108	\$0.76		\$0.81	\$0.77
Aug-11	2,059,132	\$1,606,685	\$0.78	2.3%	23,098,131	\$17,478,018	\$0.76		\$0.81	\$0.77
Sep-11	1,948,787	\$1,562,856	\$0.80	4.5%	23,275,984	\$17,681,393	\$0.76		\$0.81	\$0.77
Oct-11	2,011,231	\$1,552,918	\$0.77	1.8%	23,453,513	\$17,843,775	\$0.76		\$0.81	\$0.78
Nov-11	2,030,149	\$1,577,249	\$0.78	3.2%	23,652,721	\$18,042,120	\$0.76		\$0.81	\$0.78
Dec-11	2,149,281	\$1,707,886	\$0.79	7.4%	23,824,064	\$18,287,122	\$0.77		\$0.81	\$0.78
Jan-12	2,098,854	\$1,636,604	\$0.78	7.0%	23,993,218	\$18,517,926	\$0.77	3.3%	\$0.81	\$0.78
Feb-12	2,001,956	\$1,608,977	\$0.80	14.6%	24,211,723	\$18,876,239	\$0.78	4.8%	\$0.81	\$0.79
Mar-12	2,093,591	\$1,689,122	\$0.81	11.1%	24,272,613	\$19,089,335	\$0.79	5.8%	\$0.81	\$0.79
Apr-12	2,098,370	\$1,732,161	\$0.83	10.7%	24,448,851	\$19,388,316	\$0.79	6.5%	\$0.81	\$0.79
May-12	2,169,223	\$1,797,711	\$0.83	5.4%	24,608,161	\$19,605,860	\$0.80	6.6%	\$0.81	\$0.79
Jun-12	2,178,114	\$1,782,539	\$0.82	-0.1%	24,760,590	\$19,729,561	\$0.80	5.6%	\$0.81	\$0.80
Jul-12	2,144,497	\$1,761,711	\$0.82	7.1%	24,983,184	\$20,016,420	\$0.80	6.1%	\$0.81	\$0.80
Aug-12	2,246,093	\$1,881,579	\$0.84	7.4%	25,170,145	\$20,291,314	\$0.81	6.5%	\$0.81	\$0.80
Sep-12	2,048,802	\$1,687,188	\$0.82	2.7%	25,270,161	\$20,415,645	\$0.81	6.4%	\$0.81	\$0.80
Oct-12	2,337,312	\$1,891,784	\$0.81	4.8%	25,596,241	\$20,754,512	\$0.81	6.6%	\$0.82	\$0.81
Nov-12	2,237,438	\$1,841,879	\$0.82	6.0%	25,803,530	\$21,019,142	\$0.81	6.8%	\$0.82	\$0.81
Dec-12	2,268,190	\$1,906,813	\$0.84	5.8%	25,922,439	\$21,218,069	\$0.82	6.6%	\$0.82	\$0.81
Jan-13	2,335,843	\$1,850,134	\$0.79	1.6%	26,159,428	\$21,431,599	\$0.82	6.2%	\$0.82	\$0.81
Feb-13	2,164,536	\$1,718,161	\$0.79	-1.2%	26,322,009	\$21,540,782	\$0.82	5.0%	\$0.82	\$0.82
Mar-13	2,259,256	\$1,871,965	\$0.83	2.7%	26,487,674	\$21,723,625	\$0.82	4.3%	\$0.82	\$0.82
Apr-13	2,348,009	\$1,909,591	\$0.81	-1.5%	26,737,313	\$21,901,055	\$0.82	3.3%	\$0.82	\$0.82
May-13	2,389,678	\$1,943,093	\$0.81	-1.9%	26,957,768	\$22,046,436	\$0.82	2.6%	\$0.82	\$0.83
Jun-13	2,265,986	\$1,847,827	\$0.82	-0.4%	27,045,640	\$22,111,725	\$0.82	2.6%	\$0.82	\$0.83

Exponential Trend: 0.6% 4.0%  
 Adjustment for Future ESI Contract Terms: 0.9568 0.9568  
 Adjusted Trend: -3.7% -0.5%

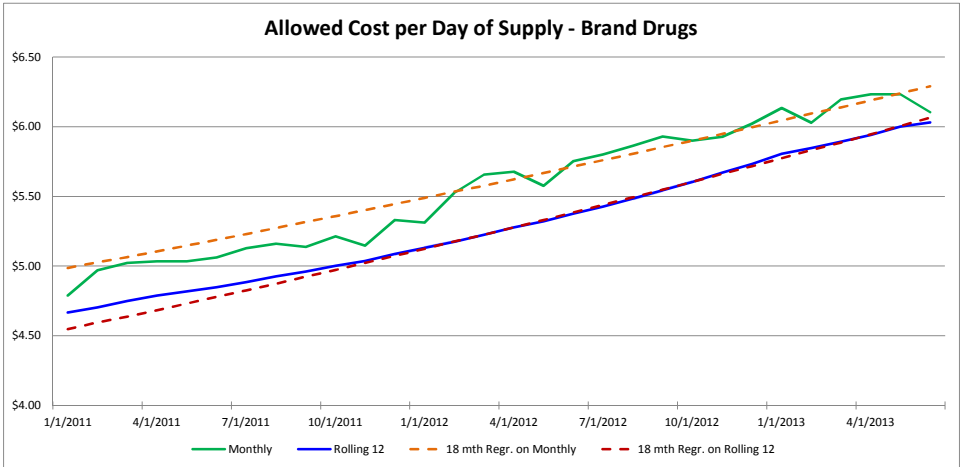


Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

BRAND DRUGS

Incurred Date	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
	Supply	Adjusted Allowed Charge	Cost/ Supply	Monthly Cost Trend	Supply	Adjusted Allowed Charge	Cost/ Supply	Rolling 12 Cost Trend	Monthly Data	Rolling 12 Data
Jan-10	629,038	\$2,736,708	\$4.35							
Feb-10	596,673	\$2,678,970	\$4.49							
Mar-10	679,677	\$3,070,834	\$4.52							
Apr-10	617,417	\$2,807,916	\$4.55							
May-10	593,366	\$2,776,836	\$4.68							
Jun-10	621,664	\$2,937,245	\$4.72							
Jul-10	566,139	\$2,633,963	\$4.65							
Aug-10	578,221	\$2,709,267	\$4.69							
Sep-10	565,506	\$2,666,315	\$4.71							
Oct-10	590,001	\$2,797,224	\$4.74							
Nov-10	578,456	\$2,739,416	\$4.74							
Dec-10	622,937	\$2,960,926	\$4.75							
Jan-11	557,355	\$2,669,196	\$4.79	10.1%	7,167,412	\$33,448,109	\$4.67		\$4.99	\$4.55
Feb-11	518,803	\$2,578,958	\$4.97	10.7%	7,089,542	\$33,348,096	\$4.70		\$5.03	\$4.60
Mar-11	593,963	\$2,983,461	\$5.02	11.2%	7,003,828	\$33,260,723	\$4.75		\$5.06	\$4.64
Apr-11	557,894	\$2,808,305	\$5.03	10.7%	6,944,305	\$33,261,112	\$4.79		\$5.11	\$4.68
May-11	568,274	\$2,860,776	\$5.03	7.6%	6,919,213	\$33,345,052	\$4.82		\$5.15	\$4.73
Jun-11	575,505	\$2,913,271	\$5.06	7.1%	6,873,053	\$33,321,079	\$4.85		\$5.19	\$4.78
Jul-11	534,161	\$2,739,315	\$5.13	10.2%	6,841,076	\$33,426,430	\$4.89		\$5.23	\$4.83
Aug-11	569,634	\$2,940,207	\$5.16	10.2%	6,832,489	\$33,657,370	\$4.93		\$5.27	\$4.87
Sep-11	552,875	\$2,840,076	\$5.14	9.0%	6,819,858	\$33,831,132	\$4.96		\$5.32	\$4.92
Oct-11	580,888	\$3,027,950	\$5.21	9.9%	6,810,745	\$34,061,858	\$5.00		\$5.36	\$4.97
Nov-11	574,905	\$2,958,650	\$5.15	8.7%	6,807,195	\$34,281,091	\$5.04		\$5.40	\$5.02
Dec-11	601,728	\$3,207,133	\$5.33	12.1%	6,785,986	\$34,527,299	\$5.09		\$5.44	\$5.07
Jan-12	555,009	\$2,947,829	\$5.31	10.9%	6,783,640	\$34,805,932	\$5.13	9.9%	\$5.49	\$5.12
Feb-12	546,042	\$3,017,293	\$5.53	11.2%	6,810,878	\$35,244,267	\$5.17	10.0%	\$5.53	\$5.18
Mar-12	530,120	\$2,997,929	\$5.66	12.6%	6,747,035	\$35,258,735	\$5.23	10.0%	\$5.58	\$5.23
Apr-12	523,888	\$2,974,021	\$5.68	12.8%	6,713,029	\$35,424,451	\$5.28	10.2%	\$5.62	\$5.28
May-12	536,425	\$2,991,524	\$5.58	10.8%	6,681,180	\$35,555,200	\$5.32	10.4%	\$5.67	\$5.33
Jun-12	483,937	\$2,784,185	\$5.75	13.7%	6,589,612	\$35,426,113	\$5.38	10.9%	\$5.71	\$5.38
Jul-12	477,732	\$2,771,195	\$5.80	13.1%	6,533,183	\$35,457,994	\$5.43	11.1%	\$5.76	\$5.44
Aug-12	482,948	\$2,831,863	\$5.86	13.6%	6,446,497	\$35,349,650	\$5.48	11.3%	\$5.81	\$5.49
Sep-12	430,002	\$2,549,707	\$5.93	15.4%	6,323,624	\$35,059,281	\$5.54	11.8%	\$5.85	\$5.55
Oct-12	485,132	\$2,861,749	\$5.90	13.2%	6,227,868	\$34,893,079	\$5.60	12.0%	\$5.90	\$5.60
Nov-12	455,378	\$2,699,491	\$5.93	15.2%	6,108,340	\$34,633,920	\$5.67	12.6%	\$5.95	\$5.66
Dec-12	493,296	\$2,970,536	\$6.02	13.0%	5,999,907	\$34,397,323	\$5.73	12.7%	\$6.00	\$5.72
Jan-13	481,142	\$2,950,677	\$6.13	15.5%	5,926,041	\$34,400,171	\$5.80	13.1%	\$6.04	\$5.77
Feb-13	432,116	\$2,604,898	\$6.03	9.1%	5,812,115	\$33,987,776	\$5.85	13.0%	\$6.09	\$5.83
Mar-13	447,704	\$2,773,629	\$6.20	9.5%	5,729,699	\$33,763,476	\$5.89	12.8%	\$6.14	\$5.89
Apr-13	469,741	\$2,927,355	\$6.23	9.8%	5,675,552	\$33,716,810	\$5.94	12.6%	\$6.19	\$5.95
May-13	481,056	\$2,998,204	\$6.23	11.8%	5,620,184	\$33,723,489	\$6.00	12.8%	\$6.24	\$6.00
Jun-13	463,243	\$2,827,843	\$6.10	6.1%	5,599,490	\$33,767,147	\$6.03	12.2%	\$6.29	\$6.07

Exponential Trend:	10.1%	12.6%
Adjustment for Future ESI Contract Terms:	0.9995	0.9995
Adjusted Trend:	<b>10.0%</b>	12.6%



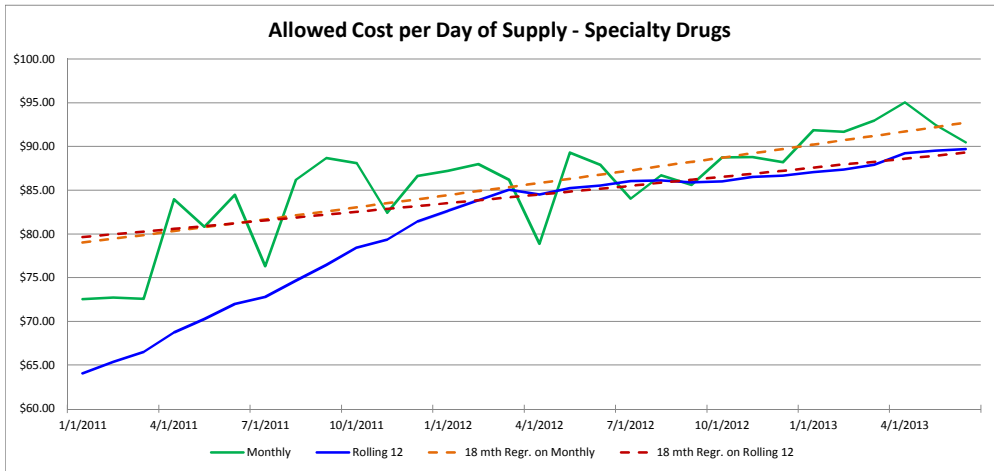


Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

SPECIALTY DRUGS

Incurred Date	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT	
	Supply	Adjusted Allowed Charge	Cost/ Supply	Monthly Cost Trend	Supply	Adjusted Allowed Charge	Cost/ Supply	Rolling 12 Cost Trend	Monthly Data	Rolling 12 Data
Jan-10	12,376	\$644,040	\$52.04							
Feb-10	12,089	\$675,766	\$55.90							
Mar-10	14,146	\$845,851	\$59.79							
Apr-10	13,952	\$790,323	\$56.65							
May-10	12,564	\$776,827	\$61.83							
Jun-10	13,537	\$873,278	\$64.51							
Jul-10	12,614	\$840,946	\$66.67							
Aug-10	12,982	\$854,416	\$65.82							
Sep-10	12,164	\$814,077	\$66.93							
Oct-10	12,502	\$814,095	\$65.12							
Nov-10	11,950	\$850,089	\$71.14							
Dec-10	13,984	\$899,575	\$64.33							
Jan-11	11,164	\$809,774	\$72.53	39.4%	153,649	\$9,845,018	\$64.07		\$79.03	\$79.65
Feb-11	11,358	\$826,060	\$72.73	30.1%	152,918	\$9,995,311	\$65.36		\$79.47	\$79.97
Mar-11	13,259	\$962,485	\$72.59	21.4%	152,031	\$10,111,945	\$66.51		\$79.88	\$80.26
Apr-11	11,057	\$928,266	\$83.95	48.2%	149,136	\$10,249,888	\$68.73		\$80.33	\$80.58
May-11	11,878	\$959,857	\$80.81	30.7%	148,450	\$10,432,918	\$70.28		\$80.77	\$80.90
Jun-11	12,178	\$1,028,449	\$84.45	30.9%	147,091	\$10,588,089	\$71.98		\$81.22	\$81.22
Jul-11	11,988	\$914,863	\$76.31	14.5%	146,466	\$10,662,007	\$72.80		\$81.66	\$81.54
Aug-11	13,870	\$1,195,323	\$86.18	30.9%	147,354	\$11,002,913	\$74.67		\$82.12	\$81.87
Sep-11	11,968	\$1,061,164	\$88.67	32.5%	147,158	\$11,250,000	\$76.45		\$82.58	\$82.20
Oct-11	12,998	\$1,144,997	\$88.09	35.3%	147,655	\$11,580,902	\$78.43		\$83.03	\$82.52
Nov-11	12,890	\$1,062,183	\$82.40	15.8%	148,595	\$11,792,996	\$79.36		\$83.50	\$82.85
Dec-11	13,479	\$1,167,791	\$86.64	34.7%	148,089	\$12,061,213	\$81.45		\$83.96	\$83.18
Jan-12	13,855	\$1,208,439	\$87.22	20.2%	150,780	\$12,459,878	\$82.64	29.0%	\$84.43	\$83.51
Feb-12	14,088	\$1,239,384	\$87.97	21.0%	153,511	\$12,873,202	\$83.86	28.3%	\$84.90	\$83.85
Mar-12	15,206	\$1,310,252	\$86.17	18.7%	155,457	\$13,220,969	\$85.05	27.9%	\$85.35	\$84.16
Apr-12	15,654	\$1,234,595	\$78.87	-6.1%	160,053	\$13,527,298	\$84.52	23.0%	\$85.83	\$84.50
May-12	15,586	\$1,392,041	\$89.31	10.5%	163,761	\$13,959,482	\$85.24	21.3%	\$86.30	\$84.83
Jun-12	15,315	\$1,346,046	\$87.89	4.1%	166,898	\$14,277,080	\$85.54	18.8%	\$86.79	\$85.17
Jul-12	16,614	\$1,396,133	\$84.04	10.1%	171,524	\$14,758,349	\$86.04	18.2%	\$87.26	\$85.51
Aug-12	17,455	\$1,513,369	\$86.70	0.6%	175,108	\$15,076,395	\$86.10	15.3%	\$87.75	\$85.85
Sep-12	16,023	\$1,371,758	\$85.61	-3.4%	179,163	\$15,386,990	\$85.88	12.3%	\$88.24	\$86.20
Oct-12	17,838	\$1,582,977	\$88.74	0.7%	184,003	\$15,824,970	\$86.00	9.7%	\$88.72	\$86.53
Nov-12	17,854	\$1,584,863	\$88.77	7.7%	188,967	\$16,347,651	\$86.51	9.0%	\$89.22	\$86.88
Dec-12	17,867	\$1,576,084	\$88.21	1.8%	193,355	\$16,755,943	\$86.66	6.4%	\$89.71	\$87.22
Jan-13	17,030	\$1,564,634	\$91.87	5.3%	196,530	\$17,112,139	\$87.07	5.4%	\$90.21	\$87.57
Feb-13	15,638	\$1,433,766	\$91.69	4.2%	198,079	\$17,306,521	\$87.37	4.2%	\$90.72	\$87.92
Mar-13	16,142	\$1,500,254	\$92.94	7.9%	199,016	\$17,496,523	\$87.92	3.4%	\$91.18	\$88.24
Apr-13	17,196	\$1,634,048	\$95.02	20.5%	200,558	\$17,895,975	\$89.23	5.6%	\$91.70	\$88.60
May-13	17,599	\$1,627,203	\$92.46	3.5%	202,571	\$18,131,137	\$89.51	5.0%	\$92.20	\$88.95
Jun-13	17,138	\$1,550,307	\$90.46	2.9%	204,394	\$18,335,398	\$89.71	4.9%	\$92.72	\$89.30

Exponential Trend: 6.8% 4.8%  
 Adjustment for Future ESI Contract Terms: 1.0000 1.0000  
 Adjusted Trend: 6.8% 4.8%

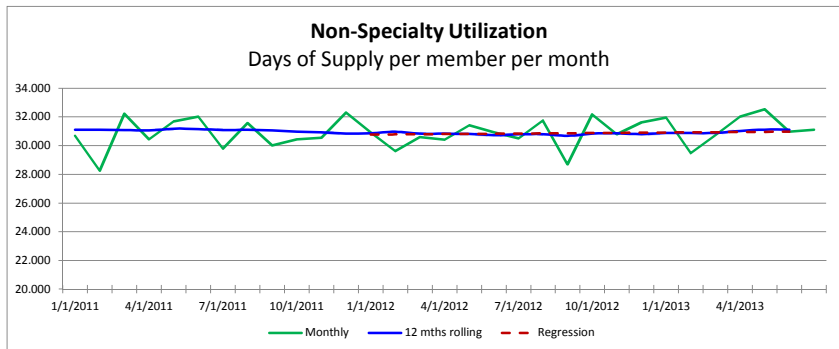


Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

NON-SPECIALTY DRUGS

Incurred Date	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT
	Membership	Supply	Supply per Member	Monthly Utilization Trend	Membership	Supply	Supply per Member	Rolling 12 Utilization Trend	Rolling 12 Data
Jan-10	76,869	2,290,110	29.792						
Feb-10	76,980	2,163,146	28.100						
Mar-10	76,618	2,495,808	32.575						
Apr-10	76,530	2,358,638	30.820						
May-10	76,458	2,308,034	30.187						
Jun-10	76,387	2,471,812	32.359						
Jul-10	76,111	2,327,060	30.575						
Aug-10	76,084	2,386,684	31.369						
Sep-10	76,596	2,336,440	30.503						
Oct-10	77,207	2,423,703	31.392						
Nov-10	77,377	2,409,397	31.138						
Dec-10	77,440	2,600,875	33.586						
Jan-11	81,069	2,487,055	30.678	3.0%	924,857	28,768,652	31.106		
Feb-11	81,471	2,302,253	28.259	0.6%	929,348	28,907,759	31.105		
Mar-11	81,510	2,626,665	32.225	-1.1%	934,240	29,038,616	31.083		
Apr-11	81,497	2,480,026	30.431	-1.3%	939,207	29,160,004	31.047		
May-11	81,387	2,578,186	31.678	4.9%	944,136	29,430,156	31.172		
Jun-11	81,228	2,601,190	32.023	-1.0%	948,977	29,559,534	31.149		
Jul-11	82,446	2,456,065	29.790	-2.6%	955,312	29,688,538	31.077		
Aug-11	83,264	2,628,766	31.571	0.6%	962,492	29,930,620	31.097		
Sep-11	83,335	2,501,662	30.019	-1.6%	969,231	30,095,842	31.051		
Oct-11	85,147	2,592,119	30.443	-3.0%	977,171	30,264,258	30.971		
Nov-11	85,272	2,605,055	30.550	-1.9%	985,066	30,459,916	30.922		
Dec-11	85,130	2,751,009	32.315	-3.8%	992,756	30,610,050	30.833		
Jan-12	85,784	2,653,862	30.937	0.8%	997,471	30,776,858	30.855	-0.8%	30.76
Feb-12	86,020	2,547,997	29.621	4.8%	1,002,020	31,022,602	30.960	-0.5%	30.78
Mar-12	85,785	2,623,711	30.585	-5.1%	1,006,295	31,019,648	30.826	-0.8%	30.79
Apr-12	86,198	2,622,258	30.421	0.0%	1,010,996	31,161,880	30.823	-0.7%	30.80
May-12	86,098	2,705,647	31.425	-0.8%	1,015,707	31,289,342	30.805	-1.2%	30.81
Jun-12	86,053	2,662,051	30.935	-3.4%	1,020,532	31,350,202	30.719	-1.4%	30.82
Jul-12	85,961	2,622,229	30.505	2.4%	1,024,047	31,516,367	30.776	-1.0%	30.83
Aug-12	85,944	2,729,042	31.754	0.6%	1,026,727	31,616,642	30.794	-1.0%	30.85
Sep-12	86,359	2,478,804	28.703	-4.4%	1,029,751	31,593,784	30.681	-1.2%	30.86
Oct-12	87,717	2,822,444	32.177	5.7%	1,032,321	31,824,109	30.828	-0.5%	30.87
Nov-12	87,431	2,692,815	30.799	0.8%	1,034,480	31,911,870	30.848	-0.2%	30.88
Dec-12	87,315	2,761,486	31.627	-2.1%	1,036,665	31,922,347	30.793	-0.1%	30.89
Jan-13	88,153	2,816,984	31.956	3.3%	1,039,034	32,085,468	30.880	0.1%	30.91
Feb-13	88,053	2,596,653	29.490	-0.4%	1,041,067	32,134,124	30.867	-0.3%	30.92
Mar-13	88,117	2,706,961	30.720	0.4%	1,043,399	32,217,373	30.877	0.2%	30.93
Apr-13	87,993	2,817,750	32.022	5.3%	1,045,194	32,412,865	31.011	0.6%	30.94
May-13	88,214	2,870,734	32.543	3.6%	1,047,310	32,577,952	31.106	1.0%	30.95
Jun-13	88,141	2,729,229	30.964	0.1%	1,049,398	32,645,130	31.108	1.3%	30.97

Exponential Trend: 0.5%

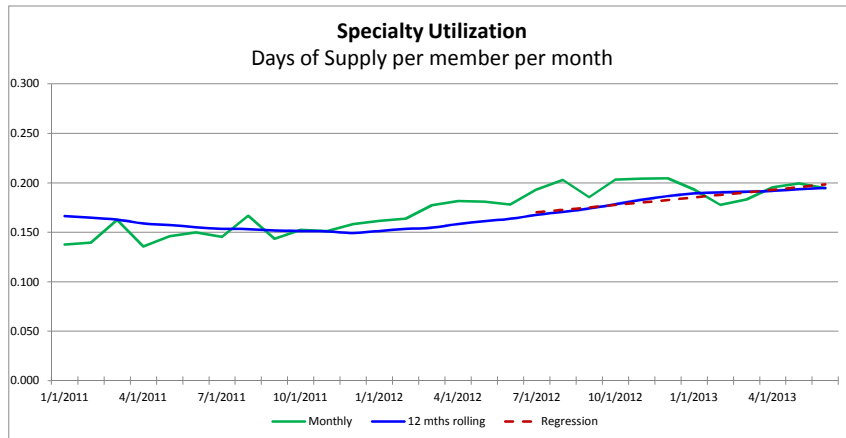


Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

SPECIALTY DRUGS

Incurred Date	MONTHLY DATA				ROLLING 12				EXPONENTIAL FIT
	Membership	Supply	Supply per Member	Monthly Utilization Trend	Membership	Supply	Supply per Member	Rolling 12 Utilization Trend	Rolling 12 Data
Jan-10	76,869	12,376	0.161						
Feb-10	76,980	12,089	0.157						
Mar-10	76,618	14,146	0.185						
Apr-10	76,530	13,952	0.182						
May-10	76,458	12,564	0.164						
Jun-10	76,387	13,537	0.177						
Jul-10	76,111	12,614	0.166						
Aug-10	76,084	12,982	0.171						
Sep-10	76,596	12,164	0.159						
Oct-10	77,207	12,502	0.162						
Nov-10	77,377	11,950	0.154						
Dec-10	77,440	13,984	0.181		920,657	154,860	0.168		
Jan-11	81,069	11,164	0.138	-14.5%	924,857	153,649	0.166		
Feb-11	81,471	11,358	0.139	-11.2%	929,348	152,918	0.165		
Mar-11	81,510	13,259	0.163	-11.9%	934,240	152,031	0.163		
Apr-11	81,497	11,057	0.136	-25.6%	939,207	149,136	0.159		
May-11	81,387	11,878	0.146	-11.2%	944,136	148,450	0.157		
Jun-11	81,228	12,178	0.150	-15.4%	948,977	147,091	0.155		
Jul-11	82,446	11,988	0.145	-12.3%	955,312	146,466	0.153		
Aug-11	83,264	13,870	0.167	-2.4%	962,492	147,354	0.153		
Sep-11	83,335	11,968	0.144	-9.6%	969,231	147,158	0.152		
Oct-11	85,147	12,998	0.153	-5.7%	977,171	147,655	0.151		
Nov-11	85,272	12,890	0.151	-2.1%	985,066	148,595	0.151		
Dec-11	85,130	13,479	0.158	-12.3%	992,756	148,089	0.149	-11.3%	
Jan-12	85,784	13,855	0.162	17.3%	997,471	150,780	0.151	-9.0%	
Feb-12	86,020	14,088	0.164	17.5%	1,002,020	153,511	0.153	-6.9%	
Mar-12	85,785	15,206	0.177	9.0%	1,006,295	155,457	0.154	-5.1%	
Apr-12	86,198	15,654	0.182	33.9%	1,010,996	160,053	0.158	-0.3%	
May-12	86,098	15,586	0.181	24.0%	1,015,707	163,761	0.161	2.5%	
Jun-12	86,053	15,315	0.178	18.7%	1,020,532	166,898	0.164	5.5%	
Jul-12	85,961	16,614	0.193	32.9%	1,024,047	171,524	0.167	9.2%	0.17
Aug-12	85,944	17,455	0.203	21.9%	1,026,727	175,108	0.171	11.4%	0.17
Sep-12	86,359	16,023	0.186	29.2%	1,029,751	179,163	0.174	14.6%	0.18
Oct-12	87,717	17,838	0.203	33.2%	1,032,321	184,003	0.178	18.0%	0.18
Nov-12	87,431	17,854	0.204	35.1%	1,034,480	188,967	0.183	21.1%	0.18
Dec-12	87,315	17,867	0.205	29.2%	1,036,665	193,355	0.187	25.0%	0.18
Jan-13	88,153	17,030	0.193	19.6%	1,039,034	196,530	0.189	25.1%	0.19
Feb-13	88,053	15,638	0.178	8.4%	1,041,067	198,079	0.190	24.2%	0.19
Mar-13	88,117	16,142	0.183	3.3%	1,043,399	199,016	0.191	23.5%	0.19
Apr-13	87,993	17,196	0.195	7.6%	1,045,194	200,558	0.192	21.2%	0.19
May-13	88,214	17,599	0.200	10.2%	1,047,310	202,571	0.193	20.0%	0.20
Jun-13	88,141	17,138	0.194	9.3%	1,049,398	204,394	0.195	19.1%	0.20

Exponential Trend: 18.1%





Blue Cross and Blue Shield of Vermont  
First and Second Quarter 2014 Trend Filing  
Pharmacy Trend Development

Pharmacy Trend Calculation

For the 12 months ending May 2013:

# Days Supply

Allowed Charge per Supply

Total Allowed Charges

Utilization Trends

Projected # Days Supply (1 yr)

Projected Rolling-12 dispensing rate (Generic and Brand split)

Non-Specialty Projected # Days Supply: Generic and Brand

Utilization Trends: Generic and Brand

Cost Trends

Projected Allowed Charge per Supply

Projected Total Allowed Charges

Total Trends

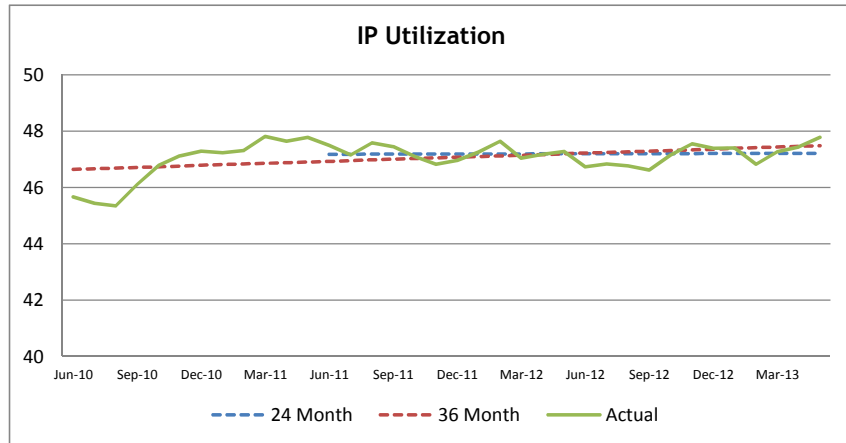
PMPM Calculation

Member Months for the 12 months ending May 2013

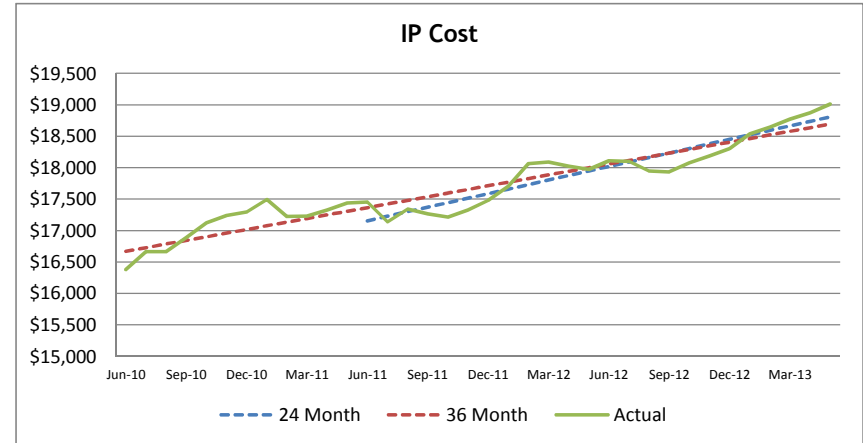
PMPM by category

	Generic	Brand	Non-Specialty= Generic+Brand	Specialty		Total
a	26,957,768	5,620,184	32,577,952	202,571	a=Σ	32,780,523
b	\$0.82	\$6.00		\$89.51	b=c/a	\$2.25
c=a*b	\$22,046,436	\$33,723,489	\$55,769,925	\$18,131,137	c=Σ	\$73,901,063
d			0.5%	18.1%	d=e/a-1	0.6%
e=a*(1+d)			32,729,053	239,212	e=Σ	32,968,265
f	83.9%	16.1%				
g=e*f	27,471,019	5,258,033				
h=g/a-1	1.9%	-6.4%				
i	-3.7%	10.0%		6.8%	i=j/b	6.6%
j=b*(1+h)	\$0.79	\$6.60		\$95.62	j=k/e	\$2.40
k=g*j OR e*j	\$21,630,607	\$34,713,898	\$56,344,505	\$22,873,681	k=Σ	\$79,218,186
l=k/c-1	-1.9%	2.9%	1.0%	26.2%	l=k/c-1	7.2%
m						1,047,310
n=c/m	\$21.05	\$32.20	\$53.25	\$17.31		\$70.56

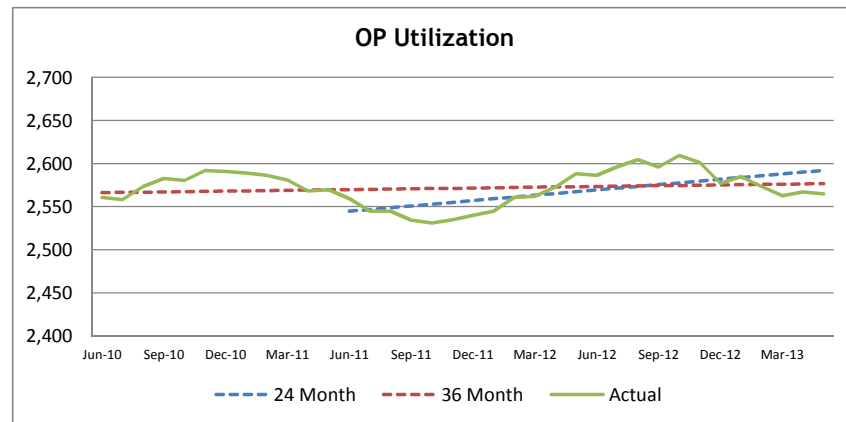
**Exhibit III - Linear Regression  
BCBS Q1 - Q2 2014 Total Trend Components  
\$200K Attachment Point**



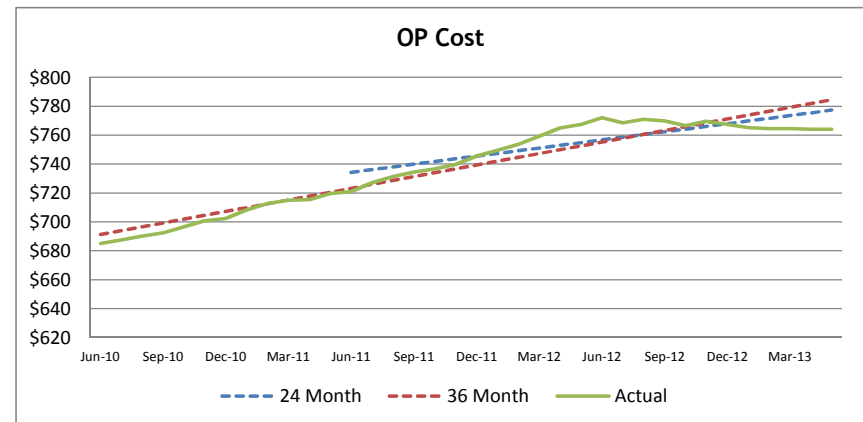
	24 Month	36 Month
Avg Annual Increase	0.0%	0.6%
R <sup>2</sup>	0.00	0.17



	24 Month	36 Month
Avg Annual Increase	4.8%	3.9%
R <sup>2</sup>	0.89	0.89

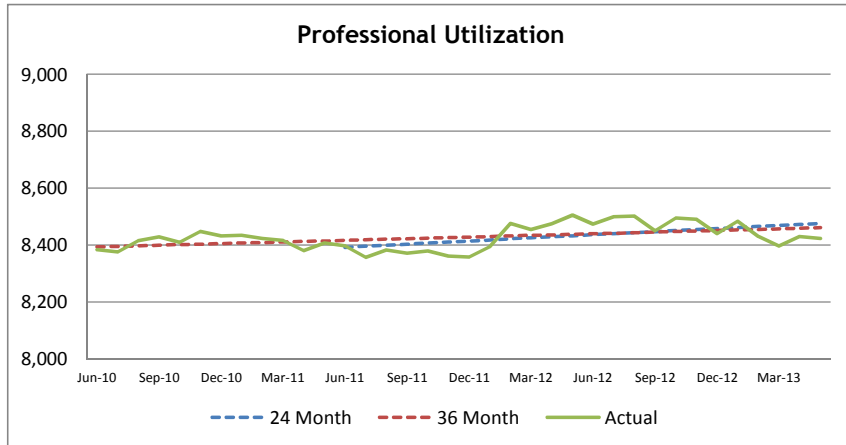


	24 Month	36 Month
Avg Annual Increase	1.0%	0.1%
R <sup>2</sup>	0.37	0.02

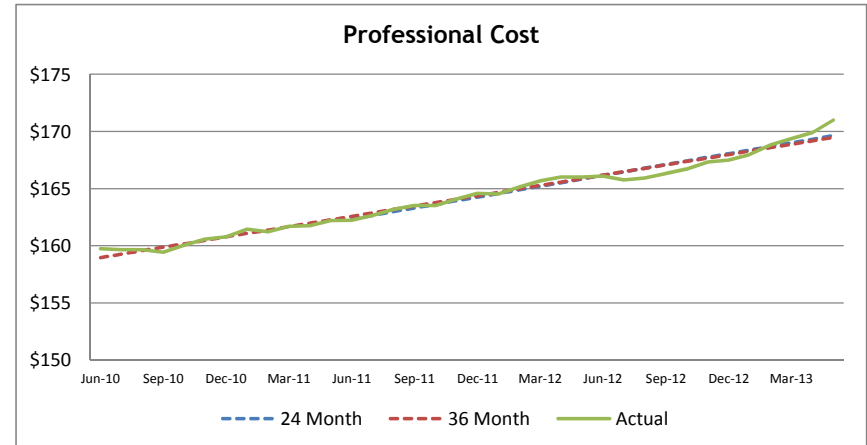


	24 Month	36 Month
Avg Annual Increase	3.0%	4.2%
R <sup>2</sup>	0.70	0.91

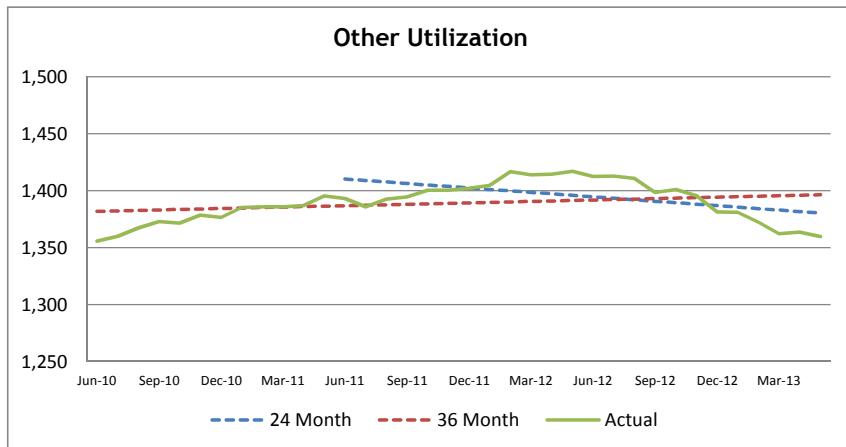
**Exhibit III - Linear Regression  
BCBS Q1 - Q2 2014 Total Trend Components  
\$200K Attachment Point**



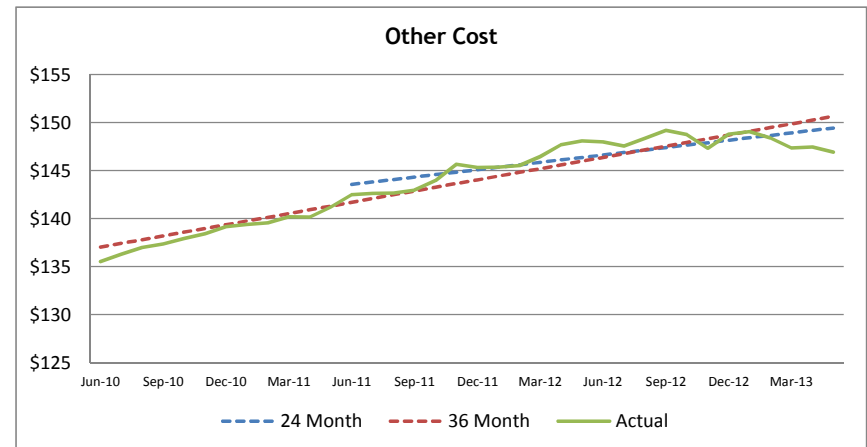
	24 Month	36 Month
Avg Annual Increase	0.5%	0.3%
R <sup>2</sup>	0.26	0.21



	24 Month	36 Month
Avg Annual Increase	2.3%	2.2%
R <sup>2</sup>	0.95	0.98

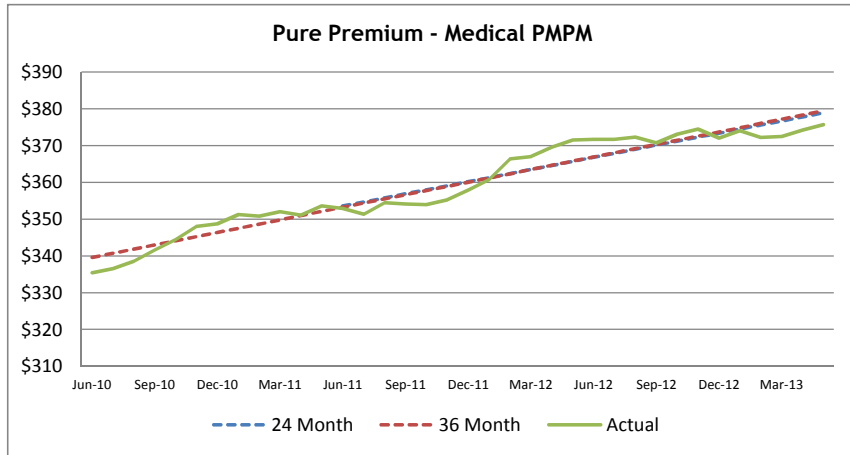


	24 Month	36 Month
Avg Annual Increase	-1.1%	0.4%
R <sup>2</sup>	0.27	0.06



	24 Month	36 Month
Avg Annual Increase	2.1%	3.2%
R <sup>2</sup>	0.69	0.90

**Exhibit III - Linear Regression  
BCBS Q1 - Q2 2014 Total Trend Components  
\$200K Attachment Point**



	24 Month	36 Month
Avg Annual Increase	3.6%	3.7%
R <sup>2</sup>	0.84	0.94

PMPM	Summary	24 Month			36 Month			Medical Weight	R <sup>2</sup> 24 Mth		R <sup>2</sup> 36 Mth	
		Utilization	Cost	PMPM	Utilization	Cost	PMPM		Utilization	Cost	Utilization	Cost
\$75.69	IP	0.0%	4.8%	4.8%	0.6%	3.9%	4.5%	20.1%	0.00	0.89	0.17	0.89
\$163.32	OP	1.0%	3.0%	4.0%	0.1%	4.2%	4.4%	43.5%	0.37	0.70	0.02	0.91
\$120.02	Prof	0.5%	2.3%	2.8%	0.3%	2.2%	2.5%	31.9%	0.26	0.95	0.21	0.98
\$16.65	Other	-1.1%	2.1%	1.0%	0.4%	3.2%	3.6%	4.4%	0.27	0.69	0.06	0.90
\$375.69	Total Med			3.6%			3.7%	100.0%				
	Current Weights Total			3.6%			3.8%					



Exhibit IV  
 BCBSVT Requested Trends  
 First and Second Quarter 2014

<b>Summary of Trend Picks and Estimations</b>			
Coverage	Allowed Base		Benefit Paid
	Picked 200K Cap	Uncapped	Estimated Uncapped
Medical	3.7%	3.9%	4.2%
Drug	NA	7.2%	7.6%
Combined	NA	4.4%	4.6%

Source of Trend Estimates			
Coverage	Allowed Base		Benefit Paid
	Picked 200K Cap	Uncapped	Estimated Uncapped
Medical	Data Analysis	Distribution Analysis	Distribution Analysis
Drug	NA	Data Analysis	Distribution Analysis
Combined	NA	Distribution Analysis	Distribution Analysis

Use of Trend Factors

1. Determine the type of trend you need: Medical, Rx or Combined. This will be based on the product type and/or the renewal calculation being used.
2. For calculations which apply separate medical and rx trends in the calculations, chose factors from the Medical and Rx columns below. The medical factors below are intended to be applied only to medical claims. Likewise, the Rx factors below are intended to be applied only to Rx claims.
3. For HSA type products, or any product which has a combined medical and rx benefit design, use the combined column.
4. For Large Group and Exempt Association Rating, choose the appropriate Stop Loss Dampened Trend and Benefit Leverage Trend. The Benefit Leverage trends are additive, not multiplicative.
5. For VHP plans, use inpatient copay value to determine the benefit leverage factor by looking at the deductible leverage factor table.
6. When selecting the Rx leverage factor, first determine the average of the plans generic and preferred brand copay. Use that average when selecting a factor.

Note: for each trend type, Benefit Paid Uncapped + 0 Deductible Leverage = Allowed Base Uncapped

Exhibit IV  
BCBSVT Requested Trends  
First and Second Quarter 2014

<b>Benefit Leveraging Factors</b>
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Source : Estimated from claim distributions

<u>Deductible</u> Group and Nongroup Medical	Medical Only		Combined Med/Rx	
	<u>No Coins</u>	<u>With Coins</u>	<u>No Coins</u>	<u>With Coins</u>
\$0	-0.2%	-0.2%	-0.2%	-0.2%
100	-0.2%	0.0%	-0.1%	0.0%
150	-0.1%	0.0%	-0.1%	0.0%
200	-0.1%	0.0%	-0.1%	0.0%
250	-0.1%	0.0%	-0.1%	0.0%
300	0.0%	0.1%	0.0%	0.1%
350	0.0%	0.1%	0.0%	0.1%
400	0.0%	0.1%	0.0%	0.1%
450	0.0%	0.2%	0.0%	0.1%
500	0.1%	0.2%	0.0%	0.2%
750	0.1%	0.3%	0.1%	0.3%
1,000	0.2%	0.4%	0.2%	0.4%
1,150	0.3%	0.4%	0.2%	0.3%
1,200	0.3%	0.5%	0.2%	0.4%
1,250	0.3%	0.5%	0.2%	0.4%
1,500	0.4%	0.5%	0.3%	0.5%
2,000	0.5%	0.6%	0.4%	0.6%
2,100	0.5%	0.7%	0.4%	0.5%
2,200	0.5%	0.7%	0.4%	0.6%
2,250	0.5%	0.7%	0.5%	0.7%
2,400	0.5%	0.7%	0.5%	0.6%
2,500	0.6%	0.7%	0.5%	0.7%
2,750	0.6%	0.7%	0.5%	0.7%
3,000	0.6%	0.8%	0.6%	0.8%
3,250	0.7%	0.8%	0.6%	0.7%
3,300	0.7%	0.8%	0.6%	0.8%
3,500	0.7%	0.9%	0.7%	0.9%
3,750	0.8%	0.9%	0.7%	0.8%
4,000	0.8%	0.9%	0.7%	0.9%
5,000	1.0%	1.1%	0.9%	1.1%
5,950	1.1%	1.2%	1.0%	1.1%
7,500	1.3%	1.4%	1.2%	1.3%
10,000	1.5%	1.6%	1.4%	1.6%
<u>Rx Only</u>	<u>Rx Factor</u>			
\$0 Ded, No Copay	-0.4%			
\$50 Ded, No Copay	-0.1%			
\$100 Ded, No Copay	0.1%			
\$100 Ded, 50% Coinsurance, \$1,250 OOPM	1.2%			
\$0 Ded, Copay <=\$15, \$1,250 OOPM	0.5%			
\$50 Ded, Copay <=\$15, \$1,250 OOPM	0.9%			
\$100 Ded, Copay <=\$15, \$1,250 OOPM	1.1%			
\$0 Ded, Copay >\$15, \$1,250 OOPM	1.2%			
\$50 Ded, Copay >\$15, \$1,250 OOPM	1.6%			
\$100 Ded, Copay >\$15, \$1,250 OOPM	1.9%			

Exhibit IV  
BCBSVT Requested Trends  
First and Second Quarter 2014

<b>Base Stop Loss Dampened Trends</b>
---------------------------------------

Source : Estimated from claim distributions

Benefit Paid Attachment Point		<u>Medical</u>	<u>Rx</u>	<u>Weighted Average</u>
Unlimited	No Stop Loss	4.2%	7.6%	4.7%
35,000		3.2%	6.0%	3.7%
40,000		3.3%	6.1%	3.7%
45,000		3.3%	6.2%	3.8%
50,000		3.3%	6.3%	3.8%
55,000		3.4%	6.4%	3.8%
60,000		3.4%	6.4%	3.9%
65,000		3.4%	6.4%	3.9%
70,000		3.5%	6.4%	3.9%
75,000		3.5%	6.5%	4.0%
80,000		3.5%	6.5%	4.0%
85,000		3.5%	6.5%	4.0%
90,000		3.6%	6.5%	4.0%
95,000		3.6%	6.5%	4.1%
100,000		3.6%	6.5%	4.1%
105,000		3.6%	6.6%	4.1%
110,000		3.7%	6.6%	4.1%
115,000		3.7%	6.6%	4.1%
120,000		3.7%	6.6%	4.1%
125,000		3.7%	6.6%	4.2%
130,000		3.7%	6.7%	4.2%
135,000		3.7%	6.8%	4.2%
140,000		3.7%	6.8%	4.2%
145,000		3.7%	6.8%	4.2%
150,000		3.8%	6.8%	4.2%
155,000		3.8%	6.8%	4.3%
160,000		3.8%	6.8%	4.3%
165,000		3.8%	6.9%	4.3%
170,000		3.8%	6.9%	4.3%
175,000		3.8%	6.9%	4.3%
180,000		3.8%	6.9%	4.3%
185,000		3.8%	6.9%	4.3%
190,000		3.8%	6.9%	4.3%
195,000		3.8%	6.9%	4.3%
200,000		3.9%	6.9%	4.4%
205,000		3.9%	7.0%	4.4%
210,000		3.9%	7.0%	4.4%
215,000		3.9%	7.0%	4.4%
220,000		3.9%	7.0%	4.4%
225,000		3.9%	7.0%	4.4%
230,000		3.9%	7.0%	4.4%
235,000		3.9%	7.1%	4.4%
240,000		3.9%	7.1%	4.4%
245,000		3.9%	7.1%	4.4%

Exhibit IV  
 BCBSVT Requested Trends  
 First and Second Quarter 2014

<b>Base Stop Loss Dampened Trends</b>
---------------------------------------

Source : Estimated from claim distributions

<u>Benefit Paid Attachment Point</u>	<u>Medical</u>	<u>Rx</u>	<u>Weighted Average</u>
250,000	3.9%	7.1%	4.4%
255,000	3.9%	7.1%	4.4%
260,000	3.9%	7.1%	4.4%
265,000	4.0%	7.1%	4.4%
270,000	4.0%	7.1%	4.5%
275,000	4.0%	7.1%	4.5%
280,000	4.0%	7.1%	4.5%
285,000	4.0%	7.2%	4.5%
290,000	4.0%	7.3%	4.5%
295,000	4.0%	7.3%	4.5%
300,000	4.0%	7.4%	4.5%
305,000	4.0%	7.4%	4.5%
310,000	4.0%	7.4%	4.5%
315,000	4.0%	7.4%	4.5%
320,000	4.0%	7.4%	4.5%
325,000	4.0%	7.4%	4.5%
330,000	4.0%	7.4%	4.5%
335,000	4.0%	7.4%	4.5%
340,000	4.0%	7.4%	4.5%
345,000	4.0%	7.4%	4.5%
350,000	4.0%	7.4%	4.5%
355,000	4.0%	7.4%	4.5%
360,000	4.0%	7.4%	4.5%
365,000	4.0%	7.4%	4.5%
370,000	4.0%	7.4%	4.5%
375,000	4.0%	7.4%	4.6%
380,000	4.0%	7.4%	4.6%
385,000	4.0%	7.4%	4.6%
390,000	4.0%	7.4%	4.6%
395,000	4.0%	7.4%	4.6%
400,000	4.0%	7.4%	4.6%
405,000	4.0%	7.4%	4.6%
410,000	4.0%	7.4%	4.6%
415,000	4.0%	7.4%	4.6%
420,000	4.0%	7.4%	4.6%
425,000	4.0%	7.4%	4.6%
430,000	4.0%	7.4%	4.6%
435,000	4.0%	7.4%	4.6%
440,000	4.1%	7.4%	4.6%
445,000	4.1%	7.5%	4.6%
450,000	4.1%	7.5%	4.6%
455,000	4.1%	7.5%	4.6%
460,000	4.1%	7.5%	4.6%
465,000	4.1%	7.5%	4.6%
470,000	4.1%	7.5%	4.6%

Exhibit IV  
 BCBSVT Requested Trends  
 First and Second Quarter 2014

<b>Base Stop Loss Dampened Trends</b>
---------------------------------------

Source : Estimated from claim distributions

<u>Benefit Paid Attachment Point</u>	<u>Medical</u>	<u>Rx</u>	<u>Weighted Average</u>
475,000	4.1%	7.5%	4.6%
480,000	4.1%	7.5%	4.6%
485,000	4.1%	7.5%	4.6%
490,000	4.1%	7.5%	4.6%
495,000	4.1%	7.5%	4.6%
500,000	4.1%	7.5%	4.6%
505,000	4.1%	7.5%	4.6%
510,000	4.1%	7.5%	4.6%
515,000	4.1%	7.5%	4.6%
520,000	4.1%	7.5%	4.6%
525,000	4.1%	7.5%	4.6%
530,000	4.1%	7.5%	4.6%
535,000	4.1%	7.5%	4.6%
540,000	4.1%	7.5%	4.6%
545,000	4.1%	7.5%	4.6%
550,000	4.1%	7.5%	4.6%
555,000	4.1%	7.5%	4.6%
560,000	4.1%	7.5%	4.6%
565,000	4.1%	7.5%	4.6%
570,000	4.1%	7.5%	4.6%
575,000	4.1%	7.5%	4.6%
580,000	4.1%	7.5%	4.6%
585,000	4.1%	7.5%	4.6%
590,000	4.1%	7.5%	4.6%
595,000	4.1%	7.5%	4.6%
600,000	4.1%	7.5%	4.6%
605,000	4.1%	7.5%	4.6%
610,000	4.1%	7.5%	4.6%
615,000	4.1%	7.5%	4.6%
620,000	4.1%	7.5%	4.6%
625,000	4.1%	7.5%	4.6%
630,000	4.1%	7.5%	4.6%
635,000	4.1%	7.5%	4.6%
640,000	4.1%	7.5%	4.6%
645,000	4.1%	7.5%	4.6%
650,000	4.1%	7.5%	4.6%
655,000	4.1%	7.5%	4.6%
660,000	4.1%	7.5%	4.6%
665,000	4.1%	7.5%	4.6%
670,000	4.1%	7.5%	4.6%
675,000	4.1%	7.5%	4.6%
680,000	4.1%	7.5%	4.6%
685,000	4.1%	7.5%	4.6%
690,000	4.1%	7.5%	4.6%
695,000	4.1%	7.5%	4.7%

Exhibit IV  
 BCBSVT Requested Trends  
 First and Second Quarter 2014

<b>Base Stop Loss Dampened Trends</b>
---------------------------------------

Source : Estimated from claim distributions

<u>Benefit Paid Attachment Point</u>	<u>Medical</u>	<u>Rx</u>	<u>Weighted Average</u>
700,000	4.1%	7.5%	4.7%
705,000	4.1%	7.6%	4.7%
710,000	4.1%	7.6%	4.7%
715,000	4.1%	7.6%	4.7%
720,000	4.1%	7.6%	4.7%
725,000	4.1%	7.6%	4.7%
730,000	4.1%	7.6%	4.7%
735,000	4.1%	7.6%	4.7%
740,000	4.1%	7.6%	4.7%
745,000	4.1%	7.6%	4.7%
750,000	4.1%	7.6%	4.7%
755,000	4.1%	7.6%	4.7%
760,000	4.1%	7.6%	4.7%
765,000	4.1%	7.6%	4.7%
770,000	4.1%	7.6%	4.7%
775,000	4.1%	7.6%	4.7%
780,000	4.1%	7.6%	4.7%
785,000	4.1%	7.6%	4.7%
790,000	4.1%	7.6%	4.7%
795,000	4.1%	7.6%	4.7%
800,000	4.1%	7.6%	4.7%
805,000	4.1%	7.6%	4.7%
810,000	4.1%	7.6%	4.7%
815,000	4.1%	7.6%	4.7%
820,000	4.1%	7.6%	4.7%
825,000	4.1%	7.6%	4.7%
830,000	4.1%	7.6%	4.7%
835,000	4.1%	7.6%	4.7%
840,000	4.1%	7.6%	4.7%
845,000	4.1%	7.6%	4.7%
850,000	4.1%	7.6%	4.7%
855,000	4.1%	7.6%	4.7%
860,000	4.1%	7.6%	4.7%
865,000	4.1%	7.6%	4.7%
870,000	4.1%	7.6%	4.7%
875,000	4.1%	7.6%	4.7%
880,000	4.1%	7.6%	4.7%
885,000	4.1%	7.6%	4.7%
890,000	4.1%	7.6%	4.7%
895,000	4.1%	7.6%	4.7%
900,000	4.1%	7.6%	4.7%
905,000	4.1%	7.6%	4.7%
910,000	4.1%	7.6%	4.7%
915,000	4.1%	7.6%	4.7%
920,000	4.1%	7.6%	4.7%

Exhibit IV  
 BCBSVT Requested Trends  
 First and Second Quarter 2014

<b>Base Stop Loss Dampened Trends</b>
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Source : Estimated from claim distributions

<u>Benefit Paid</u> <u>Attachment Point</u>	<u>Medical</u>	<u>Rx</u>	<u>Weighted</u> <u>Average</u>
925,000	4.1%	7.6%	4.7%
930,000	4.1%	7.6%	4.7%
935,000	4.1%	7.6%	4.7%
940,000	4.1%	7.6%	4.7%
945,000	4.1%	7.6%	4.7%
950,000	4.1%	7.6%	4.7%
955,000	4.1%	7.6%	4.7%
960,000	4.1%	7.6%	4.7%
965,000	4.1%	7.6%	4.7%
970,000	4.1%	7.6%	4.7%
975,000	4.1%	7.6%	4.7%
980,000	4.1%	7.6%	4.7%
985,000	4.1%	7.6%	4.7%
990,000	4.1%	7.6%	4.7%
995,000	4.1%	7.6%	4.7%
1,000,000	4.1%	7.6%	4.7%
Unlimited      No Stop Loss	4.2%	7.6%	4.7%

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Hospital**  
**Excluding Carveout**  
 High Claims Attachment: **\$200K**

**Blue Cross and Blue Shield of Vermont**  
**Claim Trend Report**

**ROLLING 12 MONTH**

Exhibit V  
 Page 1

12 month period ending	Allowed Charge	Completion Factor	Completed Allowed Charge	Member Months	Pure Premium PMPM	Pure Premium Trend
Dec-09	219,102,443	1.000	219,102,443	1,060,056	206.69	#N/A
Jan-10	216,180,747	1.000	216,180,747	1,049,342	206.02	#N/A
Feb-10	214,628,471	1.000	214,628,471	1,039,065	206.56	#N/A
Mar-10	214,163,835	1.000	214,163,835	1,028,704	208.19	#N/A
Apr-10	211,142,226	1.000	211,142,226	1,018,530	207.30	#N/A
May-10	208,948,682	1.000	208,948,682	1,008,610	207.16	#N/A
Jun-10	208,337,725	1.000	208,337,725	999,154	208.51	#N/A
Jul-10	207,390,672	1.000	207,390,672	989,121	209.67	#N/A
Aug-10	206,575,475	1.000	206,575,475	979,214	210.96	#N/A
Sep-10	207,451,716	1.000	207,451,716	969,874	213.90	#N/A
Oct-10	208,096,269	1.000	208,096,269	961,046	216.53	#N/A
Nov-10	208,644,756	1.000	208,644,756	952,364	219.08	#N/A
Dec-10	207,461,804	1.000	207,461,804	944,003	219.77	6.3%
Jan-11	209,092,843	1.000	209,092,843	943,312	221.66	7.6%
Feb-11	208,851,080	1.000	208,851,080	942,661	221.55	7.3%
Mar-11	209,672,483	1.000	209,672,747	942,606	222.44	6.8%
Apr-11	209,112,870	1.000	209,112,870	942,446	221.88	7.0%
May-11	210,444,349	1.000	210,444,349	941,583	223.50	7.9%
Jun-11	209,610,071	1.000	209,610,071	940,646	222.84	6.9%
Jul-11	208,444,474	1.000	208,444,474	940,770	221.57	5.7%
Aug-11	210,812,363	1.000	210,812,363	941,631	223.88	6.1%
Sep-11	210,479,305	1.000	210,479,305	942,189	223.39	4.4%
Oct-11	210,465,680	1.000	210,465,680	944,081	222.93	3.0%
Nov-11	211,834,198	1.000	211,845,078	946,263	223.88	2.2%
Dec-11	214,466,937	1.000	214,489,218	948,158	226.22	2.9%
Jan-12	216,623,831	1.000	216,646,373	947,525	228.64	3.2%
Feb-12	220,165,081	1.000	220,199,441	946,769	232.58	5.0%
Mar-12	220,343,502	1.000	220,378,070	945,725	233.03	4.8%
Apr-12	221,949,514	1.000	221,995,837	945,203	234.87	5.9%
May-12	223,447,630	1.000	223,505,770	945,573	236.37	5.8%
Jun-12	224,125,934	1.000	224,195,632	946,236	236.93	6.3%
Jul-12	224,078,557	1.000	224,160,181	946,162	236.92	6.9%
Aug-12	224,259,049	1.000	224,352,317	945,453	237.30	6.0%
Sep-12	223,116,445	0.999	223,242,315	945,021	236.23	5.7%
Oct-12	224,190,377	0.999	224,350,008	943,889	237.69	6.6%
Nov-12	224,994,135	0.999	225,178,161	942,516	238.91	6.7%
Dec-12	222,954,893	0.999	223,181,025	941,232	237.12	4.8%
Jan-13	223,878,125	0.999	224,186,736	941,614	238.09	4.1%
Feb-13	222,565,049	0.998	222,991,156	942,163	236.68	1.8%
Mar-13	223,067,004	0.997	223,705,494	943,012	237.22	1.8%
Apr-13	223,579,986	0.995	224,606,416	943,393	238.08	1.4%
May-13	223,806,852	0.992	225,562,318	943,702	239.02	1.1%

Note: Claims are paid through July 2013



Rating Method: All Combined  
 Family: All Combined  
 Claim Type: Inpatient  
 Excluding Carveout  
 High Claims Attachment: \$200K

Blue Cross and Blue Shield of Vermont  
 Claim Trend Report

ROLLING 12 MONTH

12 month period ending	Admits	Member Months	ALOS	Allowed Charge per Admit	Pure Premium PMPM	Admits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	4,143	1,060,056	4.5	16,018	62.60	46.9	#N/A	#N/A	#N/A
Jan-10	4,075	1,049,342	4.5	16,093	62.50	46.6	#N/A	#N/A	#N/A
Feb-10	4,001	1,039,065	4.6	16,301	62.77	46.2	#N/A	#N/A	#N/A
Mar-10	3,975	1,028,704	4.7	16,375	63.27	46.4	#N/A	#N/A	#N/A
Apr-10	3,912	1,018,530	4.7	16,231	62.34	46.1	#N/A	#N/A	#N/A
May-10	3,843	1,008,610	4.9	16,195	61.71	45.7	#N/A	#N/A	#N/A
Jun-10	3,802	999,154	4.9	16,378	62.32	45.7	#N/A	#N/A	#N/A
Jul-10	3,745	989,121	5.0	16,667	63.10	45.4	#N/A	#N/A	#N/A
Aug-10	3,700	979,214	5.0	16,666	62.97	45.3	#N/A	#N/A	#N/A
Sep-10	3,727	969,874	5.0	16,887	64.89	46.1	#N/A	#N/A	#N/A
Oct-10	3,746	961,046	5.0	17,124	66.75	46.8	#N/A	#N/A	#N/A
Nov-10	3,740	952,364	5.0	17,242	67.71	47.1	#N/A	#N/A	#N/A
Dec-10	3,720	944,003	5.0	17,294	68.15	47.3	8.0%	0.8%	8.9%
Jan-11	3,713	943,312	5.1	17,492	68.85	47.2	8.7%	1.4%	10.2%
Feb-11	3,717	942,661	4.9	17,223	67.91	47.3	5.7%	2.4%	8.2%
Mar-11	3,756	942,606	4.9	17,231	68.66	47.8	5.2%	3.1%	8.5%
Apr-11	3,742	942,446	4.8	17,325	68.79	47.6	6.7%	3.4%	10.3%
May-11	3,749	941,583	4.8	17,439	69.43	47.8	7.7%	4.5%	12.5%
Jun-11	3,723	940,646	4.8	17,453	69.08	47.5	6.6%	4.0%	10.8%
Jul-11	3,697	940,770	4.8	17,138	67.35	47.2	2.8%	3.8%	6.7%
Aug-11	3,734	941,631	4.9	17,341	68.76	47.6	4.0%	4.9%	9.2%
Sep-11	3,726	942,189	4.8	17,264	68.27	47.5	2.2%	2.9%	5.2%
Oct-11	3,705	944,081	4.9	17,214	67.55	47.1	0.5%	0.7%	1.2%
Nov-11	3,692	946,263	5.0	17,328	67.61	46.8	0.5%	-0.6%	-0.1%
Dec-11	3,710	948,158	5.2	17,481	68.41	47.0	1.1%	-0.7%	0.4%
Jan-12	3,731	947,525	5.3	17,703	69.71	47.3	1.2%	0.0%	1.3%
Feb-12	3,759	946,769	5.3	18,065	71.71	47.6	4.9%	0.7%	5.6%
Mar-12	3,708	945,725	5.3	18,087	70.91	47.0	5.0%	-1.6%	3.3%
Apr-12	3,716	945,203	5.3	18,025	70.86	47.2	4.0%	-1.0%	3.0%
May-12	3,726	945,573	5.3	17,975	70.83	47.3	3.1%	-1.0%	2.0%
Jun-12	3,685	946,236	5.3	18,111	70.53	46.7	3.8%	-1.6%	2.1%
Jul-12	3,693	946,162	5.3	18,100	70.65	46.8	5.6%	-0.7%	4.9%
Aug-12	3,685	945,453	5.2	17,948	69.95	46.8	3.5%	-1.7%	1.7%
Sep-12	3,671	945,021	5.1	17,934	69.67	46.6	3.9%	-1.8%	2.0%
Oct-12	3,709	943,889	5.2	18,075	71.02	47.1	5.0%	0.1%	5.1%
Nov-12	3,735	942,516	5.1	18,187	72.07	47.6	5.0%	1.6%	6.6%
Dec-12	3,718	941,232	4.9	18,304	72.30	47.4	4.7%	0.9%	5.7%
Jan-13	3,720	941,614	5.1	18,540	73.25	47.4	4.7%	0.3%	5.1%
Feb-13	3,676	942,163	5.2	18,644	72.74	46.8	3.2%	-1.7%	1.4%
Mar-13	3,715	943,012	5.3	18,769	73.93	47.3	3.8%	0.5%	4.3%
Apr-13	3,729	943,393	5.3	18,875	74.61	47.4	4.7%	0.5%	5.3%
May-13	3,757	943,702	5.3	19,012	75.69	47.8	5.8%	1.0%	6.9%

Note: Claims are paid through July 2013

Rating Method: All Combined  
 Family: All Combined  
 Claim Type: Outpatient  
 Excluding Carveout  
 High Claims Attachment: \$200K

Blue Cross and Blue Shield of Vermont  
 Claim Trend Report

ROLLING 12 MONTH

12 month period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	226,326	1,060,056	3.3	674.86	144.09	2,562	#N/A	#N/A	#N/A
Jan-10	224,164	1,049,342	3.3	671.84	143.52	2,563	#N/A	#N/A	#N/A
Feb-10	221,871	1,039,065	3.3	673.39	143.79	2,562	#N/A	#N/A	#N/A
Mar-10	220,125	1,028,704	3.3	677.22	144.91	2,568	#N/A	#N/A	#N/A
Apr-10	217,658	1,018,530	3.3	678.34	144.96	2,564	#N/A	#N/A	#N/A
May-10	215,200	1,008,610	3.3	681.74	145.46	2,560	#N/A	#N/A	#N/A
Jun-10	213,212	999,154	3.3	685.09	146.19	2,561	#N/A	#N/A	#N/A
Jul-10	210,860	989,121	3.3	687.54	146.57	2,558	#N/A	#N/A	#N/A
Aug-10	209,996	979,214	3.3	690.06	147.99	2,573	#N/A	#N/A	#N/A
Sep-10	208,747	969,874	3.3	692.29	149.00	2,583	#N/A	#N/A	#N/A
Oct-10	206,646	961,046	3.3	696.60	149.79	2,580	#N/A	#N/A	#N/A
Nov-10	205,693	952,364	3.3	700.86	151.37	2,592	#N/A	#N/A	#N/A
Dec-10	203,803	944,003	3.3	702.28	151.62	2,591	4.1%	1.1%	5.2%
Jan-11	203,526	943,312	3.4	708.24	152.81	2,589	5.4%	1.0%	6.5%
Feb-11	203,180	942,661	3.4	712.83	153.64	2,586	5.9%	0.9%	6.9%
Mar-11	202,733	942,606	3.4	714.99	153.78	2,581	5.6%	0.5%	6.1%
Apr-11	201,695	942,446	3.3	715.35	153.09	2,568	5.5%	0.1%	5.6%
May-11	201,620	941,583	3.3	719.51	154.07	2,570	5.5%	0.4%	5.9%
Jun-11	200,609	940,646	3.3	720.98	153.76	2,559	5.2%	-0.1%	5.2%
Jul-11	199,504	940,770	3.3	727.23	154.22	2,545	5.8%	-0.5%	5.2%
Aug-11	199,693	941,631	3.4	731.43	155.12	2,545	6.0%	-1.1%	4.8%
Sep-11	198,985	942,189	3.4	734.49	155.12	2,534	6.1%	-1.9%	4.1%
Oct-11	199,113	944,081	3.4	736.72	155.38	2,531	5.8%	-1.9%	3.7%
Nov-11	199,874	946,263	3.3	739.80	156.26	2,535	5.6%	-2.2%	3.2%
Dec-11	200,681	948,158	3.3	745.60	157.81	2,540	6.2%	-2.0%	4.1%
Jan-12	200,943	947,525	3.4	749.41	158.93	2,545	5.8%	-1.7%	4.0%
Feb-12	202,047	946,769	3.4	753.80	160.87	2,561	5.7%	-1.0%	4.7%
Mar-12	201,909	945,725	3.4	759.34	162.12	2,562	6.2%	-0.7%	5.4%
Apr-12	202,628	945,203	3.4	765.05	164.01	2,572	6.9%	0.2%	7.1%
May-12	203,956	945,573	3.4	767.48	165.54	2,588	6.7%	0.7%	7.4%
Jun-12	203,945	946,236	3.4	772.04	166.40	2,586	7.1%	1.1%	8.2%
Jul-12	204,706	946,162	3.4	768.47	166.26	2,596	5.7%	2.0%	7.8%
Aug-12	205,217	945,453	3.4	771.00	167.35	2,605	5.4%	2.4%	7.9%
Sep-12	204,428	945,021	3.4	769.98	166.56	2,596	4.8%	2.4%	7.4%
Oct-12	205,235	943,889	3.3	766.52	166.67	2,609	4.0%	3.1%	7.3%
Nov-12	204,295	942,516	3.3	769.72	166.84	2,601	4.0%	2.6%	6.8%
Dec-12	202,142	941,232	3.3	767.45	164.82	2,577	2.9%	1.5%	4.4%
Jan-13	202,817	941,614	3.3	765.31	164.84	2,585	2.1%	1.6%	3.7%
Feb-13	202,041	942,163	3.3	764.47	163.94	2,573	1.4%	0.5%	1.9%
Mar-13	201,379	943,012	3.3	764.65	163.29	2,563	0.7%	0.0%	0.7%
Apr-13	201,813	943,393	3.3	764.18	163.48	2,567	-0.1%	-0.2%	-0.3%
May-13	201,703	943,702	3.3	764.14	163.32	2,565	-0.4%	-0.9%	-1.3%

Note: Claims are paid through July 2013

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Professional**  
**Excluding Carveout**  
 High Claims Attachment: **\$200K**

**Blue Cross and Blue Shield of Vermont**  
**Claim Trend Report**

**ROLLING 12 MONTH**

12 month period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	734,765	1,060,056	1.5	159.40	110.48	8,318	#N/A	#N/A	#N/A
Jan-10	729,297	1,049,342	1.5	159.11	110.58	8,340	#N/A	#N/A	#N/A
Feb-10	722,730	1,039,065	1.5	159.45	110.91	8,347	#N/A	#N/A	#N/A
Mar-10	718,813	1,028,704	1.5	159.63	111.54	8,385	#N/A	#N/A	#N/A
Apr-10	711,424	1,018,530	1.5	159.50	111.41	8,382	#N/A	#N/A	#N/A
May-10	704,593	1,008,610	1.5	159.58	111.48	8,383	#N/A	#N/A	#N/A
Jun-10	698,075	999,154	1.5	159.74	111.60	8,384	#N/A	#N/A	#N/A
Jul-10	690,400	989,121	1.5	159.66	111.44	8,376	#N/A	#N/A	#N/A
Aug-10	686,713	979,214	1.5	159.64	111.96	8,415	#N/A	#N/A	#N/A
Sep-10	681,179	969,874	1.5	159.44	111.98	8,428	#N/A	#N/A	#N/A
Oct-10	673,483	961,046	1.5	160.03	112.15	8,409	#N/A	#N/A	#N/A
Nov-10	670,390	952,364	1.5	160.57	113.03	8,447	#N/A	#N/A	#N/A
Dec-10	663,267	944,003	1.5	160.78	112.96	8,431	0.9%	1.4%	2.2%
Jan-11	663,026	943,312	1.5	161.43	113.47	8,434	1.5%	1.1%	2.6%
Feb-11	661,633	942,661	1.5	161.24	113.17	8,423	1.1%	0.9%	2.0%
Mar-11	661,047	942,606	1.5	161.70	113.40	8,416	1.3%	0.4%	1.7%
Apr-11	658,170	942,446	1.5	161.77	112.97	8,380	1.4%	0.0%	1.4%
May-11	659,658	941,583	1.5	162.19	113.63	8,407	1.6%	0.3%	1.9%
Jun-11	658,175	940,646	1.5	162.24	113.52	8,396	1.6%	0.1%	1.7%
Jul-11	655,126	940,770	1.5	162.64	113.26	8,356	1.9%	-0.2%	1.6%
Aug-11	657,740	941,631	1.5	163.18	113.99	8,382	2.2%	-0.4%	1.8%
Sep-11	657,258	942,189	1.5	163.53	114.08	8,371	2.6%	-0.7%	1.9%
Oct-11	659,220	944,081	1.5	163.51	114.18	8,379	2.2%	-0.4%	1.8%
Nov-11	659,330	946,263	1.5	164.09	114.33	8,361	2.2%	-1.0%	1.2%
Dec-11	660,329	948,158	1.5	164.58	114.62	8,357	2.4%	-0.9%	1.5%
Jan-12	662,764	947,525	1.5	164.53	115.08	8,394	1.9%	-0.5%	1.4%
Feb-12	668,752	946,769	1.5	165.15	116.66	8,476	2.4%	0.6%	3.1%
Mar-12	666,280	945,725	1.5	165.67	116.72	8,454	2.5%	0.5%	2.9%
Apr-12	667,545	945,203	1.5	166.00	117.24	8,475	2.6%	1.1%	3.8%
May-12	670,187	945,573	1.5	166.01	117.66	8,505	2.4%	1.2%	3.5%
Jun-12	668,152	946,236	1.5	166.11	117.29	8,473	2.4%	0.9%	3.3%
Jul-12	670,162	946,162	1.5	165.75	117.40	8,500	1.9%	1.7%	3.7%
Aug-12	669,781	945,453	1.5	165.93	117.55	8,501	1.7%	1.4%	3.1%
Sep-12	665,452	945,021	1.5	166.33	117.13	8,450	1.7%	0.9%	2.7%
Oct-12	668,206	943,889	1.5	166.71	118.02	8,495	2.0%	1.4%	3.4%
Nov-12	666,851	942,516	1.5	167.32	118.38	8,490	2.0%	1.5%	3.5%
Dec-12	661,998	941,232	1.5	167.50	117.81	8,440	1.8%	1.0%	2.8%
Jan-13	665,701	941,614	1.5	167.96	118.74	8,484	2.1%	1.1%	3.2%
Feb-13	661,809	942,163	1.5	168.80	118.57	8,429	2.2%	-0.6%	1.6%
Mar-13	659,755	943,012	1.5	169.37	118.49	8,396	2.2%	-0.7%	1.5%
Apr-13	662,698	943,393	1.5	169.89	119.34	8,430	2.3%	-0.5%	1.8%
May-13	662,357	943,702	1.5	171.00	120.02	8,422	3.0%	-1.0%	2.0%

Note: Claims are paid through July 2013

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Other**  
**Excluding Carveout**  
 High Claims Attachment: **\$200K**

**Blue Cross and Blue Shield of Vermont**  
**Claim Trend Report**

**ROLLING 12 MONTH**

12 month period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	116,926	1,060,056	1.9	135.72	14.97	1,324	#N/A	#N/A	#N/A
Jan-10	116,059	1,049,342	1.9	135.77	15.02	1,327	#N/A	#N/A	#N/A
Feb-10	115,649	1,039,065	1.9	136.65	15.21	1,336	#N/A	#N/A	#N/A
Mar-10	115,511	1,028,704	1.9	136.28	15.30	1,347	#N/A	#N/A	#N/A
Apr-10	114,471	1,018,530	1.9	135.99	15.28	1,349	#N/A	#N/A	#N/A
May-10	113,512	1,008,610	1.9	135.91	15.30	1,351	#N/A	#N/A	#N/A
Jun-10	112,879	999,154	1.9	135.54	15.31	1,356	#N/A	#N/A	#N/A
Jul-10	112,085	989,121	1.9	136.29	15.44	1,360	#N/A	#N/A	#N/A
Aug-10	111,560	979,214	1.9	137.00	15.61	1,367	#N/A	#N/A	#N/A
Sep-10	110,963	969,874	1.9	137.36	15.72	1,373	#N/A	#N/A	#N/A
Oct-10	109,830	961,046	1.9	137.92	15.76	1,371	#N/A	#N/A	#N/A
Nov-10	109,391	952,364	1.9	138.42	15.90	1,378	#N/A	#N/A	#N/A
Dec-10	108,284	944,003	1.9	139.15	15.96	1,376	2.5%	4.0%	6.6%
Jan-11	108,901	943,312	1.9	139.38	16.09	1,385	2.7%	4.4%	7.2%
Feb-11	108,857	942,661	1.9	139.55	16.12	1,386	2.1%	3.8%	6.0%
Mar-11	108,853	942,606	1.9	140.20	16.19	1,386	2.9%	2.8%	5.8%
Apr-11	108,921	942,446	1.9	140.15	16.20	1,387	3.1%	2.8%	6.0%
May-11	109,490	941,583	1.9	141.17	16.42	1,395	3.9%	3.3%	7.3%
Jun-11	109,203	940,646	1.9	142.49	16.54	1,393	5.1%	2.8%	8.0%
Jul-11	108,645	940,770	1.9	142.64	16.47	1,386	4.7%	1.9%	6.7%
Aug-11	109,280	941,631	1.8	142.67	16.56	1,393	4.1%	1.9%	6.1%
Sep-11	109,493	942,189	1.8	142.96	16.61	1,395	4.1%	1.6%	5.7%
Oct-11	110,177	944,081	1.8	143.96	16.80	1,400	4.4%	2.1%	6.6%
Nov-11	110,420	946,263	1.8	145.66	17.00	1,400	5.2%	1.6%	6.9%
Dec-11	110,783	948,158	1.8	145.31	16.98	1,402	4.4%	1.9%	6.4%
Jan-12	110,901	947,525	1.8	145.36	17.01	1,405	4.3%	1.4%	5.7%
Feb-12	111,771	946,769	1.8	145.53	17.18	1,417	4.3%	2.2%	6.6%
Mar-12	111,436	945,725	1.8	146.46	17.26	1,414	4.5%	2.0%	6.6%
Apr-12	111,410	945,203	1.8	147.70	17.41	1,414	5.4%	2.0%	7.5%
May-12	111,648	945,573	1.8	148.09	17.49	1,417	4.9%	1.5%	6.5%
Jun-12	111,381	946,236	1.8	147.97	17.42	1,413	3.8%	1.4%	5.3%
Jul-12	111,405	946,162	1.8	147.56	17.37	1,413	3.4%	2.0%	5.5%
Aug-12	111,149	945,453	1.8	148.34	17.44	1,411	4.0%	1.3%	5.3%
Sep-12	110,122	945,021	1.8	149.17	17.38	1,398	4.3%	0.3%	4.6%
Oct-12	110,204	943,889	1.8	148.77	17.37	1,401	3.3%	0.0%	3.4%
Nov-12	109,608	942,516	1.7	147.31	17.13	1,396	1.1%	-0.3%	0.8%
Dec-12	108,347	941,232	1.7	148.77	17.13	1,381	2.4%	-1.5%	0.9%
Jan-13	108,367	941,614	1.7	149.07	17.16	1,381	2.6%	-1.7%	0.8%
Feb-13	107,738	942,163	1.7	148.37	16.97	1,372	2.0%	-3.1%	-1.2%
Mar-13	107,040	943,012	1.7	147.34	16.72	1,362	0.6%	-3.7%	-3.1%
Apr-13	107,194	943,393	1.7	147.44	16.75	1,364	-0.2%	-3.6%	-3.8%
May-13	106,932	943,702	1.7	146.93	16.65	1,360	-0.8%	-4.0%	-4.8%

Note: Claims are paid through July 2013

Rating Method:	All Combined
Family:	All Combined
Claim Type:	All Medical Claim Types Excluding Carveout
High Claims Attachment:	\$200K

**Blue Cross and Blue Shield of Vermont  
Claim Trend Report**

**ROLLING 12 MONTH**

Exhibit V  
Page 6

12 month period ending	Allowed Charge	Completion Factor	Completed Allowed Charge	Member Months	Pure Premium PMPM	Pure Premium Trend
Dec-09	352,091,415	1.000	352,091,415	1,060,056	332.14	#N/A
Jan-10	347,976,953	1.000	347,976,953	1,049,342	331.61	#N/A
Feb-10	345,671,456	1.000	345,671,456	1,039,065	332.68	#N/A
Mar-10	344,647,462	1.000	344,647,462	1,028,704	335.03	#N/A
Apr-10	340,183,263	1.000	340,183,263	1,018,530	333.99	#N/A
May-10	336,814,155	1.000	336,814,155	1,008,610	333.94	#N/A
Jun-10	335,146,779	1.000	335,146,779	999,154	335.43	#N/A
Jul-10	332,898,483	1.000	332,898,483	989,121	336.56	#N/A
Aug-10	331,489,519	1.000	331,489,519	979,214	338.53	#N/A
Sep-10	331,302,097	1.000	331,302,097	969,874	341.59	#N/A
Oct-10	331,024,287	1.000	331,024,287	961,046	344.44	#N/A
Nov-10	331,432,316	1.000	331,432,316	952,364	348.01	#N/A
Dec-10	329,167,701	1.000	329,167,701	944,003	348.69	5.0%
Jan-11	331,305,847	1.000	331,305,847	943,312	351.22	5.9%
Feb-11	330,720,927	1.000	330,720,927	942,661	350.84	5.5%
Mar-11	331,824,911	1.000	331,825,348	942,606	352.03	5.1%
Apr-11	330,847,855	1.000	330,847,855	942,446	351.05	5.1%
May-11	332,893,964	1.000	332,893,964	941,583	353.55	5.9%
Jun-11	331,952,574	1.000	331,952,574	940,646	352.90	5.2%
Jul-11	330,492,278	1.000	330,492,278	940,770	351.30	4.4%
Aug-11	333,735,128	1.000	333,735,128	941,631	354.42	4.7%
Sep-11	333,613,098	1.000	333,613,098	942,189	354.08	3.7%
Oct-11	334,117,960	1.000	334,117,960	944,081	353.91	2.7%
Nov-11	336,103,483	1.000	336,120,086	946,263	355.21	2.1%
Dec-11	339,232,174	1.000	339,266,017	948,158	357.82	2.6%
Jan-12	341,777,741	1.000	341,811,932	947,525	360.74	2.7%
Feb-12	346,859,858	1.000	346,911,933	946,769	366.42	4.4%
Mar-12	347,027,454	1.000	347,079,784	945,725	367.00	4.3%
Apr-12	349,194,629	1.000	349,264,785	945,203	369.51	5.3%
May-12	351,209,326	1.000	351,297,390	945,573	371.52	5.1%
Jun-12	351,555,546	1.000	351,661,073	946,236	371.64	5.3%
Jul-12	351,555,707	1.000	351,679,154	946,162	371.69	5.8%
Aug-12	351,838,541	1.000	351,979,611	945,453	372.29	5.0%
Sep-12	350,162,520	0.999	350,355,517	945,021	370.74	4.7%
Oct-12	351,892,404	0.999	352,139,024	943,889	373.07	5.4%
Nov-12	352,616,833	0.999	352,902,508	942,516	374.43	5.4%
Dec-12	349,832,812	0.999	350,186,178	941,232	372.05	4.0%
Jan-13	351,670,393	0.999	352,152,751	941,614	373.99	3.7%
Feb-13	350,018,202	0.998	350,688,024	942,163	372.22	1.6%
Mar-13	350,212,638	0.997	351,216,659	943,012	372.44	1.5%
Apr-13	351,379,111	0.995	352,997,996	943,393	374.18	1.3%
May-13	351,758,364	0.992	354,535,466	943,702	375.69	1.1%

Note: Claims are paid through July 2013

Rating Method:	All Combined
Family:	All Combined
Claim Type:	All Medical Claim Types Excluding Carveout
High Claims Attachment:	Uncapped

**Blue Cross and Blue Shield of Vermont  
Claim Trend Report**

**ROLLING 3 MONTH**

Exhibit V  
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3 month period ending	Allowed Charge	Completion Factor	Completed Allowed Charge	Member Months	Pure Premium PMPM	Pure Premium Trend
Dec-09	88,529,817	1.000	88,529,817	261,590	338.43	#N/A
Jan-10	85,039,335	1.000	85,039,335	253,775	335.10	#N/A
Feb-10	83,639,904	1.000	83,639,904	246,245	339.66	#N/A
Mar-10	83,120,828	1.000	83,120,828	238,408	348.65	#N/A
Apr-10	85,453,414	1.000	85,453,414	237,413	359.94	#N/A
May-10	85,845,734	1.000	85,845,734	236,391	363.15	#N/A
Jun-10	85,100,113	1.000	85,100,113	235,906	360.74	#N/A
Jul-10	85,156,286	1.000	85,156,286	235,073	362.25	#N/A
Aug-10	85,259,324	1.000	85,259,324	234,293	363.90	#N/A
Sep-10	83,325,582	1.000	83,325,582	233,970	356.14	#N/A
Oct-10	84,462,402	1.000	84,462,402	234,785	359.74	#N/A
Nov-10	86,968,421	1.000	86,968,421	235,435	369.39	#N/A
Dec-10	88,177,470	1.000	88,177,470	235,719	374.08	10.5%
Jan-11	86,757,327	1.000	86,757,327	236,041	367.55	9.7%
Feb-11	82,490,991	1.000	82,490,991	236,542	348.74	2.7%
Mar-11	85,653,048	1.000	85,653,048	237,011	361.39	3.7%
Apr-11	85,022,528	1.000	85,022,528	236,547	359.43	-0.1%
May-11	88,166,978	1.000	88,166,978	235,313	374.68	3.2%
Jun-11	84,793,283	1.000	84,793,283	233,946	362.45	0.5%
Jul-11	84,316,185	1.000	84,316,185	233,397	361.26	-0.3%
Aug-11	86,868,581	1.000	86,868,581	234,341	370.69	1.9%
Sep-11	85,814,552	1.000	85,814,552	235,513	364.37	2.3%
Oct-11	88,714,776	1.000	88,719,164	238,096	372.62	3.6%
Nov-11	88,538,897	1.000	88,556,724	240,067	368.88	-0.1%
Dec-11	92,517,544	1.000	92,541,179	241,688	382.90	2.4%
Jan-12	93,382,590	1.000	93,411,202	239,485	390.05	6.1%
Feb-12	93,624,344	1.000	93,657,178	237,048	395.10	13.3%
Mar-12	93,818,964	1.000	93,855,631	234,578	400.10	10.7%
Apr-12	93,165,212	1.000	93,206,062	234,225	397.93	10.7%
May-12	93,231,620	1.000	93,277,499	234,117	398.42	6.3%
Jun-12	91,238,442	1.000	91,283,776	234,457	389.34	7.4%
Jul-12	89,042,549	0.999	89,091,986	234,356	380.16	5.2%
Aug-12	88,155,121	0.999	88,204,630	234,221	376.59	1.6%
Sep-12	84,450,381	0.999	84,527,625	234,298	360.77	-1.0%
Oct-12	89,215,117	0.999	89,332,163	235,823	378.81	1.7%
Nov-12	90,663,817	0.998	90,832,200	237,130	383.05	3.8%
Dec-12	93,035,069	0.998	93,236,282	237,899	391.92	2.4%
Jan-13	93,898,482	0.997	94,170,606	237,210	396.99	1.8%
Feb-13	91,857,806	0.996	92,264,352	236,695	389.80	-1.3%
Mar-13	96,007,706	0.993	96,697,316	236,358	409.11	2.3%
Apr-13	94,570,227	0.987	95,768,709	236,004	405.79	2.0%
May-13	97,191,177	0.978	99,348,667	235,656	421.58	5.8%

Note: Claims are paid through July 2013

**Blue Cross and Blue Shield of Vermont**  
**Demographics Based on BCBSVT Membership**  
**Age/Sex Factors Based on 2013 Milliman Total Claim Costs**  
***Large Group, Small Group, Nongroup, Safety Net & Cost Plus Combined***

<u>Month</u>	<u>Average Age</u>				<u>Age/Sex Factor</u>				<u>Members</u>			
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Annual % Change</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Annual % Change</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Annual % Change</u>
Mar-09	37.3	37.8	37.5	NA	1.02	1.21	1.12	NA	43,182	46,682	89,864	NA
Jun-09	37.4	38.0	37.7	NA	1.03	1.21	1.13	NA	42,498	46,025	88,523	NA
Sep-09	37.6	38.0	37.8	NA	1.04	1.22	1.13	NA	42,237	45,709	87,946	NA
Dec-09	37.6	38.1	37.8	NA	1.04	1.22	1.13	NA	41,830	45,346	87,176	NA
Mar-10	37.8	38.2	38.0	1.3%	1.05	1.22	1.14	2.0%	37,876	41,657	79,533	-11.5%
Jun-10	37.9	38.4	38.1	1.1%	1.06	1.23	1.15	1.7%	37,765	41,570	79,335	-10.4%
Sep-10	37.7	38.3	38.0	0.5%	1.05	1.22	1.14	0.9%	37,475	41,164	78,639	-10.6%
Dec-10	37.5	38.2	37.9	0.1%	1.05	1.22	1.14	0.5%	37,679	41,128	78,807	-9.6%
Mar-11	37.5	38.2	37.8	-0.5%	1.05	1.22	1.14	-0.4%	38,313	41,330	79,643	0.1%
Jun-11	37.6	38.3	37.9	-0.5%	1.05	1.22	1.14	-0.5%	37,761	40,984	78,745	-0.7%
Sep-11	37.4	38.1	37.8	-0.6%	1.05	1.22	1.14	-0.5%	38,016	41,222	79,238	0.8%
Dec-11	37.4	38.1	37.8	-0.3%	1.05	1.22	1.14	-0.1%	38,835	42,275	81,110	2.9%
Mar-12	37.0	37.8	37.4	-1.2%	1.04	1.21	1.13	-0.9%	38,181	41,442	79,623	0.0%
Jun-12	37.3	38.2	37.8	-0.4%	1.05	1.22	1.14	-0.3%	38,260	41,584	79,844	1.4%
Sep-12	37.1	38.0	37.6	-0.5%	1.04	1.22	1.13	-0.3%	37,755	41,012	78,767	-0.6%
Dec-12	37.1	38.0	37.6	-0.5%	1.04	1.22	1.13	-0.4%	38,144	41,495	79,639	-1.8%
Mar-13	37.1	38.0	37.6	0.6%	1.04	1.22	1.13	0.6%	37,968	41,303	79,271	-0.4%
Jun-13	37.2	38.1	37.6	-0.4%	1.04	1.22	1.14	-0.1%	37,870	41,067	78,937	-1.1%

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Hospital**  
 High Claims Attachment: **Excluding Carveout**  
**Uncapped**

**Blue Cross and Blue Shield of Vermont**  
**Claim Trend Report**  
**All Members**

**MONTHLY**

Exhibit VII  
 Page 1

period ending	Allowed Charge	Completion Factor	Completed Allowed Charge	Member Months	Pure Premium PMPM	Pure Premium Trend
Dec-09	19,471,443	1.000	19,471,443	86,839	224.22	#N/A
Jan-10	16,109,397	1.000	16,109,397	79,763	201.97	#N/A
Feb-10	17,006,339	1.000	17,006,339	79,643	213.53	#N/A
Mar-10	19,507,679	1.000	19,507,679	79,002	246.93	#N/A
Apr-10	17,903,770	1.000	17,903,770	78,768	227.30	#N/A
May-10	17,287,565	1.000	17,287,565	78,621	219.88	#N/A
Jun-10	18,879,834	1.000	18,879,834	78,517	240.46	#N/A
Jul-10	18,244,252	1.000	18,244,252	77,935	234.10	#N/A
Aug-10	17,046,033	1.000	17,046,158	77,841	218.99	#N/A
Sep-10	18,050,172	1.000	18,050,445	78,194	230.84	#N/A
Oct-10	18,991,912	1.000	18,992,013	78,750	241.17	#N/A
Nov-10	19,116,721	1.000	19,116,721	78,491	243.55	#N/A
Dec-10	18,586,262	1.000	18,586,262	78,478	236.83	5.6%
Jan-11	17,643,422	1.000	17,643,422	79,072	223.13	10.5%
Feb-11	16,128,416	1.000	16,128,416	78,992	204.18	-4.4%
Mar-11	20,852,186	1.000	20,852,186	78,947	264.13	7.0%
Apr-11	17,412,704	1.000	17,412,704	78,608	221.51	-2.5%
May-11	18,033,423	1.000	18,033,423	77,758	231.92	5.5%
Jun-11	18,054,076	1.000	18,054,300	77,580	232.72	-3.2%
Jul-11	17,155,037	1.000	17,155,363	78,059	219.77	-6.1%
Aug-11	19,965,304	1.000	19,966,053	78,702	253.69	15.8%
Sep-11	17,821,402	1.000	17,821,605	78,752	226.30	-2.0%
Oct-11	18,821,709	1.000	18,825,843	80,642	233.45	-3.2%
Nov-11	19,794,997	1.000	19,801,277	80,673	245.45	0.8%
Dec-11	20,869,241	1.000	20,876,073	80,373	259.74	9.7%
Jan-12	19,854,147	1.000	19,860,276	78,439	253.19	13.5%
Feb-12	20,229,978	1.000	20,236,870	78,236	258.66	26.7%
Mar-12	20,601,777	1.000	20,611,013	77,903	264.57	0.2%
Apr-12	19,425,864	0.999	19,437,870	78,086	248.93	12.4%
May-12	20,140,169	0.999	20,150,435	78,128	257.92	11.2%
Jun-12	19,426,407	0.999	19,436,518	78,243	248.41	6.7%
Jul-12	17,988,827	0.999	17,999,756	77,985	230.81	5.0%
Aug-12	19,456,981	0.999	19,470,135	77,993	249.64	-1.6%
Sep-12	16,836,325	0.998	16,863,729	78,320	215.32	-4.9%
Oct-12	20,908,327	0.998	20,944,207	79,510	263.42	12.8%
Nov-12	20,791,315	0.998	20,834,883	79,300	262.73	7.0%
Dec-12	18,477,798	0.997	18,528,379	79,089	234.27	-9.8%
Jan-13	21,671,788	0.996	21,753,047	78,821	275.98	9.0%
Feb-13	19,094,969	0.993	19,225,186	78,785	244.02	-5.7%
Mar-13	21,670,913	0.989	21,902,385	78,752	278.12	5.1%
Apr-13	20,570,487	0.981	20,967,076	78,467	267.21	7.3%
May-13	21,012,496	0.965	21,765,432	78,437	277.49	7.6%

Note: Claims are paid through July 2013



Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Inpatient**  
 High Claims Attachment: **Excluding Carveout  
 Uncapped**

**Blue Cross and Blue Shield of Vermont  
 Claim Trend Report  
 All Members**

**MONTHLY**

Exhibit VII  
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period ending	Admits	Member Months	ALOS	Allowed Charge per Admit	Pure Premium PMPM	Admits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	310	86,839	4.5	17,594	62.81	42.8	#N/A	#N/A	#N/A
Jan-10	300	79,763	4.6	15,670	58.94	45.1	#N/A	#N/A	#N/A
Feb-10	277	79,643	6.0	21,076	73.30	41.7	#N/A	#N/A	#N/A
Mar-10	333	79,002	5.6	19,341	81.53	50.6	#N/A	#N/A	#N/A
Apr-10	320	78,768	5.5	17,315	70.34	48.8	#N/A	#N/A	#N/A
May-10	291	78,621	5.9	19,916	73.71	44.4	#N/A	#N/A	#N/A
Jun-10	354	78,517	4.3	17,852	80.49	54.1	#N/A	#N/A	#N/A
Jul-10	310	77,935	5.1	20,920	83.21	47.7	#N/A	#N/A	#N/A
Aug-10	284	77,841	4.5	18,149	66.21	43.8	#N/A	#N/A	#N/A
Sep-10	318	78,194	5.5	19,707	80.15	48.8	#N/A	#N/A	#N/A
Oct-10	333	78,750	4.2	19,430	82.16	50.7	#N/A	#N/A	#N/A
Nov-10	310	78,491	4.9	21,243	83.90	47.4	#N/A	#N/A	#N/A
Dec-10	290	78,478	4.7	19,493	72.03	44.3	10.8%	3.5%	14.7%
Jan-11	293	79,072	4.6	17,774	65.86	44.5	13.4%	-1.5%	11.8%
Feb-11	281	78,992	4.2	15,379	54.71	42.7	-27.0%	2.3%	-25.4%
Mar-11	372	78,947	5.2	20,405	96.15	56.5	5.5%	11.8%	17.9%
Apr-11	306	78,608	4.7	18,353	71.44	46.7	6.0%	-4.2%	1.6%
May-11	298	77,758	5.0	19,439	74.50	46.0	-2.4%	3.5%	1.1%
Jun-11	328	77,580	4.5	18,018	76.18	50.7	0.9%	-6.2%	-5.4%
Jul-11	284	78,059	4.9	17,442	63.46	43.7	-16.6%	-8.5%	-23.7%
Aug-11	321	78,702	5.6	21,734	88.65	48.9	19.8%	11.8%	33.9%
Sep-11	310	78,752	5.3	19,197	75.57	47.2	-2.6%	-3.2%	-5.7%
Oct-11	312	80,642	4.4	18,451	71.40	46.4	-5.0%	-8.5%	-13.1%
Nov-11	297	80,673	6.3	20,569	75.75	44.2	-3.2%	-6.8%	-9.7%
Dec-11	308	80,373	7.3	20,251	77.63	46.0	3.9%	3.7%	7.8%
Jan-12	314	78,439	5.9	20,671	82.77	48.1	16.3%	8.1%	25.7%
Feb-12	308	78,236	4.5	21,021	82.78	47.3	36.7%	10.7%	51.3%
Mar-12	321	77,903	4.7	18,938	78.07	49.5	-7.2%	-12.5%	-18.8%
Apr-12	314	78,086	4.7	17,445	70.20	48.3	-5.0%	3.4%	-1.7%
May-12	308	78,128	5.2	19,198	75.72	47.3	-1.2%	2.9%	1.6%
Jun-12	287	78,243	4.6	21,254	78.00	44.0	18.0%	-13.2%	2.4%
Jul-12	292	77,985	4.4	19,675	73.71	45.0	12.8%	3.0%	16.1%
Aug-12	312	77,993	4.7	17,362	69.50	48.0	-20.1%	-1.9%	-21.6%
Sep-12	296	78,320	4.7	19,587	74.15	45.4	2.0%	-3.8%	-1.9%
Oct-12	350	79,510	5.7	22,041	96.92	52.8	19.5%	13.6%	35.7%
Nov-12	324	79,300	5.1	21,071	86.00	49.0	2.4%	10.8%	13.5%
Dec-12	291	79,089	4.7	20,829	76.58	44.1	2.9%	-4.1%	-1.4%
Jan-13	316	78,821	7.3	26,191	105.06	48.1	26.7%	0.2%	26.9%
Feb-13	264	78,785	5.8	24,920	83.42	40.2	18.5%	-15.0%	0.8%
Mar-13	360	78,752	6.5	22,351	102.11	54.8	18.0%	10.8%	30.8%
Apr-13	328	78,467	4.9	21,180	88.59	50.2	21.4%	3.9%	26.2%
May-13	336	78,437	4.9	22,919	98.06	51.3	19.4%	8.5%	29.5%

Note: Claims are paid through July 2013

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Outpatient**  
 High Claims Attachment: **Excluding Carveout  
 Uncapped**

**Blue Cross and Blue Shield of Vermont  
 Claim Trend Report  
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**MONTHLY**

Exhibit VII  
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period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	18,733	86,839	3.3	748.27	161.42	2,588.7	#N/A	#N/A	#N/A
Jan-10	16,885	79,763	3.3	675.66	143.03	2,540.3	#N/A	#N/A	#N/A
Feb-10	15,743	79,643	3.3	709.41	140.23	2,372.0	#N/A	#N/A	#N/A
Mar-10	18,260	79,002	3.4	715.61	165.40	2,773.6	#N/A	#N/A	#N/A
Apr-10	17,237	78,768	3.4	717.23	156.95	2,626.0	#N/A	#N/A	#N/A
May-10	16,290	78,621	3.3	705.47	146.17	2,486.4	#N/A	#N/A	#N/A
Jun-10	17,829	78,517	3.4	704.49	159.97	2,724.9	#N/A	#N/A	#N/A
Jul-10	17,004	77,935	3.3	691.55	150.88	2,618.2	#N/A	#N/A	#N/A
Aug-10	17,379	77,841	3.3	684.26	152.77	2,679.2	#N/A	#N/A	#N/A
Sep-10	16,418	78,194	3.3	717.70	150.69	2,519.6	#N/A	#N/A	#N/A
Oct-10	17,171	78,750	3.4	729.23	159.01	2,616.5	#N/A	#N/A	#N/A
Nov-10	16,744	78,491	3.4	748.41	159.65	2,559.9	#N/A	#N/A	#N/A
Dec-10	16,843	78,478	3.4	767.88	164.80	2,575.4	2.6%	-0.5%	2.1%
Jan-11	16,608	79,072	3.3	748.77	157.27	2,520.4	10.8%	-0.8%	10.0%
Feb-11	15,397	78,992	3.4	766.84	149.47	2,339.0	8.1%	-1.4%	6.6%
Mar-11	17,813	78,947	3.3	744.49	167.98	2,707.6	4.0%	-2.4%	1.6%
Apr-11	16,199	78,608	3.3	728.23	150.07	2,472.9	1.5%	-5.8%	-4.4%
May-11	16,215	77,758	3.4	754.90	157.42	2,502.4	7.0%	0.6%	7.7%
Jun-11	16,818	77,580	3.3	722.09	156.54	2,601.4	2.5%	-4.5%	-2.1%
Jul-11	15,899	78,059	3.4	767.43	156.31	2,444.2	11.0%	-6.6%	3.6%
Aug-11	17,569	78,702	3.3	739.35	165.04	2,678.7	8.0%	0.0%	8.0%
Sep-11	15,710	78,752	3.4	755.59	150.73	2,393.9	5.3%	-5.0%	0.0%
Oct-11	17,303	80,642	3.3	755.24	162.05	2,574.8	3.6%	-1.6%	1.9%
Nov-11	17,500	80,673	3.3	782.32	169.70	2,603.1	4.5%	1.7%	6.3%
Dec-11	17,645	80,373	3.4	829.51	182.11	2,634.4	8.0%	2.3%	10.5%
Jan-12	16,876	78,439	3.5	792.13	170.42	2,581.7	5.8%	2.4%	8.4%
Feb-12	16,497	78,236	3.5	834.12	175.88	2,530.3	8.8%	8.2%	17.7%
Mar-12	17,684	77,903	3.4	821.62	186.50	2,724.0	10.4%	0.6%	11.0%
Apr-12	16,917	78,086	3.4	825.00	178.73	2,599.8	13.3%	5.1%	19.1%
May-12	17,541	78,128	3.3	811.47	182.19	2,694.3	7.5%	7.7%	15.7%
Jun-12	16,804	78,243	3.3	793.48	170.41	2,577.2	9.9%	-0.9%	8.9%
Jul-12	16,659	77,985	3.3	735.43	157.10	2,563.4	-4.2%	4.9%	0.5%
Aug-12	18,081	77,993	3.3	777.05	180.14	2,781.9	5.1%	3.9%	9.1%
Sep-12	14,915	78,320	3.3	741.31	141.17	2,285.2	-1.9%	-4.5%	-6.3%
Oct-12	18,107	79,510	3.2	731.13	166.50	2,732.8	-3.2%	6.1%	2.7%
Nov-12	16,568	79,300	3.4	845.87	176.73	2,507.2	8.1%	-3.7%	4.1%
Dec-12	15,491	79,089	3.3	805.11	157.69	2,350.4	-2.9%	-10.8%	-13.4%
Jan-13	17,535	78,821	3.2	768.29	170.92	2,669.6	-3.0%	3.4%	0.3%
Feb-13	15,714	78,785	3.3	805.22	160.60	2,393.4	-3.5%	-5.4%	-8.7%
Mar-13	17,004	78,752	3.3	815.16	176.01	2,591.1	-0.8%	-4.9%	-5.6%
Apr-13	17,317	78,467	3.3	809.34	178.62	2,648.4	-1.9%	1.9%	-0.1%
May-13	17,371	78,437	3.3	810.21	179.43	2,657.5	-0.2%	-1.4%	-1.5%

Note: Claims are paid through July 2013

Rating Method: **All Combined**  
 Family: **All Combined**  
 Claim Type: **Professional**  
 High Claims Attachment: **Excluding Carveout  
 Uncapped**

**Blue Cross and Blue Shield of Vermont  
 Claim Trend Report  
 All Members**

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Exhibit VII  
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period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	61,362	86,839	1.5	166.01	117.30	8,479.4	#N/A	#N/A	#N/A
Jan-10	55,577	79,763	1.4	156.45	109.01	8,361.3	#N/A	#N/A	#N/A
Feb-10	51,614	79,643	1.4	163.35	105.86	7,776.8	#N/A	#N/A	#N/A
Mar-10	61,061	79,002	1.4	159.97	123.64	9,274.9	#N/A	#N/A	#N/A
Apr-10	55,808	78,768	1.4	163.28	115.69	8,502.1	#N/A	#N/A	#N/A
May-10	52,995	78,621	1.4	161.01	108.53	8,088.7	#N/A	#N/A	#N/A
Jun-10	56,534	78,517	1.4	169.87	122.31	8,640.3	#N/A	#N/A	#N/A
Jul-10	52,304	77,935	1.5	166.01	111.41	8,053.5	#N/A	#N/A	#N/A
Aug-10	53,506	77,841	1.5	163.77	112.57	8,248.6	#N/A	#N/A	#N/A
Sep-10	53,454	78,194	1.5	159.69	109.16	8,203.3	#N/A	#N/A	#N/A
Oct-10	58,940	78,750	1.6	157.17	117.64	8,981.4	#N/A	#N/A	#N/A
Nov-10	57,236	78,491	1.5	161.35	117.66	8,750.5	#N/A	#N/A	#N/A
Dec-10	54,239	78,478	1.5	168.64	116.55	8,293.6	1.6%	-2.2%	-0.6%
Jan-11	55,336	79,072	1.5	165.07	115.52	8,397.8	5.5%	0.4%	6.0%
Feb-11	50,221	78,992	1.4	159.11	101.16	7,629.3	-2.6%	-1.9%	-4.4%
Mar-11	60,474	78,947	1.4	165.49	126.76	9,192.1	3.4%	-0.9%	2.5%
Apr-11	52,932	78,608	1.4	164.75	110.94	8,080.4	0.9%	-5.0%	-4.1%
May-11	54,483	77,758	1.4	165.85	116.20	8,408.1	3.0%	3.9%	7.1%
Jun-11	55,052	77,580	1.5	170.08	120.69	8,515.3	0.1%	-1.4%	-1.3%
Jul-11	49,256	78,059	1.5	172.00	108.53	7,572.1	3.6%	-6.0%	-2.6%
Aug-11	56,122	78,702	1.5	172.87	123.27	8,557.1	5.6%	3.7%	9.5%
Sep-11	52,972	78,752	1.5	164.37	110.56	8,071.7	2.9%	-1.6%	1.3%
Oct-11	60,916	80,642	1.6	157.92	119.29	9,064.7	0.5%	0.9%	1.4%
Nov-11	57,329	80,673	1.5	167.83	119.26	8,527.7	4.0%	-2.5%	1.4%
Dec-11	55,220	80,373	1.5	173.38	119.12	8,244.6	2.8%	-0.6%	2.2%
Jan-12	57,790	78,439	1.4	165.09	121.63	8,841.0	0.0%	5.3%	5.3%
Feb-12	56,193	78,236	1.4	168.87	121.29	8,619.0	6.1%	13.0%	19.9%
Mar-12	58,030	77,903	1.4	170.67	127.14	8,938.9	3.1%	-2.8%	0.3%
Apr-12	54,196	78,086	1.4	169.30	117.50	8,328.6	2.8%	3.1%	5.9%
May-12	57,119	78,128	1.4	166.81	121.96	8,773.2	0.6%	4.3%	5.0%
Jun-12	53,008	78,243	1.4	172.85	117.10	8,129.8	1.6%	-4.5%	-3.0%
Jul-12	51,258	77,985	1.5	168.35	110.65	7,887.4	-2.1%	4.2%	2.0%
Aug-12	55,741	77,993	1.5	169.06	120.82	8,576.3	-2.2%	0.2%	-2.0%
Sep-12	48,626	78,320	1.5	170.06	105.59	7,450.4	3.5%	-7.7%	-4.5%
Oct-12	63,667	79,510	1.6	163.25	130.72	9,608.8	3.4%	6.0%	9.6%
Nov-12	56,003	79,300	1.5	174.53	123.26	8,474.6	4.0%	-0.6%	3.3%
Dec-12	50,362	79,089	1.5	175.79	111.94	7,641.3	1.4%	-7.3%	-6.0%
Jan-13	61,457	78,821	1.5	171.18	133.47	9,356.4	3.7%	5.8%	9.7%
Feb-13	52,285	78,785	1.5	180.49	119.78	7,963.7	6.9%	-7.6%	-1.2%
Mar-13	55,928	78,752	1.5	179.18	127.25	8,522.1	5.0%	-4.7%	0.1%
Apr-13	57,033	78,467	1.5	178.34	129.63	8,722.2	5.3%	4.7%	10.3%
May-13	56,558	78,437	1.5	181.69	131.01	8,652.8	8.9%	-1.4%	7.4%

Note: Claims are paid through July 2013

Rating Method: All Combined  
 Family: All Combined  
 Claim Type: Other  
 High Claims Attachment: Excluding Carveout  
 Uncapped

Blue Cross and Blue Shield of Vermont  
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Exhibit VII  
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period ending	Visits	Member Months	Services per Visit	Allowed Charge per Visit	Pure Premium PMPM	Visits per 1,000 Members	Annual Cost Trend	Annual Utilization Trend	Pure Premium Trend
Dec-09	9,935	86,839	1.9	142.61	16.32	1,372.9	#N/A	#N/A	#N/A
Jan-10	8,783	79,763	1.8	130.17	14.33	1,321.4	#N/A	#N/A	#N/A
Feb-10	8,621	79,643	1.9	136.87	14.82	1,298.9	#N/A	#N/A	#N/A
Mar-10	10,191	79,002	1.9	125.62	16.20	1,548.0	#N/A	#N/A	#N/A
Apr-10	9,362	78,768	1.8	135.05	16.05	1,426.3	#N/A	#N/A	#N/A
May-10	8,944	78,621	1.8	133.00	15.13	1,365.1	#N/A	#N/A	#N/A
Jun-10	9,794	78,517	1.9	135.49	16.90	1,496.8	#N/A	#N/A	#N/A
Jul-10	9,090	77,935	1.9	155.06	18.09	1,399.6	#N/A	#N/A	#N/A
Aug-10	8,891	77,841	1.9	146.66	16.75	1,370.7	#N/A	#N/A	#N/A
Sep-10	8,593	78,194	1.9	150.17	16.50	1,318.8	#N/A	#N/A	#N/A
Oct-10	8,496	78,750	1.9	143.33	15.46	1,294.6	#N/A	#N/A	#N/A
Nov-10	8,691	78,491	1.9	145.79	16.14	1,328.7	#N/A	#N/A	#N/A
Dec-10	8,828	78,478	1.9	153.17	17.23	1,349.9	7.4%	-1.7%	5.6%
Jan-11	9,400	79,072	1.8	135.69	16.13	1,426.5	4.2%	8.0%	12.5%
Feb-11	8,577	78,992	1.9	143.77	15.61	1,303.0	5.0%	0.3%	5.4%
Mar-11	10,187	78,947	1.8	136.21	17.58	1,548.4	8.4%	0.0%	8.5%
Apr-11	9,430	78,608	1.9	136.75	16.40	1,439.5	1.3%	0.9%	2.2%
May-11	9,513	77,758	1.8	150.07	18.36	1,468.1	12.8%	7.5%	21.3%
Jun-11	9,507	77,580	1.8	153.18	18.77	1,470.6	13.1%	-1.8%	11.1%
Jul-11	8,532	78,059	1.8	154.57	16.90	1,311.7	-0.3%	-6.3%	-6.6%
Aug-11	9,527	78,702	1.8	145.11	17.57	1,452.6	-1.1%	6.0%	4.9%
Sep-11	8,806	78,752	1.8	146.64	16.40	1,341.9	-2.3%	1.8%	-0.6%
Oct-11	9,180	80,642	1.9	153.19	17.44	1,366.1	6.9%	5.5%	12.8%
Nov-11	8,934	80,673	1.9	163.43	18.10	1,328.9	12.1%	0.0%	12.1%
Dec-11	9,191	80,373	1.9	147.74	16.89	1,372.3	-3.5%	1.7%	-1.9%
Jan-12	9,518	78,439	1.8	138.65	16.82	1,456.1	2.2%	2.1%	4.3%
Feb-12	9,447	78,236	1.7	148.14	17.89	1,449.0	3.0%	11.2%	14.6%
Mar-12	9,852	77,903	1.7	151.40	19.15	1,517.6	11.2%	-2.0%	8.9%
Apr-12	9,405	78,086	1.8	155.45	18.72	1,445.3	13.7%	0.4%	14.1%
May-12	9,751	78,128	1.7	155.69	19.43	1,497.7	3.7%	2.0%	5.8%
Jun-12	9,240	78,243	1.7	153.22	18.09	1,417.1	0.0%	-3.6%	-3.6%
Jul-12	8,556	77,985	1.7	145.92	16.01	1,316.6	-5.6%	0.4%	-5.2%
Aug-12	9,271	77,993	1.7	153.20	18.21	1,426.4	5.6%	-1.8%	3.7%
Sep-12	7,771	78,320	1.7	155.02	15.38	1,190.7	5.7%	-11.3%	-6.2%
Oct-12	9,259	79,510	1.7	145.27	16.92	1,397.4	-5.2%	2.3%	-3.0%
Nov-12	8,339	79,300	1.7	143.94	15.14	1,261.9	-11.9%	-5.0%	-16.4%
Dec-12	7,924	79,089	1.8	172.10	17.24	1,202.4	16.5%	-12.4%	2.1%
Jan-13	9,546	78,821	1.8	140.59	17.03	1,453.3	1.4%	-0.2%	1.2%
Feb-13	8,818	78,785	1.7	141.03	15.78	1,343.0	-4.8%	-7.3%	-11.8%
Mar-13	9,163	78,752	1.7	136.15	15.84	1,396.2	-10.1%	-8.0%	-17.3%
Apr-13	9,552	78,467	1.7	160.68	19.56	1,460.8	3.4%	1.1%	4.5%
May-13	9,477	78,437	1.7	152.76	18.46	1,449.9	-1.9%	-3.2%	-5.0%

Note: Claims are paid through July 2013

Rating Method: All Combined  
 Family: All Combined  
 Claim Type: All Medical Claim Types  
 Excluding Carveout  
 Uncapped  
 High Claims Attachment:

Blue Cross and Blue Shield of Vermont  
 Claim Trend Report  
 All Members

MONTHLY

Exhibit VII  
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period ending	Allowed Charge	Completion Factor	Completed Allowed Charge	Member Months	Pure Premium PMPM	Pure Premium Trend
Dec-09	31,074,712	1.000	31,074,712	86,839	357.84	#N/A
Jan-10	25,947,863	1.000	25,947,863	79,763	325.31	#N/A
Feb-10	26,617,329	1.000	26,617,329	79,643	334.21	#N/A
Mar-10	30,555,635	1.000	30,555,635	79,002	386.77	#N/A
Apr-10	28,280,450	1.000	28,280,450	78,768	359.03	#N/A
May-10	27,009,649	1.000	27,009,649	78,621	343.54	#N/A
Jun-10	29,810,014	1.000	29,810,014	78,517	379.66	#N/A
Jul-10	28,336,623	1.000	28,336,623	77,935	363.59	#N/A
Aug-10	27,112,688	1.000	27,112,892	77,841	348.31	#N/A
Sep-10	27,876,272	1.000	27,876,709	78,194	356.51	#N/A
Oct-10	29,473,443	1.000	29,473,606	78,750	374.27	#N/A
Nov-10	29,618,707	1.000	29,618,707	78,491	377.35	#N/A
Dec-10	29,085,321	1.000	29,085,321	78,478	370.62	3.6%
Jan-11	28,053,300	1.000	28,053,300	79,072	354.78	9.1%
Feb-11	25,352,370	1.000	25,352,370	78,992	320.95	-4.0%
Mar-11	32,247,378	1.000	32,247,378	78,947	408.47	5.6%
Apr-11	27,422,780	1.000	27,422,780	78,608	348.85	-2.8%
May-11	28,496,820	1.000	28,496,820	77,758	366.48	6.7%
Jun-11	28,873,683	1.000	28,874,064	77,580	372.18	-2.0%
Jul-11	26,945,681	1.000	26,946,201	78,059	345.20	-5.1%
Aug-11	31,049,216	1.000	31,050,410	78,702	394.53	13.3%
Sep-11	27,819,655	1.000	27,819,989	78,752	353.26	-0.9%
Oct-11	29,845,904	1.000	29,852,255	80,642	370.18	-1.1%
Nov-11	30,873,338	1.000	30,882,729	80,673	382.81	1.4%
Dec-11	31,798,302	1.000	31,808,264	80,373	395.76	6.8%
Jan-12	30,710,950	1.000	30,720,209	78,439	391.64	10.4%
Feb-12	31,115,091	1.000	31,125,499	78,236	397.84	24.0%
Mar-12	31,992,923	1.000	32,006,900	77,903	410.86	0.6%
Apr-12	30,057,198	0.999	30,075,347	78,086	385.16	10.4%
May-12	31,181,499	1.000	31,196,858	78,128	399.30	9.0%
Jun-12	29,999,745	1.000	30,014,731	78,243	383.61	3.1%
Jul-12	27,861,304	0.999	27,877,358	77,985	357.47	3.6%
Aug-12	30,294,072	0.999	30,313,884	77,993	388.67	-1.5%
Sep-12	26,295,004	0.998	26,338,011	78,320	336.29	-4.8%
Oct-12	32,626,040	0.998	32,682,562	79,510	411.05	11.0%
Nov-12	31,742,772	0.998	31,809,500	79,300	401.13	4.8%
Dec-12	28,666,257	0.997	28,745,197	79,089	363.45	-8.2%
Jan-13	33,489,453	0.996	33,615,449	78,821	426.48	8.9%
Feb-13	29,702,096	0.993	29,905,885	78,785	379.59	-4.6%
Mar-13	32,816,157	0.989	33,170,817	78,752	421.21	2.5%
Apr-13	32,051,974	0.981	32,673,319	78,467	416.40	8.1%
May-13	32,323,047	0.965	33,489,088	78,437	426.96	6.9%

Note: Claims are paid through July 2013

## **Plain Language Summary**

### **First - Second Quarter 2014 BCBSVT Trend Filing**

- Blue Cross Blue Shield of Vermont (BCBSVT) is a Vermont company that exists to provide health benefits and financing to Vermonters.
- BCBSVT is proposing allowed uncapped trends of 3.9 percent for medical and 7.2 percent for drug.
- There are an estimated 14,456 contracts (31,159 members) currently enrolled in a BCBSVT large group plan, who are expected to renew during the first and second quarters of 2014.

For the medical trend, statistical analyses of claims incurred by BCBSVT members during the period of January 2009 through May 2013 were used to develop the proposed 3.9 percent. For the pharmacy trend, pharmacy claims for the large group membership of both BCBSVT and The Vermont Health Plan (TVHP) during the period of January 2010 through June 2013 were used to develop the proposed 7.2 percent.

Benefit leveraged trends are developed using the following process:

- Allowed charges (i.e. total claim amount before cost sharing) are used to eliminate the effect of benefit changes.
- Charge amounts in excess of \$200,000 for any member for any 12 month period are removed to minimize distortion from unusually large claims.
- Projected trends for capped allowed charges are then set.
- Projected trends for uncapped allowed charges are calculated from the capped allowed charge trends, using insurance industry data.
- Benefit leveraged trends are then developed, and are based on the following characteristics of benefit plans:
  - product type (medical, drug, or combined, e.g. Consumer Driven Health Plans, CDHP's)
  - deductible or copay level
  - coinsurance