



June 26, 2020

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

Re: Blue Cross and Blue Shield of Vermont  
2021 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-132371410

Dear Jude Daye:

Thank you for your responses. We request the following further information.

Questions:

1. According to the actuarial memorandum, BCBSVT is only required to pay claims for the members with past-due premiums during the 30-day grace period. Are there claims being paid past this required point? If so, why?
2. If claims are not being paid past the 30-day grace period, explain why the premiums that would be payable for those members are being treated as bad debt.
3. Does the reported base period enrollment and/or claims include members who had outstanding premiums past the 30-day grace period, who did not eventually return to premium-paying status?
4. The memorandum states that debit/credit card fees will amount to 2.3% of premiums paid by card. Given that the fee is projected to be 0.4715% of total premium, this would imply that 20% of members will pay using debit or credit cards. However, the URRT shows that 80% of members are projected to enroll through VHC. Please clarify whether this means BCBSVT anticipates paying credit card fees for on-exchange members, and demonstrate the calculation of the 0.4715% assumption
5. Explain the discrepancy between the taxes and fees shown in Exhibit 7C and those shown on WS2 of the URRT..

Please be aware that we expect to have further questions regarding the filing as the review continues.

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but

no later than June 30, 2020. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,

Kevin Ruggeberg, ASA, MAAA  
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