

Objection 1

Comment:

How do the provider rates compare to hospital budgets?

Response:

The Green Mountain Care Board (GMCB) established a maximum growth target of 3.5% for hospitals Net Patient Revenue and Fixed Prospective payments for FY 2020.

Cigna's submitted Vermont In-Network pricing trend is 4.1% for 2020/2019. This includes the impact of Other Medical Services (OMS) that consist of durable medical equipment and home health care services. We believe that OMS should be excluded when comparing our trend to the GMCB hospital growth target.

Vermont In-Network Trend		
2020	Weight	Unit
Inpatient	18.4%	4.4%
Outpatient	42.1%	4.0%
Professional	21.2%	1.2%
OMS	18.3%	7.2%
Weighted Total	100.0%	4.1%

After excluding OMS, Cigna's Vermont In-Network IPOPPR pricing trend for 2020 is forecasted at 3.4%, similar to the 3.5% target set by the GMCB.

Vermont In-Network Trend		
2020	Weight	Unit
Inpatient	22.6%	4.4%
Outpatient	51.5%	4.0%
Professional	25.9%	1.2%
Weighted Total	100.0%	3.4%