

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross Blue Shield of Vermont )  
Association Health Plan Filing ) GMCB-004-19rr  
)

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

1. You state that underwriting and/or management discretion can be used to modify a rate. BCBSVT AHP Actuarial Mem., 5. Are there written guidelines for when and how underwriting and/or management discretion is applied to modify a rate for this book of business?
2. If there are written guidelines for when and how underwriting and/or management discretion is applied to modify a rate for this book of business, please provide any written guidelines related to the exercise of underwriting and/or management discretion to modify a rate for this book of business.
3. Please provide the percentage of administrative costs that are fixed and variable for this book of business.
4. Please expand on your decision to use a 3.5% utilization trend for this book of business when certain measures suggest a much higher utilization trend.
5. Are there quantitative data that support the proposition that BCBSVT “believes [that] certain BCBSVT programs will be effective at mitigating high professional trends”? BCBSVT AHP Actuarial Mem., 8.
  - a. If yes, please provide such data sources and values.
6. You state, “The components of increasing utilization trend have been corroborated by our Chief Medical Officer.” 2019 BCBSVT AHP Actuarial Mem., 8. Please provide:
  - a. A detailed description of how your Chief Medical Officer corroborated the increasing utilization;
  - b. A listing of all data sources and values, if any, your Chief Medical Officer used to corroborate the increasing utilization.
7. For this book of business, you propose a single manual rate based on small group experience. 2019 BCBSVT AHP Actuarial Mem., 21. For your large group book of business, you propose two manual rates, one of which is for Medicare Primary members. 2019 BCBSVT and TVHP Actuarial Mem., 29-30. Please provide a qualitative explanation of the reason for using a single manual rate for this book of business unlike for your pending filing for your large group book of business.

Dated at Montpelier, Vermont this 25th day of March, 2019.

s/ Kaili Kuiper

Kaili Kuiper, Esq.  
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s/ Eric Schultheis

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### **CERTIFICATE OF SERVICE**

I, Eric Schultheis, hereby certify that I have served the above Questions for Blue Cross Blue Shield of Vermont on Amerin Aborjaily, Green Mountain Care Board Staff Attorney; Thomas Crompton, Green Mountain Care Board Health Systems Finance Associate Director; Christina McLaughlin, Health Policy Analyst; and Rebecca Heintz, representative of BCBSVT in the above-captioned matter, by electronic mail, return receipt requested, this 25th day of March, 2019.

s/ Eric Schultheis\_\_\_\_\_

Eric Schultheis, Ph.D. Esq.  
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