

## Objection 1

### Comment:

The following report shows an approved hospital budget increase of 3.1% for 2020: <https://gmcboard.vermont.gov/sites/gmcb/files/documents/FY20%20Summary%20of%20Budget%20Submissions%20and%20Approvals.pdf>. Please reconcile this approved budget increase to the trend and/or the 3.5% referenced in the response to the previous objection.

### Response:

As a commercial only insurer in the state of Vermont Cigna would expect to reconcile to the commercial approved trend which was slightly higher than the approved hospital budget increase of 3.1%. The 3.5% value from our prior objection was an error and should have been stated as 3.76% as shown in the table below.

	Gross Revenue (Projections)	GMCB Rate Increase (commercial)	GMCB Rate Increase (all)
Brattleboro Memorial Hospital	\$ 83,344,044	3.4%	3.4%
Central Vermont Medical Center	\$ 205,689,884	5.9%	3.0%
Copley Hospital	\$ 68,344,899	9.8%	9.8%
Gifford Memorial Hospital	\$ 51,250,800	5.0%	5.0%
Grace Cottage Hospital	\$ 18,665,293	3.2%	3.2%
Mt. Ascutney Hospital	\$ 51,639,251	3.2%	3.2%
North Country Hospital	\$ 81,331,408	4.2%	4.2%
Northeastern Vermont Regional Hospital	\$ 84,478,242	3.0%	3.0%
Northwestern Medical Center	\$ 108,246,154	5.9%	5.9%
Porter Medical Center	\$ 83,827,507	2.6%	0.0%
Rutland Regional Medical Center	\$ 259,079,184	2.7%	2.7%
Southwestern Vermont Medical Center	\$ 164,909,631	2.8%	2.8%
Springfield Hospital	\$ 48,575,772	0.0%	0.0%
University of Vermont Medical Center	\$ 1,297,458,297	3.5%	3.0%
<b>Totals (revenue weighted)</b>	<b>\$ 2,606,840,366</b>	<b>3.76%</b>	<b>3.19%</b>

Cigna's Vermont In-Network pricing trend for 2020 is forecasted at 3.4% suggesting our contracting team was able to secure slightly more favorable rates than those approved 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%
<b>Weighted Total</b>	<b>100.0%</b>	<b>3.4%</b>