Filing at a Glance

Company:	BCBSVT
Product Name:	BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
State:	VermontGMCB
TOI:	H16G Group Health - Major Medical
Sub-TOI:	H16G.003G Small Group Only - Other
Filing Type:	GMCB Rate
Date Submitted:	05/07/2021
SERFF Tr Num:	BCVT-132829562
SERFF Status:	Closed-Approved
State Tr Num:	
State Status:	
Co Tr Num:	
Effective Date Requested:	On Approval
Author(s):	Jude Daye, Martine Brisson-Lemieux, Andrew Proulx, Matthew Goodrich
Reviewer(s):	Thomas Crompton (primary), David Dillon, Jacqueline Lee, Christina McLaughlin, Michael Barber, Laura Beliveau
Disposition Date:	08/06/2021
Disposition Status:	Approved
Effective Date:	01/01/2022

State Filing Description:

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer
Filing Status Changed: 08/17/2021
State Status Changed:
Created By: Jude Daye
Corresponding Filing Tracking Number:

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small
Overall Rate Impact:

Deemer Date:
Submitted By: Jude Daye

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Exchange Intentions: To be sold directly to consumers effective 01/01/2022.

Filing Description:

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

May 7, 2021

Thomas Crompton
Health Systems Finance Associate Director
Green Mountain Care Board
144 State Street
Montpelier, Vermont 05620

Subject: Blue Cross and Blue Shield of Vermont - NAIC # 53295
2022 Vermont ACA Market – Small Group Rate Filing

Dear Mr. Crompton:

Attached for the Green Mountain Care Board's review and approval is Blue Cross and Blue Shield of Vermont's 2022 Vermont ACA Market – Small Group Rate Filing.

The average rate change is a decrease of 7.8 percent.

Rate changes for specific plans range from -19.8 percent to -7.0 percent. Apart from the On-Exchange silver plans, the rate changes range from -9.5 percent to -7.0 percent.

Please let me know if we can answer any questions or provide further information during your review.

Sincerely,

Ruth Greene

cc: Michael Barber/GMCB
Laura Beliveau/GMCB
Christina McLaughlin/GMCB
Paul Schultz/BCBSVT
Martine Lemieux/BCBSVT
Michael Donofrio/Stris&Maher
Bridget Asay/Stris&Maher

Company and Contact

Filing Contact Information

Jude Daye, Executive Assistant dayej@bcbsvt.com
445 Industrial Lane 802-371-3244 [Phone]
Montpelier, VT 05601

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Filing Company Information

BCBSVT	CoCode: 53295	State of Domicile: Vermont
PO BOX 186	Group Code:	Company Type: Hospital Service Corp
Montpelier, VT 05601	Group Name:	
(802) 371-3450 ext. [Phone]	FEIN Number: 03-0277307	State ID Number:

Filing Fees

State Fees

Fee Required?	Yes
Fee Amount:	$150.00
Retaliatory?	No
Fee Explanation:	

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Thomas Crompton	08/17/2021	08/17/2021

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Response	Jacqueline Lee	07/15/2021	07/15/2021
Pending Response	Jacqueline Lee	06/21/2021	06/21/2021
Pending Response	Jacqueline Lee	06/19/2021	06/19/2021
Pending Response	Jacqueline Lee	06/08/2021	06/08/2021
Pending Response	Thomas Crompton	06/07/2021	06/07/2021
Pending Response	Jacqueline Lee	05/24/2021	05/24/2021
Pending Response	Jacqueline Lee	05/10/2021	05/10/2021

Response Letters

Responded By	Created On	Date Submitted
Martine Brisson-Lemieux	07/16/2021	07/16/2021
Martine Brisson-Lemieux	06/21/2021	06/21/2021
Martine Brisson-Lemieux	06/25/2021	06/25/2021
Martine Brisson-Lemieux	06/15/2021	06/15/2021
Martine Brisson-Lemieux	06/28/2021	06/28/2021
Martine Brisson-Lemieux	06/01/2021	06/01/2021
Martine Brisson-Lemieux	05/13/2021	05/13/2021

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Blue Cross 2022 ACA Market Rate Filing – Small Group – Amended per GMCB Order	Martine Brisson-Lemieux	08/13/2021	08/13/2021

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Original RRT and RRD	Reviewer Note	Thomas Crompton	08/17/2021	

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Disposition

Disposition Date: 08/06/2021
Effective Date: 01/01/2022
Status: Approved

HHS Status: HHS Approved
State Review: Reviewed by Actuary

Comment: This filing is approved per GMCB Board Order, GMCB-006-21rr dated 08/05/21.

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
BCBSVT	Decrease	-6.686%	-6.868%	$-9,805,546	10,781	$146,659,671	-6.070%	-18.652%

Percent Change Approved:
Minimum: -18.652%
Maximum: -6.070%
Weighted Average: -6.868%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Actuarial Memorandum		No
Supporting Document	Actuarial Memorandum and Certifications		No
Supporting Document	Civil Union Rating Requirements		No
Supporting Document	Consumer Disclosure Form		No
Supporting Document	Filing Compliance Certification		No
Supporting Document	Third Party Filing Authorization		No
Supporting Document	Unified Rate Review Template		No
Supporting Document	Actuarial Memo Dataset		No
Supporting Document	Attachments		No
Supporting Document	Rate Tables		No
Supporting Document	Plain Language Summary		No

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Exhibits		No
Supporting Document	Cover Letter		No
Supporting Document	Addendum A		No
Supporting Document	Response to Blue Cross 2022 ACA Filings Inquiry 2 - 05.24.2021		No
Supporting Document	Response to Blue Cross 2022 ACA Filings Inquiry 3 - 06.08.2021		No
Supporting Document	Response to Blue Cross 2022 ACA Filings Inquiry 4 - 06.21.2021		No
Supporting Document	Response to Blue Cross 2022 ACA Filings HCA Inquiry - 06.19.2021		No
Supporting Document	Response to Blue Cross 2022 ACA Filings GMCB Inquiry - 06.07.2021		No
Supporting Document	Response to Blue Cross 2022 ACA Filings Inquiry 5 – 07.15.2021		No
Supporting Document	Blue Cross 2022 ACA Market Rate Filing – Small Group – Amended per GMCB Order		No

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	07/15/2021
Submitted Date	07/15/2021
Respond By Date	07/16/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

July 15, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

Thank you for your response to our previous letter. We request the following information:

Questions:

1. Using the FY2022 budget submission narratives posted on the GMCB website (https://gmcboard.vermont.gov/hospital_budget_individual_information_FY2022), please disclose the impact to the rates if the unit cost trend was set equal to the budget increases submitted and provide quantitative support for the impact.

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 July 16, 2021.

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

Sincerely,

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	06/21/2021
Submitted Date	06/21/2021
Respond By Date	06/24/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

June 21, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

Thank you for your response to our previous letter. We request the following information:

Questions:

1. Your June 15, 2021 response letter referenced an attached document regarding updated COVID modeling that does not appear to have been included in your response. Please provide that document.

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 24, 2021.

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

Sincerely,

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	06/19/2021
Submitted Date	06/19/2021
Respond By Date	06/25/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

June 19, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

Thank you for your response to our previous letter. We request the following information on behalf of the Office of the Health Care Advocate.

Questions:

1. Provide the 2020 and projected 2021 claims data requested by the Office of the Health Care Advocate in question #1 of the proposed questions it submitted to the Board on June 7, 2021 and explain how these data compare to the projections BCBSVT provided the Board in connection with last year's individual and small group rate filing. In responding to this question, BCBSVT need not reproduce Appendix D of its COVID-19 Modeling Addendum.
2. Quantify the impact of BCBSVT's actual 2020 experience and current projection of 2021 experience on BCBSVT's RBC position and demonstrate how these actual and projected RBC impacts compare to the modeling that BCBSVT provided the Board in connection with last year's individual and small group rate filing on page 13 of its COVID Modeling Addendum.
3. What was BCBSVT's total written premium in the Vermont individual and small group market (ACA Market) for 2020?
4. On BCBSVT's total surplus, how much investment income did BCBSVT earn in 2020?
5. Quantify the proportion of BCBSVT's 2020 investment income allocable to ACA business in the same manner that BCBSVT used to calculate the target contribution to reserve described in Attachment C of the filings. Describe the allocation methodology used.
6. Provide the numbers and percentages of cases of COVID-19 that BCBSVT has had to date and the costs of these cases for the plans covered by these filings.
7. In BCBSVT's 2022 VT Health Connect Actuarial Memorandum at page 6, BCBSVT provides a table that lists its 2020 actual contribution to reserve as 5.2%. Explain how this 5.2% was calculated.

8. The table referenced in the preceding question also sets forth 2020 operating gains of $15,912,962 for the Vermont ACA market. What contribution to reserve would have produced an operating gain of $5 million? Of $3 million? Of $1 million?
9. Provide the cost accounting exercise that BCBSVT references at page 47 of its actuarial memorandum.

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 25, 2021.

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

Sincerely,

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	06/08/2021
Submitted Date	06/08/2021
Respond By Date	06/15/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

June 8, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

Thank you for your response to our previous letter. We request the following information:

Questions:

1. L&E has used the RATEE reports from both VT carriers to calculate that the actual 2020 risk transfer will be $21,188,025 in the non-catastrophic market. Based on this information, please provide an updated Exhibit 4 and quantify the overall rate impact.

2. We see from the actuarial memorandum that no reduction to market morbidity was assumed in relation to the American Rescue Plan Act. While we recognize that these new members will be making anti-selective decisions, they are by definition the population who chose not to elect coverage under the pre-existing subsidies that generated the 2020 market. Therefore, it would seem they will be almost guaranteed to be healthier than the average enrollee in the 2020 experience. Provide further explanation for why no adjustment is being made.

3. How are telehealth services anticipated to impact the utilization and average cost of physician services in 2022 relative to pre-COVID levels?

4. Explain the increases to Item 3.3 of URRT Worksheet 2, reflecting AV and Cost Sharing Design. For example, the value for the platinum appears to have increased from about 1.09 in last year's URRT to an average of about 1.12 between this year's Individual and Small Group URRT.

5. The selected non-specialty Rx utilization trend of 3.0% per year is higher than the year-over-year increase from any of the last three years. The regression results therefore appear to be heavily influenced by the outlier costs in late 2020 and in 1Q 2018 and 2019. Address the concern that the chosen trend factor appears to capture seasonality in addition to long-term trends.

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 15, 2021.

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

Sincerely,

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	06/07/2021
Submitted Date	06/07/2021
Respond By Date	06/25/2021

Dear Jude Daye,

Introduction:

Please see objection letter attached.

Conclusion:

Sincerely,
Thomas Crompton

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross and Blue Shield of Vermont 2022 Individual Market Rate Filing	))))	GMCB-005-21rr SERFF No. BCVT-132829271
In re: Blue Cross and Blue Shield of Vermont 2022 Small Group Market Rate Filing	))))	GMCB-006-21rr SERFF No.: BCVT-132829562

June 7, 2021 Board Questions to Blue Cross Blue Shield of Vermont

Dear Mr. Donofrio and Ms. Asay,

Pursuant to its authority under 8 V.S.A § 4062 and 18 V.S.A. § 9375(b)(6), the Green Mountain Care Board requests that Blue Cross and Blue Shield of Vermont (BCBSVT) provide the following information to assist with the Board's review of the above-referenced filings. Please provide the requested information no later than Friday, June 25, except please respond to request #13 no later than Friday, June 11, 2021.

1. For each filing, specify the percentage of the proposed premium (not premium increase) and the projected PMPM claims expenditures associated with spending at hospitals under the budget review jurisdiction of the Green Mountain Care Board, broken down by inpatient, outpatient, and physician services.

2. Explain how BCBSVT expects the Transparency in Coverage final rule and the Hospital Price Transparency final rule to impact insurer/provider contracting, if at all.

3. For the most recent year for which data are available, specify the percentages of payments made by BCBSVT under each APM category below across its individual and small group plans. The categories below are described in more detail in the Health Care Payment Learning & Action Network's Alternative Payment Model Framework Final White Paper dated January 12, 2016, available at https://hcp-lan.org/workproducts/apm-whitepaper.pdf and are the subject of issuer reporting in the QIS Implementation Plan and Progress Report Form, OMB 0938-1286.

   Category 1 – Fee for Service – No Link to Quality & Value _____%

   Category 2 – Fee for Service – Link to Quality & Value _____%

   Category 3 – APMs Built on Fee for Service Architecture

- **APMs with Upside Gainsharing** _____%
- **APMs with Upside Gainsharing/Downside Risk** _____%

Category 4 – Population-based Payment

- **Condition-Specific Population-Based Payment** _____%
- **Comprehensive Population-Based Payment** _____%

4. Describe in detail BCBSVT's efforts and plans to increase the use of higher-value payment approaches and its efforts and plans to implement fixed prospective payments within its ACO program in Vermont.

5. Explain how BCBSVT defines and measures low value care and whether has it has estimated the amount of low value care provided in Vermont.

6. Provide an update on CivicaRX and the timing of its introduction of generic drugs into the market. Explain whether the filing contains any assumptions related to CivicaRX.

7. Explain whether the filing contains any assumptions related to the impact of ambulatory surgery centers and, if it does, describe in detail what those assumptions are and how they were calculated.

8. Specify the number of members directly enrolled in BCBSVT plans and describe in detail the efforts BCBSVT has made to date and will make prior to open enrollment to inform these individuals of the subsidies that may be available to them if they purchase a qualified health plan through Vermont Health Connect.

    a. At the hearing, please be prepared to explain how many directly enrolled members have enrolled through Vermont Health Connect for the 2021 plan year.

9. Provide support for BCBSVT's assumption that approximately 13.2% of households enrolled through Vermont Health Connect paid their premium by credit or debit card and explain whether the information BCBSVT received from Vermont Health Connect was broken down by carrier.

10. Explain whether there are any national benchmarks relating to recoveries from carrier fraud, waste, and abuse programs and how BCBSVT monitors or evaluates the effectiveness of its fraud, waste, and abuse program.

11. Page 50 of the actuarial memorandum contains a reconciliation of SHCE and GAAP accounting for 2020. Please provide the same information for 2018 and 2019.

12. In Section 2.1 of the actuarial memorandum, BCBSVT notes that its provider network includes "over 96 percent of the providers in Vermont." Describe what characterizes the 4% of providers not included in BCBSVT's provider network.

13. The Board is working to better understand the variability in reimbursements paid to hospitals. How long would it take BCBSVT to calculate the following and does it have any alternative approaches that could be done sooner?

    For each Vermont general/community hospital and for Dartmouth-Hitchcock, the ratio of BCBSVT's inpatient reimbursement to Medicare's inpatient reimbursement, standardized by MS-DRG relative weights, and the ratio of BCBSVT's outpatient reimbursement to Medicare's outpatient reimbursement, standardized by APC relative weights.

Sincerely,

Michael Barber
General Counsel
Green Mountain Care Board

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	05/24/2021
Submitted Date	05/24/2021
Respond By Date	06/01/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

May 24, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

Thank you for your response to our previous letter. We request the following information:

Questions:

1. In the Individual filing, Exhibit 9A, the Average members per Subscriber is shown as 1.5046. However, that exhibits shows a total of 15,878 members and 10,648 subscribers, for a ratio of 1.4912. Similarly, we cannot replicate the average tier factor. The impact appears to be that the Single Conversion Factor appears to be overstated by approximately 0.15%. Please confirm.
2. The memorandum states that the total allowed pharmacy trend in Exhibit 3I is 8.4%. However, Exhibit 3I seems to show this value as 11.1% (including contract changes). Please reconcile this apparent discrepancy.
3. Reconcile the base period claims, trend factors, and "Other" factors between Exhibit 5 and the URRT.
4. Wakely recently released a small change to the Standard Bronze CDHP plan. Please provide a revised copy of Exhibit 9B reflecting the anticipated premiums including this change to benefits.
5. Provide actual-to-expected Rx trend results from 2016-2020.
6. How has COVID-19 affected non-benefit costs (expenses such as overhead, travel, claims adjudication, profit, etc.)

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 May 31, 2021. 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, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	05/10/2021
Submitted Date	05/10/2021
Respond By Date	05/17/2021

Dear Jude Daye,

Introduction:

Please see the attached letter.

Conclusion:

Sincerely,
Jacqueline Lee

LEWIS & ELLIS
Actuaries and Consultants
700 Central Expressway South
Suite 550
Allen, TX 75013
972-850-0850
lewisellis.com

May 10, 2021

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
2022 Vermont Individual and Small Group Rate Filings
SERFF Tracking #: BCVT-132829562 and BCVT-132829271

Dear Jude Daye:

We have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced group products filing submitted on 5/7/2021. The following additional information is required for this filing.

Questions:

1. Please provide the RATEE report from CMS.

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 May 17, 2021. 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, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.
KRuggeberg@lewisellis.com
(972)850-0850

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/16/2021
Submitted Date	07/16/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Response to Blue Cross 2022 ACA Filings Inquiry 5 07.15.2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 5 07.15.2021
Comments:	
Attachment(s):	Responses to Blue Cross 2022 ACA Filings Inquiry 5 - REDACTED.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/21/2021
Submitted Date	06/21/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached our responses to the Blue Cross 2022 ACA Market rate filings Inquiries dated June 21, 2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 4 - 06.21.2021
Comments:	
Attachment(s):	Responses to Blue Cross 2022 ACA Filings Inquiry 4.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/25/2021
Submitted Date	06/25/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached our responses to the Blue Cross 2022 ACA Market rate filings Inquiries dated June 19, 2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings HCA Inquiry - 06.19.2021
Comments:	
Attachment(s):	Responses to Blue Cross 2022 ACA Filings HCA Inquiry.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/15/2021
Submitted Date	06/15/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached our responses to the Blue Cross 2022 ACA Market rate filings Inquiries dated June 8, 2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 3 - 06.08.2021
Comments:	
Attachment(s):	Responses to BCBSVT 2022 ACA Filings Inquiry 3.pdf Response to Blue Cross 2022 ACA Filings Inquiry 3.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/28/2021
Submitted Date	06/28/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached our responses to the Blue Cross 2022 ACA Market rate filings Inquiries dated June 7, 2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings GMCB Inquiry - 06.07.2021
Comments:	
Attachment(s):	2021 06 25 Blue Cross Responses June 7 Questions REDACTED FIN_Redacted.cleaned.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/01/2021
Submitted Date	06/01/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

Please find attached our responses to the Blue Cross 2022 ACA Market rate filings Inquiries dated May 24, 2021

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 2 - 05.24.2021
Comments:	
Attachment(s):	Blue Cross Responses to 2022 ACA Filings Inquiry 2.pdf Responses to BCBSVT 2022 ACA Filings Inquiry 2.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/13/2021
Submitted Date	05/13/2021

Dear Thomas Crompton,

Introduction:

Response 1

Comments:

This question involves confidential and proprietary information. BCBSVTs response will be provided under separate cover.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Martine Brisson-Lemieux

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Amendment Letter

Submitted Date: 08/13/2021

Comments:

Attached are update filing documents with changes per the GMCB Order dated August 5, 2021.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Blue Cross 2022 ACA Market Rate Filing Small Group Amended per GMCB Order
Comments:	
Attachment(s):	PY2022RateTables_BCBSVT_13627_SmallGroup_GMCBOrder.xls PY2022RateTables_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.pdf RateTable_2022BCBSVT_SmallGroup_GMCBOrder.xml Blue Cross 2022 ACA Market Rate Filing - Amended per GMCB Order_ Cover Letter.pdf REDACTED Blue Cross - 2022 ACA Market Small Group Rate Filing Exhibits - Amended per GMCB ORDER.pdf URRT v5.3_0_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.xlsm URRT_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.pdf UnifiedRateReviewSubmission_2022BCBSVT_SmallGroup_GMCBOrder_20210811204929.xml

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Reviewer Note

Created By:

Thomas Crompton on 08/17/2021 10:59 AM

Subject:

Original RRT and RRD

Comments:

Original RRT and RRD (as proposed)

Filing Method:	Experience Rated
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	4.160 %
Effective Date of Last Rate Revision:	01/01/2021
Filing Method of Last Filing:	Experience Rated
SERFF Tracking Number of Last Filing:	BCVT-132371410

Company Rate Information

Company Name:	Company Rate Change? *	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
BCBSVT	Decrease	-7.784 %	-7.784 %	($11,415,605.00)	10,781	$146,659,671.00	-6.973 %	-19.815 %

View Rate Review Detail

Company Name: BCBSVT
HHS Issuer ID: * 13627
PRODUCTS: *

Product Name (Max 50 characters.) *	HIOS Product ID	HIOS Submission ID	Number of Covered Lives *
BCBSVT EPO (Small Group)	13627VT032		10616
BCBSVT EPO CDHP (Small Group)	13627VT033		2155
BCBSVT EPO Vermont Preferred (Small Group)	13627VT036		1273
BCBSVT EPO Vermont Select CDHP (Small Group)	13627VT037		4711

Trend Factors:

FORMS: *

New Policy Forms: N/A
Affected Forms for Closed Blocks: N/A
Other Affected Forms: N/A

REQUESTED RATE CHANGE INFORMATION:
Change Period: * Annual
Member Months: * 249156
Benefit Change: * Decrease
Percent Rate Change Requested: Min: -19.815% Max: -6.973% Weighted Avg.: -7.784%

PRIOR RATE:
Total Earned Premium: * 146659671
Total Incurred Claims: * 132284025
Annualized PMPM $: Min: * $ 257.55 Max: * $ 842.57 Weighted Avg.: * $ 651.65

REQUESTED RATE:
Projected Earned Premium: * 135244067
Projected Incurred Claims: * 121994883
Annualized PMPM $: Min: * $ 223.46 Max: * $ 874.43 Weighted Avg.: * $ 600.92

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Post Submission Update Request Processed On 08/17/2021

Status:	Allowed
Created By:	Martine Brisson-Lemieux
Processed By:	Thomas Crompton
Comments:	This post submission update is allowed per GMCB order, GMCB-006-21rr.

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Company Rate Information:

Company Name:BCBSVT

Field Name	Requested Change	Prior Value
Overall % Indicated Change	-6.686%	-7.784%
Overall % Rate Impact	-6.868%	-7.784%
Written Premium Change for this Program	$-9805546	$-11415605
Maximum %Change (where required)	-6.070%	-6.973%
Minimum %Change (where required)	-18.652%	-19.815%

Product:	NEW
Product Name	BCBSVT EPO (Small Group)
HIOS Product ID	13627VT032
Number of Covered Lives	10616

Product:	NEW
Product Name	BCBSVT EPO CDHP (Small Group)
HIOS Product ID	13627VT033
Number of Covered Lives	2155

Product:	NEW
Product Name	BCBSVT EPO Vermont Preferred (Small Group)
HIOS Product ID	13627VT036
Number of Covered Lives	1273

Product:	NEW
Product Name	BCBSVT EPO Vermont Select CDHP (Small Group)
HIOS Product ID	13627VT037
Number of Covered Lives	4711

REQUESTED RATE CHANGE INFORMATION:		
Min:	-18.652	-19.815
Max:	-6.070	-6.973
Weighted Avg.:	-6.686	-7.784
PRIOR RATE:		
Min:	499.340	257.550
REQUESTED RATE:		
Projected Earned Premium:	136,854,126.000	135,244,067.000
Projected Incurred Claims:	124,257,919.000	121,994,883.000
Min:	516.080	223.460
Max:	882.050	874.430

Weighted Avg.:	608.080	600.920

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.003G Small Group Only - Other*
Product Name: *BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing*
Project Name/Number: */*

Rate Information

Rate data applies to filing.

Filing Method:	Experience Rated
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	4.160%
Effective Date of Last Rate Revision:	01/01/2021
Filing Method of Last Filing:	Experience Rated
SERFF Tracking Number of Last Filing:	BCVT-132371410

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
BCBSVT	Decrease	-6.686%	-6.868%	$-9,805,546	10,781	$146,659,671	-6.070%	-18.652%

Rate Review Detail

COMPANY:

Company Name: BCBSVT
HHS Issuer Id: 13627

PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
BCBSVT EPO (Small Group)	13627VT032		10616
BCBSVT EPO CDHP (Small Group)	13627VT033		2155
BCBSVT EPO Vermont Preferred (Small Group)	13627VT036		1273
BCBSVT EPO Vermont Select CDHP (Small Group)	13627VT037		4711

Trend Factors:

FORMS:

New Policy Forms: N/A
Affected Forms: N/A
Other Affected Forms: N/A

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 249,156
Benefit Change: Decrease
Percent Change Requested: Min: -18.652 Max: -6.07 Avg: -6.686

PRIOR RATE:

Total Earned Premium: 146,659,671.00
Total Incurred Claims: 132,284,025.00
Annual $: Min: 499.34 Max: 842.57 Avg: 651.65

REQUESTED RATE:

Projected Earned Premium: 136,854,126.00
Projected Incurred Claims: 124,257,919.00
Annual $: Min: 516.08 Max: 882.05 Avg: 608.08

Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	BCBSVT 2022 Vermont ACA Market Rate Filings - Actuarial Memorandum - REDACTED.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Part III Actuarial Memorandum is the same as the Actuarial Memorandum in the previous section.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Civil Union Rating Requirements
Bypass Reason:	Not required.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	Does not meet or exceed threshold.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Filing Compliance Certification
Comments:	
Attachment(s):	BCBSVT 2022 Vermont ACA Market Rate Filings - Rate Filing Certification.pdf
Item Status:	
Status Date:	

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

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Satisfied - Item:	Unified Rate Review Template
Comments:	
Attachment(s):	URRT v5.3_0_BCBSVT_13627_SmallGroup_2022.pdf URRT v5.3_0_BCBSVT_13627_SmallGroup.xlsm
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memo Dataset
Comments:	
Attachment(s):	Actuarial Memo Dataset 2022 PlanYear - BCBSVT Small Group.pdf Actuarial Memo Dataset 2022 PlanYear - BCBSVT Small Group.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Attachments
Comments:	
Attachment(s):	Attachment A - Standard Plans AV Certification 2022.pdf Attachment B - Non-Standard Plans AV Certification 2022.pdf Attachment C - Contribution to Policyholder Reserves - REDACTED.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Rate Tables
Comments:	
Attachment(s):	PY2022RateTables_BCBSVT_13627_SmallGroup.pdf PY2022RateTables_BCBSVT_13627_SmallGroup.xls
Item Status:	
Status Date:	

Satisfied - Item:	Plain Language Summary
Comments:	
Attachment(s):	BCBSVT 2022 Vermont ACA Market Filing - Small Group - Plain Language Summary.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Exhibits
Comments:	
Attachment(s):	BCBSVT 2022 ACA Market - Individual and Small Group Rate Filings - Exhibits - REDACTED.pdf

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Item Status:	
Status Date:	

Satisfied - Item:	Cover Letter
Comments:	
Attachment(s):	BCBSVT 2022 Vermont ACA Market Filing - Small Group - Cover Letter.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Addendum A
Comments:	
Attachment(s):	2022 Vermont ACA Market - Small Group Rate Filing - Addendum A - REDACTED.pdf BCBSVT 2022 ACA Market - Small Group Rate Filings - Exhibits - REDACTED.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 2 - 05.24.2021
Comments:	
Attachment(s):	Blue Cross Responses to 2022 ACA Filings Inquiry 2.pdf Responses to BCBSVT 2022 ACA Filings Inquiry 2.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 3 - 06.08.2021
Comments:	
Attachment(s):	Responses to BCBSVT 2022 ACA Filings Inquiry 3.pdf Response to Blue Cross 2022 ACA Filings Inquiry 3.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 4 - 06.21.2021
Comments:	
Attachment(s):	Responses to Blue Cross 2022 ACA Filings Inquiry 4.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings HCA Inquiry - 06.19.2021
Comments:	

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003G Small Group Only - Other
Product Name: BCBSVT 2022 Vermont ACA Market - Small Group Rate Filing
Project Name/Number: /

Attachment(s):	Responses to Blue Cross 2022 ACA Filings HCA Inquiry.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings GMCB Inquiry - 06.07.2021
Comments:	
Attachment(s):	2021 06 25 Blue Cross Responses June 7 Questions REDACTED FIN_Redacted.cleaned.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Response to Blue Cross 2022 ACA Filings Inquiry 5 07.15.2021
Comments:	
Attachment(s):	Responses to Blue Cross 2022 ACA Filings Inquiry 5 - REDACTED.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Blue Cross 2022 ACA Market Rate Filing Small Group Amended per GMCB Order
Comments:	
Attachment(s):	PY2022RateTables_BCBSVT_13627_SmallGroup_GMCBOrder.xls PY2022RateTables_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.pdf RateTable_2022BCBSVT_SmallGroup_GMCBOrder.xml Blue Cross 2022 ACA Market Rate Filing - Amended per GMCB Order_ Cover Letter.pdf REDACTED Blue Cross - 2022 ACA Market Small Group Rate Filing Exhibits - Amended per GMCB ORDER.pdf URRT v5.3_0_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.xlsm URRT_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.pdf UnifiedRateReviewSubmission_2022BCBSVT_SmallGroup_GMCBOrder_20210811204929.xml
Item Status:	
Status Date:	

Attachment URRT v5.3_0_BCBSVT_13627_SmallGroup.xlsm is not a PDF document and cannot be reproduced here.

Attachment Actuarial Memo Dataset 2022 PlanYear - BCBSVT Small Group.xlsx is not a PDF document and cannot be reproduced here.

Attachment PY2022RateTables_BCBSVT_13627_SmallGroup.xls is not a PDF document and cannot be reproduced here.

Attachment Responses to BCBSVT 2022 ACA Filings Inquiry 2.xlsx is not a PDF document and cannot be reproduced here.

Attachment Response to Blue Cross 2022 ACA Filings Inquiry 3.xlsx is not a PDF document and cannot be reproduced here.

Attachment PY2022RateTables_BCBSVT_13627_SmallGroup_GMCBOrder.xls is not a PDF document and cannot be reproduced here.

Attachment RateTable_2022BCBSVT_SmallGroup_GMCBOrder.xml is not a PDF document and cannot be reproduced here.

Attachment URRT v5.3_0_BCBSVT_13627_SmallGroup_AmendedGMCBOrder.xlsm is not a PDF document and cannot be reproduced here.

Attachment UnifiedRateReviewSubmission_2022BCBSVT_SmallGroup_GMCBOrder_20210811204929.xml is not a PDF document and cannot be reproduced here.

BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS
ACTUARIAL MEMORANDUM

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BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS
ACTUARIAL MEMORANDUM

1. GENERAL INFORMATION

1.1. Company Identifying Information

Company Legal Name: Blue Cross and Blue Shield of Vermont
State: Vermont
HIOS Issuer ID: 13627
Market: Combined
Effective Date: January 1, 2022

1.2. Company Contact Information

Primary Contact Name: Paul A. Schultz, FSA, MAAA
Primary Contact Telephone Number: 1-(802)-371-3763
Primary Contact Email Address: schultzp@bcbsvt.com

1.3. Scope and Purpose

The purpose of this rate filing is to provide the rates and a description of the rate development for the ACA-compliant plans for the Vermont individual and small group markets that Blue Cross and Blue Shield of Vermont (BCBSVT) proposes to offer for the 2022 benefit year. This rate filing applies to plans both On-Exchange and Off-Exchange.

This filing is intended to comply with the following laws:

- Vermont State Law 8 V.S.A. § 4062
- Vermont State Law 8 V.S.A. § 4512
- Vermont State Law 33 V.S.A. § 1806
- Vermont State Law 33 V.S.A § 1811
- Vermont State Law 33 V.S.A. § 1812
- Vermont State Law 18 V.S.A. § 9375(b)(6)
- DFR Order establishing tier rate structure and multipliers (Docket No. 13-002-I)
- Vermont Agency of Human Services Health Benefits Eligibility and Enrollment Rule, Parts 1 and 2
- Green Mountain Care Board, Rule 2.000
- Federal Regulation 45 C.F.R. Part 147
- Federal Regulation 45 C.F.R. Part 153
- Federal Regulation 45 C.F.R. Part 154
- Federal Regulation 45 C.F.R. Part 155
- Federal Regulation 45 C.F.R. Part 156
- Federal Regulation 45 C.F.R. Part 158
- Federal Regulation 26 IRC § 223

1.4. Proposed Rate Change(s)

The average rate change is -0.9 percent. Changes for specific plans range from -13.2 percent to 0.3 percent. The range of changes is due to changes to the actuarial values and plan designs. Apart from the Catastrophic plan, the increases range from -2.9 percent to 0.3 percent.

1.5. Reason for Rate Change(s)

The starting point of any renewal rate analysis is an assessment of actual to expected experience results. The basis for this rate filing is calendar year 2020 experience. Due to the COVID-19 pandemic and the UVMHN cyberattack, we adjusted the experience period to a benchmark to represents an estimate of what the 2020 Vermont ACA market experience would have been in the absence of these one-time events. Even after adjusting for one-time events, the claims experience for 2020 was very favorable relative to the expectation embedded within the 2021 filing, driven by changes in population rather than changes in underlying trends. The population that enrolled with BCBSVT as of January 2020 utilized far fewer medical services than the 2019 population, partially offset by a significant increase in the utilization of retail pharmaceuticals. With the addition of an expected favorable risk adjustment transfer, the overall decrease to 2021 rates due to population changes is 3.9 percent.

As in prior years, trend is a significant driver to the change in rates (see section 3.4.7). The 2021 approved rates included assumptions for projecting 2020 to 2021. Because the 2022 filing is based on updated actuarial assumptions that reflect current data, those assumptions must be re-examined. Also, an additional year of projected trend applies from 2021 to 2022. Finally, BCBSVT adjusts the projected claims costs to reflect ongoing improvements in the fraud, waste, and abuse programs and for the absence of a leap day in 2022 (see sections 3.4.7.1 and 3.4.5). The overall anticipated increase in rates due to trend is 6.7 percent:

Trend Component	2022 Rate Impact
Restatement of 2020 to 2021	-0.6%
Additional Year of Medical Utilization	1.5%
Additional Year of Medical Unit Cost	3.1%
Additional Year of Pharmacy	3.2%
Additional Year of Dental	0.0%
Additional Year of Vision	0.0%
Fraud, Waste, and Abuse programs	-0.2%
Leap Year Adjustment	-0.3%
Total	**6.7%**

As noted in Attachments A and B, the claims underlying the federal Actuarial Value Calculator (AVC) were not trended forward to 2022. This allowed for plans to remain in their metal levels without changes to cost

shares. For both the standard plans and non-standard plans, deductibles and out-of-pocket limits were changed minimally, if at all. This means that benefit changes made by the Department of Vermont Health Access for standard plans and by BCBSVT for non-standard plans only modestly offset the impact of benefit leverage. Altogether, factors related to plan design, actuarial value, silver loading and induced utilization increased rates by 1.5 percent.

BCBSVT base administrative charges are decreasing as compared to the 2021 approved rates, lowering premiums by 0.4 percent (see section 3.8.7).

BCBSVT must comply with all regulatory requirements from both state and federal agencies. The Department of Financial Regulation (DFR) has ordered BCBSVT to be within a specific RBC range. In order to continue along the path of reaching the required range, BCBSVT must file a 1.5 percent contribution to policyholder reserves in this filing (see section 3.8.8 and Attachment C). BCBSVT is preparing to take over the billing for VHC enrolled members for plan year 2022 (see section 3.8.7). Other federal and state taxes and fees are remaining stable from 2021 to 2022. The combination of these regulatory requirements increases rates by 1.2 percent.

BCBSVT continues to find innovative ways to mitigate premium increases. Most notable this year was the launch of Vermont Blue Rx in partnership with a new pharmacy benefit manager (see section 3.4.7.1 and 3.4.6). Through this program, BCBSVT has achieved rate relief of 5.6 percent, or a projected $15.0 million.

1.6. Historical Financial Performance

BCBSVT has offered ACA products since the start of the program in 2014. Prior to offering ACA plans, BCBSVT offered Individual and Small Group products. All Vermonters that previously purchased Individual and Small Group products were required to move to an ACA product in 2014. The State allowed individuals and small groups to remain in their 2013 products through the first quarter of 2014. All financial information below includes only the ACA experience in 2014. The table below does not include risk corridor payments in order to more accurately display the performance of pricing assumptions[1].

[1] Risk corridor payments, while not reflective of plan performance or pricing accuracy, do impact solvency and overall financial results. As such, they are considered in the information presented in Attachment C.

Historical Financial Performance for BCBSVT Vermont ACA Market					
Year	Member Months	Filed Contribution to Reserve	Approved Contribution to Reserve*	Actual Contribution to Reserve	Actual operating gains/(losses) [2]
2014	638,492	1.0%	-0.1%	1.0%	$2,637,153
2015	768,293	1.0%	1.0%	-2.5%	($8,038,393)
2016	835,541	2.0%	0.8%	-3.8%	($14,311,831)
2017	820,156	2.0%	1.0%	1.0%	$4,251,320
2018	630,163	2.0%	-1.0%	-1.6%	($5,713,876)
2019	520,854	1.5%	0.0%	-0.7%	($2,120,848)
2020	453,744	1.5%	1.5%	5.2%	$15,912,962 [3]
Cumulative	4,667,243	1.6%	0.5%	-0.3%	($7,383,513)

*Includes explicit cuts to CTR as well as reductions to actuarial factors that were beyond those recommended by the Board's contracted actuary.

The actual contribution to reserve was calculated by restating financial results to include the impacts of transitional reinsurance, risk adjustment and other prior year events in the year they were incurred, rather than the year when they were booked.

1.7. Environmental Factors

Unmerging the Market

Vermont took an unprecedented opportunity to significantly lower health care premiums for small employers by unmerging the individual and small group market for 2022. BCBSVT championed this effort, strongly advocating for an immediate change so that Vermonters could benefit in the 2022 plan year.

Vermont's Affordable Care Act marketplace is atypical, requiring that individuals and small groups are rated together in a combined, community-rated risk pool. Historically, this has lowered health insurance premiums for individual purchasers while increasing the cost for those purchasing through an employer. Taking steps to align our structure with that of 48 other states will lower premiums, expanding access and affordability of health insurance for Vermonters.

This concept was studied in 2019, resulting in the Health Insurance Affordability and Merged Markets[4]

[2] Risk corridor receivables were ($66,780), $4,324,909 and $5,761,067 for 2014 through 2016, respectively. These amounts are not included in the actual operating gains and losses in this table.
[3] The 2020 results were significantly impacted by the COVID-19 pandemic and UVMHN cyberattack. Both events caused services originally expected to take place in 2020 to be deferred to 2021 or canceled. We have observed thus far in 2021 approximately $2.6 million of claims for services originally scheduled for 2020. These are predominantly services that were rescheduled due to the UVMHN cyberattack. We reallocate the deferred care to 2020 results in the table above. See https://www.uvmhealth.org/uvm-health-network-cyber-attack, accessed May 1, 2021
[4] https://legislature.vermont.gov/assets/Legislative-Reports/Act-63-Report-on-Health-Insurance-Affordability-and-Merged-Markets.pdf

report, which estimated that if the Vermont marketplace was divided, employees of small businesses would see a 5.8 percent reduction their health insurance premiums because they would no longer be subsidizing the risk of the individual market. With that shift in risk, individual premiums are expected to have a corresponding increase of about 7 percent that will be insulated by increased federal subsidies. The main drawback previously was the impact to individuals who did not qualify for federal premium subsidies. Now that hurdle is largely erased, and our current actuarial analysis shows the reduction for BCBSVT small group members will be even larger than estimated. In conjunction with BCBSVT cost containment efforts, the separation of the markets results in an unprecedented average reduction of 7.8 percent in small employer premiums for the 2022 plan year.

The scale of the federal benefit expansion is enormous, covering an estimated 92% of all families nationally[5] – which means individuals with income up to $94,500, couples with income up to $189,500, single-parent households with income of $182,300, and families with incomes up to $265,500[6] all now qualify for premium assistance when purchasing insurance through Vermont Health Connect. Splitting the marketplace has enabled them to qualify for additional tax credits and expand their choices for which type of health insurance coverage is best for their families while simultaneously reducing premiums for small businesses.

The analysis to prove that this will benefit the vast majority of the Vermonters who purchase health insurance through Vermont Health Connect is actuarial and complex, but the beneficial financial impact to Vermont is simple and clear.

All Payer Model

The All Payer Model contract between the State of Vermont and CMS is in year four of a five-year arrangement that includes scale target and performance requirements for an Accountable Care Organization (ACO) value-based care arrangement. ACO performance for the All Payer Model is assessed by comparing per capita medical expense growth to pre-COVID benchmarks. Under this new model, Medicare, Medicaid, and commercial payers entered into risk sharing agreements with Vermont's single ACO, OneCare Vermont "to deliver meaningful improvements in the health of a state's entire population by transforming the relationships between and amongst care delivery and public health systems throughout Vermont[7]."

BCBSVT has supported and participated in the state's all payer model health care reform effort since its inception. We are the only insurer that has enabled participation for the majority of our members in all types of coverage, including the individual and small group markets and large group insured and self-funded customers, in risk-based arrangements. We are currently working to expand fixed prospective payments with willing providers.

The All Payer Model requires that ACOs strive to reduce cost and meet three health improvement goals: improved access to primary care, reduced deaths from suicide and drug overdose, and reduced prevalence

[5] https://www.kff.org/health-reform/issue-brief/how-the-american-rescue-plan-act-affects-subsidies-for-marketplace-shoppers-and-people-who-are-uninsured/
[6] These figures are approximations. The final dollar amounts will be dependent upon the premium of the second-lowest Silver plan offered on Vermont Health Connect.
[7] https://innovation.cms.gov/innovation-models/vermont-all-payer-aco-model

and morbidity of chronic disease. BCBSVT's 2021 agreements with OneCare align with the All Payer Model, including quality metrics. Beginning this year, we have embarked on a jointly developed quality work plan that affords OneCare the opportunity to work with providers to improve the quality of care received by their patients. Ongoing efforts to reduce cost are addressed through a medical expense target methodology aligned with approved premiums. This alignment between BCSBVT premiums and the medical expense target is necessary both to demonstrate OneCare's impact on health plan rates and to share savings with policyholders.

Although measurable progress toward the State's scale goal was achieved by the attribution of several thousand BCBSVT large group members to OneCare, an analysis of 2019 results indicates that OneCare's performance did not result in savings relative to the medical expense[8]. Because the performance to date of this arrangement gives no clear basis for projecting savings in the near term, this filing does not include any adjustment to projected expenditures related to the OneCare program.

Vermont State Legislature

The rates submitted reflect current law regarding coverage, benefits and cost sharing amounts in place for 2022. The Vermont Legislature is currently in session, and there are a number of bills being considered that could impact the 2022 rates described in this filing.

The most recent Legislative proposals, some of which may have conflicting goals, could have a costly and disruptive impact on the state health care system, specifically our state health care reform initiatives. If any of these bills pass and become effective for the 2022 plan year, BCBSVT expressly reserves the right to amend these submitted rates to reflect any changes required by new law.

Every additional report increases the administrative costs of regulation, reporting, taxes and fees in Vermont, thereby increasing non-health care costs for consumers. For example, the amounts from the GMCB billed to Blue Cross for regulation have increased 136 percent between 2014 and 2021. In 2014, Blue Cross paid $627 thousand to support the GMCB's activities. Today the payment has increased to $1.5 million in 2021, or 19.5 percent per year on average.

Shifting the billing for Vermont Health Connect from DVHA to the carriers is moving the cost for this service from the state to ratepayers and will become an additional component of health insurer administrative expenses.

Consolidated Appropriations Act

The Consolidated Appropriations Act of 2021 (CAA) includes numerous provisions that have the potential to create changes in the health care delivery system, although it is entirely too soon to determine what impact, if any, the CAA will have on health care costs and, in turn, health insurance premiums.

The CAA contains provisions that are intended to protect consumers from surprise bills from out of network providers when in an emergency or when receiving services at in-network facilities. Ideally, these protections will reduce the overall cost of out of network services, but until rulemaking occurs it will be difficult to determine if that goal will be achieved. However, some of the services that must be covered

[8] Measurement of savings in 2020 is inconclusive due to the impact of the COVID-19 pandemic and the UVMHN cyberattack.

under the CAA are not currently covered. Thus, even if services are less expensive, the cost of covered care may rise.

The CAA also requires providers and insurers to institute new cost estimating capabilities. The statute requires providers to provide cost estimates to patients and their insurers after scheduling an appointment. In turn, the statute requires insurers to confirm such cost estimates, as well as provide other information such as cost share, required prior approvals, if any, and, if the service is out of network, recommendations for in-network options. Although these are valuable services, there is little to no infrastructure in place for providers to provide these estimates. Likewise, insurers do not currently have processes to verify provider cost estimates. The information technology spend across the system for these services will be considerable, and those costs will likely be borne by rate payers.

In addition to pre-service cost estimates, the CAA contains numerous other provisions that will cost money to implement, such as mandatory data on insurance ID cards. It is possible these increased expenses will have an impact on future premiums.

The filed premiums do not include any adjustment for additional cost or savings pursuant to the CAA.

COVID-19

The COVID-19 pandemic has caused unprecedented disruption to the health care system. Actuarial considerations for the impacts on 2020 and projected 2022 costs are discussed in section 3.4.8. Further exploration of the BCBSVT response to COVID-19 can be found in Attachment C.

1.8. Vermont Statutory Rate Review Criteria

When reviewing a proposed rate, the Green Mountain Care Board must consider:

> whether a rate is affordable, promotes quality care, promotes access to health care, protects insurer solvency, and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this State.

8 V.S.A. § 4062(a)(3). The Board must also consider the Vermont Department of Financial Regulation's ("DFR") "analysis and opinion on the impact of the proposed rate on the insurer's solvency and reserves." *Id*. § 4062(a)(2)(B). The purpose of this memorandum is to provide the actuarial basis for the proposed rate. Although a number of the rate review criteria are not technically actuarial in nature, this section briefly explains how BCBSVT's actuarial calculations relate to the criteria, with the understanding that (consistent with Board practice) these issues will be more fully developed during the rate review process.

The § 4062(a)(3) criteria are interdependent and, in some cases, in tension. This tension reveals itself most clearly in the interplay among promoting "access to health care," promoting "quality care," and determining whether a rate is "affordable." For example, lowering rates to make them more "affordable" can render the rates insufficient to cover members' claims, which in turn threatens both access to care and quality of care for the relevant insured population. As another example, excluding coverage for new, high-cost specialty medications would certainly make rates more affordable, but this would be at the expense of denying access to care for those in need of the medications.

Unlike quality care and access to care, "protection of insurer solvency" is demonstrably *not* in tension with affordability. DFR considers insurer solvency to be the most fundamental aspect of consumer protection[9]. Insurer solvency is a necessary pre-condition for affordability, because reducing rates to levels that result in insurer insolvency would place the entire burden of the cost of care on consumers. Because members likely cannot afford the full cost of their care without insurance, this result would restrict patient access and impede providers' ability to provide high-quality care. Furthermore, reductions producing rates that are inadequate to any extent do not promote long-term affordability, as it simply shifts costs from current policyholders to future policyholders. The full funding of adequate rates is thereby critical to both insurer solvency and affordability.

The federal rate review criteria of "not excessive" and "not inadequate" are tested by actuarial analysis. Actuarial Standard of Practice No. 8[10] provides guidance to actuaries preparing regulatory filings for health insurance premium rate requests. It defines rates as "adequate" if they "provide for payment of claims, administrative expenses, taxes, [and] regulatory fees and have reasonable contingency or profit margins[11]." Similarly, rates are "excessive" if they exceed the amount necessary for these items. As documented in Section 5.2, the rates filed herein are neither excessive nor inadequate. It follows that rates that are adequate but not excessive cannot jeopardize insurer solvency or be deemed to be unjust, unfair, inequitable or misleading. Nor are the rates contrary to Vermont law.

Here, projected increases in health care costs would have fueled a premium increase of 4.5 percent in the absence of actions undertaken by BCBSVT to mitigate that increase.

Spending on specialty pharmaceuticals, through both the retail pharmacy and medical benefits, is driving 4.2 percentage points of the total rate increase, including 0.6 percent to cover the cost of a life-changing therapy for a single member. BCBSVT supports and protects our members by ensuring access to medications that significantly improve quality of life, and in many cases save lives. The cost of these drugs is an appropriate topic for public policy discussion, particularly given their impact on rates. However, given the need to provide access to this care, BCBSVT must include the very high cost of these drugs in this year's rate development in the absence mitigating federal or state legislation. The additional cost of providing these life-altering therapies is expected to lead to greater affordability and/or quality of life in the long term.

In summary, these rates strike the best balance available among affordability, access to care, and quality of care by providing coverage for necessary medical services that improve Vermonters' quality of life at a cost of insurance that is far lower than that allowed by federal and State medical loss ratio requirements (see section 3.8.9). BCBSVT is decreasing base administrative costs (see section 3.8.7) which reduced the increase to premiums by 0.3 percent, or just under a million dollars, while adding new services for policyholders. Meanwhile, new programming implemented by BCBSVT (see section 3.4.7.2) shaved over $15.0 million, or 5.6 percent, from required rates. Finally, BCBSVT stepped to the fore with strong, unqualified support of legislation that would separate the individual and small group markets in Vermont in order to capture premium savings of an estimated 5.8 percent for Vermont small businesses while drawing millions of dollars in federal funds to aid Vermont individuals and families.

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[9] See, for instance, DFR solvency opinion in filing BCVT-132371410.
[10] http://www.actuarialstandardsboard.org/wp-content/uploads/2014/07/asop008_100.pdf

2. PROPOSED BENEFITS

2.1. Description of Benefits

BCBSVT will offer two types (Standard and Non-Standard) of plans to the Individual and Small Group markets in 2022. These plans include coverage for all Essential Health Benefits (EHBs). All plans are on the Exclusive Provider Organization (EPO) network and offer members access to a nationwide network of providers, including over 96percent of the providers in Vermont.

BCBSVT Standard Plans: BCBSVT is providing rates for the Standard plans with benefits as approved by the Green Mountain Care Board, which are outlined in Exhibit 1A – "State of Vermont Standard Plan Designs." The form filing for these products can be found under BCVT-132667078 for deductible plans and BCVT-132691982 for CDHP plans. BCBSVT is also providing rates for the catastrophic plan, also outlined in Exhibit 1A. The form filing for this plan can be found under BCVT-132691989.

BCBSVT Non-Standard Plans: BCBSVT is providing rates for two non-standard products. The first product, Vermont Select, offers HSA compatible plans with deductible at the same level as the out-of-pocket. The second product, Vermont Preferred, offers plans with zero cost share for some primary care or mental health visits and some specialist visits to manage diabetes and heart disease. Both products waive deductibles for wellness drugs. Please see Exhibit 1B – "Non-Standard Plan Designs" for details on the benefit structure. The form filing for these products can be found under BCVT-132691926 for Vermont Preferred and BCVT-132691945 for Vermont Select.

Reflective Silver Plans
Pursuant to Act 88, BCBSVT will offer certain silver plans only off-exchange for the 2022 plan year. These plans are "reflective" of the Exchange plans, with only have a $5 copayment, 5% coinsurance or $25 deductible difference from the Exchange plan.

Uniform Compliance
Benefits of all Standard, Vermont Preferred, and Vermont Select plans are in compliance with 45 CFR §147.106. Specifically, the benefits continue to be offered on BCBSVT's Exclusive Provider Organization (EPO) network and continue to cover the same service area. Some cost sharing levels were modified to maintain the same metal tier levels. Each product covers the same benefits as covered for plan year 2021.

2.2. AV Metal Values

Standard plans are designed by the State of Vermont and offered by all issuers in the individual and small group markets. Please see *Attachment A – Standard Plans AV Certification - 2022* for the certification provided by the State.

Non-Standard plans are designed by BCBSVT. The metal values included in the Unified Rate Review Template (URRT) were calculated using an alternate methodology, as allowed by 45 CFR §156.135. Multiple benefit designs offered in BCBSVT's Non-Standard plans are not supported by the AV Calculator. Please see *Attachment B –Non-Standard Plans AV Certification - 2022*, for the actuarial certification, which includes the process used to develop the AV Metal Values.

3. EXPERIENCE RATING

3.1. Experience Period Premium and Claims

Our analysis begins with the 2020 experience of Blue Cross and Blue Shield of Vermont (BCBSVT) Individual and Small Group markets. We will refer to this population as the Vermont ACA market.

We analyzed claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021. We completed both the paid claims and the allowed charges using BCBSVT's monthly reserving models that underpin the financial statement reserves (best estimates before margin). These methods are subject to review by independent auditors and examination by Vermont Department of Financial Regulation (DFR). For the purpose of calculating completion factors, the reserving method categorizes claims by reporting/payment process (Local, BlueCard, Retail Pharmacy, Medicare Supplement, etc.). We calculate completion factors separately for each category. We also included an estimate of outstanding pharmacy rebates.

The paid claims and allowed charges are sourced directly from claim records in BCBSVT's data warehouse. For fee-for-service claims, we combined plan payment with member cost sharing to calculate the allowed charges. For claims under a capitation arrangement, we combined capitation paid to the provider with the member cost sharing to generate allowed charges.

The table below shows details underlying the incurred claims and allowed claims (from URRT, Section I of Worksheet 1) for the experience period.

Calculation of Experience Period Claims Per Member Per Month (PMPM)		
	Incurred Claims	**Allowed Claims**
Claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021	$253,286,120	$298,867,855
Estimate of IBNR for claims incurred January 1, 2020 through December 31, 2020 as of March 31, 2021	$1,949,809	$1,517,431
Estimate of IBNR pharmacy rebates incurred January 1, 2020 through December 31, 2020 as of March 31, 2021	-$4,125,203	-$4,125,203
Total completed experience period claims	$251,110,727	$296,260,083
Member months	452,386	452,386
Total claims per member per month (PMPM)	$555.08	$654.88

The experience period total allowed charges are $652.77 PMPM.

In the experience period, the earned premium was $287,515,509. BCBSVT will not be required to pay minimum loss ratio (MLR) rebates for the 2020 calendar year. Vermont does not currently have a 1332 waiver for a Reinsurance program. The estimated 2020 risk adjustment receivable, according to the information from the Interim Report, is $22,068,111.

3.2. Benefit Categories

Medical claims are initially categorized into two categories based on the type of claim form the provider submitted: UB-04/CMS 1450 (Facility Inpatient/Outpatient) or HCFA/CMS 1500 (Professional/Other). We then separate facility claims into the Inpatient and Outpatient categories in Worksheet 1, Section II of the URRT by the place of service listed on the UB-04 claim form.

Professional and Other medical claims are subdivided based on whether the provider is a medical professional or medical supplier as submitted on the HCFA 1500 claim form.

We populate the prescription drug benefit category for claims processed through our pharmacy benefit manager.

We populate the capitation benefit category with claims that run through our internal capitation system. The capitation category uses “Benefit Period” as a utilization description and the units represent the number of capitations in a given year.

3.3. Index Rate

The Index Rate is equal to the experience period allowed charges for EHB. As shown in section 3.1, the allowed charges per member per month in the experience totals $652.77. In 2017, BCBSVT removed an exclusion for routine circumcision (see section 3.8.3 for details). Those services are not considered EHB and must be removed from the experience to calculate the Index Rate.

Calculation of the Experience Index Rate PMPM	
Allowed Claims in section 1 of worksheet 1 of URRT	$654.88
Allowed Claims for Non-EHB	$0.06
Experience Index Rate in section 2 of worksheet 1 of URRT	$654.82

The experience index rate for 2020 is $652.70.

To calculate the Projected Period Index Rate, we first exclude pharmacy rebates, BlueCard fees, and payments to the Blueprint program. These claims are not dependent on benefits and are not subject to the projection factors described in the following sections. They are added back into the Projected Period Index Rate as described in section 3.4.6.

BCBSVT has access to the detailed claims information underlying capitated claims. We use the FFS equivalent rather than the capitation.

These adjustments are included in the “Other” factor in the section II of worksheet 1 of the URRT.

Reconciliation of Allowed Claims from section 1 of URRT to Line A1 of Exhibit 5		
	Total Dollars	**PMPM**
Allowed Claims in section 1 of worksheet 1 of URRT	$296,260,083	$654.88
Remove BlueCard Fees	($975,693)	($2.16)
Remove Pharmacy Rebates	$8,967,145	$19.82
Remove Payments to Blueprint Program	($1,714,282)	($3.79)
Replace Capitation with FFS equivalent	($241,551)	($0.53)
Line a1 of Exhibit 5	**$302,295,703**	**$668.23**

3.3.1. Pooling experience claims

Starting in 2020, BCBSVT purchased reinsurance coverage for the ACA market that covers the portion of claims above one million dollars that is not reimbursed by the high cost risk pool. To project the claims above the pooling point, we cap the claims and include the full cost of reinsurance and high cost risk pool. To cap the projected claims, we calculate the de-trended pooling level by removing the total trend (see section 3.4.7 for details) from the attachment point of one million dollars. We then exclude the claims above the resulting de-trended limit of $872,573. In 2020, BCBSVT had a member in the ACA market with over $2 million in claims, with the majority of claims paying for a drug that treats a rare disease. This type of drug is excluded from BCBSVT's reinsurance agreement. We excluded the total allowed charges from the experience period, as none of the projection factors described below apply to this specific member. The net expected allowed charges after recoveries from the High Cost Risk Pool are included in the reinsurance component (see item e_5 on Exhibit 5).

Calculation of the Impact of Capping Claims		
CY 2020 total allowed claims	A1	$302,295,703
Allowed charges for drugs not included in the BCBSVT reinsurance agreement	A2	$2,096,613
Net allowed charges	A = A1 – A2	$300,199,090
Claims above $872,573	B	$99,844
Capped Claims	C = A - B	$300,099,246
Impact of capping claims (1+a_3 on Exhibit 5)	D = C / A	0.9997

3.4. Projection Factors

3.4.1. Membership Projections

As of March 2021, BCBSVT had 34,663 members enrolled in the Vermont ACA market, either individually through Vermont Health Connect or directly as individuals or small group employees.

We used this information as the starting point to project the 2022 enrollment and the distribution by plan.

In the experience period, BCBSVT covered employees and dependents of a sizable group whose members are younger than the remainder of the single risk pool and were exclusively enrolled in the Platinum plan. As this group was established for a specific and temporary effort, only members currently on COBRA are enrolled with BCBSVT. We do not expect them to continue enrollment into 2022. We therefore exclude these members from all our membership projection factors.

Exhibit 2A shows the 2022 BCBSVT Individual and Small Group projected population by plan and market.

BCBSVT expects to cover 415,596 member months in the Vermont ACA market in 2022.

We use this projected membership to adjust our Index Rate for demographics, morbidity, benefit changes, and other allowable adjustments described below.

3.4.2. Changes in the Morbidity of the Population Insured

Change in market mix ($1+b_3$)
In the experience period, the individual market comprised 44.9 percent of the member months. The portion of individual members is projected to increase to 45.8 percent. Since individual members' experience period allowed charges PMPM were 18.3 percent higher than small group allowed charges, we adjust the projected index rate to reflect the projected membership weights. To calculate the adjustment, we weight each claim type PMPM for individual and small group using the projected enrollment weights. The impact of the change in market mix is 1.0016, as shown on Exhibit 2B.

Changes in pool morbidity ($1+b_9$)
This factor measures morbidity differences between the experience period population and projection period population due to choices made by small groups and individuals to voluntarily disenroll from BCBSVT ACA market coverage. The impact is measured by observing experience period claims costs for groups and members known to be no longer enrolled as of March 2021.

The base for our experience period is calendar year 2020. Using March 2021 enrollment, we group members into broad categories of active and canceled. We can further divide canceled members into two categories: voluntary cancelation and cancelation due to death. We can further break down voluntary cancelations by aging out, cancellations from normal group turnover, and individual cancellations. We capture individuals aging out in our demographic adjustment (see section 3.4.5). In 2021, we again experienced significant cancelations in the Small Group segment. To reflect this dynamic, we adjust for Small Group members leaving BCBSVT ACA market. If all members in a group are no longer enrolled in BCBSVT ACA market, we exclude them under the assumption that the entire group moved to a different

carrier or different product. If members that canceled were part of a group that is still with BCBSVT ACA market, we assume that group turnover will lead to the hiring of similarly-situated individuals; therefore, an adjustment is not needed for such members. We also exclude members from a sizable group established for a specific and temporary effort, as we do not expect them to continue enrollment into 2022.

We split the experience claims costs based on these categories in order to compare the different populations. We adjust the allowed charges from the experience period to reflect the average claims cost of members who did not voluntarily terminate or are part of a small group still enrolled with BCBSVT prior to the end of calendar year 2020.

To ensure that the morbidity and benefit change factors are independent, we adjust the PMPM to reflect the underlying average induced utilization.

As shown on Exhibit 2C, the factor ($1+b_9$ on Exhibit 5) to adjust for the change in pool morbidity is 1.0114.

3.4.3. Changes in Benefits

Impact of changes in benefits ($1+c_1$)

The impact of benefit changes ($1+c_1$ line on Exhibit 5), represents the anticipated change in the average utilization of services due to the change in average cost sharing in the projection period compared to the experience period. In previous filings, we used BCBSVT ACA market allowed relativities to calculate this factor. This approach implicitly includes the impact of selection and morbidity. Based upon ACA rating rules, it is more appropriate to use the HHS induced utilization factors by metal to limit the quantification to only the impact of varying cost shares between the experience plan distribution and the projected plan distribution. Using the experience member months for members included in the "All Other Members" category of the morbidity factor described above and the projected membership by metal, we calculate an average induced utilization factor for each and compare the two averages to generate the impact of changes in benefits. The impact of the movement among benefit plans ($1+c_1$ on Exhibit 5) is 0.9974, as shown on Exhibit 2D.

3.4.4. Changes in Demographics

Impact of changes in demographics ($1+c_3$)

To ensure that we account for all moving pieces of the reasons for the change in demographics, we changed our method for developing the change in demographic factor (factor $1+c_3$ on Exhibit 5) in the previous filing and continue to use the new methodology in this filing. We calculate factors for small groups and for individuals. We then combine the factors based on projected membership.

For both market segments, we use the age-gender factors from the SOA's report Health Care Cost – From Birth to Death[12] to calculate the age-gender factors for the experience membership and compare to those of the projected 2022 membership.

For small groups, we first observe the historical annual increases in average age-gender factors for continuing and new groups, excluding a sizable group established for a specific and temporary effort. After

[12] https://www.soa.org/Research/Research-Projects/Health/research-health-care-birth-death.aspx

adjusting to exclude this sizable group, we apply the most recent increase including the new groups to the experience average age-gender factor, to project from 2020 to 2021. The change in demographics in 2021 compared to prior year was lower than in previous years. We do not believe that this is a trend that will continue and therefore use the four-year average impact of the demographic *excluding* new groups to project from 2021 to 2022.

For individuals, we first split into VHC-enrolled and direct-enrolled members. We then categorized each member in the following sub-categories: continuing, retired, newborn, moved to other BCBSVT line of business, and voluntarily canceled. For continuing members, we age all members by one year starting with their March 2021 age and calculate the average duration by age. We assigned the age one duration to members age zero in 2021. We assessed historical persistency by age for members who are eligible for Medicare. Based on historical patterns, we assume that 28 percent of members age 64 in 2021 will remain enrolled through 2022, and that 61 percent of members age 65 and over in 2021 will remained enrolled through 2022 Finally, in order to complete the age distribution, we add new members age zero in 2022. Again, we examined historical patterns to develop newborn assumptions. For the VHC enrolled population, we expect newborns to comprise 0.31 percent of the total population with an average duration of 3.66 months. For direct enrolled members, we expect the newborns to comprise 0.47 percent with an average duration of 4.65 months. We apply these percentages to the in-force 2021 enrollment to estimate the newborns in 2022. We then compare the experience period average age-gender factor to the projected period average age-gender factor.

Finally, we combine the individual and small group impacts based on projected enrollment to calculate the demographic adjustment of 0.9993 ($1+c_3$ factor on Exhibit 5).

Details of the calculation are shown on Exhibit 2E.

3.4.5. Other Adjustments

Changes in Provider Network ($1+c_2$)
Since the experience period claims and the projection period claims are both on the EPO network, the factor for the change in provider networks (factor $1+c_2$ on Exhibit 5) is 1.000.

Impact of the ACO program ($1+b_4$ and $1+b_6$)
In 2020, BCBSVT and OneCare VT (OCV) had a shared-risk/shared-savings agreement covering approximately 20,000 lives within the ACA market. The agreement provides for 50/50 sharing of savings or risk up to six percent above or below the expected medical spend, which is derived from the final 2020 GMCB rate order for the ACA market. Due to the COVID-19 pandemic, the contract between OCV and BCBSVT limited the shared savings and risk to $50,000. Our current best estimate of the 2020 transfer is $50,000 from BCBSVT to OCV. We do not adjust the experience period for this transfer as it driven by claims slowdown due to the pandemic rather than ACO programming. Therefore, the factor for this program ($1+b_4$ on Exhibit 5) is 1.000.

BCBSVT expects to continue the shared risk/shared-savings agreement with OneCare into 2022. While BCBSVT anticipates the risk arrangements to go back to 50/50 sharing of savings or risk up to six percent above or below the expected medical spend, the contract negotiations with OCV are still in progress. We

therefore include no projected shared savings or risk for this program for 2022. The factor for these initiatives ($1+b_6$ on Exhibit 5) is 1.000.

Impact of Leap Year ($1+c_4$)
Calendar year 2020 was a leap year. Compared to the projection period, members had an extra day to incur services in the experience period. To account for this impact, we include a factor of 365 divided by 366, or 0.9973, in our projection of the 2022 allowed claims.

3.4.6. Non-System Claims

We add other costs to the buildup of the Projected Index Rate to account for non-system claims (Items e_1-e_8 on Exhibit 5). As previous explained in section 3.3, these non-system claims are claims that are independent from the benefits but considered claims from an MLR standpoint.

Due to the change in mix between individual and small group between the experience and projection periods, each non-system claim PMPM is weighted between the two markets using projected membership.

- Pharmacy Rebates (e_1):
  Through Vermont Blue Rx[13], BCBSVT expects to be able to greatly enhance rebates from drug manufacturers. To estimate the 2022 rebates, we start with calendar year 2020 scripts for drugs eligible for rebates (preferred brands, including specialty drugs). We then apply utilization trend for each type of drug to project to 2022 using the utilization trends from Exhibit 3J. Finally, we apply contractual rebate guarantees to the projected scripts to calculate the projected total rebates.

Calculation of projected pharmacy rebates PMPM		
	Individual	**Small Group**
Projected Rebates PMPM	$68.32	$52.24
Projected Membership	15,878	18,755
Projected overall PMPM	= ($68.32 x 15,878 + $52.24 x 18,766) / 34,633 = **$59.61**	

- Blueprint Payments (e_2):
  BCBSVT participates in the Vermont Blueprint for Health[14] program. The Vermont Blueprint for Health Manual, effective October 1, 2018, details the funding for both portions of the program: Community Health Teams (CHT) and Patient Centered Medical Homes (PCMH). The experience PMPM for Blueprint payments has been stable from year to year. We therefore do not expect the funding for either CHT or PCMH to change in 2022. and instead assume that the experience period PMPM would continue to 2022.

[13] See section 3.4.7 for a description of Vermont Blue Rx.
[14] http://blueprintforhealth.vermont.gov/

Calculation of projected Blueprint payments PMPM		
	Individual	**Small Group**
Experience Member Months	203,230	249,156
Experience Blueprint Payments	$699,883	$1,014,399
Blueprint Payments PMPM	$3.44	$4.07
Projected Membership	15,878	18,755
Projected overall PMPM	= ($3.44 x 15,878 + $4.07 x 18,766) / 34,633 = **$3.78**	

- Interplan Teleprocessing System (ITS) (e_3):
  The BlueCard® Program gives BCBSVT members healthcare coverage wherever they go across the country and around the world. The fees associated with this program are independent of the dollar amount of the claims and therefore solely dependent on utilization of BlueCard participating providers. As described below, we have selected an annual medical utilization trend, before the impact of the fraud, waste and abuse program, of 1.9 percent; therefore, these fees are assumed to increase at 1.9 percent annually.

Calculation of projected ITS fees PMPM		
	Individual	**Small Group**
Experience Member Months	203,230	249,156
Experience ITS fees	$325,637	$649,529
ITS fees PMPM	$1.60	$2.61
Trend (1.9% for 2 years)	1.03772	1.03772
Projected ITS fees PMPM	$1.66	$2.71
Projected Membership	15,878	18,755
Projected overall PMPM	= ($1.66 x 15,878 + $2.71 x 18,755) / 34,633 = **$2.23**	

- Vermont Vaccine Purchasing Program Payments (e_4):
  The Vermont Vaccine Purchasing Program[15] (VVPP) offers health care providers state-supplied vaccines at no charge by collecting payments from health plans, insurers and other payers. This assessment is a PMPM charge applied to members residing in Vermont who are under age 65. On April 26, 2021, the Vermont Vaccine Purchasing Program released a memo[16] that included the rates for SFY2022 (April 2021 through March 2022) and the anticipated rates for SFY2023[17]: *"The new monthly rate for child covered lives will be $12.02. The new monthly rate for adult covered lives will be $1.70. […] For planning*

[15] http://www.vtvaccine.org/
[16] https://www.vtvaccine.org/vtvaccine.nsf/documents/ApprovalofFY2022AssessmentRateNoticeandLetterfromCommissioner2.html/$File/2021-04-21%20Assessment%20Rate%20Notice%20SFY2022%20and%20Commissioner%20Recommendation.pdf
[17] The State Fiscal Year runs from April 1 through March 31.

purposes, the best estimate at this time for the SFY2023 assessment rate is $9.26 per child covered life per month and $0.96 per adult covered life per month."

Using the projected enrollment for children and adults, we calculate a projected period PMPM of $2.71PMPM.

Calculation of the VVPP PMPM			
Market	**Age Category**	**Weighted Rate for CY 2022[18]**	**Projected Membership**
Small Group	Child	$9.95	2,845
Small Group	Adult	$1.15	15,293
Small Group	Over 65	$0.00	617
Individual	Child	$9.95	1,208
Individual	Adult	$1.15	14,493
Individual	Over 65	$0.00	177
Total		**$2.15**	**34,633**

- Net Cost of Reinsurance (e_5):
  BCBSVT uses reinsurance to protect itself against very high claims. Starting in 2020, BCBSVT purchased reinsurance for 40 percent of claims above $1 million. When combined with the High Cost Risk Pool program, BCBSVT is fully reinsured at an attachment point of $1 million. Since we capped claims in the projected period allowed claims for EHB (line D of Exhibit 5) at $1 million, we include the full cost of reinsurance. The projected rate for this coverage in 2022 is $[redacted] PMPM, which is the 2021 cost of coverage with expected increases due to trend leveraging. As mentioned in section 3.3.1., BCBSVT has a member with ongoing high cost pharmacy claims which are not covered by BCBSVT reinsurance. We include the claims, net of High Cost Risk Pool recoveries, in this component.

- OneCare Coordination Fee (e_6):
  BCBSVT is paying OneCare VT a PMPM care coordination fee for attributed BCBSVT members to directly support ACO providers, including community providers, as they deploy new care models. This model mirrors the investment Medicaid has made in the ACO provider network and supports the comprehensive care models being tested within the ACO program. The monthly PMPM for members attributed to OneCare is $3.25. For 2022, we expect that the commercial ACO network will include the same hospitals as in the 2021 network.

[18] Using the SFY2022 rates for Q1 2022 and the SFY2023 for Q2 2022 through Q4 2022.

Calculation of projected OneCare Coordination Fee PMPM		
	Individual	**Small Group**
March 2021 Attributed Members	7,444	8,984
PMPM per Attributed Member	$3.25	$3.25
Projected Membership	15,878	18,755
PMPM per Member	= 7,444 x $3.25 / 15,878 = $1.52	= 8,984 x $3.25 / 18,755 = $1.56
Projected overall PMPM	= ($1.52 x 15,878 + $1.56 x 18,755) / 34,633 = **$1.54**	

- PBM Administration Fees (e_7):
  BCBSVT's PBM offers additional services to BCBSVT for clinical management programs. These programs include prior authorizations, step therapy, quantity reviews, copay reviews, and pharmacy vaccination programs, as well as a safety management program, which protects patients against potentially harmful drug interactions. The total PMPM in the experience period was $[redacted] PMPM for these services, and we project them to be the same in 2021.

- Accordant Health Services Fees (e_8)
  BCBSVT partners with Accordant Health Services to provide members support with managing their rare diseases. The program targets patients with complex, chronic diseases in neurology, rheumatology, hematology and pulmonology. Accordant provides early intervention and patient compliance services to support BCBSVT's care management strategies, improve patient health and strengthen physician-patient relationships. The total PMPM in the experience period was $[redacted] PMPM for these services, and we project the PMPM to be the same in 2022.

3.4.7. Trend Factors (cost/utilization)

3.4.7.1. Data and Population

The source of the data is BCBSVT's data warehouse, except where noted below. To ensure accuracy of claims information, the data has been reconciled against internal reserving, enrollment, and other financial reports. The analysis examined claims incurred between January 1, 2017 and December 31, 2020, paid through February 28, 2021. We apply completion factors, based on best estimates from financial reporting before margin for conservatism, to estimate the ultimate incurred claims for each period shown in the exhibits.

The data includes claims from the VISG market and Pathway 2 Association Health Plans. Over the past few years, we have experienced membership retroactivity, primarily associated with members enrolled through VHC. This retroactivity causes some claims to no longer be associated with active membership. The data excludes claims that are no longer associated with active enrollment.

BCBSVT experienced large membership movement out of the VISG market in 2018, 2019 and 2020. To ensure that the trend factors do not implicitly reflect changes in the BCBSVT population, we created a

matched population specific to each benefit year. This methodology ensures that the mix of age, gender, metal level, market, duration, and conditions is the same over the four years of data.

To match the population, we first summarize the enrollment data by member and by year to calculate the number of months with active enrollment for each member in each year. We then assign the age category (0, 1, 2 to 4, five-year bands until 64, 65 and over), gender, metal level, and market (individual subsidized, individual unsubsidized, and small group) associated with the last month of enrollment for that member in that year.

Using pharmacy claims, we then assign condition categories based on drug utilization. Each category is assigned a 1 or 0 value. Members can have multiple condition categories. Using medical claims, we assign pregnancy indicators, and newborn weights and condition indicators following the categories used in the HHS-HCC risk adjustment model. Finally, we assign a high claimant indicator for members with annual claims above $500,000 and. we excluded high claimants from the matching process[19].

Starting with calendar year 2020, we match backward to the 2019, 2018 and 2017 populations. Summary statistics of the full BCBSVT VISG and AHP population and the matched population are shown on Exhibit 3B.

We use the full population for the medical cost trend calculation and the matched population for all other trend estimates[20] .

3.4.7.2. Medical Trend Development

Using the historical contracted reimbursement schedules, we calculate network factors that represent the various contracts. Using these factors, we can modify the claims to reflect a common contract. From there, we can observe the historical cost increases using all claims information.

Medical trend is composed of three pieces: cost, utilization, and intensity. In our analysis, we combine utilization and intensity within the utilization metric and analyze the unit cost separately. We normalize historical experience for contract changes so that we can derive a utilization trend in the absence of unit cost changes. We develop future unit cost trends on a discrete basis, using the most recent round of contract negotiations as a starting point. The overall trend is the product of these two components.

<u>Unit Cost</u>
Observations of recent contracting and provider budgetary changes are the main source of unit cost trend. In prior filing, we used the most recent calendar year as the basis for the medical cost trend projection. Due to the pandemic, medical care was deferred during the spring 2020 and returned starting in the third quarter of 2020. Not every type of care could be deferred and the degree to which deferred care returned varies based on provider and service type. This change in pattern of care in 2020 impacted the proportion of the total claims incurred at different facilities and providers. We do not expect the 2020 proportions to

[19] The utilization component includes intensity, an increase in high cost claimants can disproportionately impact the year-over-over and regression calculations.
[20] Using the full population for the cost trend base ensures that the weights among facilities and other providers reflect the most accurate weights for the ACA population.

continue through 2022. We therefore use calendar year 2019 as the base for mix of site of care and projected costs three years to 2022.

During calendar year 2019, about 53 percent of total medical claims dollars occurred at Vermont facilities and providers impacted by the hospital budget review process of the Green Mountain Care Board (GMCB). For hospitals under the jurisdiction of the GMCB, we start with the assumption that the GMCB will approve hospital budgets for the 2021 cycle that support identical commercial increases as those approved in the 2019 cycle. In previous filing, we assumed that the most recent year of approved hospital budgets was the best proxy for the upcoming year. Driven primarily by a rebasing to actual expenses, the approved budgets in the 2020 cycles were higher than historically approved budgets. On March 31, 2021, the GMCB issued the FY2022 hospital budget guidance[21] and "established a Net Patient Revenue/Fixed Prospective Payment growth guidance of up to 3.5% for FY22." [redacted] Based upon the above assumptions concerning hospital budget and fee schedule changes, the provider contracting and actuarial departments worked together to assess the impact such an increase would have on contract negotiations specific to the network used for the VISG market.

We assumed for other providers within the BCBSVT service area that overall 2021 and 2022 budget increases would be identical to those implemented during the 2020 cycle, with the exception that we have reflected any more recent information gleaned from our early negotiations with providers. Again, the provider contracting and actuarial departments worked closely together to assess the impact these assumptions would have on contract negotiations specific to the network used for the VISG market.

BCBSVT entered into a contract with a lab benefit manager (LBM) in August 2019 that instigated dramatic changes in the cost of independent labs. To recalibrate to the LBM fee schedule, we recalculate the cost of labs using the October 2019 fee schedule for January 2019 through September 2019 and assume that 2022 lab claims will remain at that level.

For drugs dispensed in a facility or office, we use the average increase for each facility or provider group to calculate an estimated unit cost trend. As described below, we apply an overall allowed trend for these drugs but, per the URRT instructions, we must separate cost and utilization. This estimated unit cost trend is used for URRT purposes as actual unit cost increases by type of service are not readily available.

Finally, we derive unit cost increases for providers outside the BCBSVT service area from the Fall 2020 Blue Trend Survey, which is a proprietary and confidential dissemination of the Blue Cross and Blue Shield Association.

[21] https://gmcboard.vermont.gov/sites/gmcb/files/documents/FY22%20Hospital%20Budget%20Guidance-%20Final%203%2030%202021.pdf

The chart below summarizes the results of the analysis:

Annual Reimbursement Changes due to Budget Increases and Contracting Season	Percent of Total Allowed Medical Claims in Estimated 2020[22]	Cost Trend from 2020 to 2021	Cost Trend from 2021 to 2022	Total Annual Cost Trend
Vermont facilities and providers impacted by GMCB's Hospital Budget Review	54.4%	5.9%	4.1%	5.0%
Other facilities and providers	45.6%	3.6%	3.6%	3.6%
Total	100.0%	4.9%	3.9%	4.4%

Pages 1 through 5 of Exhibit 3A show the details of the cost increases by contract and type of claim.

Utilization & Intensity

To examine historical utilization trend patterns we first normalize for unit cost increases. We measure contract changes for the entirety of the experience period explicitly for each facility within our service area, as well as the three largest physician groups and independent labs.

We measure increases for fee schedules and other chargemasters by applying each schedule to a market basket of services. We define the market basket by using Current Procedural Terminology (CPT) codes & CPT modifier combinations that were present in each of the effective periods the schedules covered. Using the same experience period data used throughout the trend analysis, we compare total allowed costs for the selected combinations of CPT and CPT modifier under each schedule to estimate the percentage increase. For contracts under Diagnosis Related Group (DRG) arrangements, we compared the charge for the 1.000 DRG service for each period. Finally, for services under a discount of charge arrangement, we used the contracted chargemaster increase provided by our Provider Contracting department.

We derive contracting changes for out-of-area services from the Fall 2020 Blue Trend Survey, which is a proprietary and confidential dissemination of the Blue Cross and Blue Shield Association.

We normalize claims to the December 2020 contract at each unique provider by applying a factor equal to the product of the impact of each contracting change from the experience month through December 2020. We assume the derived trend for other claims is continuous.

[22] While the calculation of the cost trend uses calendar year 2019 as the base, the trends are applied to calendar year 2020. The table shows the estimated calendar year 2020 percentages.

We select the following utilization trends:

Category	Annual Selected Utilization Trend
Inpatient	1.5%
Outpatient	0.3%
Professional	1.8%
Medical Drugs	6.7%

While we select distinct trends for inpatient and outpatient claims, the weighted average trend of 0.7 percent is well aligned with the 0.6 percent facility trend in the most recent Large Group filing.

The selection of utilization trend is a complex process that requires observations of historical patterns, statistical analysis and understanding of the different external forces that can influence claims costs in both the experience and projection periods. We analyze each claim category separately and weight the selected trends using experience period PMPM claims to derive an overall trend.

In the prior filing, we adjusted the experience to normalize for age, gender, and benefit mix. This is no longer necessary due to the use of a matched population, which excludes high claimants.

Since early 2014, BCBSVT has implemented many programs to combat fraud, waste and abuse (FWA). As shown in the table below, the return of FWA programs increased rapidly from 2015 to 2018. Due to BCBSVT's migration to a new operating platform, FWA programs slowed in 2019. The Vermont Department of Financial Regulations (DFR) ordered the suspension of all routine provider audits from March 18, 2020 to August 3, 2020. We did not engage in routine audits of the University of Vermont Health Network providers as they dealt with a cyberattack in the fall. These events limited our ability to return our FWA program to pre-2019 levels.

Calendar Year	Percent of claims recovered as part of FWA programs
2017	1.09%
2018	1.42%
2019	0.77%
2020	0.52%

To control for the changes in recoveries we normalize claims on a monthly basis based on each respective month's recovery rate. The impact of projected changes to the FWA programs is described in the cost containment section below.

We normalize the claims cost such that each month reflects the average number of working days per month in 2020, as defined by our reserving models.

Exhibit 3B shows the calculation and resulting factors for these adjustments for the matched population.

Inpatient Facility Claims

In prior filings, we combined inpatient and outpatient facility claims and selected an overall facility utilization trend. This was due to the shift of services from inpatient to outpatient setting. This shift is no longer a driver of the increase in outpatient claims and the two types of facility services are now experiencing diverging patterns. We therefore chose to separate the analysis for this filing.

For inpatient facility claims, we select a 1.5 percent utilization trend.

Using the array of PMPM claims costs adjusted for contract, FWA programs, and number of working days, we performed 24-month regressions, 36-month regressions and time series calculations. Certain time series methods, such as those assuming no trend, those assuming that trend is dampening or those for which there is not sufficient historical data[23] are not included, as these are inappropriate for use in trend development and/or for the data available.

Calendar year 2018 claims were uncharacteristically high. Inpatient claims are subject to more random fluctuation than outpatient or office visits. A few additional admissions can skew the year over year trend results. Due to these annual fluctuations, a longer view of trend is appropriate for inpatient claims.

Due to 2019 results being lower than 2018, many time series project highly negative trends producing projected negative claims, which are unreasonable in this context. To smooth out these results, we also calculate trends on a rolling 24-month basis as well as two-year trends.

While the exhibits show monthly data through December 2020, only months through February 2020 are used in the regressions, time series and annual trend calculations due to the impact of COVID-19 pandemic on inpatient claims. The exhibits also show regressions and time series for the periods ended December 2019 for comparison purposes only.

Summary of Statistics for Periods Ended February 2020 for Inpatient Claims		
Method	**Trend**	**RMSE[24]**
Two-year trend	1.6%	
Rolling 24 months	1.4%	
36 Months Logistic Regression	1.6%	12.83
36 Months Linear Regression	1.3%	13.24

[23] The seasonal additive, seasonal multiplicative, single moving average, and single exponential smoothing methods cannot be used since they assume zero trend. The dampened trend method inherently assumes a slowdown of trend. The double moving average method requires three times the amount of historical data as projection periods, and therefore cannot readily be used for this analysis.

[24] Root Mean Square Error (RMSE) is the standard deviation of the prediction errors. It measured the delta between the residuals and line of best fit.

We select a 1.5 percent trend for inpatient facility claims. The long-term trend results, which are the only reliable estimates due to the large fluctuation in 2018, are all very close to this figure.

Details on inpatient facility trends are shown on pages 1 to 2 of Exhibit 3C.

Outpatient Facility Claims

For outpatient facility claims, we select a 0.3 percent utilization trend.

Using the array of PMPM claims costs adjusted for contract, FWA programs and number of working days, we performed 24-month regressions, 36-month regressions and time series calculations. Certain time series methods, such as those assuming no trend, those assuming that trend is dampening, or those for which there is not sufficient historical data[25], are not included, as these are inappropriate for use in trend development and/or for the data available.

Outpatient services have been increasing steadily over the past few years at a relatively low rate.

Summary of Statistics for Periods Ended February 2020 for Outpatient Claims			
Method	**Trend**	**RMSE**	**Theil's U[26]**
Year over Year	-0.4%		
36 Months Logistic Regression	1.2%	34.38	
36 Months Linear Regression	1.1%	34.48	
Holt-Winters' Multiplicative 36 Monthly	-0.1%	11.13	0.80
Holt-Winters' Additive 36 Monthly	-0.1%	11.13	0.80

We select 0.3 percent trend for facility outpatient claims. The 24-month statistics are generally higher than the 36-month statistics due to the high fourth quarter in 2019. We therefore relied on the 36-month statistics to better smooth this outlier quarter. Our trend selection is informed by the weighted average of the year over year trend, 36-months regressions and Holt-Winters' time series. The other time series have Theil's U close or higher than one and/or projected negative claims costs, neither of which are statistically acceptable results.

When combined with inpatient trend, the overall facility trend assumption is 0.7 percent. This figure is somewhat lower than facility trend assumptions in the 2021 individual and small group filing and the most recent large group filing.

Details on outpatient facility trends are shown on pages 3 to 4 of Exhibit 3C.

[25] The seasonal additive, seasonal multiplicative, single moving average, and single exponential smoothing methods cannot be used since they assume zero trend. The dampened trend method assumes a slowdown of trend. The double moving average method requires three times the amount of historical data as projection periods, and therefore cannot readily be used for this analysis.

[26] Thiel's U is a relative accuracy measure to compare actual results to forecasting results. Theil's U statistics under 1 mean that the technique is better than guessing.

Professional and Ancillary

We select a 1.8 percent utilization trend for professional and ancillary claims.

Professional claims utilization experienced one-time events that skewed the overall year over year results. First, BCBSVT introduced a lab benefit manager in August 2019, which helped reduce the number of services through the application of rigorous clinical protocols and cost of lab services with a drastically reduced fee schedule. Second, in the fall of 2019, we observed a shift in site of care for vaccines from provider offices to pharmacies. While the cost of the administration continues to flow through the medical benefit, the cost of the vaccines has shifted to the retail pharmacy benefit. Facility professional services are expected to follow the facility inpatient and outpatient trends. Finally, mental health and service abuse (MHSA) services have seen larger than average increases for the past two years.

To account for these events, we analyzed the number of services by type of service as identified using place of service and CPT or HCPCS codes on the claims.

After excluding claims for independent labs and vaccinations and carving out mental health and substance abuse (MHSA) and facility services, the number of services per thousand members per month are increasing at a declining rate each year. By contrast, MHSA services have increased by over 10 percent each of the last two years.

For non-MHSA and non-facility services, the logistical regressions over 24 and 36 months for the period ended February 2020 result in annual trends of 1.5 percent and 2.0 percent, respectively, while the year over year trend for the period ended February 2020 was 0.2 percent and the two-year trend ended February 2020 is 1.5 percent. Professional services have manifested a two-year cycle, which may be driven by preventive care patterns. Therefore, using a longer-term view is most appropriate. Based on these results, the best estimate for non-MHSA and non-facility services trend is 1.5 percent; but influenced by the most recent year-over-year result, we select a modestly lower utilization trend assumption of 1.0 percent.

Based on the historical patterns and the work in Vermont to expand access to mental health services, especially during and after the pandemic, a continuation of the observed 10.5 percent increase in MHSA services best project the utilization of these services. This is aligned with the year ended February 2020 increase and the 24- and 36-months regressions.

For facility services, we apply the selected utilization trend for inpatient and outpatient claims, weighted by the uncapped adjusted experience period allowed claims for EHB PMPM (from Exhibit 3J). This calculation yields 0.7 percent.

Over the past few years, services with lower cost per service, such as office visits and urgent care, have seen higher than average increases in number of services. Using the year ended February 2020 cost per service normalized for cost increases as described above, along with the number of services by type (excluding independent labs, therapeutic services, and vaccines), we calculate an annual cost per service (see page 4 of Exhibit 3D)

We expect the historical patterns of increased services at lower cost to continue through the projection period, yielding a cost per service trend of negative 0.5 percent. This aligns with the historical patterns. We expect that the changes to the coding rules around the evaluation and management codes will impact the mix of services, with more intensive codes being used. Due to the anticipated increase in intensity, we do not expect that the mix trend will continue to decelerate but will instead remain at the most recent rate of decrease.

Combining the selected number of services and mix trend, we get the following total professional utilization trend:

Calculation of Overall Professional Utilization Trend			
Category	**Annual Increase in Services**	**Annual Change due to Mix**	**Total Annual Professional Utilization Trend**
All, Except excluded categories	1.0%	-0.5%	0.5%
MHSA	10.5%	NA	13.0%
Facility	0.7%		0.7%
Total			**1.8%**

We observed very consistent levels of increase in number of services (with the exceptions of the services excluded above) and very consistent decreases in the average cost per service, driven by a change in mix. There is no reason to believe that these consistent patterns will change through the projection period. We therefore calculate, based on the selected trends above an aggregate professional trend of 1.8 percent, which will be applied to all outpatient services, including those excluded from the trend calculation.

Exhibit 3D shows the number of services and cost per service by for MHSA, facility services, and all other services (except independent labs and vaccines) combined.

Pharmaceuticals

We select a 6.7 percent utilization trend for pharmaceuticals processed through the medical benefit.

The recent acceleration in cost for pharmaceuticals processed through the medical benefit warrants a separate analysis for these claims. The accelerating cost for these drugs may unduly affect utilization trend, so it is appropriate to develop a discrete trend for these claims. These types of claims have seen drastic increases in the year-over-year trend.

Ocrevus, a blockbuster drug for treatment of multiple sclerosis, was the main driver of a high increase in 2018. Other drugs also experienced very high increases and we expect some of these drugs to continue trending at very high rates.

To isolate trend from the one-time events of new drugs becoming available, we separate the drugs by the first year a claim for them took place. We then calculate year over year trends, rolling two-year trends, and

regressions on the allowed PMPM cost for drugs with claims since at least 2017. While these types of claims were less impacted by the deferral of care due to the COVID-19 pandemic, they still experienced lower than expected claims in the period from March 2020 to May 2020 and higher than expected claims from June 2020 through December 2020. This is likely due to members delaying the start of their treatment. That said, the two-year trends ended February 2020 and December 2020 are very similar, at 6.5 percent and 5.7 percent respectively.

Summary of Statistics for Periods Ended February 2020 for Pharmaceutical Claims	
Methodology	**Trend**
Two-Year Ended Feb 2020	6.5%
Two-Year Ended Dec 2020	5.7%
36mths Regression Ended Dec 2020	7.5%
24mths Rolling Regression Ended Dec 2020	4.4%
36mths Regression Ended Feb 2020	6.5%
24mths Rolling Regression Ended Feb 2020	3.8%

The methodologies that use a smaller amount of historical data yield results that are outliers relative to the more consistent results produced by methodologies that consider longer-term observations. We attribute the variance to short-term fluctuations and use the average of the long-term results as a trend ore indicative of long-term patterns. We therefore select a 6.0 percent overall trend.

Using the average projected cost increase for outpatient services from 2021 to 2022 (5.3 percent; see Exhibit 3A), we calculate a projected annual utilization increase of 0.6 percent for existing treatments. The impact of new drugs for the past three years was 16.7, 6.5, and 4.9 percent, respectively. We discard the 2017 to 2018 result as an outlier and expect the future impact of new drugs to increase trend by six percent. We therefore select a 6.7 percent utilization trend for pharmaceuticals.

Exhibit 3E shows the PMPM and regressions for the pharmaceuticals with claims from at least 2017, the calculation of the impact of the pipeline and the overall calculation of the pharmaceutical trend.

Overall Medical Utilization Trend

Using the 2020 allowed charges PMPM, adjusted for the index rate projection factors described earlier in this section, we calculate a 1.9 percent overall medical utilization trend:

Calculation of the overall medical utilization trend		
Category	**Uncapped Allowed Charge PMPM, adjusted for projection factors**	**Selected Utilization Trend**
Inpatient	$110.85	1.5%
Outpatient	$210.61	0.3%
Pharmaceuticals	$76.73	6.7%
Professional	$142.90	1.8%
Total	**$541.08**	**1.9%**

Cost Containment Strategy

Due to COVID-19 and UVMHN's cyber-attack, we stopped some FWA programs a portion of 2020.We expect that the 2022 FWA activities will return to the 2018 levels of recoveries.

Calculation of the FWA adjustment to Utilization Trend	
Calendar Year	**Percent of claims recovered as part of FWA programs**
2018	1.42%
2020	0.52%
Factor to adjust back to 2018 level	= (1.0142/1.0051) - 1 = 0.9910

3.4.7.3. Pharmacy Trend Development

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 analyze the components of trend (cost and utilization) separately for brands, generics, and specialty drugs. Specialty drugs are very high cost drugs with low utilization. Because of their relative infrequency, it is more appropriate to look at the overall PMPM trends for these drugs rather than separate cost and utilization components. We then calculate the overall pharmacy trend by combining the separate projections.

Non-Specialty Drug Utilization

As described above, we use a matched population as the basis for our trend analysis and adjusted for working days. Using the array of monthly PMPM claims after adjustments, we performed 24-month and 36-month regressions as well as time series, with appropriate underlying assumptions for trend and seasonality.

Exhibit 3F provides the monthly and the 12-month rolling data, along with the corresponding year-over-year and exponential regression trends and time series, for non-specialty drug utilization. We use the number of days supply, rather than the number of scripts, to normalize for changes in the days supply per script (e.g. increased use of 90-day fills). Because there are several popular brand drugs that have become generic during the experience period, or will become generic during the projection period, we combine the data for generic and brand drugs for the purpose of analyzing utilization patterns. Vaccines and devices days have been moving from the medical benefit to the pharmacy benefits. These two categories are excluded from the non-specialty trend calculations as they would skew the results.

Due to the relaxation of clinical edits in response to COVID-19, many members refilled their prescription early in March 2020. This changed the pattern of monthly days supply per member. To adjust for this one-time event, we smooth monthly days supply per member for the periods from March 2020 to May 2020 and June 2020 to August 2020 by using the monthly spread from the same months in 2019.

The 24-month regression and time series results are higher than both the most recent year over year results and the 36-month regressions and time series. We observed a high fourth quarter in 2020, which is skewing the 24-month statistics. The longer views also suggest that the most recent year–over-year trend may be artificially low. We select 3.0 percent, the average of the 36-month statistics and the most recent year over year results, as the non-specialty drugs utilization trend.

Instead of projecting a generic dispensing rate, we separated the drugs into eight categories:

- Generics: Drugs that have been generic since at least January 2018
- New Generics: Generic drugs that have been in the market for less than 36 months (January 2018 to December 2020)
- Brands going Generic: brands that are expected to become available in generic form in the projection period, based on a list from our pharmacy benefit manager
- Vaccines
- Over the Counter (OTC)
- Compounds
- Devices, such as continuous glucose monitoring and insulin pens
- All other Brands

As shown on Exhibit 3I, all days supply are trended forward at the same rate of 3.0 percent.

<u>Generic Cost Trend</u>

In the previous filing, we used the generic drugs that have been in the market for at least 3 years to determine the generic cost trend. We modified the definition of *new generic* to be at the drug name level and not NDC level, which reduced the number of new generics. This change in definition and the use of all generics instead of only the generics that have been in the market for at least three years reduced the differences between the regressions and year over year results.

Exhibit 3H, page 1, shows monthly Average Wholesale Price (AWP) cost per days supply and the 24-month regression. We select 3.0 percent for the generic cost trend, which is the slightly below the average of the 24-month regression and the year over year result. The rolling annual trends have been between 2.5 and

3.8 percent for the last thirteen 12-month periods. We consider 3.0 percent to be a reasonable long-term outlook for generic cost trend.

Brands that are going generic will become subject to generic discounts. We do not expect that the AWP for these drugs will significantly change from the experience period due to the lack of generic competition for the main drugs in this category. We adjust the price to reflect the different experienced effective discounts between brands and generics. We also adjust the price of the new generics to reflect the difference in effective discounts as compared to the generics that have been in the market for at least three years.

Brand Cost Trend

To ensure that the brand cost trend is not skewed by brands going generic, vaccines, over the counter, devices, and compounds, we performed a 24-month regression on monthly AWP cost per days supply on the all other brand category only. The monthly AWP cost per day supply for brand drugs is impacted by the mix of new and older brands. Brands that have been in the market for one to two years have been, on average, less expensive than older brands. To account for this change in mix, we perform a 24-month regression on monthly AWP cost per day supply for brand drugs that have been in the experience for at least four years.

Exhibit 3H, page 2, shows monthly cost per days supply and the 24-month regression. We select 10.0 percent for the brand cost trend, which is slightly lower than the average of the 24-month regressions and the most recent year over year result. This selection is consistent with recent filings, and we consider it to be a reasonable outlook of future trend.

Compounds are one-off prescriptions that are constructed at the pharmacy from component ingredients. Because they are not sold on a wholesale basis, there is no official AWP. We select a 0.0 percent cost trend for compounds.

Vaccine costs have been increasing rapidly over the previous three years, with 2020 experiencing slightly lower than historical increases due to fewer travel--related vaccines and more flu vaccines. We expect vaccine costs to trend at levels experienced in 2018 and 2019 and include a 20 percent cost trend for vaccines.

We also do not expect over-the-counter drugs to follow the overall brand cost trend. The price of OTC drugs decreased drastically in 2018 and 2019 but leveled off in 2020. Based on historical data, we select a 0 percent cost trend for OTC drugs.

The cost of pharmaceutical devices has been increasing rapidly over the previous years due to the introduction of new and more expensive options. To calculate both the cost increases and impact of mix through 2022, we observe the increases by drug and their respective market share With the rollout of Vermont Blue Rx, some brands will no longer be covered and members will be directed to the preferred options. We adjusted the projected mix to reflect this change. We select an overall cost trend for devices of 25 percent.

Specialty Drugs

In January 2019, we amended our contract with our pharmacy benefit manager to reflect the Accredo® Exclusive Specialty Program, which increased our discount off AWP for specialty drugs. We adjust months prior to January 2019 to reflect the Accredo contract.

We did not adjust the experience to reflect aging or benefits because we used the matched population. We did not adjust for working days, as nearly all retail specialty medications are provided through mail service and the vast majority of prescriptions are refills. Using the array of weighted PMPM claims costs after adjustments, we performed 24-month and 36-month regressions.

Exhibit 3G contains the results of the regressions. We select 17.6 percent as the contracted adjusted trend[27], which is consistent with previous filings, as a reasonable and appropriate trend for specialty drugs.

Changes in Pharmacy Contracts.
On November 9, 2020, BCBSVT announced Vermont Blue Rx, an innovative prescription drug benefit service that will improve the consumer experience, drive better health outcomes, and reduce costs for members, providers, and employers.

As part of this program, BCBSVT has selected a new pharmacy benefit manager (PBM). Effective July 1, 2021, Vermont Blue Rx will leverage custom programs, tools, and digital technology designed to better manage overall drug spending and increase member engagement in pharmacy and health care through a more integrated health and wellness service platform. This collaboration will advance BCBSVT's commitment to providing members with convenient and affordable access to prescription medications through a comprehensive retail and home delivery pharmacy network with no disruption to ongoing treatment.

[redacted] To calculate a contract improvement factor, we applied the contracted discounts and dispensing fees for each type of drug (Generic, Brand and Specialty) to calendar year 2020 claims for contract provisions applicable to both the experience period and the projected period. We apply the contract improvement factor to the projected pharmacy claims for each type of drug, calculated by taking the ratio of the projected pharmacy claims under each contract (see Exhibit 3I for details). [redacted]

Overall Pharmacy Trend
Exhibit 3I summarizes the trends and calculates our total allowed pharmacy trend as 8.4 percent. Note that changes in pharmacy contracts are included in the cost trend component on Exhibit 3J.

3.4.7.4. Vision and Dental Trend Development

Dental Trend
The pediatric dental benefit is available to all members age 21 and under. Using the matched population described above, we observed a step down in 2019 and again in 2020. Dental services were greatly impacted by the COVID-19 pandemic, with some dentist offices closing during the spring of 2020. We expect projection period dental services to return to 2019 levels. We therefore apply no trend for dental services, after adjusting calendar year 2020 for the impact of the pandemic (see section 3.4.8 for details on this adjustment).

[27] [redacted]

Historical PMPM for Dental Claims – Using matched population	
Calendar Year	**PMPM**
2017	$1.98
2018	$1.90
2019	$1.74
2020	$1.36

Vision Trend

The pediatric vision claims experience shows 2018 to be an outlier with much higher PCMPM than the other three years in the analysis. While the slowdown in the spring of 2020 due to the COVID-19 pandemic impacted vision services, the deferred care returned in the second half of the year. The calendar year PCMPM is aligned with the prior year.

Historical CPMPM for Vision Claims – Using matched population		
Calendar Year	**PCMPM**	**Trend**
2017	$0.63	
2018	$0.71	11.8%
2019	$0.58	-18.9%
2020	$0.57	-1.2%

We expect 2020 and 2021 to remain at the level experienced in 2019 and 2020; we therefore select a 0.0 percent overall vision trend.

3.4.7.5. Overall Total Trend

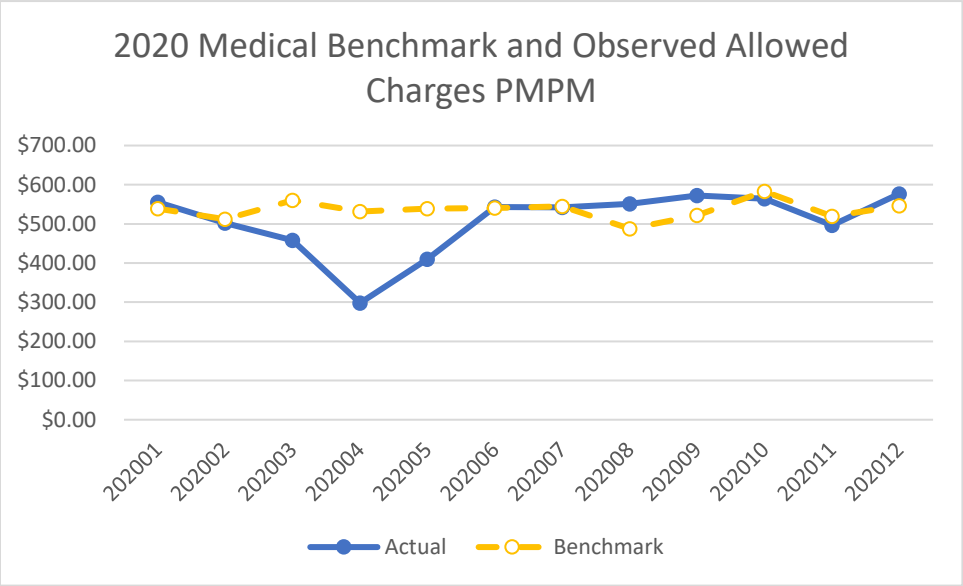
To calculate the overall trend, we apply the trend factors described above to the adjusted experience period allowed claims for EHB (Exhibit 5, line C), but exclude the adjustment for claims above $1 million. Exhibit 3J shows the calculation of the resulting factors $1+d_1$ and $1+d_2$ in Exhibit 5.

	Row on Exhibit 5	Factor
Cost Trend Factor	$1+d_1$	1.071
Utilization Trend Factor	$1+d_2$	1.070

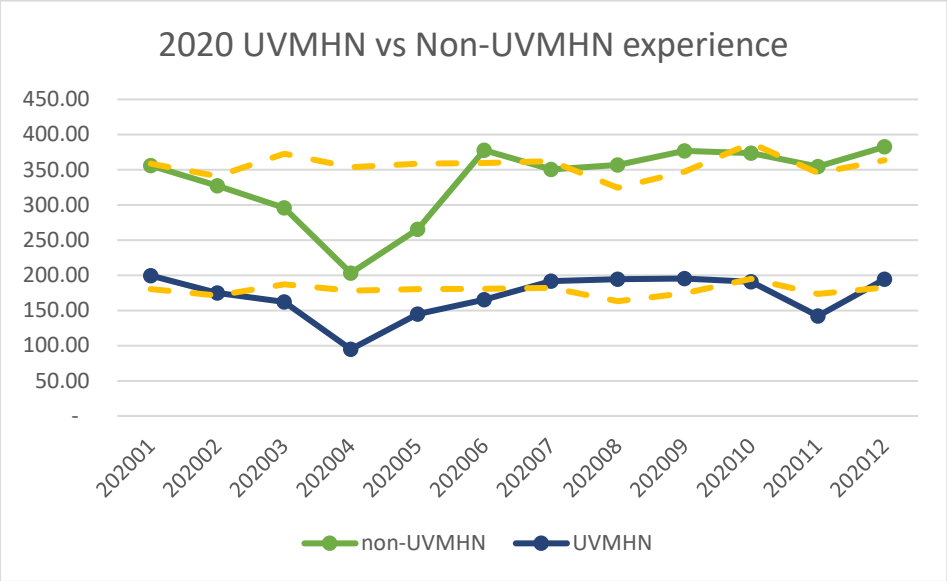
3.4.8. Adjustment to Experience for one-time events

2020 Benchmark and Experience Adjustment

To quantify the impact to our 2020 experience period for one-time events we develop a seasonal monthly allowed charge benchmark. This benchmark represents an estimate of what our 2020 Vermont ACA market experience would have been in the absence of one-time events. We start with the 2019 allowed medical claims experience of members in the ACA market and AHP members that had ACA market enrollment in 2020. From this base we apply monthly medical cost and utilization trends using the trend factors described in memo section 3.4.7.2. We make monthly seasonal adjustments to reflect historical patterns and apply working days adjustments to each month. The following graph illustrates the 2020 benchmark and actual 2020 medical allowed charges.



The actual experience shows a large dip during March, April and May due to the shelter in place measures that existed at that time. There is another dip in November that is a result of the cyberattack on the University of Vermont Health Network (UVMHN) information technology systems. Some services at UVMHN that were originally scheduled in November were rescheduled to subsequent months. The following graph shows the benchmark and actual experience for services rendered at a UVMHN provider as compared to non-UVMHN providers.



November 2020 was 18 percent below benchmark at UVMHN providers in contrast to non-UVMHN utilization that was 3 percent above benchmark.

The experience adjustment was calculated as the weighted average benchmark PMPM relative to the total observed experience PMPM. The resulting factor is 1.0608, of which 1.0547 is the COVID-19 impact and 1.0058 is the cyberattack impact. This factor is applied to medical claims on line $1+c_5$ of Exhibit 5.

Dental claims also experienced a large slowdown in the spring of 2020. As described in section 3.4.7.4, we expect projections dental claims to return to 2019 levels. We therefore estimate the impact of the slowdown on dental claims by comparing the 2019 PMPM to the 2020 PMPM, resulting in a factor of 1.2756. This factor is applied to dental claims on line $1+c_5$ of Exhibit 5.

2022 Projected Impacts

BCBSVT modeled the impact of ongoing costs of the COVID-19 pandemic through 2022. These costs include vaccination costs, continued treatment and testing, and additional changes in demand. Most notably, the professional MHSA claims are expected to increase by about 20 percent from 2020 to 2022. This is much higher than the selected professional MHSA trend of 10.5 percent[28]. It is likely that the ongoing pandemic will increase 2022 claims costs beyond the levels projected within this filing. However, because of the margin guidance provided in Attachment C (as discussed in section 3.8.7.2), the addition of a COVID-related factor of any magnitude would be offset by a reduction in CTR of equal and opposite magnitude, resulting in no change to the premiums presented herein. We therefore include a COVID-19 impact of zero within the 2022 premium rates.

3.5. Credibility of Experience

BCBSVT's experience period had 452,386 member months and is therefore fully credible.

[28] See section 3.4.7.1 for details.

3.6. Credibility manual rate development

Since BCBSVT's experience is fully credible, no manual rate is needed in the development of rates for the experience period claims.

3.6.1. Source and Appropriateness of Experience Data Used: Not Applicable

3.6.2. Adjustments Made to the Data: Not Applicable

3.6.3. Inclusion of Capitation Payments: Not Applicable

3.7. Market Adjusted Index Rate

The Market Adjusted Index Rate (line H of Exhibit 5) is $686.65. We calculate this quantity by adjusting the Projected Index Rate (line F of Exhibit 5, $757.19) for allowable market-wide modifiers described below.

3.7.1. Projected Risk Adjustment Transfer PMPM:

On March 31, 2021, CMS published an Interim Summary Report on Risk Adjustment for the 2020 benefit year[29]. The BCBSVT data included in the report represents claims incurred in 2020 and paid through December 31, 2020. We made the assumption that MVP's 2020 interim submission includes the same incurred and paid data as BCBSVT, consistent with previous years' interim submissions. The final 2020 report will include the impact of supplemental diagnosis files and claims runout. We estimate the impact of claims runout and supplemental diagnoses for BCBSVT and MVP by considering historical relationships of the plan liability risk score (PLRS) in the 2017, 2018 and 2019 Final Summary Reports relative to the 2017, 2018 and 2019 Interim Summary Reports.

The 2022 risk adjustment calculation starts with the estimated final 2020 risk adjustment and projects to 2022 based on projected membership changes, market-wide premium increases, PLRS adjustments due to model changes, and other factors impacting the transfer.

Market-Wide Premium Increases

We calculate the 2022 market-wide premium PMPM by applying the expected 2022 rate increase by carrier to the estimated 2021 premium PMPM by carrier and averaging the carrier specific PMPMs by projected 2022 market share. The 2021 market-wide premium represents the weighted average of BCBSVT's billed premium as of March 31, 2021 and MVP's imputed premium PMPM from their 2021 URRT exhibit based on projected 2022 membership. The BCBSVT 2021 PMPM is adjusted by the average 2022 rate change for non-Catastrophic plans and the MVP 2021 PMPM is adjusted by their average filed increase over the last three years. The adjustments are 0.9915 and 1.0650 for BCBSVT and MVP, respectively. The market-wide premium PMPM is adjusted for the ratio of billable member months to total member months as well as the 86 percent premium adjustment factor and thus our projected per billable member per month premium amount is $578.88. See Exhibit 4, Table 1 for the statewide premium calculation.

[29] https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Interim-RA-Report-BY2020.pdf

Model Adjustments

We adjust the PLRS for both BCBSVT and MVP for the impact of the proposed 2022 HHS risk adjustment model coefficient changes.

In order to estimate the impact of the model changes we calculated risk scores for every BCBSVT Exchange member in the 2020 experience period using our DIY software. In addition, we mapped each BCBSVT member's experience risk score to a 2022 risk score based on the proposed HHS risk adjustment model coefficients. From this data we isolated the impact on BCBSVT's risk score due to changes in the risk adjustment model. We observed that members in bronze plans saw higher increases on average compared to members in richer plans and observed that child risk scores increased at a higher rate compared to adults across all metal levels. BCBSVT's average 2022 risk score would be higher than its 2020 average risk score by a factor [redacted] using the 2020 experience as the basis. To estimate the impact of the risk adjustment model change to MVP we created a model that randomly subsets the member-specific BCBSVT risk score data such that the resulting subset has MVP-like metal distributions as well as an MVP-like percentage of adults. MVP has a larger percentage of its membership on bronze plans but also has more adults as a percent of total membership as shown in the tables below.

CY2020 Membership Distribution by Metal				
Issuer	**Platinum**	**Gold**	**Silver**	**Bronze**
MVP	9.8%	35.2%	31.5%	23.5%
BCBS	19.2%	29.0%	34.8%	17.0%

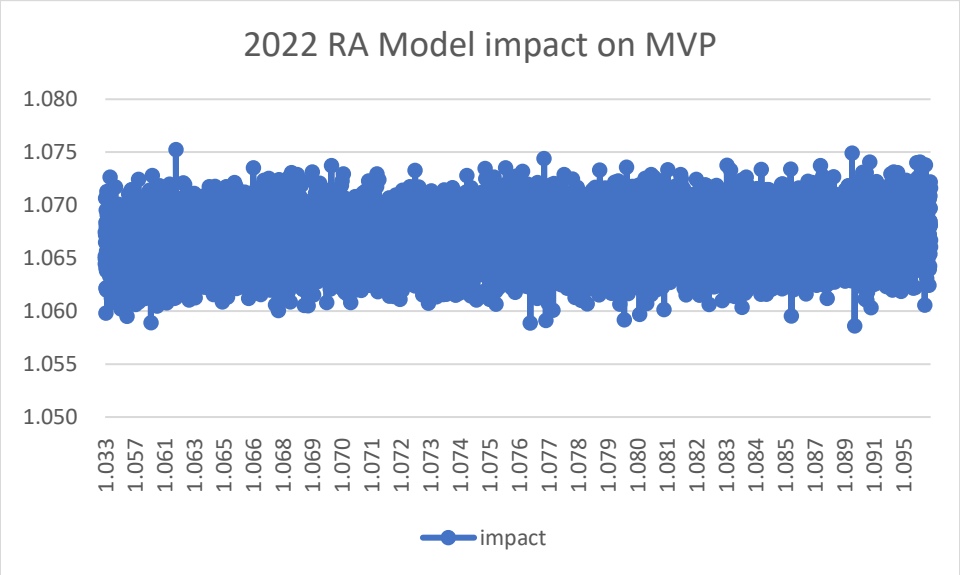
Calculation of Adult to Member Ratio		
Issuer	**MVP**	**BCBSVT**
Contract Type	**As of February 2020[30]**	**Average 2020**
Single	16,104	14,926
Couple	4,187	4,085
Adult + Child(ren)	914	947
Family	2,659	3,050
Contracts	**23,864**	**23,008**
Members	**36,971**	**37,344**
Adults	**30,710**	**30,143**
Adults/Members	**83.1%**	**80.7%**

The model created 10,000 simulations with the MVP characteristics described above. The graph below shows the relationship of modeled 2020 average risk scores (x-axis) relative to the impact of the 2022 model changes for each simulation. The average of these simulations was [redacted]. We concluded that result

[30] https://ratereview.vermont.gov/sites/dfr/files/PDF/MVPH-132371260%20as%20of%20Sept%209%202020.pdf

was sufficiently close to the BCBSVT observation that the overall impact of model changes can be assumed to be 1.00.

The final 2022 risk adjustment model coefficients were released after this analysis was performed. We assume that the final factors will also have no material impact to the relative risk scores between BCBSVT and MVP.



Population Adjustments

We adjust the PLRS for both BCBSVT and MVP for the impact of members migrating from BCBSVT's small group market to MVP's, the impact of individual members leaving the market, and the impact of new members to BCBSVT.

Comparing membership in force as of March 2021 to experience membership, we categorize members into "renew", "cancel" or "new" buckets. We adjust BCBSVT's projected 2022 risk score by removing members that canceled for reasons other than retirement, death, birth or transition to another BCBSVT line of business. [redacted].

The impact of new members to BCBSVT is estimated by first imputing a 2022 demographic risk score from in force enrollment data using observed age, gender and plan selection. The remaining risk score components—diagnosis, interaction, duration, prescription drug and cost-share reduction (silver only)—are estimated by applying the average of these non-demographic risk scores of the renewing population by metal to the new members. [redacted].

We observed that the statewide individual market decreased by 2,138 members, of which 542 were from MVP, mostly within their CSR plans. We assume that the average risk scores for the CSR sub-population have the same relativity between BCBSVT and MVP as that of the total individual market, or 1.245. [redacted]

[redacted].

MVP's small group enrollment grew by 1,035 members. We assume that the growth came from 2020 BCBSVT small groups. We identified which of the canceled BCBSVT small groups transferred to MVP by reaching out to the largest customers within this subset to ask how they are currently insured. We assume that canceled groups that had fewer than 10 members also transferred to MVP due to the absence of alternatives in the market. The combination of feedback we received from specific customers plus the assumption of the smaller sized groups yields approximately the same total (1,015) as the observed MVP small group growth. [redacted]

[redacted]

The final population adjustment accounts for the impact of the projected 2022 plan mix for both BCBSVT and MVP. The following tables show the plan mix for each carrier between the experience and projection periods. From 2020 to 2021, MVP saw a decrease in silver plans and an increase in platinum, gold and bronze. BCBSVT projects increases in silver and bronze plans and decreases in platinum and gold plans. We use observed 2021 plan mix as the estimate for the projected 2022 plan mix.

MVP Membership Distribution by Metal				
Year	**Platinum**	**Gold**	**Silver**	**Bronze**
2020	9.8%	35.2%	31.5%	23.5%
2022[31]	11.2%	35.3%	29.6%	23.8%

BCBSVT Membership Distribution by Metal				
Year	**Platinum**	**Gold**	**Silver**	**Bronze**
2020	19.2%	29.0%	34.8%	17.0%
2022	17.5%	28.2%	35.7%	18.6%

Utilizing the data set that contains risk scores for every BCBSVT member, we added additional detail that assigns a 2022 risk score for each metal level and not just the metal they had in the experience period. This allows us to determine the impact of changing metal levels while holding the risk characteristics of the population constant. An adjustment is made to the summarized data to reflect a higher percentage of adults when calculating the MVP impact. The impact is calculated by taking the weighted average of each respective metal distribution compared to the risk score by metal using the average population. For the MVP metal distributions, we use the adjusted average population as described above. [redacted]

See Exhibit 4, table 2 for a summary of all population and model adjustments.

[31] Report provided by DHVA to carriers on February 18, 2021

Other Factors

The catastrophic plan adjustments were made to the 2020 Interim Summary Report for the impact of 2020 runout and supplemental diagnosis files and the impact of the 2022 model coefficient changes. . Like the merged market, we considered the relationships of the catastrophic plan liability risk score (PLRS) in the 2017, 2018 and 2019 Final Summary Report relative to the 2017, 2018 and 2019 Interim Summary Report. The relative impact of runout and supplemental diagnosis was greater for BCBSVT in 2018 and 2019 but greater for MVP in 2017. Given this historical fluctuation we assume that the 2020 impact would not benefit either carrier and therefore apply the same factor adjustment for each carrier.

The 2022 risk adjustment model coefficients are increasing substantially compared to the 2020 model, primarily within the demographic factors. We calculate the BCBSVT impact by comparing the observed 2020 risk scores by member to the mapped 2022 risk score by member [redacted] Since there is only one plan in the catastrophic market, we assume that MVP's risk score will be impacted similarly. BCBSVT had approximately 98 percent of the catastrophic market in 2020 and we project a similar market share in 2022. Since BCBSVT has a similar majority in both the experience and projection periods, we did not make any population adjustments to the 2020 experience.

Other factors impacting the risk adjustment transfer include the actuarial value (AV), induced demand factor (IDF) and allowed rating factor (ARF). The AV and IDF factors change from the estimated final 2020 calculation as a result of the metallic distribution changing in 2022. The total transfer amount to BCBSVT increases by approximately $1.2 million after updating AV and IDF factors. We assume the ARF is unchanged from 2020. These results are shown in Exhibit 4, Table 3.

The 2020 Interim Summary Report has a total transfer amount $22,155,163. Due to claims runout and the expected impact of the supplemental diagnosis file, we estimate the final 2020 transfer will be $20,713,080 for the merged and catastrophic markets combined. Adjusting the final 2020 transfer for model, population and plan changes, we estimate the final 2022 transfer will be $22,162,855 prior to the charges for the High Cost Risk Pool program.

The 2022 transfer amount PMPM is partially offset by the projected charges and payments for the High Cost Risk Pool (HCRP) program. The plan year 2019 High-Cost Risk Pool charge for the merged markets, which are included in the nationwide individual market, was 0.24 percent of premium[32]. Due to trend leverage for a constant attachment point, the charge will increase over time as a percentage of total premium. To estimate the 2022 charge, we trend the charge using an 18.6 percent trend for three years for claims above $1 million[33]. We then divide by an estimated average nationwide premium increase of 7 percent annually for three years. This calculation yields an estimate of the 2022 charge of 0.327 percent of premium, or $2.12 PMPM. Because the methodology described in Section 3.3.1 nets projected reinsurance payments from projected claims, we effectively assume HCRP payments of zero, apart from expected payments for the high claimant we excluded from that calculation.

[32] https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/RA-Report-BY2019.pdf

[33] This leveraged trend is based on factors in the Milliman Reinsurance Guidelines.

Since the Market Adjusted Index Rate is on an allowed claims basis, we adjust the net projected risk adjustment payment by the average paid-to-allowed ratio (from Exhibit 6C).
The overall market-wide adjustment (line g_1 of Exhibit 5) for the risk adjustment program is -$70.54 PMPM as shown on Exhibit 4.

3.7.2. Exchange User Fees

BCBSVT does not expect Vermont Health Connect to charge a user fee for 2022.

3.8. Plan Adjusted Index Rates

3.8.1. Plan Adjustment – Actuarial Value and Cost Sharing adjustment

This plan adjustment, as shown on Exhibit 6A, is informed by two factors:

- Benefit Richness Adjustment
- Paid-to-Allowed Ratio

The paid-to-allowed ratio comes from the federal actuarial value calculator (AVC) and is adjusted for benefit items that are not supported by the calculator as well the impact of aggregate and stacked deductibles. The adjustments to the federal AVC come from BCBSVT's internal re-adjudication model. The experience used to calculate the adjustments to the-paid-to allowed ratio is our calendar year 2018 data trended to calendar year 2022 using the trend factors described in section 3.4.7. The model re-adjudicates claims by starting with the allowed charges and applying appropriate cost sharing for each service. The model generates the projected average paid claims for each benefit based on what the AVC can support as well as what the model cannot support. The relationship between these outputs from the BCBSVT based model is applied to the federal AVC paid-to-allowed ratio. The BCBSVT re-adjudication model is calibrated to 2018 experience and reproduces the experience paid-to-allowed ratio to within 0.1 percent.

The benefit richness adjustment reflects the expected changes in utilization due to different levels of cost sharing. This adjustment is based on the 2020 adjusted federal AVC. The 2022 federal AVC was not used as the basis because the updates made to the AVC in 2021 and carried forward to 2022 produced counterintuitive results across metal levels. The AVC, while not developed as a pricing tool, is used here to set the relativities between the plans because it represents the best approximation of a total market distribution free from selection bias. The adjustment described in section 3.8.6 ensures that the total premium collected is appropriately based on BCBSVT's re-adjudication model and experience, and not the federal AV calculator.

3.8.1.1. Benefit Richness Adjustment

The Benefit Richness Adjustment is the counterpart of the Change in Benefit projection factor ($1+c_1$ line on Exhibit 5) described in Section 3.4.3. This factor represents the different projected utilization for each plan based solely on benefit design. We apply the HHS Induced Utilization formula ($IU=AV^2-AV+1.24$) to each plan's paid-to-allowed ratio described in the section above.

These factors are normalized using the projected membership to ensure that the total adjustment is 1.000. The plan-level adjustment for benefit richness is calculated by applying the benefit richness adjustment by

base benefit and applying a factor of 1.000 for non-system claims and market-wide adjustments. See Exhibit 6B for details.

3.8.1.2. Paid-to-Allowed Ratio

The paid-to-allowed ratio as seen in Exhibit 6C reflects the expected portion of total claims BCBSVT will pay. To calculate these ratios, we utilize the standard population within the federal AVC. Two adjustments are made to the federal AVC: 1) impact of benefit items not supported by the AVC, and 2) the impact of family deductible and family out of pocket on the paid-to-allowed ratio. The result is a paid-to-allowed ratio based on a standard population that reflects the BCBSVT plan designs, including the family deductible and out of pocket maximum arrangements.

3.8.2. Silver Loading:

The silver loading plan level adjustment represents the impact of the defunding of the federal cost share reduction (CSR) program. Each base silver plan measures the impact of the 73%, 87%, 94% and 100% CSR plans by running each plan design through the BCBSVT re-adjudication model and observing the projected paid-to-allowed ratio differences. These plan specific differences are multiplied through by projected CSR membership. Projected CSR membership is assumed to be equal to the observed March 31, 2021 CSR membership. The total impact of the silver loading is $4.6 million. Please see details in Exhibit 6C.

3.8.3. Provider Network, Delivery System and Utilization Management adjustment:

Not applicable.

3.8.4. Adjustment for benefits in addition to the EHBs:

We trend our 2020 experience period non-EHB claims using the medical trends described in section 3.4.7, which produces an average allowed charge of $0.07 per member per month. Applying the same paid-to-allowed ratio to this benefit as to the EHB benefit, we calculate plan level factor adjustments that range from 1.0001 to 1.0004, as shown on Exhibit 6A.

3.8.5. Impact of specific eligibility categories for the catastrophic plan

This plan adjustment includes two components of the impact of the specific eligibility categories for the catastrophic plan. Both adjustments are based on the eligible population. Due to the additional subsidies available, we project that 100 percent of the population eligible for this product in 2022 will be under age 30.

To adjust for the eligible population, we first calculate the adjustment for the impact on the pricing actuarial value of the expected lower allowed charges of the group eligible to enroll in the catastrophic plan. We calculate that the overall expected allowed charges are 0.5308 of the total allowed charges. We then adjust the paid–to-allowed ratio based on the average total allowed charges. This factor is 0.9199.

These factors are applied to the EHB portion of the Projected Period Index Rate. Because this adjustment has no impact on the Non-System claims and Market Wide Adjustment, we calculate the expected claims cost and back into the plan level adjustment for the impact of eligibility.

The total adjustment for the specific eligibility categories for the catastrophic plan is 0.3729. See Exhibit 6D for details.

3.8.6. Impact of Selection

Subscribers will make financial decisions that are right for them. Typically, this manifests itself in healthier subscribers selecting low-cost plans while less healthy subscribers select richer benefits. While we do not reflect selection in the plan-level adjustments, as per the instructions, it can be demonstrated that total premium will be understated without adjusting the index rate to spread the impact of selection across all plans (see Exhibit 6E). This is due to the plan share of allowed costs being greater for richer plan designs, which demonstrably experience anti-selection in excess of benefit richness adjustments. The left section of Exhibit 6E shows the build-up of paid claims from allowed charges using actual plan-level adjustments described in Section 3.8 of this memorandum. The right section of the same exhibit demonstrates the impact on total paid claims of using benefit richness adjustments that instead reflect actual 2020 Vermont ACA market experience. The ratio of weighted average projected paid claims calculated via each of these two approaches produces a factor that must be included in the index rate so that application of the various plan-level adjustments results in the correct total paid claims across all plans. In order to account for the changing weights between the individual and small group markets, we calculate a market-specific selection factor and weight the factors using projected enrollment to calculate the overall factor. The total impact of selection is 1.1060, as shown in Exhibit 6E.

3.8.7. Adjustment for distribution of the administrative costs

3.8.7.1. Administrative Expense Load:

BCBSVT did not initially calculate the administrative expense load as a percent of premium adjustment. This adjustment is the sum of the following fees divided by the average premium PMPM from Exhibit 6A:

<u>BCBSVT Base Administrative Charges</u>

We use calendar year 2020 data from both individual and small group members to develop the base administrative expenses PMPM. The starting PMPM for the base administrative charges is $44.68 PMPM. The Vermont ACA market population is comprised of individuals who can choose to enroll through the Vermont Health Connect (VHC) website or directly with BCBSVT, and small groups that enroll directly with BCBSVT.

The table below shows the reconciliation from GAAP accounting data to base administrative charges, including the removal of federal fees, GMCB billback, and fees paid to vendors for the administration of Health Savings Accounts and Health Reimbursement Accounts linked to our insurance products. Each of these items that have been removed are added to premiums elsewhere. We also remove any expenses incurred due to one-time, non-recurring events, such as the expenses related to enabling full-time remote work and the startup costs of new programs and new vendor relationships, as these costs are not expected

to continue to occur in the projection period. Finally, we adjusted the allocation of overhead among lines of business to reflect a consistent percentage of premium or premium equivalent, which is a more appropriate (i.e. lower, in the case of this filing) basis for pricing purposes.

Reconciliation of Experience Base Administrative Expense to Reported GAAP Expenses		
	Total Dollars	**PMPM**
Reported Expenses	$35,962,084	$79.49
Federal and State fees	($8,456,810)	($18.69)
Fees for outside vendors	($177,448)	($0.39)
Exclusions	($1,132,995)	($2.50)
Reallocations	($6,937,858)	($15.34)
Base Administrative Charges	**$19,256,973**	**$42.57**

Due to the projected change in market mix, we reweighted the experience administrative costs for individual and small group to reflect the projected membership.

Reweighted Experience Base Administrative Expenses PMPM			
	Individual	**Small Group**	**Total**
Base Administrative Expense PMPM	$50.09	$36.43	= ($50.09 x 15,878 + $36.43 x 18,755) / 34,633 = $42.69
Projected Membership	15,878	18,755	34,633

The reweighted base administrative charges are projected to 2022 using a 2.2 percent annual trend. This projection factor is intended to make reasonable but modest provision for increases in overall operating costs PMPM. We assume that personnel costs (wages and benefits) will increase by 3 percent annually, the typical budgeted wage increase, over the projection period. We assumed that other operating costs remain flat. Based on calendar year 2020 information, we calculated that 73.6 percent of our administrative costs are for salaries and benefits. We therefore increase our projected administrative expenses by the weighted average of 2.2 percent per annum. We assume no trend for 2021, and apply trend from 2021 to 2022, which broadly aligns with the decision to forgo cost of living wage increases in 2021.

Development of Administrative Charges Trend		
		Percent of Total
Employee costs:	A	55.4%
Purchased services	B	24.7%
Other operating costs	C	19.9%
Total Administrative Expenses	D = A + B + C	100.0%
BCBSVT Personnel Cost	E = A /(A + C)	73.6%
Projected Personnel Cost Increase	F	3.0%
Projected Administrative Cost Increase	G = (E x (1+F) + (1-E)) -1	2.2%

We calculate PMPM admin charges with experience period enrollment and projected enterprise-wide 2022 enrollment. When projecting the 2022 enrollment, we include the observed membership losses in 2021, projected organic growth in 2022, and expected growth due to the additional subsidies from the American Rescue Plan and its expected impact on membership. Using the lower 2022 enrollment increases the PMPM by 5.4 percent. A recent cost accounting exercise indicates that variable costs represent approximately 30 percent of total administrative expenses. BCBSVT is committed to providing insurance coverage for our members at the most affordable rates possible; as a result, even though it is impractical to react to enrollment shifts by immediately right-sizing staff, we nonetheless remove from our projection the entirety of variable costs associated with the reduced enrollment. We therefore apply a net increase of 3.8 percent to the base PMPM charges to account for the reduction in membership. The table below shows the calculation.

Development of Enterprise Membership Adjustment			
	Enterprise Admin Expenses	**Members**	**Admin PMPM**
Experience Period	$73,222,924	173,910	$35.09
Projected 2022 Enrollment		165,000 [34]	$36.98
Elimination of 100% of variable costs for reduced enrollment			$36.41
Adjustment for Enterprise Membership		$36.41 / $34.41 = 1.038	

[34] The projected membership is higher than in the most recent Large Group filing due to expected growth from additional tax credits from the American Rescue Plan. While BCBSVT expects this membership growth, the impact of these additional members is only reflected in administrative charges as we do not have information about the health status of the currently uninsured population. BCBSVT expects that while the morbidity of currently uninsured members might be lower than currently insured members, the anti-selection of members choosing to newly enroll is likely to offset the improved morbidity. The most reasonable assumption is that newly enrolled members will not have a material impact on pool morbidity.

To calculate the projected base administrative charges, we increase the reweighted base experience PMPM by 2.2 percent for one year of trend and by 3.8 percent for the impact of membership.

Projected Administrative Charges Calculation		
Experience Base Administrative Charges PMPM	A	$42.69
Trend Projection	B	1.0221
Impact of Membership changes	C	1.0378
Projected Base Administrative Charges (Exhibit 7A)	D = A x B x C	$45.29

The projected base administrative charges PMPM of $45.29 is 7.0 percent of premium.

VHC Billing

Carriers will take over premium billing for VHC enrolled members for plan year 2022. Expenses in plan year 2022 related to VHC billing are estimated at $1.75 PMPM. These are added to BCBSVT projected base administrative expenses.

Debit and Credit Card Fees

Starting in plan year 2021, BCBSVT offers members the opportunity to pay their premiums via debit and credit cards. Prior to 2021, BCBSVT only offered direct debit and check payments. Banks charge fees as a percent of the transaction for debit and credit card payments. To estimate the average fee, we relied on most recent month of payment and fee data. Currently, only individual and small groups directly enrolled with BCBSVT have access to the online platform. With the transition of VHC billing to the carriers, all individuals and small groups will now have access to the online platform and debit and credit card payment option. While the uptake of this new payment option has been lower than expected in the 2021 filing, over time an increasing number of members each month elect to pay their premium using a debit or credit card. We also received information from VHC about the use of credit and debit card members for BCBSVT members enrolled through VHC. In 2020, approximately 13.2 percent of households enrolled through VHC paid their premium by credit or debit card.

The table below shows the expected percentage of membership paying by credit and debit card in 2022 and the expected fee, based on recent data.

Projected Credit and Debit Cards Fees as a Percent of Premium					
	Projected Membership	**Expected percentage of debit/credit card payment**	**Member Responsibility Premium PMPM**	**Total Premium PMPM**	**Credit Card Fee PMPM**
	(A)	(B)	(C)	(D)	(E) = 3.0% x (C)
VHC Enrolled	10,863	20.0%	$306.79	$680.79	$1.84
Individual Direct Enrolled	5,015	20.0%	$603.54	$603.54	$3.62
Small Groups	18,755	7.5%	$651.62	$651.62	$1.47
Total Projected Members	**34,633**	**13.2%**	**$536.50**	**$653.80**	**$1.90**

The average fee of 3.0 percent applied to the member responsibility PMPM and multiplied by the projection of 13.2 percent paying by debit or credit card yields a premium load of 0.29 percent ($1.90 / $653.80 = 0.002900).

Charges for Outside Vendors

- CBA Dental and VSP Vision

Dental and vision benefits are administered by third parties. The administrative fees are charged for eligible members only. We assume that these fees will not increase from those in the experience period, and therefore add a charge equal to the experience period PMPM.

- HRA/HSA Integration Services

All Vermont ACA market members are eligible for HRA and/or HSA integration services. For plans with an HSA-compatible benefit design, we offer a service to integrate with the mechanics of depositing monies into and paying claims out of Health Savings Accounts (HSAs). All plans are also eligible for this service in connection with Health Reimbursement Accounts (HRAs). To calculate these fees, we use the experience of members that are already enrolled in this program and compare it to all members enrolled in the Vermont ACA market in the first quarter of 2021.

The total of all administrative charges outlined in this section is 7.61 percent of premium. The details of the administrative charges are on Exhibit 7A.

Reconciliation to the Supplemental Health Care Exhibit

The Supplemental Health Care Exhibit (SHCE) is on a statutory accounting basis (as promulgated by the NAIC), while the administrative charges in this filing were developed based on GAAP accounting.

In the SHCE, administrative expenses are included in lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4. Line 1.5 also includes an allocation of federal income taxes that are not part of administrative expenses. Those must be excluded to reconcile to statutory basis administrative expenses. Statutory and GAAP accounting treat

some expenses differently, mainly related to network fees and pension costs. The following chart demonstrates a reconciliation of the SCHE to GAAP base period administrative charges:

Reconciliation of SCHE and GAAP accounting		
		Individual and Small Group
SCHE lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4.	A	$38,991,550
Less taxes in SCHE 1.5 that are not admin	B	$1,652,162
Total administrative charges - STAT basis	C = A – B	$37,339,388
Differences in STAT and GAAP treatment	D	($1,377,304)
Total administrative charges - GAAP basis	**E = C + D**	**$35,962,084**

3.8.7.2. Profit (or Contribution to Reserves) & Risk Margin**:**

Contribution to Policyholder Reserves

As directed by BCBSVT management, the filed rates include a 1.5 percent contribution to reserves (CTR). A contribution to policyholder reserves is required in order to maintain an adequate level of surplus. Surplus, or policyholder reserves, is a critical consumer protection that is required by the Vermont Department of Financial Regulation. In the event of unforeseen adverse events that may otherwise impact BCBSVT's ability to pay claims, surplus allows subscribers to receive needed care and providers to continue to receive payments.

A memo from BCBSVT senior management regarding the requested level of CTR can be found as Attachment C.

Other Risk Margin

Under the ACA, enrollees who are receiving Advance Premium Tax Credits (APTC) have a three-month grace period to pay premiums, while enrollees who are not receiving APTC have a one-month grace period. For both these populations, the State requires the insurer to pay for claims incurred in the first month of the grace period even if premium is never collected. This uncollected premium is considered bad debt. To ensure that BCBSVT collects enough premium from the total pool to cover the grace periods, it is necessary to include a risk margin for bad debt. We have added a margin of 0.10 percent, which equals the observed amount of uncollected premium due to the grace periods in each of the previous four years.

Calculation of the Unpaid 30-day Grace Period as a Percent of Premium			
	Unpaid 30-day Grace Period Premium	**Total Billed Premium**	**Percent of Billed Premium**
2017	$415,186	$408,055,901	0.1%
2018	$276,549	$342,711,239	0.1%
2019	$232,289	$298,258,610	0.1%
2020	$269,037	$287,515,509	0.1%
Total	**$1,193,062**	**$1,336,521,186**	**0.1%**

Details of Contribution to Reserve and Risk Margin for Bad Debt by product are on Exhibit 7B.

3.8.7.3. Taxes and Fees:

The proposed rates include on average 1.53 percent in taxes and fees. These taxes and fees are imposed by both the state and federal government.

Green Mountain Care Board Billbacks
BCBSVT is assessed a billback from the Green Mountain Care Board. In 2020, $1,026,263 was allocated to the ACA market**.** To calculate the increase to this fee, we used the increase in BCBSVT invoice from FY2020 to FY2021 and applied to the portion allocated to the ACA market in 2020. The BCBSVT total invoice increased by 7.2 percent. We therefore calculate the projected 2022 billback allocated to BCBSVT ACA products as $1,100.629, or $2.65 PMPM.

Health Care Claims Tax
The Health Care Claims Tax (HCCT) levied by the State of Vermont totals 0.999 percent of claims. This consists of 0.8 percent of claims for the HCCA tax and 0.199 percent of claims for the VITL assessment. Act 73 of 2013 sunset the 0.199 percent assessment for the Health IT-Fund. A two-year extension was approved by the Vermont legislature in Act 41. Given that this fee has routinely been extended close to its sunset date, we continue to include it in the calculation for the full calendar year.

Patient-Centered Outcomes Research Institute Fee
This fee is part of the Affordable Care Act and applies to all plan years through October 1, 2029. We estimate that the fee will be $0.24 PMPM for the plan year ending December 2022.

Federal Insurer Fee
The Federal Insurer Fee (also known as the Health Insurer Tax, or HIT) funded some provisions of the Affordable Care Act. H.R.1865 ended this fee after 2020.

Risk Adjustment User Fees

Per the 2022 final Notice of Benefits and Payment Parameters (86 Fed. Reg. 24140), the risk adjustment user fee is $0.25 per member per month.

Details of the taxes and fees by product are on Exhibit 7C.

3.8.8. Calibration

Age, tobacco, and geographic factors are not allowed in Vermont. Therefore, no calibration is required.

3.8.9. Projected Loss Ratio

The MLR calculation at the combined market level has a minimum requirement of 80 percent. We project that the overall Loss Ratio, using the federally prescribed MLR methodology for the combined market, will be 90.0 percent. See Exhibit 8 for details.

3.9. Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium rates are displayed on Exhibit 9B. Since rate factors for age, tobacco and geography are not allowed in Vermont, the only adjustment is the application of rating tier factors. Vermont has predetermined the tier factors for plans for Individuals and Small Groups.

We observed that using the same contract conversion factor on all plans does not produce the same total premium when multiplying members and PMPM and when multiplying contracts and rates. This is due to not all plans having the same distribution in each tier and not all plans receiving the same annual rate increase.

To correct this discrepancy, we calculate the contract conversion factor in two steps, using projected membership. First, we calculate preliminary rates by tiers by using the simple ratio of average number of members to subscribers to calculate average tier factors for all plans except the catastrophic plan. We then compare the total premium from multiplying members by PMPM to the premium totaled by multiplying contracts by rates and adjust the contract conversion factor to ensure that we collect the total required annual premium. We calculate a contract conversion factor specifically for the catastrophic plan and one for all other plans.

Please see Exhibit 9A for details calculation of the contract conversion factor.

The Consumer Adjusted Premium Rates are shown on Exhibit 9B.

3.10. Small Group Plan Premium Rates

All Small Groups must renew on January 1, 2022 according to the combined market rules. BCBSVT will not file small group rates for Q2-Q4 2022.

4. ADDITIONAL INFORMATION

4.1. Terminated Products

BCBSVT terminated the Blue Rewards deductible plans and replaced them with the Vermont Preferred plans as of January 1, 2021. The table below includes the mapping to the new plans.

	Terminated Plans		New Plans	
Market	**2020 Name**	**2020 QHPID**	**2022 Name**	**2022 QHPID**
Small Group	Blue Rewards Gold	13627VT0360001	Vermont Preferred Gold	13627VT0360005
Small Group	Blue Rewards Silver	13627VT0360002	Vermont Preferred Silver	13627VT0360006
Small Group	Blue Rewards Silver - Reflective	13627VT0360004	Vermont Preferred Silver - Reflective	13627VT0360008
Small Group	Blue Rewards Bronze	13627VT0360003	Vermont Preferred Bronze	13627VT0360007
Individual	Blue Rewards Gold	13627VT0380001	Vermont Preferred Gold	13627VT0380005
Individual	Blue Rewards Silver	13627VT0380002	Vermont Preferred Silver	13627VT0380006
Individual	Blue Rewards Silver - Reflective	13627VT0380004	Vermont Preferred Silver - Reflective	13627VT0380008
Individual	Blue Rewards Bronze	13627VT0380003	Vermont Preferred Bronze	13627VT0380007

4.2. Plan Type

The plan type is EPO.

4.3. Act 193 Information

The table below shows the percentage of the 2022 proposed PMPM premium for generic, brand, and specialty drugs. The percent of premium rate is calculated by applying the brand, generic and specialty weights from Exhibit 3G to the total pharmacy projected allowed PMPM from Exhibit 5, adjusted for non-trend factors in the Projected Index Rate and adjusted for the plan level adjustment. Pharmacy rebates are weighted based on projected brand and specialty paid claims. We assume that the plan level adjustments apply to each category equally.

Drugs Processed Under the Pharmacy Benefit	
Type	**Percent of premium**
Generic	3.5%
Brand	4.9%
Specialty	9.4%

The table below shows the change in allowed charge PMPM from calendar year 2019 to calendar year 2020 and the annualized projected increase to 2022, including the impact of contract changes.

Drugs Processed Under the Pharmacy Benefit		
Type	**CY 2019 to CY 2020**	**CY 2020 to CY 2022, Annualized**
Generic	3.8%	5.3%
Brand	9.3%	1.8%
Specialty	36.2%	17.6%

The increase in drug spending compared to other premium components is below:

Premium Increases	
Component	**Increase**
Rx Claims	-3.5%
Medical Claims	-1.7%
Non-Claims Components	12.0%

Information about BCBSVTs National Performance Formulary is located on our website https://www.bcbsvt.com/VermontBlueRX BCBSVT's benefits do not have a specialty tier. All brand drugs, specialty or otherwise, are included in the preferred brand or non-preferred brand tiers.

Drugs administered in an outpatient setting and covered by the medical benefit represent 14.1 percent of the projected 2022 premium PMPM.

OptumRx will act as the pharmacy benefit manager (PBM) for BCBSVT's Vermont Blue Rx pharmacy program beginning in July 2021. OptumRx will manage claims processed through the pharmacy benefit but not claims processed through the medical benefit for use in a facility.

5. RELIANCE AND ACTUARIAL CERTIFICATION

5.1. Reliance

For the metallic AV values of the standard plans we relied upon the certification provided by Julie A. Peper, FSA, MAAA, Principal and Senior Consulting Actuary and Brittney Phillips, ASA, MAAA, Senior Consulting Actuary with Wakely Consulting. (Attachment A)

5.2. Actuarial Certification

The purpose of this rate filing is to provide the rates and a description of the rate development for the plans that Blue Cross and Blue Shield of Vermont (BCBSVT) is proposing to offer to the Vermont individual and small group markets in 2022. These calculations are not intended to be used for any other purpose. This memorandum documents the methodology used to calculate the AV Metal Value for each Qualified Health plan and Reflective plan offered by BCBSVT in 2022, the appropriateness of the essential health benefit portion of premium upon which advanced payment of premium tax credits (APTCs) are based, that the

Index Rate is developed in accordance with federal regulations, and that the Index Rate along with allowable modifiers are used in the development of plan specific premium rates.

I, Paul A. Schultz, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, meet the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work described herein.

In my opinion, the projected Index Rate is in compliance with all applicable State and Federal Statutes and Regulations (including 45 CFR 156.80 and 147.102), has been developed in compliance with the applicable Actuarial Standards of Practice, is reasonable in relation to the benefits provided and the population anticipated to be covered, and is neither excessive nor deficient. The calculations and results are appropriate for the purpose intended.

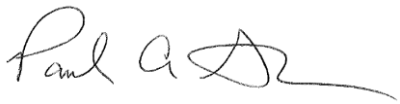
The Index Rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.

I have relied upon the certification of AV Metal Value provided by the State for Standard Plans, and attached hereto. Metal AVs for Non-Standard Plans were determined using the AV calculator, or in accordance with the requirements of 45 CFR 156.135(b)(3), as described in the attached actuarial certification.

Data used in this filing were reviewed for reasonableness, but no audit was performed.

The COVID-19 pandemic introduces uncertainty far greater than that present in a typical rate development. Scientific knowledge of the pathogen and its treatment continues to evolve. Furthermore, future governmental action in response to the pandemic will have a material impact on costs. As the health care ecosystem continues to rapidly change, new developments may call into question the adequacy or excessiveness of the premium rates discussed herein.

The Part I Unified Rate Review Template does not demonstrate the process used by the issuer to develop the rates. Rather, it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans for federally facilitated exchanges, and for certification that the Index Rate is developed in accordance with Federal regulation, is used consistently, and is only adjusted by the allowable modifiers.



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Paul A. Schultz, F.S.A., M.A.A.A.
Chief Actuary
Blue Cross and Blue Shield of Vermont
May 7, 2021

5.3. Disclosures

Information Date: The analysis provided in the report is based on information as known on May 7, 2021.

Scope: The purpose of this filing is to establish the premium rates for products offered by Blue Cross and Blue Shield of Vermont in the ACA market for the 2022 plan year. This filing is not intended to be used for other purposes.

Intended Users: This material has been prepared for the GMCB. BCBSVT understands that this memorandum and accompanying exhibits will be posted publicly.

Uncertainty or Risk: Future events may affect the results presented in the memorandum.

Reliance on Other Sources for Data and Other Information: This analysis relies upon data from the BCBSVT data warehouse. I have reviewed the data for reasonableness, but no audit was performed. This analysis relies upon several sources of information that are cited as footnotes at their respective references. If any of the sources we have relied upon are incorrect or inaccurate, it may affect the accuracy of the results presented in the report.

Subsequent Events: New information related to the COVID-19 pandemic continues to emerge on a regular basis. Subsequent events may affect the adequacy of the rates presented herein. The degree to which future events may materially change the adequacy of the rates is unknown. Notably, the filing does not include an assumption for additional claims expense due to ongoing COVID-19 vaccination on an annual basis. It remains uncertain whether the vaccines will require annual administration.

As of May 7, 2021, Vermont remains in a state of emergency regarding the COVID-19 pandemic. Given BCBSVT's previously communicated position of paying for pandemic-related costs through policyholder reserves, we would not include vaccine costs in the rate development even if emerging evidence demonstrates that an annual booster will be required.

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

Ruth Greene

Digitally signed by Ruth Greene
Date: 2021.05.07 10:20:26 -04'00'

Ruth Greene
Vice President, Treasurer & Chief Financial Officer

Date

Unified Rate Review v5.3

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.
To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.

Company Legal Name:	Blue Cross And Blue Shield of Vermont	State:	VT
HIOS Issuer ID:	13627	Market:	Small Group
Effective Date of Rate Change(s):	1/1/2022		

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period: 1/1/2020 to 12/31/2020

	Total	PMPM
Allowed Claims	$150,044,489.23	$602.21
Reinsurance	$0.00	$0.00
Incurred Claims in Experience Period	$126,081,043.19	$506.03
Risk Adjustment	$11,761,406.86	$47.20
Experience Period Premium	$157,930,488.32	$633.86
Experience Period Member Months	249,156	

Section II: Projections

Benefit Category	Experience Period Index Rate PMPM	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
		Cost	Utilization	Cost	Utilization	
Inpatient Hospital	$105.48	1.036	1.015	1.031	1.015	$116.07
Outpatient Hospital	$234.33	1.054	1.020	1.044	1.021	$268.53
Professional	$73.19	1.031	1.018	1.019	1.018	$79.69
Other Medical	$63.46	1.030	1.018	1.018	1.018	$68.96
Capitation	$9.54	1.031	1.018	1.019	1.018	$10.39
Prescription Drug	$116.10	1.028	1.105	1.028	1.109	$150.35
Total	$602.10					**$693.98**

Morbidity Adjustment	1.009
Demographic Shift	1.004
Plan Design Changes	0.998
Other	0.999
Adjusted Trended EHB Allowed Claims PMPM for **1/1/2022**	**$700.92**

Manual EHB Allowed Claims PMPM	$0.00
Applied Credibility %	100.00%

		Projected Period Totals
Projected Index Rate for **1/1/2022**	**$700.92**	$157,749,055.20
Reinsurance	$0.00	$0.00
Risk Adjustment Payment/Charge	$50.82	$11,437,549.20
Exchange User Fees	0.00%	$0.00
Market Adjusted Index Rate	**$650.10**	**$146,311,506.00**

Projected Member Months	**225,060**

Information Not Releasable to the Public Unless Authorized by Law: This information has not been publically disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.

Product-Plan Data Collection

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.
To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.
To remove a product, navigate to the corresponding Product Name/Product ID field and select the Remove Product button or Ctrl + Shift + Q.
To remove a plan, navigate to the corresponding Plan Name/Plan ID field and select the Remove Plan button or Ctrl + Shift + A.

Company Legal Name: **Blue Cross And Blue Shield of Vermont**
HIOS Issuer ID: **13627**
Effective Date of Rate Change(s): **1/1/2022**

State: **VT**
Market: **Small Group**

Product/Plan Level Calculations

Field #	**Section I: General Product and Plan Information**																								
	1.1 Product Name		BCBSVT EPO (Small Group)						BCBSVT EPO CDHP (Small Group)			BCBSVT EPO Vermont Preferred (Small Group)								BCBSVT EPO Vermont Select CDHP (Small Group)			
	1.2 Product ID		13627VT032						13627VT033			13627VT036								13627VT037			
	1.3 Plan Name		Standard Platinum	Standard Gold	Standard Silver	Standard Silver -	Standard Bronze	Standard Bronze	Standard Silver	Standard Silver	Standard Bronze	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Vermont	Vermont	Vermont	Vermont	Vermont Select	Vermont Select	Vermont Select	Vermont Select
	1.4 Plan ID (Standard Component ID)		13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
	1.5 Metal		Platinum	Gold	Silver	Silver	Bronze	Bronze	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze
	1.6 AV Metal Value		0.894	0.815	0.711	0.711	0.637	0.643	0.707	0.707	0.632	0.789	0.695	0.695	0.644	0.789	0.695	0.695	0.644	0.820	0.716	0.716	0.649
	1.7 Plan Category		Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Terminated	Terminated	Terminated	Terminated	New	New	New	New	Renewing	Renewing	Renewing	Renewing
	1.8 Plan Type		EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO
	1.9 Exchange Plan?		Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes
	1.10 Effective Date of Proposed Rates		1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022
	1.11 Cumulative Rate Change % (over 12 mos prior)		-6.97%	-7.96%	-18.82%	-8.50%	-9.46%	-9.43%	-16.84%	-8.37%	-9.18%	0.00%	0.00%	0.00%	0.00%	-7.29%	-19.82%	-7.94%	-8.65%	-7.12%	-18.43%	-8.38%	-8.74%
	1.12 Product Rate Increase %		-7.73%						-8.65%			0.00%								-7.56%			
	1.13 Submission Level Rate Increase %		-7.78%																				

Worksheet 1 Totals	**Section II: Experience Period and Current Plan Level Information**																							
	2.1 Plan ID (Standard Component ID)	Total	13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
$150,044,489	2.2 Allowed Claims	$150,044,489	$47,001,360	$21,440,432	$0	$17,590,455	$4,349,201	$696,012	$0	$8,167,858	$3,197,963	$5,584,438	$0	$1,942,044	$477,609	$0	$0	$0	$0	$32,072,707	$0	$1,691,538	$5,832,872
$0	2.3 Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	2.4 Member Cost Sharing	$23,963,446	$3,063,816	$3,063,644	$0	$4,491,563	$1,275,054	$241,513	$0	$1,861,284	$849,896	$609,538	$0	$498,684	$153,859	$0	$0	$0	$0	$5,499,516	$0	$613,206	$1,741,873
	2.5 Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$126,081,043	2.6 Incurred Claims	$126,081,043	$43,937,544	$18,376,788	$0	$13,098,892	$3,074,148	$454,500	$0	$6,306,574	$2,348,067	$4,974,899	$0	$1,443,359	$323,750	$0	$0	$0	$0	$26,573,190	$0	$1,078,333	$4,090,998
$11,761,407	2.7 Risk Adjustment Transfer Amount	$11,761,407	$11,992,549	$1,614,109	$0	-$2,852,384	-$1,273,400	-$185,455	$0	-$1,942,450	-$1,055,136	-$227,147	$0	-$777,495	-$423,368	$0	$0	$0	$0	$8,087,833	$0	-$747,304	-$448,946
$157,930,488	2.8 Premium	$157,930,488	$48,867,411	$23,089,367	$0	$23,466,684	$5,090,404	$1,067,823	$0	$10,676,917	$3,933,300	$4,215,088	$0	$2,577,240	$1,048,907	$0	$0	$0	$0	$25,123,405	$0	$2,788,099	$5,985,843
249,156	2.9 Experience Period Member Months	249,156	61,987	33,498	0	40,189	10,166	2,162	0	18,484	7,896	6,746	0	4,730	2,030	0	0	0	0	43,278	0	5,250	12,740
	2.10 Current Enrollment	18,785	4,183	2,506	0	2,992	803	162	0	1,340	815	599	0	483	191	0	0	0	0	3,036	0	769	906
	2.11 Current Premium PMPM	$669.21	$842.57	$713.91	$665.83	$590.84	$502.37	$509.14	$677.71	$615.06	$514.18	$655.93	$650.24	$566.70	$504.27	$0.00	$0.00	$0.00	$0.00	$690.84	$654.96	$582.41	$499.34
	2.12 Loss Ratio	74.30%	72.19%	74.39%	#DIV/0!	63.54%	80.54%	51.51%	#DIV/0!	72.20%	81.58%	124.75%	#DIV/0!	80.20%	51.76%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	80.01%	#DIV/0!	52.84%	73.89%
	Per Member Per Month																						
	2.13 Allowed Claims	$602.21	$758.25	$640.05	#DIV/0!	$437.69	$427.82	$321.93	#DIV/0!	$441.89	$405.01	$827.81	#DIV/0!	$410.58	$235.28	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$741.09	#DIV/0!	$322.20	$457.84
	2.14 Reinsurance	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00
	2.15 Member Cost Sharing	$96.18	$49.43	$91.46	#DIV/0!	$111.76	$125.42	$111.71	#DIV/0!	$100.70	$107.64	$90.36	#DIV/0!	$105.43	$75.79	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$127.07	#DIV/0!	$116.80	$136.72
	2.16 Cost Sharing Reduction	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00
	2.17 Incurred Claims	$506.03	$708.82	$548.59	#DIV/0!	$325.93	$302.39	$210.22	#DIV/0!	$341.19	$297.37	$737.46	#DIV/0!	$305.15	$159.48	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$614.01	#DIV/0!	$205.40	$321.11
	2.18 Risk Adjustment Transfer Amount	$47.20	$193.47	$48.19	#DIV/0!	-$70.97	-$125.26	-$85.78	#DIV/0!	-$105.09	-$133.63	-$33.67	#DIV/0!	-$164.38	-$208.56	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$186.88	#DIV/0!	-$142.34	-$35.24
	2.19 Premium	$633.86	$788.35	$689.28	#DIV/0!	$583.91	$500.73	$493.91	#DIV/0!	$577.63	$498.14	$624.83	#DIV/0!	$544.87	$516.70	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$580.51	#DIV/0!	$531.07	$469.85

	Section III: Plan Adjustment Factors																						
	3.1 Plan ID (Standard Component ID)		13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
	3.2 Market Adjusted Index Rate		$650.10																				
	3.3 AV and Cost Sharing Design of Plan		1.0772	0.8925	0.7226	0.7226	0.5976	0.6068	0.7562	0.7562	0.6153	0.0000	0.0000	0.0000	0.0000	0.8208	0.6948	0.6948	0.6061	0.8696	0.7135	0.7122	0.5987
	3.4 Provider Network Adjustment		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	3.5 Benefits in Addition to EHB		1.0002	1.0002	1.0002	1.0002	1.0003	1.0003	1.0002	1.0002	1.0003	0.0000	0.0000	0.0000	0.0000	1.0002	1.0003	1.0003	1.0003	1.0002	1.0002	1.0002	1.0003
	Administrative Costs																						
	3.6 Administrative Expense		5.35%	6.33%	7.63%	7.65%	9.04%	8.91%	7.33%	7.34%	8.81%	0.00%	0.00%	0.00%	0.00%	6.86%	7.90%	7.95%	8.93%	6.52%	7.72%	7.77%	9.04%
	3.7 Taxes and Fees		1.43%	1.52%	1.64%	1.64%	1.77%	1.76%	1.61%	1.61%	1.75%	0.00%	0.00%	0.00%	0.00%	1.57%	1.67%	1.66%	1.76%	1.53%	1.65%	1.65%	1.76%
	3.8 Profit & Risk Load		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%	0.00%	0.00%	0.00%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
	3.9 Catastrophic Adjustment		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	3.10 **Plan Adjusted Index Rate**		$763.66	$640.19	$526.57	$526.69	$443.17	$449.28	$549.02	$549.08	$455.00	$0.00	$0.00	$0.00	$0.00	$592.55	$508.07	$508.30	$448.86	$625.14	$520.52	$519.86	$443.94

	3.11 Age Calibration Factor	1.0000	1.0000																				
	3.12 Geographic Calibration Factor	1.0000	1.0000																				
	3.13 Tobacco Calibration Factor	1.0000	1.0000																				
	3.14 **Calibrated Plan Adjusted Index Rate**		$763.66	$640.19	$526.57	$526.69	$443.17	$449.28	$549.02	$549.08	$455.00	$0.00	$0.00	$0.00	$0.00	$592.55	$508.07	$508.30	$448.86	$625.14	$520.52	$519.86	$443.94

	Section IV: Projected Plan Level Information																						
	4.1 Plan ID (Standard Component ID)	Total	13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
	4.2 Allowed Claims	$146,279,869	$32,391,378	$19,545,580	$0	$23,336,143	$6,263,009	$1,263,521	$0	$10,451,348	$6,356,603	$0	$0	$0	$0	$4,671,908	$0	$3,767,165	$1,489,707	$23,679,322	$0	$5,997,826	$7,066,359
	4.3 Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.4 Member Cost Sharing	$8,684,905	$1,993,228	$1,199,963	$0	$1,429,030	$382,681	$77,217	$0	$640,353	$388,529	$0	$0	$0	$0	$0	$0	$230,582	$91,038	$1,453,282	$0	$367,224	$431,776
	4.5 Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.6 Incurred Claims	$137,594,965	$30,398,150	$18,345,617	$0	$21,907,113	$5,880,328	$1,186,304	$0	$9,810,994	$5,968,074	$0	$0	$0	$0	$4,671,908	$0	$3,536,583	$1,398,669	$22,226,040	$0	$5,630,601	$6,634,583
	4.7 Risk Adjustment Transfer Amount	$11,561,559	$10,676,282	$1,933,577	$0	-$1,969,170	-$1,053,270	-$143,837	$0	-$1,475,425	-$1,167,612	$0	$0	$0	$0	-$113,354	$0	-$853,014	-$419,626	$7,640,757	$0	-$1,230,717	-$263,031
	4.8 Premium	$135,246,921	$38,049,476	$19,247,888	$0	$18,906,258	$4,269,295	$873,213	$0	$8,827,496	$4,448,464	$0	$0	$0	$0	$4,257,955	$0	$2,945,294	$1,028,456	$22,771,353	$0	$4,796,180	$4,825,593
	4.9 Projected Member Months	225,060	49,836	30,072	0	35,904	9,636	1,944	0	16,080	9,780	0	0	0	0	7,188	0	5,796	2,292	36,432	0	9,228	10,872
	4.10 Loss Ratio	93.72%	62.39%	86.61%	#DIV/0!	129.34%	182.84%	162.65%	#DIV/0!	133.45%	181.91%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	112.72%	#DIV/0!	169.03%	229.73%	73.08%	#DIV/0!	157.92%	145.41%
	Per Member Per Month																						
	4.11 Allowed Claims	$649.96	$649.96	$649.96	#DIV/0!	$649.96	$649.96	$649.96	#DIV/0!	$649.96	$649.96	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$649.96	#DIV/0!	$649.96	$649.96	$649.96	#DIV/0!	$649.96	$649.96
	4.12 Reinsurance	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
	4.13 Member Cost Sharing	$38.59	$40.00	$39.90	#DIV/0!	$39.80	$39.71	$39.72	#DIV/0!	$39.82	$39.73	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$39.78	$39.72	$39.89	#DIV/0!	$39.79	$39.71
	4.14 Cost Sharing Reduction	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
	4.15 Incurred Claims	$611.37	$609.96	$610.06	#DIV/0!	$610.16	$610.25	$610.24	#DIV/0!	$610.14	$610.23	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$649.96	#DIV/0!	$610.18	$610.24	$610.07	#DIV/0!	$610.16	$610.24
	4.16 Risk Adjustment Transfer Amount	$51.37	$214.23	$64.30	#DIV/0!	-$54.85	-$109.31	-$73.99	#DIV/0!	-$91.76	-$119.39	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-$15.77	#DIV/0!	-$147.17	-$183.08	$209.73	#DIV/0!	-$133.37	-$24.19
	4.17 Premium	$600.94	$763.49	$640.06	#DIV/0!	$526.58	$443.06	$449.18	#DIV/0!	$548.97	$454.85	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$592.37	#DIV/0!	$508.16	$448.72	$625.04	#DIV/0!	$519.74	$443.86

Rating Area Data Collection

Rating Area	Rating Factor
Rating Area 1	1.0000

Please provide Company specific inputs for any cells shaded in blue.

Instructions:

•The issuer must complete the Actuarial Memorandum Dataset Supplement and submit with the filing.
•Enter data for all blue shaded cells consistent with the issuer's Part III Actuarial Memorandum.
•This includes cells where the spreadsheet contains sample input (red entries are just proxy values that help illustrate what should be provided).
•This document applies to all issuers, new and existing.
•Please submit in Excel format under the Supporting Documentation Tab in the Form/Rate filing.
•Remember to scroll to the right - there is information requested through Column N.

Purpose, Scope, and Reason for Rate Increase

Insurance Company Name	Blue Cross and Blue Shield of Vermont
HIOS ID	13627
SERFF Filing Number	
Date of Submission	5/7/2021
Proposed Effective Date	1/1/2022

	Average Annual Premium
Before Rate Change	$13,604
After Rate Change	$12,545

		Amount in SERFF's Rate Review Detail Section	Explanation for differences
Proposed Overall Rate Change	-7.78%	-7.78%	NA
Proposed Minimum Rate Change	-19.82%	-19.82%	NA
Proposed Maximum Rate Change	-6.97%	-6.97%	NA

If the difference between the maximum and minimum rate increase is greater than 10%, Provide a statement and clear delineation of contributing factors explaining why certain individual will receive a rate decrease as low as the minimum while others will face rate increases as high as the maximum

On-Exchange silver plans previously included silver loaded in the combined market. This does not apply to small group rates.

Relationship of Proposed Rate Scale to Current Rate Scale:

Provide a detailed breakdown of the average rate change from the previous approved filing by using the chart below to itemize the drivers of the average rate change. The table should include the previous assumption, current assumption, and the resulting change. Include additional lines as necessary.

Source of Change	Previous filing Assumption	Current Filing Assumption	Relativity Current Filing / Previous filing	
Base Period Experience	672.62	663.31	0.986	e.g. previous filing experience period index rate compared to the current filing experience index rate
Base Period Utilization Factor	1.00	1.00	1.001	If applicable, the change in this factor is based on the average copay impact difference between previous filing and current filing.
Pricing Trend	1.17	1.15	0.980	The change in this factor is based on the change the trend assumption in previous filing and current filing (e.g. 1.075^2 / 1.08^2)
Morbidity Adjustment	1.00	1.01	1.010	The change in this factor is based on the change in the morbidity assumptions between previous filing and current filing.
Risk Adjustment Recoveries	0.92	0.91	0.989	The change in this factor is based on the change in the risk adjustment recoveries assumptions between previous filing and current filing.
Pent Up Demand	1.00	1.00	1.000	
Reinsurance Recoveries	1.00	1.00	1.000	
Reinsurance Premium	1.00	1.00	1.000	
Average Age Impact	1.01	1.00	0.992	
Additional EHB	1.00	1.00	1.000	
Exchange Fee	1.00	1.00	1.000	
Fixed Cost Adjustment	1.09	1.09	0.999	
SG&A	1.00	1.00	1.000	
Margin	1.01	1.02	1.010	
Taxes and Fees	1.01	1.02	1.001	
Benefit Design Changes	0.84	0.84	1.002	
Geography	1.00	1.00	1.000	
Tobacco	1.00	1.00	1.000	
Provider Networks Changes	1.00	1.00	1.000	
Non System Claims	0.98	0.94	0.967	
Adjustments to Experience for One-Time Eve	1.00	1.05	1.047	
Non-EHB	1.00	1.00	1.000	
Leap Year	1.00	1.00	0.997	
xxxxx	xxxx	xxxx	1.000	
Total Rate Change			0.980	
If applicable, Provide an explanation for difference between the Calculated Rate change and the average rate change in cell B18			0.922	

The table above reflects the combined market increase in order to compare apples to apples. The small difference between the calculated rate change and the average rate change for the combined market is

Annual Rate Change Distribution

	Impacted # of Contracts	Impacted # of Members	Impacted # of Groups, if applicable
Reduction of 15.00% or more	0	0	0
Reduction of 10.01% to 14.99%	0	0	0
Reduction of 5.01% to 10.00%	10,781	18,755	3,543
Reduction of 0.01% to 5.00%	0	0	0
No Change	0	0	0
Increase of 0.01% to 5.00%	0	0	0
Increase of 5.01% to 10.00%	0	0	0
Increase of 10.01% to 14.99%	0	0	0
Increase of 15.00% or more	0	0	0
Total	10,781	18,755	3,543

History of Rate Changes

For Year	Average Annual Proposed Rate Change	Average Annual Approved Rate Change
2018	12.68%	8.21%
2019	7.45%	5.78%
2020	15.60%	12.44%
2021	6.34%	4.16%

Retention

	PMPM in effect during the experience period	PMPM from Most Recent Approved Rate Filing	Proposed PMPM for Effective Date	Proposed Change in PMPM Compared to Prior 12 months	Proposed Change in PMPM Compared to Most Recently Approved Filing
Dates	January 2020 - December 2020	January 2021 - December 2021	January 2022 - December 2022		
Commissions & Brokers Fees	$0.00	$0.00	$0.00		
Taxes, Licenses & Fees	$4.01	$4.28	$4.38	9.27%	2.29%
Exchange Fee	$0.00	$0.00	$0.00		
Reinsurance	$0.00	$0.00	$0.00		
All Other Admin Expense	$42.96	$46.27	$40.50	-5.73%	-12.47%
Profit/Risk Margin	$40.73	$3.97	$9.01	-77.87%	127.18%
Total	$87.70	$54.51	$53.89	-38.55%	-1.14%
Variable	$54.82	$19.13	$22.48	-59.00%	17.49%
Non-Variable	$32.88	$35.38	$31.41	-4.45%	-11.22%
Total	$87.70	$54.51	$53.89	-38.55%	-1.14%
Check	TRUE	TRUE	TRUE		

	As % of Premium during the experience period	As % of Premium from Most Recent Approved Rate Filing	Proposed As % of Premium for Effective Date	Proposed Change in % of Premium Compared to Prior 12 months	Proposed Change in % of Premium Compared to Most Recently Approved Filing
Commissions & Brokers Fees	0.00%	0.00%	0.00%		
Taxes, Licenses & Fees	0.46%	0.65%	0.73%	22.30%	12.57%
Exchange Fee	0.00%	0.00%	0.00%		
Reinsurance	0.00%	0.00%	0.00%		
All Other Admin Expense	6.39%	7.00%	6.74%	5.51%	-3.68%
Profit/Risk Margin	6.06%	0.60%	1.50%	-75.23%	150.00%
Total	13.04%	8.24%	8.97%	-31.23%	8.78%
Variable	8.15%	2.89%	3.74%	-54.11%	29.29%
Non-Variable	4.89%	5.35%	5.23%	6.94%	-2.30%
Total	13.04%	8.24%	8.97%	-31.23%	8.78%
Check	TRUE	TRUE	TRUE		

Trend & Projection Assumptions

Historical Experience (ACA Only): Incurred or Allowed Basis?[1]: Allowed

(1) Choose the option based on how pricing is developed (i.e., if allowed trends are used in projections, select "Allowed").

Monthly Trend Analysis Based on Experience Data Time Period Used for Rate Development (ACA Only)	Month	Member Months	Monthly Allowed Claims $ PMPM*	Rolling 12 Mo Trend	Annualized Rolling 6 Mo Trend	Annualized Rolling 3 Mo Trend	Average Benefit Factor	Average Age/Gender Factor	Other Factor	Normalized Monthly Allowed Claims $ PMPM*	Normalized Rolling 12 Mo Trend	Normalized Annualized Rolling 6 Mo Trend	Normalized Annualized Rolling 3 Mo Trend
	May-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Jun-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Jul-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Aug-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Sep-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Oct-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Nov-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Dec-2016	0	$0.00				1.00	1.00	1.00	$0.00			
	Jan-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Feb-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Mar-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Apr-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	May-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Jun-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Jul-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Aug-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Sep-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Oct-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Nov-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Dec-2017	0	$0.00				1.00	1.00	1.00	$0.00			
	Jan-2018	33,563	$496.08				1.00	1.00	0.97	$511.61			
	Feb-2018	33,245	$492.82				1.00	1.00	1.07	$462.04			
	Mar-2018	33,002	$518.96				1.00	1.00	0.97	$535.22			
	Apr-2018	32,768	$510.89			9.54%	1.00	1.00	1.02	$502.97			-8.79%
	May-2018	32,597	$537.87			24.72%	1.00	1.00	0.97	$554.75			41.35%
	Jun-2018	32,482	$491.73			9.01%	1.00	1.00	1.02	$484.14			9.10%
	Jul-2018	32,377	$524.65		6.84%	8.61%	1.00	1.00	1.02	$516.53		-0.95%	15.68%
	Aug-2018	32,252	$513.99		9.05%	-9.19%	1.00	1.00	0.93	$554.26		16.08%	-9.24%
	Sep-2018	32,209	$523.24		5.85%	5.66%	1.00	1.00	1.12	$466.06		4.11%	-1.29%
	Oct-2018	32,190	$596.24		10.82%	21.96%	1.00	1.00	0.93	$642.93		13.75%	30.69%
	Nov-2018	32,100	$538.04		8.00%	37.65%	1.00	1.00	1.07	$504.52		5.88%	16.03%
	Dec-2018	31,991	$551.70		13.54%	35.81%	1.00	1.00	1.12	$491.41		8.41%	29.43%
	Jan-2019	33,263	$556.51	6.76%	13.66%	3.25%	1.00	1.00	0.96	$577.17	2.49%	12.33%	-19.56%
	Feb-2019	33,035	$471.58	6.75%	9.10%	-17.61%	1.00	1.00	1.06	$444.64	7.38%	-1.33%	-22.46%
	Mar-2019	32,900	$531.66	5.24%	9.35%	-26.73%	1.00	1.00	1.01	$526.35	3.82%	7.11%	-20.38%
	Apr-2019	32,703	$524.35	5.04%	-0.89%	-25.96%	1.00	1.00	0.96	$543.85	4.50%	-7.87%	-14.55%
	May-2019	32,562	$550.89	3.90%	-0.09%	7.18%	1.00	1.00	0.96	$571.36	2.69%	-0.80%	38.08%
	Jun-2019	32,477	$506.21	4.79%	-6.44%	5.64%	1.00	1.00	1.06	$477.30	3.54%	-2.19%	11.90%
	Jul-2019	32,430	$524.55	4.31%	-10.17%	15.02%	1.00	1.00	1.01	$519.33	3.35%	-9.39%	14.97%
	Aug-2019	32,357	$526.65	4.42%	-4.38%	-11.75%	1.00	1.00	0.96	$546.24	2.12%	3.73%	-21.95%
	Sep-2019	32,349	$510.98	3.94%	-6.10%	-4.79%	1.00	1.00	1.01	$505.90	3.84%	-1.39%	-5.23%
	Oct-2019	32,290	$581.74	2.06%	1.76%	9.84%	1.00	1.00	0.96	$603.36	0.61%	8.88%	24.19%
	Nov-2019	32,248	$532.71	1.67%	-0.21%	18.64%	1.00	1.00	1.12	$477.18	0.49%	-1.68%	11.83%
	Dec-2019	32,162	$551.65	1.20%	5.60%	29.39%	1.00	1.00	1.01	$546.19	1.83%	3.68%	14.85%
	Jan-2020	33,617	$528.85	-0.23%	8.09%	-1.59%	1.00	1.00	0.96	$549.67	0.30%	9.76%	-18.26%
	Feb-2020	33,402	$481.57	0.25%	1.34%	-14.93%	1.00	1.00	1.06	$455.03	0.73%	-3.02%	-8.88%
	Mar-2020	33,142	$471.06	-0.92%	0.07%	-37.42%	1.00	1.00	0.96	$489.60	0.28%	-2.83%	-28.73%
	Apr-2020	32,829	$313.32	-4.47%	-19.16%	-61.86%	1.00	1.00	0.96	$325.66	-3.85%	-22.18%	-57.43%
	May-2020	32,629	$426.46	-4.52%	-14.25%	-47.02%	1.00	1.00	1.06	$402.96	-3.90%	-16.93%	-41.91%
	Jun-2020	32,427	$534.82	-4.68%	-12.18%	-53.11%	1.00	1.00	0.96	$555.88	-3.39%	-13.93%	-46.68%
	Jul-2020	32,338	$550.51	-4.56%	-16.46%	-22.92%	1.00	1.00	0.96	$572.18	-3.67%	-18.21%	-10.69%
	Aug-2020	32,247	$570.38	-4.52%	-14.06%	-29.24%	1.00	1.00	1.01	$565.89	-4.00%	-9.71%	-22.45%
	Sep-2020	32,205	$575.27	-3.88%	-15.59%	0.43%	1.00	1.00	1.01	$570.74	-2.72%	-12.62%	0.01%
	Oct-2020	32,139	$598.96	-2.96%	-13.22%	258.94%	1.00	1.00	0.96	$622.54	-1.48%	-11.61%	266.37%
	Nov-2020	31,963	$563.30	-2.71%	-7.41%	116.99%	1.00	1.00	1.11	$505.64	-1.86%	-4.13%	86.26%
Last Month in Experience Period	Dec-2020	31,838	$624.25	-0.81%	-4.11%	-13.65%	1.00	1.00	1.01	$619.33	-0.36%	-7.06%	-6.42%

Add more rows if needed.

If applicable, please provide an explanation for the Other normalization factor.

See section 3.4.7.1 of the actuarial memorandum

The Department is requesting each carrier provide additional trend exhibits, in excel with working formulas, that are similar to the aggregate information provided above. These exhibits should provide the data by Service Category, Metal Tier, etc. that are used by the Company in the trend development. Please state where in the filing it is located.

See Exhibits 3A to 3J

Solvency

	Most Recent Quarterly Financial Statement	Most Recent Annual Financial Statement
Total Adjusted Capital	NA	NA
Authorized Control Level	NA	NA
RBC Ratio		

Loss Ratio

Time Period	Period Beginning Date	Period Ending Date	Member Months	Incurred Claims	Earned Premium	Loss Ratio	Expected Incurred Claims	A-to-E Claims Ratio	Quality Improvement Expenses	Adjustments to Earned Premium	Adj Medical Loss Ratio
Historical Year -4	1/1/2015	12/31/2015	835,541	358,202,866	377,634,175	94.9%	346,524,246	103.4%	2,527,533	7,903,488	97.5%
Historical Year -3	1/1/2016	12/31/2016	820,156	373,101,581	403,294,396	92.5%	413,852,352	90.2%	1,657,256	0	92.9%
Historical Year -2	1/1/2017	12/31/2017	630,163	325,109,232	349,374,495	93.1%	404,372,570	80.4%	2,197,720	9,217,440	96.2%
Historical Year -1	1/1/2018	12/31/2018	520,854	250,513,224	322,747,284	90.9%	332,067,479	88.4%	1,221,877	1,557,213	91.8%
Historical Year 0	1/1/2019	12/31/2019	453,744	250,732,389	317,659,974	78.9%	323,662,427	77.5%	1,992,092	9,873,853	82.1%
Historical Totals			3,260,458	1,600,659,292	1,770,710,325	90.4%	1,820,479,074	87.9%	9,396,877	28,551,994	92.4%
Interim Time Period	1/1/2021	3/31/2021	209,599	94,883,787	120,753,371	78.6%	106,624,158	89.0%	0	0	78.6%
Future Year 1	1/1/2022	12/31/2022	225,060	122,234,494	135,246,921	90.4%	122,234,494	100.0%	364,033	985,216	91.3%

Anticipated Pricing Loss Ratio (no adjustments)	90%
Anticipated LR using Federally-prescribed MLR methodology	91%

Note:
The historical time periods should represent calendar years since the inception date of the plan type through the most recent date available allowing for the appropriate amount of run-out.
The interim time period the time periods available in the current year.
The future year should represent the 12 months immediately following the rate effective date.

Consumer Adjusted Premium Rate Development

Section III of WS2 of the 2022 URRT requires that the issuer provide the Actuarial Value and cost-sharing design of the plan. The Department requires that the issuer provide the breakdown of this value between Cost Sharing Only and Induced Utilization for every plan in the URRT. (Add additional columns as needed to include all plans shown on the URRT.) Please see the example below.

Actuarial value and Cost-Sharing Design of the Plan *(add additional columns as needed to include all plans shown in Section III of WS2 of the 2022 URRT)*

Plan ID (Standard Component ID) (From Line 3.1 of the URRT)	13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
AV and Cost-Sharing Design of Plan (From Line 3.3 of the URRT)	1.077	0.893	0.723	0.723	0.598	0.607	0.756	0.756	0.615	0.821	0.695	0.695	0.606	0.870	0.714	0.712	0.599
Paid/Allowed Ratio (Cost-Sharing only)	1.084	1.016	0.959	0.959	0.927	0.929	0.970	0.970	0.931	0.991	0.951	0.951	0.929	1.008	0.957	0.956	0.927
Used Induced utilization factors	0.993	0.879	0.753	0.753	0.645	0.653	0.780	0.780	0.661	0.828	0.730	0.730	0.653	0.863	0.746	0.745	0.646
Calculated (This value should equal value on Row 192)	1.077	0.893	0.723	0.723	0.598	0.607	0.756	0.756	0.615	0.821	0.695	0.695	0.606	0.870	0.713	0.712	0.599

In the text box, please state where in the filing it is located.

See Exhibit 6 - IND

Risk Adjustment

	Actual Risk Adjustment Received	Assumed in Most Recent Approved Rate Filing	Assumed in Current Rate Filing	Proposed Change in PMPM Compared to Prior 12 months	Proposed Change in PMPM Compared to Most Recently Approved Filing
Time Period	Calendar Year 2019	Calendar Year 2021	Calendar Year 2022		
Total Risk adjustment (Dollar amount)	$20,273,720	$22,958,703	$9,456,968		
Membership Member Months	520,854	461,052	225,060	-56.79%	-51.19%
PMPM	$38.92	$49.80	$42.02	7.95%	-15.62%
Premium	$322,747,284	$304,897,529	$135,246,921	-58.10%	-55.64%
As a % of Premium	6%	8%	7%	11.31%	-7.14%

If the actual risk adjustment payable/receivable was more than 20% different than what was estimated in the previous filing, please provide details on how the current risk adjustment estimate has addressed prior results.

Vermont is unmerging the markets for 2022 which explains why the current rate filing is much different than the prior rate filing

March 8, 2021

Mr. Dana Houlihan
Director, Plan Management & Enrollment Policy
VT Health Connect
Department of Vermont Health Access
Via Email Only

RE: STATE OF VERMONT ACTUARIAL VALUE CERTIFICATION FOR 2022 STANDARD PLAN DESIGNS

Dear Dana:

The Affordable Care Act (ACA) requires that health care coverage provided by issuers to non-grandfathered individual and small groups must cover all Essential Health Benefits (EHBs) and have plan designs that have Actuarial Values (AVs) that fall under the Platinum (90% AV), Gold (80% AV), Silver (70% AV), or Bronze (60% AV) tiers.

The State of Vermont (State) is standardizing several plan designs that all issuers offering plans in the Exchange, Vermont Health Connect, must offer. Issuers must offer the standard plan designs in the individual and small group merged market. In 2021, one Platinum, one Gold, two Silver, and three Bronze standard plan designs were developed for Vermont Health Connect. There is a traditional deductible plan at each of the Platinum, Gold, and Silver metal levels, with two at the Bronze level, and a High Deductible Health Plan (HDHP) at each of the Silver and Bronze levels. The 2021 standard plan designs are all continuing in 2022.

For each of the Silver standard plan designs, the cost sharing reduction plan designs are also standard. Cost sharing reduction (CSR) plan designs were developed at each of the 73% (Federal), 77% (Vermont specific), 87% (Federal), and 94% (Federal) AV levels.

The State contracted with Wakely Consulting Group, LLC (Wakely) to assist in the development of the 2022 standard plan designs and to provide an actuarial certification of the actuarial values of the state's standard plan designs that do not fit within the parameters of the Federal calculator and require adjustment. This memo documents the approved 2022 standard plan designs as well as the process for developing the corresponding actuarial values. The actuarial certification is provided in Appendix A. The 2022 Notice of Benefit and Payment Parameters (NBPP) and Federal Actuarial Value Calculator (AVC) Model are still in draft form. Should there be changes between the draft and final versions, the plan designs reflected here may require changes.

A list of the changes from the 2021 standard plan designs is in Appendix B. At a high level the changes for each base standard plan are:

- Platinum – The medical deductible was increased.
- Gold – The medical deductible, pharmacy deductible, and medical Maximum Out of Pocket (MOOP) were all increased.
- Silver Deductible – The medical deductible, pharmacy deductible, and combined medical/pharmacy MOOP were increased.
- Bronze Deductible with Pharmacy Limit – The medical deductible, pharmacy deductible, and combined medical/pharmacy MOOP were all increased.
- Bronze Deductible without Pharmacy Limit – The medical deductible and combined medical/pharmacy MOOP were increased.
- Silver HDHP – The medical deductible and the embedded individual combined medical/pharmacy MOOP were increased.
- Bronze HDHP – The medical deductible, combined medical/pharmacy MOOP, and the embedded individual combined medical/pharmacy MOOP were all increased.

In addition to the standard plans, starting in 2016 the State of Vermont requests that issuers offer a Gold plan where the deductible and MOOP are set at the same amount. This means that once the deductible is met, the plan pays 100% of all services. Unlike the standard plans, it is not required that issuers offer this plan, but it is highly recommended. The issuer may determine the amount at which to set the deductible and MOOP, as long as they are equal and the resulting plan falls in the Gold tier. Since the amounts are to be determined by the issuers, these plans are not included within this memo.

Regulatory Background

The ACA allows for a -4% to +2% de minimis range around the target AVs for each metal level. For example, any plan design that has an AV from 66% to 72% is considered a Silver plan. Bronze plan designs meeting certain criteria are eligible for an expanded range of +5% on the higher end, allowing an AV up to 65% compared to a high end at 62%. Applicable plans include High Deductible Health Plans and plans that cover at least one major service, other than preventive, prior to the deductible. Of the Vermont standard plan designs, all three Bronze plans qualify for the expanded range.

The Center for Consumer Information and Insurance Oversight (CCIIO) has released the draft 2022 Actuarial Value Calculator (AVC)[1] that issuers must use to determine the AV of a plan. The final AVC has not yet been released. The 2022 plan designs presented in this report are compliant with the draft 2022 AVC. However, should there be changes between the draft and final versions, changes may be required in order to be in compliance with the de minimis AV range. Changes to the plan designs will be dependent on the magnitude and direction of changes between the draft and final versions of the AVC.

While CCIIO anticipates that most plans will be able to use the AVC without modification, some plan designs have features which are not supported by the AVC. In these instances, an actuary can either modify the inputs to most closely represent the plan design or an actuary can modify the results of the AVC to account for the features not supported by the AVC. An actuarial certification documenting the development of the AV for these designs is required.

The federal HDHP minimum deductible and MOOP limits are not yet released for 2022. The 2021 minimum deductible and MOOP were $1,400 and $7,000, respectively. Historically, the deductible has increased $50 every two to three years and the MOOP increases around $100 a year, on average. Should the federal HDHP minimum deductible for 2022 increase from $1,400, both the Silver and Bronze HDHPs and associated CSR plan designs will require changes to meet this requirement. Additionally, if the MOOP limit is finalized below $7,100, the Bronze HDHP will require changes in order to meet this requirement.

Additionally, the 2022 Notice of Benefits and Payment Parameters (NBPP)[2] is still in draft form. Based on the draft regulations, the single annual limit, or MOOP, is expected to be $9,100, up from $8,550 in 2021. Should the single annual limit not be finalized as proposed and the regulations finalize a limit below $9,100, both the Silver and Bronze HDHPs shown in this report will require changes in order to meet this requirement. Additionally, if the final limit is finalized below $8,700 both Bronze Deductible Plans (with and without drug limit) will also require changes in order to meet this requirement.

CSR Loading

As of 2020, Act No. 88 (Bill S.19) requires the premiums of the Silver on-Exchange plans to reflect the cost of funding for CSR subsidies, following the announcement that federal funding would cease. This resulted in a “CSR load” to these plans such that the Silver premiums are higher than

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[1] http://www.cms.gov/CCIIO/Resources/Regulations-and-guidance/index.html

[2] https://www.federalregister.gov/documents/2020/12/04/2020-26534/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2022-and

they would have been without the CSR load. For individuals who are not eligible for premium subsidies (and are therefore not protected from the CSR load), issuers offer “reflective” off-Exchange Silver plans whose premiums have not been increased for the CSR load and have only a minor difference in plan design compared to their on-Exchange counterparts. These plans will continue in 2022.

The off-Exchange “reflective” plans will have a $5 copay or 5% coinsurance increase on ambulance services compared to the on-Exchange plans. These differentials apply to both standard and non-standard Silver plans. A comparison of the standard Silver on and off-Exchange plan designs are shown in Appendix C. As ambulance services are not explicitly included in the AVC and the differences in cost sharing are minimal, there is no difference in the calculation of the federal AV for these plans. Unless otherwise noted, in the Appendices the cost sharing for ambulance services represents the on-Exchange plan design.

In the event there is a Silver plan approved with 100% coinsurance, the off-Exchange “reflective” plan will have a $25 deductible and MOOP increase compared to the on-Exchange plan. Unlike the ambulance cost sharing above, this difference will impact the AV. The issuer submitting such a plan will need to ensure that both the on and off-Exchange plan designs fit within the AV requirements. Since this is for non-standard plans only, these plans are not included within this memo.

Chiropractic and Physical Therapy Copays

Act No. 7[3] requires that the copay for chiropractic and physical therapy services for Silver and Bronze metal level plans be between 125%-150% of the copay applicable to services provided by a primary care provider (PCP). For 2021, S.202[4] was introduced which would require the copay for chiropractic services for Silver and Bronze metal level plans to be less than or equal to 125% of the PCP copay, though this bill did not pass. The 2021 plan designs were updated assuming that S.202 was passed as introduced and set the chiropractic and physical therapy copays equal to 125% of the PCP copay, rounded down to the nearest $5 increment. Though the bill did not pass, no change to the chiropractic and physical therapy copays is included in the 2022 standard plan designs and remain aligned with the requirements and the 2021 plan designs.

[3] https://legislature.vermont.gov/Documents/2018.1/Docs/ACTS/ACT007/ACT007%20As%20Enacted.pdf

[4] https://legislature.vermont.gov/bill/status/2020/S.202

Limiting Out-of-Pocket Expenses for Insulin

Bill S.296[5], an act relating to limiting out-of-pocket expenses for prescription insulin drugs, was introduced and passed by the senate in 2020, although it has not been formally signed into law. This act limits a member's total out-of-pocket responsibility to $100 per 30-day supply for insulin prescriptions, regardless of the amount, type, or number of insulin medications prescribed for the beneficiary. This change cannot be accommodated by the Federal AVC as it does not allow for separate cost sharing inputs for insulin drugs. These prescriptions would be included with non-insulin prescriptions in the data underlying the AVC. Therefore, we reviewed utilization, costs, and member cost sharing for insulin prescriptions for issuers in Vermont Health Connect to determine the impact of this limit. As this limitation has not been signed into law as of the date of this report, we have not adjusted the AVs reflected here for this change. However, we did confirm that all plan designs will continue to be within the required de minimis range should this requirement go into effect for 2022. Additional information on the methodology used to determine the impact on AV is included in the Methodology section below.

Actuarial Value Considerations

A summary of Vermont's standard plan designs is in Appendix E. Five of the standard plan designs (and the cost sharing reduction plan designs) have features not supported by the AVC and thus an actuarial certification is required. The remaining standard plan designs have features that may warrant an AV adjustment but no explicit adjustment or actuarial certification has been done for these plans. In developing these standard plan designs and the resulting actuarial certification, Wakely also followed applicable Actuarial Standards of Practice (ASOP) as detailed in Appendix D and including:

- ASOP No. 23 Data Quality;
- ASOP No. 25 Credibility Procedures;
- ASOP No. 41 Actuarial Communications;
- ASOP No. 50 Determining Minimum Value and Actuarial Value under the Affordable Care Act; and
- ASOP No. 56 Modeling.

Both Silver plans and all three Bronze plans have design features that are both significant and not supported by the AVC. The Silver cost sharing reduction plan designs have similar features.

[5] https://legislature.vermont.gov/bill/status/2020/S.296

While most plans have some subtleties in their design that are not supported by the AVC, CCIIO has stated and regulations dictate that modifications should be made only for substantial differences. The four potential substantial differences that Wakely considered include:

- Family deductible and MOOPs. There are two common types of applications for deductibles and MOOPs, commonly referred to in Vermont as stacked and aggregate[6]. The data supporting the AVC is only at the member level, and thus most closely resembles the stacked application of deductibles and MOOPs although the family stacked AV will be higher in most instances. Most HDHP plans use the aggregate application of deductible and MOOPs which can significantly lower the AV since a family of two would need to accumulate to a deductible that is twice that of a single contract. Note that if the family MOOP is more than the proposed single limit of $9,100, the MOOP must either be stacked or there must be an embedded individual MOOP of $9,100. Wakely developed a model to account for aggregate family deductibles and has modified this model to account for stacked and embedded MOOPs for HDHPs. Thus, a specific adjustment has been made to the appropriate AVs for HDHPs.

- Vermont implemented a statute (H.559 Sec. 32. 8 V.S.A. § 4089) for prescription drug deductibles and MOOPs. The requirement mandates, in part, that the MOOP for prescription drug costs in any plan design shall not exceed the minimum deductible amount for HDHPs per Section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 ($1,400 and $2,800 for individual and family coverage in 2021, 2022 amounts are not yet known). The requirement also states that for HDHPs the cost sharing benefit for prescription drugs must start after the minimum deductible amount for HDHPs (same $1,400 and $2,800 for individual and family coverage in 2021) is met, but the amount may be met with either medical or prescription drug claims. This means that for all HDHPs, for purposes of prescription drug coverage, the deductible is considered met when accumulated medical and drug claims reach $1,400 for individual or $2,800 for family, regardless of what the medical deductible amount is. Similarly, the MOOP for only drug claims (including amounts used to accumulate to the deductible) is $1,400 or $2,800,

[6] Stacked deductibles and MOOPs are typical in traditional deductible plans where the individual deductible and MOOP apply to each member of a contract and the family deductible and MOOP is used as a protection for contracts where multiple members have claims. For example, if the family MOOP is two times the individual MOOP but three members of a contract all would have reached their individual MOOP, it limits the family's liability to two times the individual MOOP.

Aggregate deductible and MOOPs are typical in HDHPs where all claims for all members of a non-single contract accumulate to the family deductible and MOOP. For two person or family contracts where only one member has significant claims, the member still must reach the higher deductible and MOOP amounts which makes the average member liability higher under an aggregate deductible.

regardless of the amount of the overall MOOP which will include both drug and medical claims.

Since for an integrated deductible and MOOP, only one amount is able to be input in the AVC, the value of the lower drug deductible and MOOP cannot be modeled in the AVC. This statute has a significant impact on AV, particularly at the lower AV tiers where the difference between the medical and prescription drug deductible and MOOP is greater. Wakely has developed a model to account for Vermont's prescription drug regulation and thus, where appropriate, a specific adjustment has been made to the AVs using this model.

- In the current market, most Vermont HDHPs waive the deductible for preventive prescription drugs. This is another plan feature not currently supported by the AVC. Wakely has not analyzed the exact portion of drugs this represents and this may vary by issuer. The impact to AV would only apply to drug costs that would normally be incurred prior to the member reaching the deductible. Any costs after the deductible is met and after the MOOP is met would be similar to the AVC. It is possible that this design feature could have a significant impact on the AV. Based on some high level estimates, Wakely believes the impact to AV for this design feature is likely around 0.5%. Since Wakely did not quantify the exact adjustment of the preventive drug difference for HDHPs, Wakely did not make a specific adjustment but did make sure that any AVs developed for HDHPs were at least 0.5% below the high end of the de minimis range in order to account for this increased benefit. It is expected that the impact for these drugs would be highest for the Bronze plan where the deductible is highest and the impact would decrease as deductibles decrease (and AVs increase).

  Given the issuers now have credible data on the portion of claims that are preventive prescription drugs, we requested that they review the appropriateness of this adjustment for the 2022 plan designs. Both issuers indicated that 0.5% was adequate and appropriate. Wakely is relying on the issuer's assessment and continues to make sure that any AVs developed for HDHPs are at least 0.5% below the high end of the de minimis range in order to account for this increased benefit.

- Bill S.296, an act relating to limiting out-of-pocket expenses for prescription insulin drugs, was introduced and passed by the senate in 2020, although it has not been formally signed into law. This act limits a member's total out-of-pocket responsibility to $100 per 30-day supply for insulin prescriptions, regardless of the amount, type, or number of insulin medications prescribed for the beneficiary. This change cannot be accommodated by the Federal AVC as it does not allow for separate cost sharing inputs for insulin drugs. These prescriptions would be included with non-insulin prescriptions in the data underlying the AVC. Therefore, we reviewed utilization, costs, and member cost sharing for insulin prescriptions for issuers in Vermont Health Connect to determine the impact of this limit.

This review found that the impact was negligible for Platinum, Gold, and Silver plans and was worth up to 0.1% for Bronze plans.

As this limitation has not been signed into law as of the date of this report, Wakely did not make a specific adjustment but did make sure that any AVs developed for Bronze plans were at least 0.1% below the high end of the de minimis range in order to account for this increased benefit. No adjustments were made to the de minimis range for the other metal levels. Additional information on the methodology used to determine the impact on AV is included in the Methodology section below.

There are other potential design features for which adjustments could be made. However, given the expectation that adjustments be made for only the most substantive deviations, Wakely does not believe additional adjustments are warranted. It is also important to note that the bucketing of claims and the methodology used to calculate the AVC are not always clearly defined. Thus, at times it is difficult to ascertain whether an adjustment is warranted and how that adjustment would be estimated.

As stated, Wakely made explicit adjustments to account for the stacked and aggregate family deductible/MOOP and Vermont's prescription drug regulation. These adjustments are described in detail in the Methodology section. For the preventive prescription drug benefits, Wakely did not make an explicit adjustment but did allow cushion in the AV such that an increase of up to 0.5% would not result in the AV falling outside of the required range. For the insulin limitations on cost sharing, Wakely did not make an explicit adjustment but did allow cushion in the Bronze AVs such that an increase of up to an additional 0.1% would not result in the AV falling outside of the required range. The table below shows the acceptable range for each standard plan design after accounting for this cushion where an explicit adjustment was not made.

Table 1: Adjusted Acceptable Federal Actuarial Values

	Plan	Adjusted Acceptable Range	Final Adjusted AV
Deductible Plans	Platinum	86.0%-92.0%	89.4%
	Gold	76.0%-82.0%	81.5%
	Silver	66.0%-72.0%	71.1%
	Bronze (with drug limit)	56.0%-64.9%[7]	63.7%
	Bronze (without drug limit)	56.0%-64.9%	64.3%
HDHPs	Silver - Embedded MOOP	66.0%-71.5%	70.7%
	Bronze - Embedded MOOP	56.0%-64.4%	63.2%
Cost Sharing Reduction Plan Designs - Deductible Plans	250-300% FPL (73% AV)	72.0%-74.0%	74.0%
	200-250% FPL (77% AV)	76.0%-78.0%	78.0%
	150-200% FPL (87% AV)	86.0%-88.0%	88.0%
	133-150% FPL (94% AV)	93.0%-95.0%	94.8%
Cost Sharing Reduction Plan Designs - HDHPs	250-300% FPL (73% AV)	72.0%-73.5%	73.4%
	200-250% FPL (77% AV)	76.0%-77.5%	77.3%
	150-200% FPL (87% AV)	86.0%-87.5%	87.5%
	133-150% FPL (94% AV)	93.0%-94.5%	93.7%

The table in Appendix F shows all plan designs for which adjustments were made, the adjustments considered, the original AV from the AVC, and the final adjusted AV.

Methodology

Since several of the standard plan designs have features not supported by the AVC, Wakely developed a model to capture the impact of these features on the AV. It was anticipated that the AVC would not accommodate all of the Vermont plan design features.

If a plan has substantive differences from what the AVC allows, there are two allowed approaches defined in the federal regulations. The first allows the actuary to adjust the inputs of the plan design to "fit" it into the AVC. The second allows the actuary to put in as many of the design features as possible into the AVC and then adjust the resulting AV to account for the unique

[7] In 2020 and prior, the Bronze Deductible (with drug limit) plan was not eligible for the expanded de minimis range and would had an upper AV limit of 62.0%. Due to changes in the 2021 plan design (which continue for 2022), this plan now qualifies for the expanded range.

design features. Wakely determined the second approach was most appropriate for the Vermont plan design differences. Thus for the plan designs where adjustments were made, Wakely first input as much of the plan design as possible into the AVC and then modified the resulting AV to account for the unique features.

The following discusses the model that Wakely developed and the process used to adjust the actuarial values from the AVC.

Vermont-Specific Adjustment Model

Anticipating the need to quantify some of Vermont's unique plan design features, Wakely developed a model that would account for both aggregate deductibles and MOOPs as well as quantify the impact of Vermont's prescription drug regulation. This model is updated every few years to capture recent Vermont-specific data. The current model was updated for the 2020 plan designs and includes Vermont-specific ACA data incurred in 2017.

In developing the model, Wakely was provided with membership and medical and pharmacy claims data extracts from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES). Filters were then applied to the data to target the most appropriate population for the model and reduce the amount of records included. The data used included:

- Small group and individual ACA markets
- Allowed medical and prescription drug data that was incurred in 2017
- Products types HMO (non-Medicare risk), PPO, POS and EPO
- Excluded claims marked as denied, out-of-state, and duplicates

After all filters were applied, the remaining data included allowed claims and membership for approximately 825,000 member months.

The methodology developed for the model does not use the traditional approach of continuance tables. When determining the paid claims and resulting actuarial value of the plan designs where the prescription drug regulation is a factor, the order in which the claims occur is important. Continuance tables fail to recognize the impact of the order of the claims on actuarial values. Thus, the model re-prices the claims based on the inputs provided in the model rather than rely on continuance tables.

The model allows a user to enter the following:

- Medical and Prescription drug deductible amounts for both individual and family contracts. These amounts can differ but the model assumes the amounts are always integrated, or

that both medical and drug claims will accumulate to both deductibles, even if different amounts.

- Medical and prescription drug maximum out of pocket amounts for both individual and family contracts. These amounts can differ and the model allows for different treatment of the MOOPs as noted below.
- Medical and prescription drug coinsurance amounts. If the plan design includes copays, an effective coinsurance needs to be input.
- The structure of the deductibles and MOOPs. As can be seen in the table below, the model can distinguish between aggregate and stacked deductibles and MOOPs. It also allows for different accumulations of claims to the medical and prescription drug MOOPs. There are six structural selections available in the model, described in the table below. Option 5 is most closely aligned to the federal AVC. Option 6 represents the design of the Vermont HDHPs.

Table 2: Model Structures

Options	Deductible	Costs that Accumulate Maximum Out-of-Pocket (MOOP) Medical	Rx	Deductible / MOOP Type
1	Medical & Rx	Medical & Rx	Rx Only	Aggregate
2	Medical & Rx	Medical & Rx	Rx Only	Stacked
3	Medical & Rx	Medical Only	Rx Only	Aggregate
4	Medical & Rx	Medical Only	Rx Only	Stacked
5	Medical & Rx	Medical & Rx	Medical & Rx	Stacked
6	Medical & Rx	Medical & Rx	Rx Only	Aggregate Deductible /Aggregate MOOP with Embedded Ind MOOP (can also be used for Stacked MOOP)

Adjusted AV Calculations

Using the federal AV calculator and the model as outlined above, the following methodology was used to develop the adjusted AV calculations for the HDHPs:

1. The plan designs were entered into the AVC ignoring the separate prescription drug deductible and MOOP thresholds. The resulting AV is the unadjusted value, which does not account for the prescription drug regulations or the aggregate family deductible and MOOP levels.
2. The model was used to determine the revised AV.

a. The same plan design input into the AVC was input into the model. The model only allows for coinsurance. Since the HDHP designs include copays, an effective coinsurance was developed for each plan design. The effective coinsurance amounts were developed separately for medical and prescription drug services using the allowed weights and average cost per service from the federal AVC continuance tables for the relevant metal tier.

b. The model was normalized to the AVC for each plan design. This means the same plan design, ignoring the prescription drug thresholds and assuming a stacked family deductible and MOOP, was input into the model and the underlying data was adjusted to arrive at the same AV as the AVC. This was done to ensure the same starting AV in both models and to try to mirror the induced utilization in the AVC. The normalization factors were reviewed for reasonability and deemed reasonable given they are accounting for trend, regional differences in cost and utilization and induced utilization.

c. The plan design in the model was adjusted to lower the prescription drug deductible and MOOP inputs (if applicable) to the appropriate plan design amounts and also to adjust the prescription drug MOOP to only consider prescription drug claims (the medical MOOP amount continues to use both medical and prescription drug claims). The application of deductible and MOOP was also changed to use an aggregate family deductible and family MOOP with an embedded individual MOOP equal to $9,100.

3. The resulting AV from the model is used as the final AV for tier placement.

The model was intended only for HDHPs where medical and drug claims both accumulate to the deductible. The Bronze plan with the pharmacy limit[8] and Silver deductible plans (and associated CSR plans) need to be adjusted to account for the lower prescription drug MOOP, but the deductible plan has separate medical and drug deductibles. Thus, the model was used but with a slight variation in methodology. The following highlight the differences in methodology used only for the Bronze and Silver Deductible plans.

1. Same as for HDHPs, as much of the plan design as possible was entered into the AVC. This is the unadjusted AV. The Bronze and Silver Deductible plans then need to be adjusted for the lower and separate prescription drug MOOP.

[8] Only the Bronze plan with the pharmacy limit needs to be adjusted. The Bronze plan without the pharmacy limit is not subject to the lower prescription drug MOOP and as such does not require an explicit adjustment to the AVC results.

2. The model was used to develop the AV adjustments in a slightly different process than for the HDHPs.

    a. Instead of normalizing the model to the AVC, the normalization factor for the Bronze or Silver HDHP was used.

    b. The model cannot accommodate plan designs where both medical and drug claims do not accumulate to the deductible. Thus, the same plan design was entered into the model as in the AVC but the model selection indicated that both medical and drug claims accumulated to the deductible amounts.

    c. The model was then re-run with the lower drug MOOP and to adjust the prescription drug MOOP to only consider prescription drug claims (the medical MOOP amount continues to use both medical and prescription drug claims). The model continued to use a stacked application for deductible and MOOP since it is a traditional deductible plan.

3. The final AV is the ratio of the AV from 2c and 2b applied to the AV from the AVC in 1.

Appendix G includes screen shots from the AVC and the model for each plan design with an adjusted actuarial value. Also included is a summary of the AVs and in the instance of the Bronze and Silver Deductible plans, a calculation of the adjustment.

Insulin Out-of-Pocket Limit

As mentioned above, a bill has been introduced that would limit a member's total out-of-pocket responsibility to $100 per 30-day supply for insulin prescriptions. As this requirement has not been signed into law as of the date of this report, the AVs reflected here have not been adjusted for this requirement. However, we did review the impact of the requirement and determined that all plan designs presented here would continue to meet the de minimis requirements.

Since insulin drugs only represent a portion of the claims in a given drug tier and only one input can be made in the AVC for each drug tier, the value of the cost sharing limit cannot be modeled in the AVC. This statute has a larger impact on AV at the lower AV tiers where the drug deductibles are higher. The estimated impact by metal tier is shown in the table below.

Table 3: Estimated Impact of Insulin Out-of-Pocket Limit

Metal	Increase to AV
Bronze	0.1%
Silver	0.0%
Gold	0.0%
Platinum	0.0%

The following methodology was used to develop the impacts:

1. Both carriers, BCBS VT and MVP, provided claim level data for insulin prescriptions based on their individual and small group experience in Vermont in 2019 and 2020. The data included metal tier, allowed and paid costs, days' supply, and member cost sharing.

   Each carrier also provided high level market information for 2019 and 2020, including metal tier, member months, and total allowed and paid costs for medical and pharmacy.

2. Based on the claim level data, the cost share and paid claim amounts were recalculated, assuming a limit of $100 per prescription for a 30 day supply. The difference between the actual cost sharing in the experience data and the new cost sharing incorporating the limit was added to the paid claim costs.

3. Two AVs were calculated. The first based on the unadjusted high level allowed and paid costs. This was done in total including both medical and pharmacy claims. The second, adjusted AV, added the additional paid costs from step 2 to the high level total paid claim amounts. The difference in AV between these two is the increase to AV. This was done separately for each metal level.

Based on this analysis, the impact on all metal levels except Bronze is negligible. For the Bronze plans, all plan designs presented here are more than 0.1% below the high end of the de minimis range, therefore, will continue to be within the range should this requirement be signed into law.

HDHPs – Contingent Alternative Plans

As noted throughout this report, the federal HDHP minimum deductible and MOOP limits are not yet released for 2022. The 2021 minimum deductible and MOOP were $1,400 and $7,000, respectively. Historically, the deductible has increased $50 every two to three years and the MOOP increases around $100 a year, on average. The deductible last increased for plan year 2020 and may or may not increase for 2022. Therefore, we are also providing the plan designs and adjusted actuarial values for the Silver HDHP (and associated CSR plans) and Bronze HDHP with the pharmacy deductible and pharmacy OOPM at $1,450, rather than $1,400. In addition, we are also providing the plan design and adjusted AV for the Bronze HDHP with the combined medical and pharmacy MOOP at $7,050, should the MOOP limit come in below the $7,100 assumed in the approved plan design.

Appendix H includes a summary of the plan designs for the HDHPs that will be updated if the minimum deductible increases to $1,450 as well as screen shots from the AVC and the model for each plan design with an adjusted actuarial value.

These plan designs will only be implemented if the federal HDHP minimum deductible increases to $1,450. Should the minimum deductible be finalized at a value other than $1,400 or $1,450, these plan designs will need to be re-visited. In addition, these plan designs do not contemplate changes to the MOOP limits or differences between the draft and final 2022 NBPP or AVC. Any other changes will need to be evaluated and the plan designs may require changes to meet the final requirements.

Appendix I includes a summary of the plan design for the Bronze HDHP that will be updated if the MOOP is finalized at $7,050 and the minimum deductible does not change from $1,400, as well as screen shots from the AVC and the model with an adjusted actuarial value.

This plan design will only be implemented if the federal HDHP MOOP increases to $7,050 rather than $7,100. Should the MOOP be finalized at a value other than $7,050 or $7,100, this plan design will need to be re-visited. In addition, this plan design does not contemplate changes to the minimum deductible nor differences between the draft and final 2022 NBPP or AVC. Any other changes will need to be evaluated and the plan designs may require changes to meet the final requirements.

Disclosures and Limitations

Responsible Actuary. Julie Peper, Brittney Phillips, and Brooke Steiner are the actuaries responsible for this communication. Julie is a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. Brittney and Brooke are Members of the American Academy of Actuaries and Associates of the Society of Actuaries. They meet the Qualification Standards of the American Academy of Actuaries to issue this report.

Intended Users. This information has been prepared for the sole use of the State of Vermont and issuers within that state that will be submitting standard plan designs. Distribution to such parties should be made in its entirety. This report cannot be distributed to or relied on by any third party without the prior written permission of Wakely.

Risks and Uncertainties. The assumptions and resulting estimates included in this report and produced by the model are inherently uncertain. Users of the results should be qualified to use it and understand the results and the inherent uncertainty. Actual results may vary, potentially materially, from our estimates. Wakely does not warrant or guarantee that actual experience will tie to the AV estimated for the placement of plan designs into tiers. The developed actuarial values are for the purposes of classifying plan designs of similar value and do not represent the expected actuarial value of a plan or pricing AV used to determine premium rates. Actual AVs will vary based on a plan's specific population, utilization, unit cost, and other variables.

Conflict of Interest. The responsible actuary is financially independent and free from conflict concerning all matters related to performing the actuarial services underlying this analysis. In

addition, Wakely is organizationally and financially independent to the State of Vermont and any issuer in the state.

Data and Reliance. We have relied on others for data and information used in the actuarial value adjustments. We have reviewed the data for reasonableness, but have not performed any independent audit or otherwise verified the accuracy of the data/information. If the underlying information is incomplete or inaccurate, our estimates may be impacted, potentially significantly. Below is a list of data and assumptions provided by others and assumptions required by law.

- Draft 2022 Federal AVC Model was relied on for the original AV. While reasonability tests have shown there are some assumptions and methodologies that are not consistent with expectations, the AVC was developed for plan classification and not pricing. Thus, the model is being used as such and we make no warranties for the accuracy of the AVs that result from the AVC.
- VHCURES data supplied by the state was used in the development of the HDHP model.
- Adjustment to the high-end of the de minimis AV range for HDHPs to account for prescription drugs for which the deductible is waived. This was reviewed by both issuers, BCBS VT and MVP, based on their internal experience and claims data.
- Insulin prescription claim experience. This was provided by both issuers, BCBS VT and MVP, based on their internal experience and claims data.

Subsequent Events. Subsequent events to the date of this report that could impact the plan designs presented include, but are not limited to:

- The federal HDHP minimum deductible and Maximum Out of Pocket (MOOP) limits are not yet released for 2022. The 2021 minimum deductible and MOOP are $1,400 and $7,000, respectively. Historically, the deductible has increased $50 every two to three years and the MOOP increases around $100 a year on average, though neither changed from 2016 to 2017. The plan designs presented are compliant with the 2021 HDHP limits and may need to change once the 2022 HDHP limits are released, primarily if the minimum deductible is increased.
- The 2022 Notice of Benefits and Payment Parameters (NBPP) is still in draft form. Based on the draft regulations, the single annual limit is expected to be $8,550, up from $8,150 in 2021. The plan designs presented are compliant with the 2022 draft NBPP and may need to change if the final NBPP lowers the annual limit from the draft notice.
- The 2022 Federal AVC Model is also still in draft form. The plan designs presented are compliant with the 2022 draft Federal AVC and may need to change if there are changes to the final model from the draft version.

- Other changes to regulations passed subsequent to this report.

Contents of Actuarial Report. This document and the supporting exhibits/files constitute the entirety of actuarial report and supersede any previous communications on the project.

Deviations from ASOPS. Wakely completed the analysis using sound actuarial practice. To the best of my knowledge, the report and methods used in the analysis are in compliance with the appropriate Actuarial Standards of Practice (ASOP) with no known deviations. A summary of ASOP compliance is listed in Exhibit D.

Exhibit A contains the formal actuarial certification. If you have any questions regarding this letter or the certification, please contact us.

Sincerely,

Julie A. Peper, FSA, MAAA
Principal and Senior Consulting Actuary

Brittney Phillips, ASA, MAAA
Senior Consulting Actuary

Appendix A

Actuarial Certification
State of Vermont
Actuarial Value of Standard Plan Designs
Effective January 1, 2022

I, Brittney Phillips, am associated with the firm of Wakely Consulting Group, LLC (Wakely), am an Associate of the Society of Actuaries and a member of the American Academy of Actuaries, and meet its Qualification Standards for Statements of Actuarial Opinion. Wakely was retained by the State of Vermont to provide a certification of the actuarial value of the state's standard plan designs that are effective January 1, 2022 on Vermont Health Connect. This certification may not be appropriate for other purposes.

To the best of my information, knowledge and belief, the actuarial values provided with this certification are considered actuarially sound for purposes of § 156.135(b), according to the following criteria:

- The draft 2022 federal Actuarial Value Calculator was used to determine the AV for the plan provisions that fit within the calculator parameters;
- Appropriate adjustments were calculated, to the AV identified by the calculator, for plan design features that deviate substantially from the parameters of the AV calculator;
- The actuarial values have been developed in accordance with generally accepted actuarial principles and practices; and
- The actuarial values meet the requirements of § 156.135(b).

The assumptions and methodology used to develop the actuarial values have been documented in my correspondence with the State of Vermont. The actuarial values associated with this certification are for standard plan designs (Silver HDHP, Bronze HDHP, one Bronze Deductible, Silver Deductible, Silver HDHP CSR 73%, Silver HDHP CSR 77%, Silver HDHP CSR 87%, Silver HDHP CSR 94%, Silver Deductible CSR 73%, Silver Deductible CSR 77%, Silver Deductible CSR 87%, and Silver Deductible CSR 94%) that will be effective as of January 1, 2022 for individual and group coverage sold on Vermont Health Connect.

The developed actuarial values are for the purposes of classifying plan designs of similar value and do not represent the expected actuarial value of a plan. Actual AVs will vary based on a plan's specific population, utilization, unit cost and other variables.

In developing the actuarial values, I have relied upon the federal Actuarial Value calculator and data from the Vermont Healthcare Claims Uniform Reporting and Evaluation System

(VHCURES). I did not audit the data provided; however, I did review the data for reasonableness and consistency.

Actuarial methods, considerations, and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated from time-to-time by the Actuarial Standards Board, whose standards form the basis of this Statement of Opinion.

Brittney Phillips, ASA, MAAA
March 8, 2021

Appendix B – Summary of Plan Design Changes from 2021 Designs

	Deductible Plans	
Plan	**Platinum**	**Gold**
Changes	Increase medical deductible from $350 to $400	Increase medical deductible from $1,100 to $1,200
		Increase pharmacy deductible from $100 to $150
		Increase medical OOPM from $5,200 to $5,400

	Deductible Plans	
Plan	**Silver**	**Bronze w/ Rx Limit**
Changes	Increase medical deductible from $3,200 to $3,400	Increase medical deductible from $6,250 to $6,450
	Increase pharmacy deductible from $350 to $400	Increase pharmacy deductible from $1,000 to $1,100
	Increase combined OOPM from $8,150 to $8,550	Increase combined OOPM from $8,400 to $8,700

	Deductible Plans
Plan	**Bronze w/o Rx Limit**
Changes	Increase medical deductible from $8,400 to $8,700
	Increase combined OOPM from $8,400 to $8,700

	HDHPs	
Plan	**Silver - Embedded MOOP**	**Bronze - Embedded MOOP**
Changes	Increase medical deductible from $1,750 to $1,850	Increase medical deductible from $5,500 to $5,700
	Increase embedded single OOPM from $8,550 to $9,100	Increase combined OOPM from $6,900 to $7,100
		Increase embedded single OOPM from $8,550 to $9,100

Appendix C – On and Off-Exchange Reflective Silver Standard Plan Designs

	2022 Plan Designs - Silver Deductible Plans		2022 Plan Designs - Silver HDHP Plans	
Deductible/OOP Max	**On-Exchange**	**Off-Exchange**	**On-Exchange**	**Off- Exchange**
Type of Plan	Deductible	Deductible	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	$3,400	$3,400	$1,850	$1,850
Rx Ded	$400	$400	$1,400	$1,400
Integrated Ded	No	No	Yes	Yes
Medical MOOP	$8,550	$8,550	$6,900	$6,900
Rx MOOP	$1,400	$1,400	$1,400	$1,400
Integrated MOOP	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Yes	Yes
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Preventive	Preventive
Drug Deductible waived for:	Generic scripts	Generic scripts	Wellness scripts	Wellness scripts
Service Category	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	50%	50%	30%	30%
Outpatient	50%	50%	30%	30%
ER	$250	$250	30%	30%
Radiology (MRI, CT, PET)	50%	50%	30%	30%
Preventive	$0	$0	0%	0%
PCP Office Visit	$35	$35	10%	10%
MH/SA Office Visit	$35	$35	10%	10%
Specialist Office Visit	$80	$80	30%	30%
Chiropractic	$45	$45	30%	30%
Physical Therapy	$45	$45	30%	30%
Urgent Care	$90	$90	30%	30%
Ambulance	$100	**$105**	30%	**35%**
Rx Generic	$15	$15	$10	$10
Rx Preferred Brand	$60	$60	$40	$40
Rx Non-Preferred Brand	50%	50%	50%	50%
Rx Specialty	50%	50%	50%	50%
Actuarial Value				
2022 Federal AVC, Adjusted if Necessary	**71.1%**	**71.1%**	**70.7%**	**70.7%**

Appendix D – Comments Relative to Applicable ASOPs

This appendix includes comments relative to the following applicable Actuarial Standards of Practice (ASOP).

- ASOP No. 23, Data Quality;
- ASOP No. 25, Credibility Procedures;
- ASOP No. 41, Actuarial Communications; and
- ASOP No. 50 Determining Minimum Value and Actuarial Value under the Affordable Care Act.
- ASOP No. 56 Modeling

ASOP 23: Data Quality

3.1 Overview – VHCURES data was used as the basis for the HDHP model and Vermont-specific insulin prescription data was used as the basis for the insulin limit impact. This data source was deemed reasonable for the analysis discussed in the management report.

3.2 Selection of Data - The data was considered reasonable for our analysis subject to the following considerations -

a. The data sources contained all material data elements.

b. The following considerations were reviewed as part of our analysis:

1. Data was appropriate and sufficiently current.

2. Data was reasonable and comprehensive of the necessary data elements.

3. There were no known, material limitations of the data.

4. No alternative data sets were reasonably available. The reliability of the data underlying our analysis did not require support from alternative data sets.

5. Alternative data sets were not deemed necessary to complete the analysis.

6. Sampling methods were not required.

3.3 Reliance on Data Supplied by Others - Reliance is discussed in the management report to which this appendix is attached.

3.4 Reliance on Other Information Relevant to the Use of Data - We relied on information contained in the report. We did not detect any material errors in the data provided and relied upon the data as part of our analysis.

3.5 Review of Data - We reviewed the data. Data definitions were included as part of the VHCURES data. Ultimately the data was reasonable with the adjustments discussed in our management report.

3.6 Limitation of the Actuary's Responsibility - We did not audit the data.

3.7 Use of Data– Use and adjustments to the data are discussed in this management report. In addition:

a. We deem that the data are of sufficient quality to perform the analysis;

b. The data did not require enhancement before the analysis could be performed

c. The data was reasonable for the analysis and did not require adjustment beyond that discussed in the management report;

d. We did not detect any material defects in any data source;

e. The data were adequate to perform our analysis.

ASOP 25: Credibility Procedures

The HDHP model uses data as its starting point. The experience used is fully credible and therefore no credibility blending or adjustments were necessary.

ASOP 41: Actuarial Communications

This report and the actuarial memorandum submitted are consistent with the guidance in ASOP 41.

3.1 General Requirements for Actuarial Communications

3.1.1 Principal and Scope of Engagement – These results were developed to comply with § 156.135(b) and should not be used for any other purpose. The distribution of this report to other users is limited to the State of Vermont.

3.1.2 Form and Content – The State of Vermont was the principal for this engagement and the scope of the engagement included developing and certifying the actuarial values for the standard plan designs as discussed in the management report.

3.1.3 Timing of Communication – This report is provided in conjunction with the actuarial certification of the submitted actuarial values.

3.1.4 Identification of Responsible Actuary – The responsible actuary is identified in the attestation and this management report.

3.2 Actuarial Report – This management report is an Actuarial Report as defined in this ASOP. Correspondence between Wakely and the State of Vermont as part of this engagement should also be considered part of the Actuarial Report.

3.3 Specific Circumstances – No constraints apply beyond any discussed in the attachment management report.

3.4 Disclosures Within an Actuarial Report - all relevant disclosures have been made in the management report. Consistent with this ASOP, we make specific mention to the following items here:

3.4.1 Uncertainty or Risk – Uncertainty is discussed in the management report.

3.4.2 Conflict of Interest – Wakely is financially, organizationally, and otherwise independent from the State of Vermont and any reliant parties.

3.4.3 Reliance on Other Sources for Data and Other Information - Reliance regarding data and assumptions are discussed in this management report.

3.4.4 Responsibility for Assumptions and Methods - Assumptions and methods are discussed in the management report and the parties associated with the assumptions and methods have been delineated. Therefore, pursuant to this ASOP, no additional disclosure is necessary.

3.4.5 Information Date of Report -The management report lists the applicable dates for the analysis and correspondence.

3.4.6 Subsequent Events - Subsequent events are listed in the Limitations and Disclosures section.

3.5 Explanation of Material Differences - Wakely has issued no other report regarding the development of these actuarial values. No comparison to prior results is necessary.

3.6 Oral Communications - No oral communication is considered part of this actuarial report. Any material assumptions or methods discussed in oral communications have been documented in written form as well.

3.7 Responsibility to Other Users - Intended users of this report have been specifically noted in the document.

ASOP 50: Determining Minimum Value and Actuarial Value under the Affordable Care Act

3.1 Use of AVC or MVC – The federal AVC was used.

3.2 Exceptions to the AVC – The federal AV was determined by making adjustments to the results of the federal AVC based on provisions that could not be appropriate modeled in the AVC.

3.3 Exceptions to the MVC – Not applicable.

3.4 Evaluating Non-Standard Plan Designs – The HDHP model was normalized to the federal AVC.

3.5 Reasonableness of Assumptions for Non-Standard Plan Designs – The assumptions used to modify the federal AVs were reviewed for reasonability.

3.6 Unreasonable Results – Not applicable.

3.7 Documentation – See ASOP 41 documentation above.

Appendix E – Standard Plan Designs

Deductible Plan Designs

	2022 Plan Designs - Deductible Plans				
Deductible/OOP Max	**Platinum**	**Gold**	**Silver**	**Bronze w/ Rx Limit**	**Bronze w/o Rx Limit**
Type of Plan	Deductible	Deductible	Deductible	Deductible	Deductible
Medical Ded	$400	$1,200	$3,400	$6,450	$8,700
Rx Ded	$0	$150	$400	$1,100	N/A
Integrated Ded	No	No	No	No	Yes
Medical MOOP	$1,400	$5,400	$8,550	$8,700	$8,700
Rx MOOP	$1,400	$1,400	$1,400	$1,400	N/A
Integrated MOOP	No	No	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Yes
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Preventive	Preventive, OV
Drug Deductible waived for:	N/A	Generic scripts	Generic scripts	Generic Scripts	Generic Scripts
Service Category	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	10%	30%	50%	50%	0%
Outpatient	10%	30%	50%	50%	0%
ER	$100	$150	$250	50%	0%
Radiology (MRI, CT, PET)	10%	30%	50%	50%	0%
Preventive	$0	$0	$0	$0	0%
PCP Office Visit	$15	$20	$35	$35	$40
MH/SA Office Visit	$15	$20	$35	$35	$40
Specialist Office Visit	$40	$50	$80	$90	$100
Chiropractic	$20	$30	$45	$45	$50
Physical Therapy	$20	$30	$45	$45	$50
Urgent Care	$50	$60	$90	$100	0%
Ambulance	$60	$70	$100	$100	0%
Rx Generic	$10	$12	$15	$15	$30
Rx Preferred Brand	$50	$55	$60	$85	0%
Rx Non-Preferred Brand	50%	50%	50%	60%	0%
Rx Specialty	50%	50%	50%	60%	0%
Actuarial Value					
2022 Federal AVC, Adjusted if Necessary	89.4%	81.5%	71.1%	63.7%	64.3%

Deductible Plan Designs – Cost Sharing Reduction Plans

	2022 Plan Designs - Deductible Plans				
Deductible/OOP Max	**70% AV Silver**	**250-300% FPL (73% AV)**	**200-250% FPL (77% AV)**	**150-200% FPL (87% AV)**	**133-150% FPL (94% AV)**
Type of Plan	Deductible	Deductible	Deductible	Deductible	Deductible
Medical Ded	$3,400	$3,100	$2,600	$1,100	$200
Rx Ded	$400	$350	$300	$200	$0
Integrated Ded	No	No	No	No	No
Medical MOOP	$8,550	$6,750	$6,000	$2,200	$900
Rx MOOP	$1,400	$1,250	$1,100	$450	$200
Integrated MOOP	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb
Drug Deductible waived for:	Generic scripts	Generic scripts	Generic scripts	Generic scripts	N/A
Service Category	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	50%	50%	50%	40%	10%
Outpatient	50%	50%	50%	40%	10%
ER	$250	$250	$250	$250	$75
Radiology (MRI, CT, PET)	50%	50%	50%	40%	10%
Preventive	$0	$0	$0	$0	$0
PCP Office Visit	$35	$35	$25	$10	$5
MH/SA Office Visit	$35	$35	$25	$10	$5
Specialist Office Visit	$80	$70	$50	$30	$15
Chiropractic	$45	$40	$30	$12	$6
Physical Therapy	$45	$40	$30	$12	$6
Urgent Care	$90	$80	$60	$40	$25
Ambulance	$100	$100	$100	$100	$50
Rx Generic	$15	$12	$12	$10	$5
Rx Preferred Brand	$60	$60	$60	$50	$20
Rx Non-Preferred Brand	50%	50%	50%	50%	30%
Rx Specialty	50%	50%	50%	50%	30%
Actuarial Value					
2022 Federal AVC, Adjusted if Necessary	71.1%	74.0%	78.0%	88.0%	94.8%

HDHP Plan Designs

	2022 Plan Designs - HDHP Plans	
Deductible/OOP Max	**Silver**	**Bronze**
Type of Plan	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	$1,850	$5,700
Rx Ded	$1,400	$1,400
Integrated Ded	Yes	Yes
Medical MOOP	$6,900	$7,100
Rx MOOP	$1,400	$1,400
Integrated MOOP	Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual
Medical Deductible waived for:	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance	**Copay / Coinsurance**
Inpatient	30%	50%
Outpatient	30%	50%
ER	30%	50%
Radiology (MRI, CT, PET)	30%	50%
Preventive	0%	0%
PCP Office Visit	10%	50%
MH/SA Office Visit	10%	50%
Specialist Office Visit	30%	50%
Chiropractic	30%	50%
Physical Therapy	30%	50%
Urgent Care	30%	50%
Ambulance	30%	50%
Rx Generic	$10	$12
Rx Preferred Brand	$40	40%
Rx Non-Preferred Brand	50%	60%
Rx Specialty	50%	60%
Actuarial Value		
2022 Federal AVC, Adjusted if Necessary	70.7%	63.2%

HDHP Plan Designs – Cost Sharing Reduction Plans

	2022 Plan Designs - HDHP Plan CSR Variations				
Deductible/OOP Max	**70% AV Silver**	**250-300% FPL (73% AV)**	**200-250% FPL (77% AV)**	**150-200% FPL (87% AV)**	**133-150% FPL (94% AV)**
Type of Plan	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP	Deductible (NOT HSAQ)
Medical Ded	$1,850	$1,750	$1,600	$1,400	$550
Rx Ded	$1,400	$1,400	$1,400	N/A	N/A
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical MOOP	$6,900	$5,200	$4,400	$1,400	$550
Rx MOOP	$1,400	$1,400	$1,400	N/A	N/A
Integrated MOOP	Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Yes	Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Preventive	Preventive	Preventive	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	30%	25%	25%	0%	0%
Outpatient	30%	25%	25%	0%	0%
ER	30%	25%	25%	0%	0%
Radiology (MRI, CT, PET)	30%	25%	25%	0%	0%
Preventive	0%	0%	0%	0%	0%
PCP Office Visit	10%	10%	10%	0%	0%
MH/SA Office Visit	10%	10%	10%	0%	0%
Specialist Office Visit	30%	25%	25%	0%	0%
Chiropractic	30%	25%	25%	0%	0%
Physical Therapy	30%	25%	25%	0%	0%
Urgent Care	30%	25%	25%	0%	0%
Ambulance	30%	25%	25%	0%	0%
Rx Generic	$10	$10	$10	$0	$0
Rx Preferred Brand	$40	$40	$40	$0	$0
Rx Non-Preferred Brand	50%	50%	50%	0%	0%
Rx Specialty	50%	50%	50%	0%	0%
Actuarial Value					
2022 Federal AVC, Adjusted if Necessary	70.7%	73.4%	77.3%	87.5%	93.7%

Appendix F – Summary of Adjustments Considered and Final Adjusted AVs

Adjustments Considered	Aggregate Ded	Aggregate MOOP, Embedded $9,100	Stacked MOOP	Drug Regulation	Preventive Drugs	AV from AVC	Final Adjusted AV
Silver HDHP – Embedded $9,100 Individual MOOP	Yes	Yes	No	Yes	Yes	73.0%	70.7%
Bronze HDHP– Embedded $9,100 Individual MOOP	Yes	Yes	No	Yes	Yes	64.7%	63.2%
Silver Deductible	No	No	No	Yes	No	70.1%	71.1%
Bronze Deductible (with pharmacy limit)	No	No	Yes	Yes	No	62.8%	63.7%
Silver HDHP - Embedded $9,100 Individual MOOP CSR 73%	Yes	Yes	No	Yes	Yes	75.7%	73.4%
Silver HDHP - Embedded $9,100 Individual MOOP CSR 77%	Yes	Yes	No	Yes	Yes	79.5%	77.3%
Silver HDHP - Embedded $9,100 Individual MOOP CSR 87%	Yes	Yes	No	No	Yes	88.0%	87.5%
Silver HDHP - Embedded $9,100 Individual MOOP CSR 94%	Yes	Yes	No	No	Yes	93.8%	93.7%
Silver Deductible CSR – 73%	No	No	Yes	Yes	No	73.1%	74.0%
Silver Deductible CSR – 77%	No	No	Yes	Yes	No	77.4%	78.0%
Silver Deductible CSR – 87%	No	No	Yes	Yes	No	87.7%	88.0%
Silver Deductible CSR – 94%	No	No	Yes	Yes	No	94.7%	94.8%

Appendix G – Screen Shots and AV Development

1. Silver HDHP – Embedded MOOP
2. Bronze HDHP – Embedded MOOP
3. Silver Deductible Plan
4. Bronze Deductible Plan (with pharmacy limit)
5. Silver HDHP – Embedded MOOP CSR – 73%
6. Silver HDHP – Embedded MOOP CSR – 77%
7. Silver HDHP – Embedded MOOP CSR – 87%
8. Silver HDHP – Embedded MOOP CSR – 94%
9. Silver Deductible CSR – 73%
10. Silver Deductible CSR – 77%
11. Silver Deductible CSR – 87%
12. Silver Deductible CSR – 94%

1. Silver HDHP – Embedded MOOP

AV from AVC = 73.0%

Adjusted AV = 70.7%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,850.00			
Coinsurance (%, Insurer's Cost Share)			70.00%			
MOOP ($)			$6,900.00			
MOOP if Separate ($)						

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Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: 2022 Silver HDHP Plan Opt 3

Plan HIOS ID:

Issuer HIOS ID:

AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	72.97%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1406 seconds

Draft 2022 AV Calculator

1. Silver HDHP – Embedded MOOP, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,850	1,850
Family Deductible	3,700	3,700
Individual Out-of-Pocket	6,900	6,900
Family Out-of-Pocket	13,800	13,800
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$431.86	$103.55	$535.41
Plan PMPM	$314.21	$76.63	$390.84
Actuarial Value	72.8%	74.0%	73.00%

1. **Silver HDHP – Embedded MOOP, Continued**

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,850	1,400
Family Deductible	3,700	2,800
Individual Out-of-Pocket	6,900	1,400
Family Out-of-Pocket	13,800	2,800
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$431.86	$103.55	$535.41
Plan PMPM	$296.63	$81.84	$378.47
Actuarial Value	68.7%	79.0%	70.69%

2. Bronze HDHP – Embedded MOOP

AV from AVC = 64.7%

Adjusted AV = 63.2%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Bronze

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$5,700.00			
Coinsurance (%, Insurer's Cost Share)			50.00%			
MOOP ($)			$7,100.00			
MOOP if Separate ($)						

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Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1	Tier 2
									Copay applies only after deductible?	
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$12.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☑	60%		☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	40%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2022 Bronze HDHP Plan Option 5
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2022_1b

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	64.70%
Metal Tier:	
Additional Notes:	
Calculation Time:	0.1172 seconds

Draft 2022 AV Calculator

2. Bronze HDHP – Embedded MOOP, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	5,700
Family Deductible	11,400	11,400
Individual Out-of-Pocket	7,100	7,100
Family Out-of-Pocket	14,200	14,200
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$330.39	$83.77	$414.17
Actuarial Value	64.0%	67.7%	64.69%

2. Bronze HDHP – Embedded MOOP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	1,400
Family Deductible	11,400	2,800
Individual Out-of-Pocket	7,100	1,400
Family Out-of-Pocket	14,200	2,800
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$311.36	$93.11	$404.47
Actuarial Value	60.3%	75.2%	63.18%

3. Silver Deductible

AV from AVC = 70.1%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 65.17%/64.18% = 1.015 x .701 = 71.1%

Adjusted AV = 71.1%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$3,400.00	$400.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$8,550.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☐		$250.00	☐	☐			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☐	☐		$35.00	☐	☐			☐	☐
Specialist Visit	☐	☐		$80.00	☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☐	☐		$35.00	☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☐	☐		$80.00	☐	☐			☐	☐
Occupational and Physical Therapy	☐	☐		$45.00	☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$15.00	☐	☐			☐	☐
Preferred Brand Drugs	☑	☐		$60.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2022 Silver Deductible Plan Opt 3
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2022_1b

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	70.07%
Metal Tier:	Silver
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.0703 seconds

Draft 2022 AV Calculator

Silver Deductible, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	3,400	400
Family Deductible	6,800	800
Individual Out-of-Pocket	8,550	8,550
Family Out-of-Pocket	17,100	17,100
Coinsurance (50% or Less)	43%	33%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$429.55	$103.00	$532.55
Plan PMPM	$262.93	$78.88	$341.81
Actuarial Value	61.2%	76.6%	64.18%

Silver Deductible, Continued

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	3,400	400
Family Deductible	6,800	800
Individual Out-of-Pocket	8,550	1,400
Family Out-of-Pocket	17,100	2,800
Coinsurance (50% or Less)	43%	33%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked	2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$429.55	$103.00	$532.55
Plan PMPM	$260.04	$87.05	$347.08
Actuarial Value	60.5%	84.5%	65.17%

3. Bronze Deductible (with drug limit)

AV from AVC = 62.8%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 62.98%/62.09% = 1.014 x .628 = 63.7%

Adjusted AV = 63.7%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Bronze

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$6,450.00	$1,100.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	40.00%				
MOOP ($)	$8,700.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$35.00	☐	☐			☑	☐
Specialist Visit	☑	☐		$90.00	☐	☐			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$35.00	☐	☐			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☐		$90.00	☐	☐			☑	☐
Occupational and Physical Therapy	☑	☐		$45.00	☐	☐			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$15.00	☐	☐			☐	☐
Preferred Brand Drugs	☑	☐		$85.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2022 Bronze Deductible Plan - with Rx Limit Option 4
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2022_1b

Output

Calculate

Status/Error Messages:	Expanded Bronze Standard (56% to 65%), Calculation Successful.
Actuarial Value:	62.77%
Metal Tier:	Bronze
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.082 seconds

Draft 2022 AV Calculator

Bronze Deductible (Continuing, with drug limit), Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	6,450	1,100
Family Deductible	12,900	2,200
Individual Out-of-Pocket	8,700	8,700
Family Out-of-Pocket	17,400	17,400
Coinsurance (50% or Less)	47%	42%
Individual Embedded Moop:	8,700	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$512.69	$122.93	$635.62
Plan PMPM	$303.83	$90.85	$394.68
Actuarial Value	59.3%	73.9%	62.09%

4. **Bronze Deductible (Continuing, with drug limit), Continued**

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	6,450	1,100
Family Deductible	12,900	2,200
Individual Out-of-Pocket	8,700	1,400
Family Out-of-Pocket	17,400	2,800
Coinsurance (50% or Less)	47%	42%
Individual Embedded Moop:	8,700	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked	2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$512.69	$122.93	$635.62
Plan PMPM	$299.01	$101.32	$400.33
Actuarial Value	58.3%	82.4%	62.98%

4. Silver HDHP – Embedded MOOP CSR – 73%

AV from AVC = 75.7%

Adjusted AV = 73.4%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Silver

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,750.00			
Coinsurance (%, Insurer's Cost Share)			75.00%			
MOOP ($)			$5,200.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 250-300% FPL (73% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	75.69%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1172 seconds

Draft 2021 AV Calculator

4. Silver HDHP – Embedded MOOP CSR – 73%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,750	1,750
Family Deductible	3,500	3,500
Individual Out-of-Pocket	5,200	5,200
Family Out-of-Pocket	10,400	10,400
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$329.25	$78.81	$408.06
Actuarial Value	75.7%	75.5%	75.65%

5. **Silver HDHP – Embedded MOOP CSR – 73%, Continued**

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,750	1,400
Family Deductible	3,500	2,800
Individual Out-of-Pocket	5,200	1,400
Family Out-of-Pocket	10,400	2,800
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$313.01	$82.71	$395.72
Actuarial Value	71.9%	79.3%	73.36%

5. Silver HDHP – Embedded MOOP CSR – 77%

AV from AVC = 79.5%

Adjusted AV = 77.3%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Gold

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,600.00			
Coinsurance (%, Insurer's Cost Share)			75.00%			
MOOP ($)			$4,400.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 200-250% FPL (77% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	79.48%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1055 seconds

Draft 2021 AV Calculator

5. Silver HDHP – Embedded MOOP CSR – 77%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,600	1,600
Family Deductible	3,200	3,200
Individual Out-of-Pocket	4,400	4,400
Family Out-of-Pocket	8,800	8,800
Coinsurance (50% or Less)	23%	24%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$405.91	$98.15	$504.06
Actuarial Value	79.3%	80.0%	79.45%

6. Silver HDHP – Embedded MOOP CSR – 77%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,600	1,400
Family Deductible	3,200	2,800
Individual Out-of-Pocket	4,400	1,400
Family Out-of-Pocket	8,800	2,800
Coinsurance (50% or Less)	23%	24%
Individual Embedded Moop:	9,100	

	Costs that Accumulate			
		OOP		Deductible /
	Deductible	Medical	Rx	OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus 6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$389.94	$100.59	$490.53
Actuarial Value	76.2%	82.0%	77.31%

6. **Silver HDHP – Embedded MOOP CSR – 87%**

AV from AVC = 88.0%

Adjusted AV = 87.5%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Gold

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,400.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$1,400.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☑			☐	☐			☐	☐
Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 150-200% FPL (87% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.98%
Metal Tier:	Gold
Additional Notes:	
Calculation Time:	0.1367 seconds

Draft 2021 AV Calculator

6. Silver HDHP – Embedded MOOP CSR – 87%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,400	1,400
Family Deductible	2,800	2,800
Individual Out-of-Pocket	1,400	1,400
Family Out-of-Pocket	2,800	2,800
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$430.02	$103.99	$534.01
Actuarial Value	87.8%	88.6%	87.98%

7. **Silver HDHP – Embedded MOOP CSR – 87%, Continued**

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,400	1,400
Family Deductible	2,800	2,800
Individual Out-of-Pocket	1,400	1,400
Family Out-of-Pocket	2,800	2,800
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$427.60	$103.45	$531.05
Actuarial Value	87.3%	88.1%	87.49%

7. Silver HDHP – Embedded MOOP CSR – 94%

AV from AVC = 93.8%

Adjusted AV = 93.7%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Platinum

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$550.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☑			☐	☐			☐	☐
Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 133-150% FPL (94% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value:	93.76%
Metal Tier:	Platinum
Additional Notes:	
Calculation Time:	0.1289 seconds

Draft 2021 AV Calculator

7. Silver HDHP – Embedded MOOP CSR – 94%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	550	550
Family Deductible	1,100	1,100
Individual Out-of-Pocket	550	550
Family Out-of-Pocket	1,100	1,100
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$415.23	$99.56	$514.80
Plan PMPM	$389.34	$93.36	$482.70
Actuarial Value	93.8%	93.8%	93.76%

8. **Silver HDHP – Embedded MOOP CSR – 94%, Continued**

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	550	550
Family Deductible	1,100	1,100
Individual Out-of-Pocket	550	550
Family Out-of-Pocket	1,100	1,100
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$415.23	$99.56	$514.80
Plan PMPM	$389.18	$93.26	$482.45
Actuarial Value	93.7%	93.7%	93.72%

8. Silver Deductible CSR – 73%

AV from AVC = 73.1%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 68.11%/67.35% = 1.011 x 73.1% = 74.0%

Adjusted AV = 74.0% AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Silver

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$3,100.00	$350.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$6,750.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☐		$250.00	☐	☐			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☐	☐		$35.00	☐	☐			☐	☐
Specialist Visit	☐	☐		$70.00	☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☐	☐		$35.00	☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☐	☐		$70.00	☐	☐			☐	☐
Occupational and Physical Therapy	☐	☐		$40.00	☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$12.00	☐	☐			☐	☐
Preferred Brand Drugs	☑	☐		$60.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 Deductible Plan CSR Variations - 250-300% FPL (73% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value:	73.14%
Metal Tier:	Silver
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.0625 seconds

Draft 2021 AV Calculator

9. Silver Deductible CSR – 73%, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	3,100	350
Family Deductible	6,200	700
Individual Out-of-Pocket	6,750	6,750
Family Out-of-Pocket	13,500	13,500
Coinsurance (50% or Less)	42%	31%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$280.83	$82.48	$363.31
Actuarial Value	64.5%	79.1%	67.35%

9. **Silver Deductible CSR – 73%, Continued**

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	3,100	350
Family Deductible	6,200	700
Individual Out-of-Pocket	6,750	1,250
Family Out-of-Pocket	13,500	2,500
Coinsurance (50% or Less)	42%	31%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked	2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$277.96	$89.44	$367.40
Actuarial Value	63.9%	85.7%	68.11%

9. Silver Deductible CSR – 77%

AV from AVC = 77.4%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 73.0%/72.46% = 1.007 x .774 = 78.0%

Adjusted AV = 78.0%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Gold

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$2,600.00	$300.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$6,100.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☐		$250.00	☐	☐			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☐	☐		$25.00	☐	☐			☐	☐
Specialist Visit	☐	☐		$50.00	☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☐	☐		$25.00	☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☐	☐		$50.00	☐	☐			☐	☐
Occupational and Physical Therapy	☐	☐		$30.00	☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$12.00	☐	☐			☐	☐
Preferred Brand Drugs	☑	☐		$60.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 Deductible Plan CSR Variations - 200-250% FPL (77% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	77.40%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.125 seconds

Draft 2021 AV Calculator

10. Silver Deductible CSR – 77%, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	2,600	300
Family Deductible	5,200	600
Individual Out-of-Pocket	6,100	6,100
Family Out-of-Pocket	12,200	12,200
Coinsurance (50% or Less)	41%	26%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$357.42	$102.33	$459.75
Actuarial Value	69.8%	83.4%	72.46%

10. **Silver Deductible CSR – 77%, Continued**

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	2,600	300
Family Deductible	5,200	600
Individual Out-of-Pocket	6,100	1,100
Family Out-of-Pocket	12,200	2,200
Coinsurance (50% or Less)	41%	26%
Individual Embedded Moop:	8,550	

	Costs that Accumulate			
		OOP		Deductible /
	Deductible	Medical	Rx	OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked

2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$354.49	$108.67	$463.16
Actuarial Value	69.3%	88.6%	73.00%

10. Silver Deductible CSR – 87%

AV from AVC = 87.7%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 85.15%/84.92% = 1.003 x .877= 88.0%

Adjusted AV = 88.0%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Gold

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$1,100.00	$200.00				
Coinsurance (%, Insurer's Cost Share)	60.00%	50.00%				
MOOP ($)	$2,200.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☐		$250.00	☐	☐			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☐	☐		$10.00	☐	☐			☐	☐
Specialist Visit	☐	☐		$30.00	☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☐	☐		$10.00	☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☐	☐		$30.00	☐	☐			☐	☐
Occupational and Physical Therapy	☐	☐		$12.00	☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$10.00	☐	☐			☐	☐
Preferred Brand Drugs	☑	☐		$50.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 Deductible Plan CSR Variations - 150-200% FPL (87% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.73%
Metal Tier:	Gold
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.0859 seconds

Draft 2021 AV Calculator

11. Silver Deductible CSR – 87%, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,100	200
Family Deductible	2,200	400
Individual Out-of-Pocket	2,200	2,200
Family Out-of-Pocket	4,400	4,400
Coinsurance (50% or Less)	31%	25%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$410.23	$105.22	$515.45
Actuarial Value	83.8%	89.6%	84.92%

11. **Silver Deductible CSR – 87%, Continued**

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,100	200
Family Deductible	2,200	400
Individual Out-of-Pocket	2,200	450
Family Out-of-Pocket	4,400	900
Coinsurance (50% or Less)	31%	25%
Individual Embedded Moop:	8,550	

	Costs that Accumulate			
		OOP		Deductible /
	Deductible	Medical	Rx	OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked

2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$407.76	$109.12	$516.88
Actuarial Value	83.3%	93.0%	85.15%

12. Silver Deductible CSR – 94%

AV from AVC = 94.7%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 94.62%/94.47% = 1.002 x .947 = 94.8%

Adjusted AV = 94.8%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☐
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Platinum

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:	$0.00	1st Tier Utilization:	100%
		2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)	$200.00	$0.00				
Coinsurance (%, Insurer's Cost Share)	90.00%	70.00%				
MOOP ($)	$900.00					
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☐		$75.00	☐	☐			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☐	☐		$5.00	☐	☐			☐	☐
Specialist Visit	☐	☐		$15.00	☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☐	☐		$5.00	☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☐	☐		$15.00	☐	☐			☐	☐
Occupational and Physical Therapy	☐	☐		$6.00	☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☐	☐		$5.00	☐	☐			☐	☐
Preferred Brand Drugs	☐	☐		$20.00	☐	☐			☐	☐
Non-Preferred Brand Drugs	☐	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☐	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

	2022 Deductible Plan CSR Variations - 133-150% FPL
Name:	(94% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2022_1b

Output

Calculate

Status/Error Messages:	CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value:	94.69%
Metal Tier:	Platinum
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.293 seconds

Draft 2022 AV Calculator

Silver Deductible CSR – 94%, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	200	0
Family Deductible	400	0
Individual Out-of-Pocket	900	900
Family Out-of-Pocket	1,800	1,800
Coinsurance (50% or Less)	8%	15%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$415.23	$99.56	$514.80
Plan PMPM	$391.69	$94.63	$486.32
Actuarial Value	94.3%	95.0%	94.47%

12. **Silver Deductible CSR – 94%, Continued**

HDHP Model – With Prescription Drug Adjustments:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	200	0
Family Deductible	400	0
Individual Out-of-Pocket	900	200
Family Out-of-Pocket	1,800	400
Coinsurance (50% or Less)	8%	15%
Individual Embedded Moop:	8,550	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked	2

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$415.23	$99.56	$514.80
Plan PMPM	$390.85	$96.26	$487.11
Actuarial Value	94.1%	96.7%	94.62%

Appendix H – HDHP Plan Designs with $1,450 Minimum Deductible

The plan designs included in Appendix H will replace those included above only if the 2022 HDHP minimum deductible increases to $1,450

HDHP Plan Designs

Deductible/OOP Max	Silver	Bronze
Type of Plan	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	$1,850	$5,700
Rx Ded	$1,450	$1, 450
Integrated Ded	Yes	Yes
Medical MOOP	$6,900	$7,100
Rx MOOP	$1, 450	$1, 450
Integrated MOOP	Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual
Medical Deductible waived for:	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts
Service Category	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	30%	50%
Outpatient	30%	50%
ER	30%	50%
Radiology (MRI, CT, PET)	30%	50%
Preventive	0%	0%
PCP Office Visit	10%	50%
MH/SA Office Visit	10%	50%
Specialist Office Visit	30%	50%
Chiropractic	30%	50%
Physical Therapy	30%	50%
Urgent Care	30%	50%
Ambulance	30%	50%
Rx Generic	$10	$12
Rx Preferred Brand	$40	40%
Rx Non-Preferred Brand	50%	60%
Rx Specialty	50%	60%
Actuarial Value		
2022 Federal AVC, Adjusted if Necessary	70.7%	63.1%

The plan designs included in Appendix H will replace those included above only if the 2022 HDHP minimum deductible increases to $1,450

HDHP Plan Designs – Cost Sharing Reduction Plans

Deductible/OOP Max	70% AV Silver	250-300% FPL (73% AV)	200-250% FPL (77% AV)	150-200% FPL (87% AV)	133-150% FPL (94% AV)
Type of Plan	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP	Deductible (NOT HSAQ)
Medical Ded	$1,850	$1,750	$1,600	$1,450	$550
Rx Ded	$1,400	$1,450	$1,450	N/A	N/A
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical MOOP	$6,900	$5,200	$4,400	$1,450	$550
Rx MOOP	$1,400	$1,450	$1,450	N/A	N/A
Integrated MOOP	Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Yes	Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Preventive	Preventive	Preventive	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts
Service Category	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**	**Copay / Coinsurance**
Inpatient	30%	25%	25%	0%	0%
Outpatient	30%	25%	25%	0%	0%
ER	30%	25%	25%	0%	0%
Radiology (MRI, CT, PET)	30%	25%	25%	0%	0%
Preventive	0%	0%	0%	0%	0%
PCP Office Visit	10%	10%	10%	0%	0%
MH/SA Office Visit	10%	10%	10%	0%	0%
Specialist Office Visit	30%	25%	25%	0%	0%
Chiropractic/Physical Therapy	30%	25%	25%	0%	0%
Urgent Care	30%	25%	25%	0%	0%
Ambulance	30%	25%	25%	0%	0%
Rx Generic	$10	$10	$10	$0	$0
Rx Preferred Brand	$40	$40	$40	$0	$0
Rx Non-Preferred Brand	50%	50%	50%	0%	0%
Rx Specialty	50%	50%	50%	0%	0%
Actuarial Value					
2022 Federal AVC, Adjusted if Necessary	70.7%	73.3%	77.2%	87.1%	93.7%

HDHP Screen Shots and AV Development with Adjusted Minimum Deductible

1. Silver HDHP – Embedded MOOP
2. Bronze HDHP – Embedded MOOP
3. Silver HDHP – Embedded MOOP CSR – 73%
4. Silver HDHP – Embedded MOOP CSR – 77%
5. Silver HDHP – Embedded MOOP CSR – 87%

Note that no changes are required to the Silver HDHP – Embedded MOOP CSR – 94% plan should the HDHP minimum deductible increase to $1,450.

1. Silver HDHP – Embedded MOOP

AV from AVC = 73.0%

Adjusted AV = 70.7%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,850.00			
Coinsurance (%, Insurer's Cost Share)			70.00%			
MOOP ($)			$6,900.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: 2022 Silver HDHP Plan Opt 3

Plan HIOS ID:

Issuer HIOS ID:

AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	72.97%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1406 seconds

Draft 2022 AV Calculator

1. Silver HDHP – Embedded MOOP, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,850	1,850
Family Deductible	3,700	3,700
Individual Out-of-Pocket	6,900	6,900
Family Out-of-Pocket	13,800	13,800
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$431.86	$103.55	$535.41
Plan PMPM	$314.21	$76.63	$390.84
Actuarial Value	72.8%	74.0%	73.00%

1. Silver HDHP – Embedded MOOP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,850	1,450
Family Deductible	3,700	2,900
Individual Out-of-Pocket	6,900	1,450
Family Out-of-Pocket	13,800	2,900
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$431.86	$103.55	$535.41
Plan PMPM	$296.75	$81.52	$378.27
Actuarial Value	68.7%	78.7%	70.65%

2. Bronze HDHP – Embedded MOOP

AV from AVC = 64.7%

Adjusted AV = 63.1%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Bronze

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$5,700.00			
Coinsurance (%, Insurer's Cost Share)			50.00%			
MOOP ($)			$7,100.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$12.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☑	60%		☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	40%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: 2022 Bronze HDHP Plan Option 5
Plan HIOS ID:
Issuer HIOS ID:
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value: 64.70%
Metal Tier:

Additional Notes:

Calculation Time: 0.1172 seconds

Draft 2022 AV Calculator

2. **Bronze HDHP – Embedded MOOP, Continued**

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	5,700
Family Deductible	11,400	11,400
Individual Out-of-Pocket	7,100	7,100
Family Out-of-Pocket	14,200	14,200
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$330.39	$83.77	$414.17
Actuarial Value	64.0%	67.7%	64.69%

2. Bronze HDHP – Embedded MOOP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	1,450
Family Deductible	11,400	2,900
Individual Out-of-Pocket	7,100	1,450
Family Out-of-Pocket	14,200	2,900
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate			
		OOP		Deductible /
	Deductible	Medical	Rx	OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus 6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$311.54	$92.59	$404.13
Actuarial Value	60.3%	74.8%	63.13%

3. Silver HDHP – Embedded MOOP CSR – 73%

AV from AVC = 75.7%

Adjusted AV = 73.3%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,750.00			
Coinsurance (%, Insurer's Cost Share)			75.00%			
MOOP ($)			$5,200.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 250-300% FPL (73% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	75.69%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1172 seconds

Draft 2021 AV Calculator

3. Silver HDHP – Embedded MOOP CSR – 73%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,750	1,750
Family Deductible	3,500	3,500
Individual Out-of-Pocket	5,200	5,200
Family Out-of-Pocket	10,400	10,400
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$329.25	$78.81	$408.06
Actuarial Value	75.7%	75.5%	75.65%

3. Silver HDHP – Embedded MOOP CSR – 73%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,750	1,450
Family Deductible	3,500	2,900
Individual Out-of-Pocket	5,200	1,450
Family Out-of-Pocket	10,400	2,900
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$435.09	$104.33	$539.42
Plan PMPM	$313.13	$82.39	$395.52
Actuarial Value	72.0%	79.0%	73.32%

4. Silver HDHP – Embedded MOOP CSR – 77%

AV from AVC = 79.5%

Adjusted AV = 77.2%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Gold

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible ($)			$1,600.00
Coinsurance (%, Insurer's Cost Share)			75.00%
MOOP ($)			$4,400.00
MOOP if Separate ($)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑	90%		☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑	90%		☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$10.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☐		$40.00	☐	☐			☑	☐
Non-Preferred Brand Drugs	☑	☑	50%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	50%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2021 HDHP Plan CSR Variations - 200-250% FPL (77% AV)
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2021_1j

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	79.48%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1055 seconds

Draft 2021 AV Calculator

4. Silver HDHP – Embedded MOOP CSR – 77%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,600	1,600
Family Deductible	3,200	3,200
Individual Out-of-Pocket	4,400	4,400
Family Out-of-Pocket	8,800	8,800
Coinsurance (50% or Less)	23%	24%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$405.91	$98.15	$504.06
Actuarial Value	79.3%	80.0%	79.45%

4. **Silver HDHP – Embedded MOOP CSR – 77%, Continued**

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,600	1,450
Family Deductible	3,200	2,900
Individual Out-of-Pocket	4,400	1,450
Family Out-of-Pocket	8,800	2,900
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$511.77	$122.71	$634.48
Plan PMPM	$390.23	$99.53	$489.76
Actuarial Value	76.3%	81.1%	77.19%

5. Silver HDHP – Embedded MOOP CSR – 87%

AV from AVC = 87.7%

Adjusted AV = 87.5%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Gold

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible ($)			$1,450.00
Coinsurance (%, Insurer's Cost Share)			100.00%
MOOP ($)			$1,450.00
MOOP if Separate ($)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined
Deductible ($)			
Coinsurance (%, Insurer's Cost Share)			
MOOP ($)			
MOOP if Separate ($)			

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☑			☐	☐			☐	☐
Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑			☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: 2022 HDHP Plan CSR Variations - 150-200% FPL (87% AV)
Plan HIOS ID:
Issuer HIOS ID:
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value: 87.66%
Metal Tier: Gold

Additional Notes:

Calculation Time: 0.3711 seconds
Draft 2022 AV Calculator

5. Silver HDHP – Embedded MOOP CSR – 87%, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,450	1,450
Family Deductible	2,900	2,900
Individual Out-of-Pocket	1,450	1,450
Family Out-of-Pocket	2,900	2,900
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$428.28	$103.64	$531.92
Actuarial Value	87.5%	88.3%	87.63%

5. Silver HDHP – Embedded MOOP CSR – 87%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	1,450	1,450
Family Deductible	2,900	2,900
Individual Out-of-Pocket	1,450	1,450
Family Out-of-Pocket	2,900	2,900
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$489.60	$117.40	$606.99
Plan PMPM	$425.69	$103.07	$528.76
Actuarial Value	86.9%	87.8%	87.11%

Appendix I – Bronze HDHP Plan Design with $7,050 MOOP

The plan design included in Appendix I will replace those included above only if the 2022 HDHP minimum deductible increases to $7,050

HDHP Plan Designs

Deductible/OOP Max	Bronze
Type of Plan	HSA Q/HDHP
Medical Ded	$5,700
Rx Ded	$1,400
Integrated Ded	Yes
Medical MOOP	$7,050
Rx MOOP	$1,400
Integrated MOOP	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $9,100 Single OOPM; 2x Individual
Medical Deductible waived for:	Preventive
Drug Deductible waived for:	Wellness scripts
Service Category	**Copay / Coinsurance**
Inpatient	50%
Outpatient	50%
ER	50%
Radiology (MRI, CT, PET)	50%
Preventive	0%
PCP Office Visit	50%
MH/SA Office Visit	50%
Specialist Office Visit	50%
Chiropractic	50%
Physical Therapy	50%
Urgent Care	50%
Ambulance	50%
Rx Generic	$12
Rx Preferred Brand	40%
Rx Non-Preferred Brand	60%
Rx Specialty	60%
Actuarial Value	
2022 Federal AVC, Adjusted if Necessary	63.3%

Bronze HDHP Screen Shots and AV Development with Adjusted MOOP

AV from AVC = 64.8%

Adjusted AV = 63.3%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Bronze

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	$0.00

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	100%
2nd Tier Utilization:	0%

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$5,700.00			
Coinsurance (%, Insurer's Cost Share)			50.00%			
MOOP ($)			$7,050.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Emergency Room Services	☑	☑			☐	☐			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☐	☐			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☐	☐			☐	☐
Specialist Visit	☑	☑			☐	☐			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☐	☐			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☐	☐			☐	☐
Speech Therapy	☑	☑			☐	☐			☐	☐
Occupational and Physical Therapy	☑	☑			☐	☐			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☐	☐			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☐	☐			☐	☐
Skilled Nursing Facility	☑	☑			☐	☐			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☐	☐			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☐	☐			☐	☐
Drugs	☐ All	☐ All			☐ All	☐ All			☐ All	☐ All
Generics	☑	☐		$12.00	☐	☐			☑	☐
Preferred Brand Drugs	☑	☑	60%		☐	☐			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☐	☐			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	40%		☐	☐			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name:	2022 Bronze HDHP Plan Option 6
Plan HIOS ID:	
Issuer HIOS ID:	
AVC Version:	2022_1b

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	64.79%
Metal Tier:	
Additional Notes:	
Calculation Time:	0.2422 seconds

Draft 2022 AV Calculator

Bronze HDHP – Embedded MOOP, Continued

HDHP Model – Normalization:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	5,700
Family Deductible	11,400	11,400
Individual Out-of-Pocket	7,050	7,050
Family Out-of-Pocket	14,100	14,100
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked	5

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$330.97	$83.95	$414.93
Actuarial Value	64.1%	67.8%	64.81%

Bronze HDHP – Embedded MOOP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs

Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.
Press 'Calculate' anytime an input or dropdown selection is changed.
Note that the model run-time will vary based on the computers processing speed.
A message box will appear to indicate that the calculations are done.

	Medical	Rx
Individual Deductible	5,700	1,400
Family Deductible	11,400	2,800
Individual Out-of-Pocket	7,050	1,400
Family Out-of-Pocket	14,100	2,800
Coinsurance (50% or Less)	48%	48%
Individual Embedded Moop:	9,100	

	Costs that Accumulate				
		OOP		Deductible /	
	Deductible	Medical	Rx	OOP Type	
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate Plus	6

Calculate

Results

	Medical	Rx	Total
Allowed PMPM	$516.39	$123.82	$640.20
Plan PMPM	$311.81	$93.10	$404.91
Actuarial Value	60.4%	75.2%	63.25%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Introduction

On May 6, 2021, CMS released the final methodology on the Actuarial Value and the final Actuarial Value Calculator (AVC) for 2022. CMS made no changes to the claims data and continuance tables. They did not apply additional trend from the 2021 AVC due to uncertainty caused by the COVID-19 pandemic.

Limitations of the Federal Actuarial Calculator

The AVC is known to have some limitations with respect to certain benefit designs. The most important limitations in the final Actuarial Value Calculator for BCBSVT Non-Standard plans are:

- The AVC does not support the Rx OOPM Limit as dictated by Act 171.
- The AVC does not support the insulin cost sharing limit as dictated by Act 154.
- The AVC does not support Wellness (Safe Harbor) pharmacy drugs outside the deductible on HSA compliant plans.
- The AVC does not support certain MH/SA visits at no cost share before the deductible.
- The AVC does not support a specific copayment on, Chiropractic Services, Physical Therapy, Urgent Care, Emergency Medical Transportation, DME services nor Home Health Care.
- The AVC does not support Class I Pediatric Dental covered at no cost share.
- The AVC does not support the new value-added benefits for members with diabetes or heart disease.

Method Used to Calculate Adjustments

The objective of the adjustment process is to produce an estimate of the result the AVC would have produced, with respect to the specific plan in question, had it been able to measure all cost sharing elements for that plan. We created a model to calculate the ratio of expected benefits to allowed charges. See the description of the BCBSVT AV Model (BAVM) below. We used the BAVM to calculate both the complete benefit design and the benefit design for items supported by the AVC. We then applied the ratio of the two values to the AVC output for items supported by the AVC.

BCBSVT AV Model Methodology

BCBSVT uses a re-adjudication model to assess the impact of various deductible types, Rx limits, and out-of-pocket maximums to calculate the paid-to-allowed ratio for different benefit designs. The re-adjudication is performed using the same set of claims for all benefit plans. Claims data was taken from BCBSVT's data warehouse. The starting point of the analysis is allowed charges as determined by the BCBSVT claims adjudication system. The claims data includes benefit codes that enable us to identify the services and benefit structures (copays, deductibles, and coinsurance). The 2018 claims from BCBSVT Vermont Individual and Small Group (VISG) members that maintain their benefit and tier type

throughout the year are included in the analysis. We compared the allowed claims per member per month (PMPM) and the modeled paid-to-allowed ratio for this population relative to the entire VISG population and found the differences to be immaterial. The model uses calendar year 2018 claims, trended to 2022 using the following trends[1]:

Years	Medical Claims	Pharmacy Claims
2018 to 2021	5.4%	8.7%
2021 to 2022	0.0%	0.0%

The claims were categorized based on the cost sharing applied for each service, and one record was generated for each unique combination of member and service date. For all products, claims for preventive mandated benefits were kept separate. The model assumes these are paid in a manner consistent with the mandates.

The tables following the Actuarial Opinion show the relationship between the BAVM and the AVC.

A complete description of plan provisions is included at the end of this document. The tables following the Actuarial Opinion contain information regarding the specific benefits that were calculated as adjustments to the AVC model.

On April 18, 2017, CMS finalized the Market Stabilization rule (82 Fed. Reg. 18346). In this rule, CMS widen the Actuarial Value (AV) de minimis included in 45 CFR 156.140(c) from +/- 2 percent to -4/+2 percent. This rule also expanded the de minimis range to -4/+5 for bronze plans that either have at least one major service, other than preventive, before the deductible or meets the requirements to be a HDHP. For the two Non-Standard Bronze plans described below, we utilized the expanded bronze AV range because the Vermont Select plan meets the HDHP requirement and the Vermont Preferred plan has 3 primary care or mental health visits prior to the deductible.

On April 30, 2021, CMS finalized the 2022 Notice of Benefits and Payment Parameters (NBPP) (86 Fed. Reg. 24140). In the final regulation, the annual out-of-pocket maximum is $8,700.

Under Act 171, the Rx OOPM limit cannot be higher than the federal HDHP minimum deductible. However, in order to maintain HSA compatibility, CDHP plans must have the Rx OOPM equal to the federal HDHP minimum. The limit for 2021 is $1,400. Based on preliminary estimates, this limit would remain at $1,400 for 2022. In the event that the finalized limit is different from $1,400, BCBSVT will adjust its plans accordingly and update this certification.

<u>Actuarial Opinion</u>

[1] BCBSVT used the same trends that CMS used in the 2022 final AV Calculator (see page 4 of https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Final-2022-AV-Calculator-Methodology.pdf)

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

I, Martine Lemieux, Manager, Actuarial Services, am an employee of Blue Cross and Blue Shield of Vermont, an Associate of the Society of Actuaries, a Member of the American Academy of Actuaries, meet the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United Stated promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work.

In my opinion, each of the plans described herein meets the AV requirements in the metal tiers for calendar year 2022.

The adjustments for plan design features unable to be determined directly through application of the AV calculator and the actuarial values were developed in accordance with generally accepted actuarial principals and methodologies, Actuarial Standards of Practice established by the Actuarial Standards Board, and applicable laws and regulations, and are appropriate for the purpose intended.

Data used for the analysis were taken from the BCBSVT claims adjudication system and normalized to the data underlying the AV calculator. This data was reviewed for reasonableness and consistency, but an audit was not performed.

_____
Martine Lemieux, A.S.A., M.A.A.A.
Manager, Actuarial Services
Blue Cross and Blue Shield of Vermont
May 6, 2021

Disclosures

Information Date: The analysis provided in the report is based on information as known on May 6, 2021.

Scope: The purpose of this calculation is to comply with the requirements of 45 CFR 156.135(b)(3) for the plans offered by BCBSVT in the Vermont ACA Individual and Small Group markets. The Actuarial Values were determined based on the plans' benefits and coverage data, the standard population, utilization and continuance tables published by HHS for purposes of valuation of Actuarial Value. The Actuarial Values in this report are used to assign metal levels to each plan and do not reflect the pricing AV used to calculate rates. These calculations and results are not intended to be used for other purposes.

Intended Users: This material has been prepared for the for the Department of Financial Regulation. BCBSVT will also include a copy of this certification in the 2022 Vermont ACA Market - Individual and Small Group rate filings with the GMCB. BCBSVT understands that this memorandum and accompanying exhibits will be posted publicly.

Uncertainty or Risk: Future events may affect the results presented in the memorandum.

Reliance on Other Sources for Data and Other Information: This analysis relies upon data from the BCBSVT data warehouse. I have reviewed the data for reasonableness, but no audit was performed. This analysis also relies on the 2022 final Actuarial Value Calculator published by CMS.

Subsequent Events: The 2022 HSA deductible limit is also unknown and could differ from our current assumption.

Appendix A – Results

Vermont Select Plans

Plan: Vermont Select Plan - Gold			
Items supported by the AV Calculator	Deductible	$2,550	
	Coinsurance	0%	
	OOPM	$2,550	
AVC Output for items supported by the AVC		(a)	81.63%
BCBSVT Model Output for items supported by the AVC		(b)	84.49%
BCBSVT Model Output for complete benefit design		(c)	84.83%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**81.95%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☐
Desired Metal Tier: Gold

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$2,550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$2,550.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Gold CDHP
Plan HIOS ID: 13627VT0390001 and 13627VT0370001
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Calculation Successful.
Actuarial Value: 81.63%
Metal Tier: Gold

Additional Notes:

Calculation Time: 0.2539 seconds
Draft 2022 AV Calculator

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Plan: Vermont Select Plan - Silver			
Items supported by the AV Calculator	Deductible	$4,575	
	Coinsurance	0%	
	OOPM	$4,575	
AVC Output for items supported by the AVC		(a)	70.62%
BCBSVT Model Output for items supported by the AVC		(b)	77.46%
BCBSVT Model Output for complete benefit design		(c)	78.40%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**71.59%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☐
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$4,575.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$4,575.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver CDHP
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	70.72%
Metal Tier:	Silver
Additional Notes:	
Calculation Time:	0.5703 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Select Plan – Silver 73% CSR			
Items supported by the AV Calculator	Deductible	$3,850	
	Coinsurance	0%	
	OOPM	$3,850	
AVC Output for items supported by the AVC		(a)	73.34%
BCBSVT Model Output for items supported by the AVC		(b)	79.5%
BCBSVT Model Output for complete benefit design		(c)	80.2%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**74.0%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$3,850.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$3,850.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver CDHP - 73%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value:	73.34%
Metal Tier:	Silver
Additional Notes:	
Calculation Time:	0.25 seconds

Draft 2022 AV Calculator

Plan: Vermont Select Plan – Silver 77% CSR			
Items supported by the AV Calculator	Deductible	$2,900	
	Coinsurance	0%	
	OOPM	$2,900	
AVC Output for items supported by the AVC		(a)	77.35%
BCBSVT Model Output for items supported by the AVC		(b)	83.0%
BCBSVT Model Output for complete benefit design		(c)	83.4%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**77.7%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Silver

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:		1st Tier Utilization: 2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$2,900.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$2,900.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Silver CDHP - 77%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value: 77.35%
Metal Tier:

Additional Notes:

Calculation Time: 0.2266 seconds
Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Select Plan – Silver 87% CSR			
Items supported by the AV Calculator	Deductible	$1,450	
	Coinsurance	0%	
	OOPM	$1,450	
AVC Output for items supported by the AVC		(a)	87.66%
BCBSVT Model Output for items supported by the AVC		(b)	89.6%
BCBSVT Model Output for complete benefit design		(c)	89.7%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**87.8%**

Items not supported by the AV Calculator for this plan are Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Gold

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,450.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$1,450.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Silver CDHP - 87%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value: 87.66%
Metal Tier: Gold

Additional Notes:

Calculation Time: 0.2266 seconds
Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Select Plan – Silver 94% CSR			
Items supported by the AV Calculator	Deductible	$550	
	Coinsurance	0%	
	OOPM	$550	
AVC Output for items supported by the AVC		(a)	93.76%
BCBSVT Model Output for items supported by the AVC		(b)	95.27%
BCBSVT Model Output for complete benefit design		(c)	95.29%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**93.8%**

Items not supported by the AV Calculator for this plan are Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Platinum

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$550.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Silver CDHP - 94%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value: 93.76%
Metal Tier: Platinum

Additional Notes:

Calculation Time: 0.2031 seconds
Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Select Plan - Bronze			
Items supported by the AV Calculator	Deductible	$7,050	
	Coinsurance	0%	
	OOPM	$7,050	
AVC Output for items supported by the AVC		(a)	64.49%
BCBSVT Model Output for items supported by the AVC		(b)	71.16%
BCBSVT Model Output for complete benefit design		(c)	71.60%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**64.89%**

Items not supported by the AV Calculator for this plan are the Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Bronze

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$7,050.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$7,050.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Bronze CDHP
Plan HIOS ID: 13627VT0390003 and 13627VT0370003
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Expanded Bronze Standard (56% to 65%), Calculation Successful.
Actuarial Value: 64.49%
Metal Tier: Bronze

Additional Notes:

Calculation Time: 0.3086 seconds
Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Select Plan – Silver Reflective			
Items supported by the AV Calculator	Deductible	$4,600	
	Coinsurance	0%	
	OOPM	$4,600	
AVC Output for items supported by the AVC		(a)	70.64%
BCBSVT Model Output for items supported by the AVC		(b)	77.38%
BCBSVT Model Output for complete benefit design		(c)	78.34%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**71.51%**

Items not supported by the AV Calculator for this plan are the Wellness (Safe Harbor) pharmaceuticals not subject to the deductible and the insulin cost share limitations.

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☐
Desired Metal Tier: Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

Tier 1 Plan Benefit Design	Medical	Drug	Combined
Deductible ($)			$4,600.00
Coinsurance (%, Insurer's Cost Share)			100.00%
MOOP ($)			$4,600.00
MOOP if Separate ($)			

Tier 2 Plan Benefit Design	Medical	Drug	Combined
Deductible ($)			
Coinsurance (%, Insurer's Cost Share)			
MOOP ($)			
MOOP if Separate ($)			

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☐
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:
Name: Non-Standard Silver CDHP
Plan HIOS ID: 13627VT0390004 and 13627VT0370004
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	70.64%
Metal Tier:	Silver
Additional Notes:	
Calculation Time:	0.4648 seconds

Draft 2022 AV Calculator

Vermont Preferred Plans

Items not supported by the AV Calculator for all of these plans are:

- Three Mental Health office visits at no cost share before the deductible
- Class I Pediatric Dental at no cost share
- Copayment on Urgent Care, Emergency Medical Transportation, DME services and Home Health Care
- Value-Added benefits for members with diabetes or heart disease, which include 3 additional visits per member at a qualifying specialist at no cost share and wellness (Safe Harbor) pharmacy drugs outside the deductible
- Insulin cost share limitations

Items not supported by the AV Calculator for Gold, Silver, CSR 73%, CSR 77%, and CSR 87% plans are:

- Specific Pharmacy out-of-pocket maximum

For Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services, we blended the Office Visit copayment and the Outpatient Facility copayment based on the frequency of services from the continuance tables in the AVC to calculate the input needed in the AVC.

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Gold			
Items supported by the AV Calculator	Deductible	$1,550	
	Coinsurance	0%	
	OOPM	$5,150	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	77.74%
BCBSVT Model Output for items supported by the AVC		(b)	83.98%
BCBSVT Model Output for complete benefit design		(c)	85.25%
Estimated AVC value		(d)=(c)/(b)*(a)	**78.92%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☐
Desired Metal Tier: Gold

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$5,150.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$250.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$750.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$20.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$40.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$19.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$750.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$40.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$30.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$40.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$40.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$750.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$750.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Gold
Plan HIOS ID: 13627VT0380005 and 13627VT0360005
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Calculation Successful.
Actuarial Value: 77.74%
Metal Tier: Gold
NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time: 0.3672 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Silver			
Items supported by the AV Calculator	Deductible	$3,000	
	Coinsurance	0%	
	OOPM	$8,150	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	67.64%
BCBSVT Model Output for items supported by the AVC		(b)	76.40%
BCBSVT Model Output for complete benefit design		(c)	78.51%
Estimated AVC value		(d)=(c)/(b)*(a)	**69.51%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☐
Desired Metal Tier: Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$3,000.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$8,150.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$450.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$1,750.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$30.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$50.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$29.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$1,750.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$50.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$40.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$50.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$50.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$1,750.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$1,750.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver
Plan HIOS ID: 13627VT0380006 and 13627VT0360006
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	67.64%
Metal Tier:	Silver
Additional Notes:	NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).
Calculation Time:	0.375 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Silver CSR 73%			
Items supported by the AV Calculator	Deductible	$2,100	
	Coinsurance	0%	
	OOPM	$6,200	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	72.09%
BCBSVT Model Output for items supported by the AVC		(b)	79.7%
BCBSVT Model Output for complete benefit design		(c)	81.4%
Estimated AVC value		(d)=(c)/(b)*(a)	**73.6%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$2,100.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$6,200.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$400.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$1,500.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$30.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$50.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$29.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$1,500.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$50.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$40.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$50.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$50.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$1,500.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$1,500.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver - 73%
Plan HIOS ID: 13627VT0380006 and 13627VT0360006
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value:	72.09%
Metal Tier:	Silver
Additional Notes:	NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).
Calculation Time:	0.1211 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Silver CSR 77%			
Items supported by the AV Calculator	Deductible	$1,000	
	Coinsurance	0%	
	OOPM	$5,200	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	76.81%
BCBSVT Model Output for items supported by the AVC		(b)	84.0%
BCBSVT Model Output for complete benefit design		(c)	85.3%
Estimated AVC value		(d)=(c)/(b)*(a)	**78.0%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,000.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$5,200.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$400.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$1,500.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$30.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$50.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$29.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$1,500.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$50.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$40.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$50.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$50.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$1,500.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$1,500.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver - 77%
Plan HIOS ID: 13627VT0380006 and 13627VT0360006
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages: Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value: 76.81%
Metal Tier:

Additional Notes: NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Calculation Time: 0.1523 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Silver CSR 87%			
Items supported by the AV Calculator	Deductible	$200	
	Coinsurance	0%	
	OOPM	$2,400	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	87.58%
BCBSVT Model Output for items supported by the AVC		(b)	91.8%
BCBSVT Model Output for complete benefit design		(c)	92.2%
Estimated AVC value		(d)=(c)/(b)*(a)	**88.0%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Gold

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$200.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$2,400.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$250.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$500.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$30.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$50.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$29.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$500.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$50.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$40.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$50.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$50.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$500.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$500.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver - 87%
Plan HIOS ID: 13627VT0380006 and 13627VT0360006
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.58%
Metal Tier:	Gold
Additional Notes:	NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).
Calculation Time:	0.1133 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Blue Rewards (Non-Standard) Copayment Plan – Silver CSR 94%			
Items supported by the AV Calculator	Deductible	$0	
	Coinsurance	0%	
	OOPM	$950	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	93.90%
BCBSVT Model Output for items supported by the AVC		(b)	96.4%
BCBSVT Model Output for complete benefit design		(c)	96.5%
Estimated AVC value		(d)=(c)/(b)*(a)	**94.0%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☑
Desired Metal Tier: Platinum

HSA/HRA Options		Tiered Network Option	
HSA/HRA Employer Contribution?	☐	Tiered Network Plan?	☐
Annual Contribution Amount:		1st Tier Utilization: 2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$0.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$950.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$250.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$0.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$15.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$35.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$14.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$0.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$35.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$20.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$35.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$35.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$0.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$0.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver - 94%
Plan HIOS ID: 13627VT0380006 and 13627VT0360006
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value:	93.90%
Metal Tier:	Platinum
Additional Notes:	NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).
Calculation Time:	0.1055 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Bronze			
Items supported by the AV Calculator	Deductible	$8,700	
	Coinsurance	0%	
	OOPM	$8,700	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	63.28%
BCBSVT Model Output for items supported by the AVC		(b)	69.55%
BCBSVT Model Output for complete benefit design		(c)	70.86%
Estimated AVC value		(d)=(c)/(b)*(a)	**64.47%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?	☑
Apply Inpatient Copay per Day?	☐
Apply Skilled Nursing Facility Copay per Day?	☐
Use Separate MOOP for Medical and Drug Spending?	☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard?	☑
Desired Metal Tier	Bronze

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$8,700.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$8,700.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Emergency Room Services	☑	☑			☑	☑			☐	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☑			☑	☑			☐	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☑			☑	☑			☐	☐
Specialist Visit	☑	☑			☑	☑			☐	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☑			☑	☑			☐	☐
Imaging (CT/PET Scans, MRIs)	☑	☑			☑	☑			☐	☐
Speech Therapy	☑	☑			☑	☑			☐	☐
Occupational and Physical Therapy	☑	☑			☑	☑			☐	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☑			☑	☑			☐	☐
X-rays and Diagnostic Imaging	☑	☑			☑	☑			☐	☐
Skilled Nursing Facility	☑	☑			☑	☑			☐	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☑			☑	☑			☐	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☑			☑	☑			☐	☐
Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑			☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑			☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Bronze
Plan HIOS ID: 13627VT0380007 and 13627VT0360007
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Expanded Bronze Standard (56% to 65%), Calculation Successful.
Actuarial Value:	63.28%
Metal Tier:	Bronze
Additional Notes:	
Calculation Time:	0.7031 seconds

Draft 2022 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Vermont Preferred Plan – Silver Reflective			
Items supported by the AV Calculator	Deductible	$3,000	
	Coinsurance	0%	
	OOPM	$8,150	
	Copayments after the deductible	See print below	
	PCP visits at no cost share before the deductible	3	
AVC Output for items supported by the AVC		(a)	67.64%
BCBSVT Model Output for items supported by the AVC		(b)	76.40%
BCBSVT Model Output for complete benefit design		(c)	78.51%
Estimated AVC value		(d)=(c)/(b)*(a)	**69.51%**

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☑
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate MOOP for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR or Expanded Bronze AV Standard? ☐
Desired Metal Tier: Silver

HSA/HRA Options	
HSA/HRA Employer Contribution?	☐
Annual Contribution Amount:	

Tiered Network Option	
Tiered Network Plan?	☐
1st Tier Utilization:	
2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$3,000.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$8,150.00			
MOOP if Separate ($)						

Click Here for Important Instructions

Type of Benefit	Tier 1 Subject to Deductible?	Tier 1 Subject to Coinsurance?	Tier 1 Coinsurance, if different	Tier 1 Copay, if separate	Tier 2 Subject to Deductible?	Tier 2 Subject to Coinsurance?	Tier 2 Coinsurance, if different	Tier 2 Copay, if separate	Tier 1 Copay applies only after deductible?	Tier 2 Copay applies only after deductible?
Medical	☑ All	☐ All			☑ All	☑ All			☑ All	☐ All
Emergency Room Services	☑	☐		$450.00	☑	☑			☑	☐
All Inpatient Hospital Services (inc. MH/SUD)	☑	☐		$1,750.00	☑	☑			☑	☐
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	☑	☐		$30.00	☑	☑			☑	☐
Specialist Visit	☑	☐		$50.00	☑	☑			☑	☐
Mental/Behavioral Health and Substance Use Disorder Outpatient Services	☑	☐		$29.00	☑	☑			☑	☐
Imaging (CT/PET Scans, MRIs)	☑	☐		$1,750.00	☑	☑			☑	☐
Speech Therapy	☑	☐		$50.00	☑	☑			☑	☐
Occupational and Physical Therapy	☑	☐		$40.00	☑	☑			☑	☐
Preventive Care/Screening/Immunization	☐	☐	100%	$0.00	☐	☐	100%	$0.00		
Laboratory Outpatient and Professional Services	☑	☐		$50.00	☑	☑			☑	☐
X-rays and Diagnostic Imaging	☑	☐		$50.00	☑	☑			☑	☐
Skilled Nursing Facility	☑	☐		$1,750.00	☑	☑			☑	☐
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	☑	☐		$1,750.00	☑	☑			☑	☐
Outpatient Surgery Physician/Surgical Services	☑	☑			☑	☑			☐	☐
Drugs	☑ All	☑ All			☑ All	☑ All			☐ All	☐ All
Generics	☑	☐		$5.00	☑	☑			☑	☐
Preferred Brand Drugs	☑	☑	60%		☑	☑			☐	☐
Non-Preferred Brand Drugs	☑	☑	40%		☑	☑			☐	☐
Specialty Drugs (i.e. high-cost)	☑	☑	60%		☑	☑			☐	☐

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	☐
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	☐
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	☑
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Non-Standard Silver
Plan HIOS ID: 13627VT0380008 and 13627VT0360008
Issuer HIOS ID: 13627
AVC Version: 2022_1b

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	67.64%
Metal Tier:	Silver
Additional Notes:	NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).
Calculation Time:	0.3867 seconds

Draft 2022 AV Calculator

Appendix B – Complete Benefit Designs

	Gold	Silver	Silver Reflective	Bronze
Deductible/OOP Max	**Vermont Preferred**	**Vermont Preferred**	**Vermont Preferred**	**Vermont Preferred**
Medical Deductible	$1,550	$3,000	$3,000	$8,700
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$5,150	$8,150	$8,150	$8,700
Rx OOPM	$1,400	$1,400	$1,400	Combined
Integrated OOPM	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits
Drug Deductible waived for:	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts
Service Category				
Preventive	$0	$0	$0	$0
PCP Office Visit	3 visits per member combined PCP/MH at no cost share before deductible then $20 copay	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	3 visits per member combined PCP/MH at no cost share before deductible then $0 copay
MH/SA Office Visit				
Chiropractic Office Visit	$30	$40	$40	$0
Physical Therapy Visit	$30	$40	$40	$0
Specialist Office Visit	3 visits per member at qualified specialists at no cost share before deductible then $40 copay	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	3 visits per member at qualified specialists at no cost share before deductible then $0 copay
Urgent Care	$40	$50	$50	$0
Ambulance	$40	$50	$55	$0
DME	$40	$50	$50	$0
ER	$250	$450	$450	$0
Radiology (MRI, CT, PET)	$750	$1,750	$1,750	$0
Inpatient / Outpatient	$750	$1,750	$1,750	$0
Wellness Rx - Generic	$5	$5	$5	$15
Wellness Rx - Preferred Brand	$50	$50	$50	$50
Wellness Rx - Non-Preferred Brand	60%	60%	60%	60%
Rx Generic	$5	$5	$5	$0
Rx Preferred Brand	40%	40%	40%	0%
Rx Non-Preferred Brand	60%	60%	60%	0%
Estimated 2022 AVC Value	78.9%	69.5%	69.5%	64.5%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

	73% AV	77% AV	87% AV	94% AV
Deductible/OOP Max	**Vermont Preferred**	**Vermont Preferred**	**Vermont Preferred**	**Vermont Preferred**
Medical Deductible	$2,100	$1,000	$200	$0
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$6,200	$5,200	$2,400	$950
Rx OOPM	$1,400	$1,400	$1,400	$950
Integrated OOPM	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family	Aggregate, 2x Family
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified specialist visits
Drug Deductible waived for:	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts
Service Category				
Preventive	$0	$0	$0	$0
PCP Office Visit	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	3 visits per member combined PCP/MH at no cost share before deductible then $15 copay
MH/SA Office Visit				
Chiropractic Office Visit	$40	$40	$40	$20
Physical Therapy Visit	$40	$40	$40	$20
Specialist Office Visit	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	3 visits per member at qualified specialists at no cost share before deductible then $35 copay
Urgent Care	$50	$50	$50	$35
Ambulance	$50	$50	$50	$35
DME	$50	$50	$50	$35
ER	$400	$400	$250	$250
Radiology (MRI, CT, PET)	$1,500	$1,500	$500	$0
Inpatient / Outpatient	$1,500	$1,500	$500	$0
Wellness Rx - Generic	$5	$5	$5	$5
Wellness Rx - Preferred Brand	$50	$50	$50	$50
Wellness Rx - Non-Preferred Brand	60%	60%	60%	60%
Rx Generic	$5	$5	$5	$5
Rx Preferred Brand	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%
Estimated 2022 AVC Value	73.6%	78.0%	88.0%	94.0%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

	Gold	Silver	Silver Reflective	Bronze
Deductible/OOP Max	**Vermont Select**	**Vermont Select**	**Vermont Select**	**Vermont Select**
Medical Deductible	$2,550	$4,575	$4,600	$7,050
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$2,550	$4,575	$4,600	$7,050
Rx OOPM	$1,400	$1,400	$1,400	Combined
Integrated OOPM	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700
Medical Deductible waived for:	Preventive Care	Preventive Care	Preventive Care	Preventive Care
Drug Deductible waived for:	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts
Service Category				
Preventive	$0	$0	$0	$0
PCP Office Visit	0%	0%	0%	0%
MH/SA Office Visit	0%	0%	0%	0%
Specialist Office Visit	0%	0%	0%	0%
Urgent Care	0%	0%	0%	0%
Ambulance	0%	0%	0%	0%
DME	0%	0%	0%	0%
ER	0%	0%	0%	0%
Radiology (MRI, CT, PET)	0%	0%	0%	0%
Inpatient/Outpatient	0%	0%	0%	0%
Wellness Rx Generic	$5	$15	$15	$25
Wellness Rx Preferred Brand	40%	40%	40%	65%
Wellness Rx Non-Preferred Brand	60%	60%	60%	85%
Rx Generic	$5	$15	$15	$25
Rx Preferred Brand	40%	40%	40%	65%
Rx Non-Preferred Brand	60%	60%	60%	85%
Estimated 2022 AVC Value	81.95%	71.6%	71.5%	64.9%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

	73% AV	77% AV	87% AV	94% AV
Deductible/OOP Max	**Vermont Select**	**Vermont Select**	**Vermont Select**	**Vermont Select - Not HSAQ**
Medical Deductible	$3,850	$2,900	$1,450	$550
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$3,850	$2,900	$1,450	$550
Rx OOPM	$1,400	$1,400	$1,400	$550
Integrated OOPM	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family	Aggregate, 2x Family	Aggregate, 2x Family	Aggregate, 2x Family
Medical Deductible waived for:	Preventive Care	Preventive Care	Preventive Care	Preventive Care
Drug Deductible waived for:	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts
Service Category				
Preventive	$0	$0	$0	$0
PCP Office Visit	0%	0%	0%	0%
MH/SA Office Visit	0%	0%	0%	0%
Specialist Office Visit	0%	0%	0%	0%
Urgent Care	0%	0%	0%	0%
Ambulance	0%	0%	0%	0%
DME	0%	0%	0%	0%
ER	0%	0%	0%	0%
Radiology (MRI, CT, PET)	0%	0%	0%	0%
Inpatient/Outpatient	0%	0%	0%	0%
Wellness Rx Generic	$15	$15	$15	$15
Wellness Rx Preferred Brand	40%	40%	40%	40%
Wellness Rx Non-Preferred Brand	60%	60%	60%	60%
Rx Generic	$15	$15	$15	$15
Rx Preferred Brand	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%
Estimated 2022 AVC Value	74.0%	77.7%	87.8%	93.8%

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

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MEMORANDUM

To: Paul Schultz, Chief Actuary

From: Ruth Greene, VP and CFO

Date: May 7, 2021

Subject: Contribution to Policyholder Reserves for 2022 ACA Market Individual and Small Group Filings

Upon consideration of the points documented in this memorandum, I am directing you to file as follows for the 2022 ACA Market Individual and Small Group Rate Filings:

1. A contribution to policyholder reserves (CTR) of 1.5 percent; and
2. Exclude from the filing any claims costs explicitly related to the COVID-19 pandemic.

Overall CTR Philosophy

BCBSVT has found that a long-term CTR of 1.5 percent represents an adequate, yet not excessive, contribution to policyholder reserves. CTR at this level within a typical trend, growth, and investment environment allows us to navigate short-term fluctuations in order to maintain surplus levels that are within our mandated target range[1].

The impact of the ongoing pandemic on financial results is one example of a short-term fluctuation. In order to remain in the target range and provide stability to its policyholders, BCBSVT's CTR philosophy looks beyond a single year of experience to establish the required levels.

Should the outlook for BCBSVT's surplus level fail to fall within our target range, we would adjust our filed CTR accordingly. That is, in the event that surplus is projected to materially exceed our targeted range, we would reduce our filed CTR from the long-term rate, all else being equal. Similarly, in the absence of mitigating factors, we would file a CTR that exceeds the long-term rate should surplus project to fall materially below our target range.

BCBSVT believes that CTR should be managed to an adequate long-term level rather than fluctuating significantly from year to year with changes in membership and health care cost trend. For this reason, we file a CTR equal to our long-term target. It is our expectation that our future filings will also include contribution to policyholder reserves equal to this target. While the long-term CTR target may exceed or

[1] Importantly, 1.5 percent CTR is insufficient to maintain a constant level of Risk Based Capital (RBC) through operations alone. Achieving a 1.5 percent CTR on operations would decrease RBC in the absence of an allocation of investment income.

fall below that required to maintain our surplus position in any given year, maintaining an adequate long-term assumption will allow the market to avoid rate shocks in years of high growth in projected claims costs.

Adequately funded premiums are the foundation of solvency, the most important element of consumer protection. An adequate long-term contribution to policyholder reserves should exceed the minimum required to keep pace with increases in total claims costs. While best estimate assumptions are by definition expected to lead to equal likelihood of gains and losses, unexpected events or periods of sustained losses may lead to financial deterioration of sufficient magnitude to threaten a company's solvency.

Apart from modest investment income, CTR is the only source of funding that sustains policyholder reserves for BCBSVT. While any rating program filing is by its nature an estimate of future costs and is therefore subject to gains or losses, BCBSVT files no additional margin beyond the required CTR. Any rate shortfall will first be paid out of CTR, while any shortfall beyond the approved CTR for a particular filing will be funded from existing policyholder reserves (i.e. surplus).

Maintaining an adequate surplus level is critical for any insurer. Consequences of low surplus include reduced flexibility in responding to customer needs (for instance, a restricted ability to give payment flexibility to customers during an economic crisis), a need for higher margins in rates in order to avoid further deterioration, and a reduced ability to attract or retain business or to support membership growth. Stability is particularly important in times of change, including the continuing evolution at both the federal and Vermont levels of the individual and small group market, the health care reform environment in Vermont, and the ongoing COVID-19 crisis.

BCBSVT must remain financially sound in order to continue to provide Vermonters with access to high quality care, outstanding member experiences, and responsible cost management. Realizing a sustainable CTR over time is key to achieving that goal.

Current Capital Environment

BCBSVT finances and reserves experienced extreme turbulence in 2020. Between the pandemic, pension losses, and legal and tax settlements, among other positive and negative factors, this has been a year like no other. These are extraordinary one-time situations and illustrate exactly why BCBSVT must maintain adequate reserves.

Our leadership and our regulators must see beyond the current volatility and steer Blue Cross based on underlying trends, while allowing us to maintain reserves that will see policyholders through these tough times. One cannot choose to ignore one significant negative factor and accept all the one-time positive developments in reviewing BCBSVT's financial situation.

As of December 31, 2020, BCBSVT's RBC stood at 480 percent, a decrease driven primarily by catastrophic losses within the pension assets that reduced RBC by 163 percentage points. BCBSVT is pursuing relief through legal action in this matter. While BCBSVT hopes for a successful resolution of this litigation, the defendants strongly dispute any responsibility for the losses, and it is anticipated that the process to bring this to resolution could take several years.

Risk Based Capital Outlook

On February 7, 2019, the Commissioner of the Vermont Department of Financial Regulation (DFR) issued an order approving a target Risk Based Capital (RBC) range of 590 percent to 745 percent. The order states, in part:

> "If BCBSVT's RBC ratio falls below or increases above the approved range, BCBSVT shall promptly develop a plan to move within the range within a reasonable time and shall submit such plan to the Commissioner."

BCBSVT's RBC as of December 31, 2020 is 480 percent, significantly below the minimum point of the target range ordered by DFR. However, it is essential to assess the RBC outlook over time rather than focusing on its value at any given moment. That is no less true when RBC is critically low than when it is comfortably within the target range.

BCBSVT's RBC outlook is materially impacted by two outstanding, one-time receivable items that are not admitted as assets under statutory accounting rules.

First, as a result of the Tax Cuts and Jobs Act enacted in late 2017, BCBSVT's alternative minimum tax (AMT) credit balance continues to be returned by the IRS. The CARES Act of 2020 included provisions for accelerating the timing of the outstanding AMT refund. BCBSVT expects to receive a final payment of the full remaining balance of the AMT credit during 2021. Assuming that the credits are refunded to BCBSVT in accordance with the provisions set out in the Tax Cuts and Jobs Act and the CARES Act, these funds will be used for the direct benefit of our customers as they are received from the IRS.

Second, BCBSVT has retained counsel to sue the federal government to recover the unpaid 2017 and 2018 Cost Share Reduction (CSR) funding. This lawsuit has been decided in our favor, but the speed to recovery has yet to be determined. The federal government currently has two months to decide on next steps, meaning that resolution of this payment may linger into late 2021.

With the addition of these items that are accretive to surplus, BCBSVT's RBC outlook through 2022 is as follows, including the impact of these ACA rate filings if approved as submitted:

RBC position as of December 31, 2020 **480%**

BCBSVT expects to be within the target RBC range at the end of 2022. We note that, all else being equal, it is better to be near the middle of the target RBC range rather than at an end point, as this minimizes the probability of falling out of the range and triggering a required corrective market action[2].

We do not intend to waver from our CTR philosophy while within the target range, which will generally have the effect of very modestly increasing RBC when near the low end of the target range and very modestly decreasing RBC when approaching the high end of the target range, assuming that we achieve our target investment income. Because BCBSVT expects to be within its mandated RBC range by year-end 2022, we are comfortable holding to a long-term approach to CTR.

Market Considerations

In proposing a CTR for any given filing, BCBSVT must consider competitive and marketplace conditions while maintaining the framework of our overarching CTR philosophy and complying with the DFR RBC order.

BCBSVT experienced a loss of individual and small group membership from 2020 to 2021. Our competitor in this market enjoys a pricing advantage that is expected to persist into 2022. While we will continue to strive to grow our market share within the ACA market, we cannot do so by intentionally underfunding premiums or by filing a CTR that does not adequately protect us from short-term fluctuations or unforeseen events, particularly when facing a time of unprecedented uncertainty with an RBC currently well below the target range.

COVID-19

During this difficult time, BCBSVT's primary responsibility to Vermonters is to maintain continuity of coverage and claims payments for the duration of the COVID-19 crisis. This understanding necessitates that we continue to rate appropriately so that we can provide flexibility to customers and providers who are struggling financially.

[2] The Axene Health Partners RBC study indicates that the point within the target RBC range from which it is least likely to fall outside the range within a one-year period is 690 percent.

BCBSVT has long maintained that a pandemic is one reason to hold surplus. Given that the designed function of policyholder reserves is to weather the types of uncertainties created by a pandemic without resorting to extreme rate fluctuations, any increased costs in 2021 and 2022 due explicitly to the COVID-19 pandemic will be funded through policyholder reserves. Specifically, we do not intend to pass ongoing vaccine costs through to policyholders in 2022. Said differently, I am comfortable that the filed CTR of 1.5 percent will yield our targeted financial outcome in the event that the COVID-19 pandemic is directly responsible for 2022 claims increases beyond those projected in the filing.

Conclusion

In consideration of all the above, I direct you to file a 1.5 percent CTR for the 2022 ACA Market Individual and Small Group Rate Filings and to exclude direct COVID-19 costs from claims projections.

2022 Rates Table Template v11.0

*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*

If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.

If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.

If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.

To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.

HIOS Issuer ID*	13627
Rate Effective Date*	1/1/2022
Rate Expiration Date*	12/31/2022
Rating Method*	Family-Tier Rates

			Family Tier						
Plan ID*	**Rating Area ID***	**Individual Rate***	**Couple***	**Primary Subscriber and One Dependent***	**Primary Subscriber and Two Dependents***	**Primary Subscriber and Three or More Dependents***	**Couple and One Dependent***	**Couple and Two Dependents***	**Couple and Three or More Dependents***
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan	**Required:** Enter the rate of a couple based on the pairing of a primary enrollee and a secondary subscriber (e.g. husband and spouse)	**Required:** Enter the rate of a family based on a single parent with one dependent	**Required:** Enter the rate of a family based on a single parent with two dependents	**Required:** Enter the rate of a family based on a single parent with three or more dependents	**Required:** Enter the rate of a family based on a couple with one dependent	**Required:** Enter the rate of a family based on a couple with two dependents	**Required:** Enter the rate of a family based on a couple with three or more dependents
13627VT0320001	Rating Area 1	874.43	1748.86	1687.65	1687.65	1687.65	2457.15	2457.15	2457.15
13627VT0320002	Rating Area 1	733.06	1466.12	1414.81	1414.81	1414.81	2059.90	2059.90	2059.90
13627VT0320003	Rating Area 1	602.98	1205.96	1163.75	1163.75	1163.75	1694.37	1694.37	1694.37
13627VT0320006	Rating Area 1	603.09	1206.18	1163.96	1163.96	1163.96	1694.68	1694.68	1694.68
13627VT0320004	Rating Area 1	507.43	1014.86	979.34	979.34	979.34	1425.88	1425.88	1425.88
13627VT0320005	Rating Area 1	514.45	1028.90	992.89	992.89	992.89	1445.60	1445.60	1445.60
13627VT0330001	Rating Area 1	628.70	1257.40	1213.39	1213.39	1213.39	1766.65	1766.65	1766.65
13627VT0330003	Rating Area 1	628.74	1257.48	1213.47	1213.47	1213.47	1766.76	1766.76	1766.76
13627VT0330002	Rating Area 1	520.94	1041.88	1005.41	1005.41	1005.41	1463.84	1463.84	1463.84
13627VT0360005	Rating Area 1	678.44	1356.88	1309.39	1309.39	1309.39	1906.42	1906.42	1906.42
13627VT0360006	Rating Area 1	581.67	1163.34	1122.62	1122.62	1122.62	1634.49	1634.49	1634.49
13627VT0360008	Rating Area 1	582.00	1164.00	1123.26	1123.26	1123.26	1635.42	1635.42	1635.42
13627VT0360007	Rating Area 1	513.91	1027.82	991.85	991.85	991.85	1444.09	1444.09	1444.09
13627VT0370001	Rating Area 1	715.86	1431.72	1381.61	1381.61	1381.61	2011.57	2011.57	2011.57
13627VT0370002	Rating Area 1	595.99	1191.98	1150.26	1150.26	1150.26	1674.73	1674.73	1674.73
13627VT0370004	Rating Area 1	595.26	1190.52	1148.85	1148.85	1148.85	1672.68	1672.68	1672.68
13627VT0370003	Rating Area 1	508.35	1016.70	981.12	981.12	981.12	1428.46	1428.46	1428.46

BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET – SMALL GROUP RATE FILING
PLAIN LANGUAGE SUMMARY

Our mission and vision. Blue Cross and Blue Shield of Vermont (Blue Cross) is committed to giving our members access to high-value health care while responsibly managing health care costs. To that end, we seek to improve the health of Vermonters by promoting preventive care and healthy lifestyles. We use our strong care management program to assure better care for our members and avoid unnecessary costs. And we work with providers on strategies to improve health care services and reduce health care costs.

Our vision is a transformed health care system in which every Vermonter has health care coverage, and receives timely, effective, affordable care. To achieve that vision, Blue Cross must be financially sound. That means we need to charge rates that cover the cost of providing health care to our members.

Market change for 2022. In past years, Vermont (unlike most states) put individuals and small groups together in the same insurance market. Our past rate filings, including the 2021 filing, were for this combined individual and small group market. This year, Vermont has separated individuals from small groups. Blue Cross strongly supported this change, because it makes health insurance more affordable. Although the rates for individuals are higher than the rates for small groups, the increased federal subsidies for individuals will reduce premiums paid by most individuals and families. Small group rates, which are not subsidized, will be lower.

Rate request summary. This filing provides the proposed rates for individual plans that Blue Cross seeks to offer in 2022. It also describes how we calculated the proposed rates. If you look at the combined request for individual and small group rates, and compare that to the rates approved for the individual and small group market in 2021, overall we are requesting rates that are slightly lower than last year, by *negative* 0.9 percent. As explained above, however, small group rates are decreasing:

- There are 18,785 members currently enrolled in the small group plans affected by this rate request.
- We are requesting an average rate decrease of 7.8 percent.
- The increases for specific plans range from -19.8 percent to -7.0 percent.
- The increases range from -9.5 percent to -7.0 percent for plans other than On-Exchange silver plans.

Reasons for rate changes in the individual and small group markets. Some changes increased rates for 2022, while other changes resulted in decreased rates. Key factors include:

- **Health care and retail pharmacy costs continue to rise.** Members are using more services and prescription drugs and the amounts paid to health care providers like doctors, hospitals, and pharmacies have increased (+6.7 percent).
- **Membership changes.** However, in 2020, the membership of Blue Cross changed in a way that reduced our overall spending compared to what we had expected. Incorporating that change into our rate request reduced the request (-3.9 percent)
- **Impact of required cost-sharing changes.** We changed the cost-sharing aspect of our plans slightly, as required to meet metal level requirements. Because of the relationship between cost-sharing and premiums, those changes increased rates (+1.5 percent).
- **Our new pharmacy program reduced costs and resulted in decreased rates.** Our efforts to reduce costs for prescription drugs, including our new Vermont Blue Rx program, substantially decreased our rate request (-5.6 percent).

BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET – SMALL GROUP RATE FILING
PLAIN LANGUAGE SUMMARY

Our efforts to reduce premium increases. We know that paying for health insurance is a struggle for many, and we strive to keep premiums as low as possible. The proposed rate reflects our efforts to reduce rate increases, including:

- **Reducing pharmacy costs**. We launched a new program, Vermont Blue Rx, and are working closely with our new pharmacy benefit manager to reduce our members' costs for prescription drugs while preserving their access to necessary medications.
- **Our commitment to cover COVID-19 cost out of our reserves**. Again this year, our rates do not included any projected costs related to the ongoing COVID-19 pandemic, such as vaccination costs, treatment and testing, or projected increases in demand.
- **Reducing administrative expenses.** Blue Cross's administrative charges are decreasing as compared to prior years and lowering premiums. (-0.4 percent)

Regulatory requirements. Blue Cross must remain compliant with all state and federal requirements. The proposed rates reflect the following requirements:

- **Solvency.** As a regulated insurer, Blue Cross must maintain adequate financial reserves to protect our members through unexpected pressures such as a future pandemic. The rate request includes a 1.5 percent contribution to policyholder reserves, which is among the lowest margins in the country and is essential to maintaining our solvency.
- **New administrative costs.** The rate request includes our expected expenses for taking over billing for members enrolled through Vermont Health Connect.
- **Ongoing costs.** The rate request includes other ongoing regulatory costs, such as regulatory billbacks, state taxes, PCORI, and other federal taxes and fees.

Our experience in this market. Blue Cross started selling plans in the Vermont Individual and Small Group Merged Market in January 2014. Through the 2020 plan year, including successful litigation for federal risk-corridors payments, Blue Cross has cumulative losses of $1.2 million. If Blue Cross successfully recovers unpaid cost-sharing obligations from the federal government, we will have cumulative gains of $5.3 million.

Our health care system must be adequately funded to keep it stable, while maintaining quality access to care for Vermonters. Since the factors that drive this rate increase are primarily the cost and utilization of health care, we believe that there is no way to further reduce these rates without underfunding the health care coverage on which Vermonters rely.

Public comment. Members of the public can submit comments to the Green Mountain Care Board about this rate request from May 10, 2021 through July 22, 2021. For more information, please visit the Board's Public Comment page: https://ratereview.vermont.gov/public_comment

Exhibit 1A

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

STATE OF VERMONT STANDARD PLAN DESIGNS

	PLATINUM	GOLD	SILVER	SILVER	BRONZE	BRONZE	BRONZE	SILVER REFLECTIVE	SILVER REFLECTIVE	CATASTROPHIC
	Standard	Standard	Standard	Standard	Standard	Standard	Standard	Standard	Standard	Standard
Deductible/OOP Max	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Integrated	Deductible	CDHP	Deductible
Medical Ded	$400	$1,200	$3,400	$1,850	$6,450	$5,700	$8,700	$3,400	$1,850	$8,700
Rx Ded	$0	$150	$400	Combined	$1,100	Combined	Combined	$400	Combined	Combined
Integrated Ded	No	No	No	Yes	No	Yes	Yes	No	Yes	Yes
Medical OOPM	$1,400	$5,400	$8,550	$6,900	$8,700	$7,100	$8,700	$8,550	$6,900	$8,700
Rx OOPM	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	Combined	$1,400	$1,400	$1,400
Integrated OOPM	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Family Deductible / OOP	Stacked, 2x Family	Stacked, 2x Family	Stacked, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Stacked, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Stacked, 2x Family	Stacked, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700
Medical Deductible waived for:	Preventive Care, Office Visits, Urgent Care, Ambulance, Pediatric Dental Class I, Vision	Preventive Care, Office Visits, Urgent Care, Ambulance, Pediatric Dental Class I, Vision	Preventive Care, Office Visits, Urgent Care, Ambulance, Pediatric Dental Class I, Vision	Preventive Care	Preventive Care, Pediatric Dental Class I	Preventive Care	Preventive Care, Office Visits, Pediatric Dental Class I	Preventive Care, Office Visits, Urgent Care, Ambulance, Pediatric Dental Class I, Vision	Preventive Care	Preventive Care, 3 PCP/MH Office Visits
Drug Deductible waived for:	N/A	Generic Scripts	Generic Scripts	Wellness Scripts	Generic Scripts	Wellness Scripts	Generic Scripts	Generic Scripts	Wellness Scripts	N/A
Service Category										
Preventive	$0	$0	$0	0%	$0	0%	0%	$0	0%	$0
PCP Office Visit	$15	$20	$35	10%	$35	50%	$40	$35	10%	3 visits per member combined PCP/MH at no cost share before deductible then 0% coinsurance
MH/SA Office Visit	$15	$20	$35	10%	$35	50%	$40	$35	10%	
Chiropractic and Physical Therapy Office Visit	$20	$30	$40	30%	$40	50%	$50	$40	30%	0%
Specialist Office Visit	$40	$50	$80	30%	$90	50%	$100	$80	30%	0%
Urgent Care	$50	$60	$90	30%	$100	50%	0%	$90	30%	0%
Ambulance	$60	$70	$100	30%	$100	50%	0%	$105	35%	0%
DME	10%	30%	50%	30%	50%	50%	0%	50%	30%	0%
ER	$100	$150	$250	30%	50%	50%	0%	$250	30%	0%
Radiology (MRI, CT, PET)	10%	30%	50%	30%	50%	50%	0%	50%	30%	0%
Outpatient	10%	30%	50%	30%	50%	50%	0%	50%	30%	0%
Inpatient	10%	30%	50%	30%	50%	50%	0%	50%	30%	0%
Wellness Rx - Generic	$10	$12	$15	$10	$15	$12	$30	$15	$10	0%
Wellness Rx - Preferred Brand	$50	$55	$60	$40	$85	40%	0%	$60	$40	0%
Wellness Rx - Non-Preferred Brand	50%	50%	50%	50%	60%	60%	0%	50%	50%	0%
Rx Generic	$10	$12	$15	$10	$15	$12	$30	$15	$10	0%
Rx Preferred Brand	$50	$55	$60	$40	$85	40%	0%	$60	$40	0%
Rx Non-Preferred Brand	50%	50%	50%	50%	60%	60%	0%	50%	50%	0%
Pediatric Vision (Exam and Materials)	$20	$20	$20	$20	$20	$20	$0	$20	$20	0%
Pediatric Dental Class I	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Pediatric Dental Class II	30%	30%	30%	30%	30%	30%	0%	30%	30%	0%
Pediatric Dental Class III	50%	50%	50%	50%	50%	50%	0%	50%	50%	0%

Exhibit 1B

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

NON-STANDARD PLAN DESIGNS

	GOLD	GOLD	SILVER	SILVER	BRONZE	BRONZE	SILVER REFLECTIVE	SILVER REFLECTIVE
	Vermont Preferred	**Vermont Select**	**Vermont Preferred**	**Vermont Select**	**Vermont Preferred**	**Vermont Select**	**Vermont Preferred**	**Vermont Select**
Deductible/OOP Max	**3-6-9**	**CDHP**	**3-6-9**	**CDHP**	**3-6-9**	**CDHP**	**3-6-9**	**CDHP**
Medical Ded	$1,550	$2,550	$3,000	$4,575	$8,700	$7,050	$3,000	$4,600
Rx Ded	Combined	Combined	Combined	Combined	Combined	Combined	Combined	Combined
Integrated Ded	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Medical OOPM	$5,150	$2,550	$8,150	$4,575	$8,700	$7,050	$8,150	$4,600
Rx OOPM	$1,400	$1,400	$1,400	$1,400	Combined	Combined	$1,400	$1,400
Integrated OOPM	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700	Aggregate, 2x Family, Embedded Individual OOPM of $8,700
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified Specialist Visits	Preventive Care	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified Specialist Visits	Preventive Care	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified Specialist Visits	Preventive Care	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I, 3 qualified Specialist Visits	Preventive Care
Drug Deductible waived for:	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts	Wellness Scripts
Service Category								
Preventive	$0	$0	$0	$0	$0	$0	$0	$0
PCP Office Visit	3 visits per member combined PCP/MH at no cost share before deductible then $20 copay	0%	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	0%	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	0%	3 visits per member combined PCP/MH at no cost share before deductible then $30 copay	0%
MH/SA Office Visit		0%		0%		0%		0%
Chiropractic and Physical Therapy Office Visit	$30	0%	$35	0%	$0	0%	$35	0%
Specialist Office Visit	3 visits per member at qualified specialists at no cost share before deductible then $40 copay	0%	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	0%	3 visits per member at qualified specialists at no cost share before deductible then $0 copay	0%	3 visits per member at qualified specialists at no cost share before deductible then $50 copay	0%
Urgent Care	$40	0%	$50	0%	$0	0%	$50	0%
Ambulance	$40	0%	$50	0%	$0	0%	$55	0%
DME	$40	0%	$50	0%	$0	0%	$50	0%
ER	$250	0%	$450	0%	$0	0%	$450	0%
Radiology (MRI, CT, PET)	$750	0%	$1,750	0%	$0	0%	$1,750	0%
Outpatient	$750	0%	$1,750	0%	$0	0%	$1,750	0%
Inpatient	$750	0%	$1,750	0%	$0	0%	$1,750	0%
Wellness Rx - Generic	$5	$5	$5	$15	$15	$25	$5	$15
Wellness Rx - Preferred Brand	$50	40%	$50	40%	$50	65%	$50	40%
Wellness Rx - Non-Preferred Brand	60%	60%	60%	60%	60%	85%	60%	60%
Rx Generic	$5	$5	$5	$15	$0	$25	$5	$15
Rx Preferred Brand	40%	40%	40%	40%	0%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%	0%	60%	60%	60%
Pediatric Vision (Exam and Materials)	$20	0%	$20	0%	$0	0%	$20	0%
Pediatric Dental Class I	0%	0%	0%	0%	0%	0%	0%	0%
Pediatric Dental Class II	30%	0%	30%	0%	30%	0%	30%	0%
Pediatric Dental Class III	50%	0%	50%	0%	50%	0%	50%	0%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 2A

MEMBERSHIP BY PLAN AND MARKET

Inforce Membership by Plan	Individual Market	Small Group Market	TOTAL
Vermont Preferred Gold	726	599	1,325
Vermont Select Gold CDHP	1,258	3,036	4,294
Vermont Preferred Silver	1,154	0	1,154
Vermont Select Silver CDHP	295	0	295
Vermont Preferred Bronze	450	191	641
Vermont Select Bronze CDHP	1,188	906	2,094
Standard Platinum	1,811	4,183	5,994
Standard Gold	1,570	2,506	4,076
Standard Silver	2,705	0	2,705
Standard Silver CDHP	623	0	623
Standard Bronze	831	803	1,634
Standard Bronze CDHP	660	815	1,475
Standard Bronze Integrated	397	162	559
Catastrophic	325	0	325
Vermont Preferred Silver - Reflective	304	483	787
Vermont Select Silver CDHP - Reflective	262	769	1,031
Standard Silver - Reflective	1,044	2,992	4,036
Standard Silver CDHP - Reflective	275	1,340	1,615
Total	**15,878**	**18,785**	**34,663**

Projected Membership by Plan	Individual Market	Small Group Market	TOTAL
Vermont Preferred Gold	726	599	1,325
Vermont Select Gold CDHP	1,258	3,036	4,294
Vermont Preferred Silver	1,154	0	1,154
Vermont Select Silver CDHP	295	0	295
Vermont Preferred Bronze	450	191	641
Vermont Select Bronze CDHP	1,188	906	2,094
Standard Platinum	1,811	4,153	5,964
Standard Gold	1,570	2,506	4,076
Standard Silver	2,705	0	2,705
Standard Silver CDHP	623	0	623
Standard Bronze	831	803	1,634
Standard Bronze CDHP	660	815	1,475
Standard Bronze Integrated	397	162	559
Catastrophic	325	0	325
Vermont Preferred Silver - Reflective	304	483	787
Vermont Select Silver CDHP - Reflective	262	769	1,031
Standard Silver - Reflective	1,044	2,992	4,036
Standard Silver CDHP - Reflective	275	1,340	1,615
Total	**15,878**	**18,755**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 2B

IMPACT OF CHANGES IN MARKET MIX

	Experience PMPM - Excluding Non-EHB and High Claim				*Line 1+b $_3$ on Exhibit 5*
Metal	**Individual PMPM**	**Small Group PMPM**	**Total PMPM**	**Reweighted Total PMPM**	**Benefit Adjustment = Reweighted PMPM / Total PMPM**
Medical Inpatient	$102.75	$104.96	$103.97	$103.95	0.9998
Medical Outpatient	$219.34	$179.00	$197.12	$197.49	1.0019
Medical Pharmaceuticals	$79.96	$65.16	$71.81	$71.95	1.0019
Medical Professional	$141.41	$127.73	$133.87	$134.00	1.0009
Phamacy Non-specialty	$86.42	$62.47	$73.23	$73.45	1.0030
Pharmacy Specialty	$94.25	$72.19	$82.10	$82.30	1.0025
Vision	$0.06	$0.10	$0.08	$0.08	0.9960
Dental	$1.27	$1.39	$1.34	$1.34	0.9992
Total	**$725.46**	**$613.01**	**$663.53**	**$664.56**	**1.0016**
Experience Member Month	203,230	249,156	452,386		
Projected Membership	15,878	18,755		34,633	

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

IMPACT OF CHANGES IN MORBIDITY

	Voluntary Cancelation in the Individual Market	Remaining Members in the Individual Market	Total Individual Market - Excluding High Claimant	Members in Groups that are no longer with BCBSVT	Remaining Members in the Small Group Market	Total Small Group Market	Total VISG
Experience Period Allowed	[redacted]	[redacted]	$147,431,412	[redacted]	[redacted]	$152,760,445	$300,191,857
Member Months	29,048	174,182	203,230	26,994	222,162	249,156	452,386
PMPM	[redacted]	[redacted]	$725.44	[redacted]	[redacted]	$613.11	$663.57
Experience Period Average Induced Utilization	[redacted]	[redacted]	0.989	[redacted]	[redacted]	1.011	1.000
PMPM after normalization for induced utilization	[redacted]	$743.94	$733.51	[redacted]	$611.31	$606.15	$663.57
Projected Membership			15,878			18,755	34,633

Weighted PMPM after normalization for induced utilization	$664.54
Weighted PMPM after normalization for induced utilization for Remaining Members	$672.11
Impact of Canceled Members (Line 1+b_9 on Exhibit 5)	1.0114

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

IMPACT OF BENEFIT CHANGES

Metal	HHS Allowed Relativities	Remaining Members in the Individual Market	2022 Projected Membership - Individual	Remaining Members in the Small Group Market	2022 Projected Membership - Group	Remaining Members in the Merged Market	2022 Projected Membership - Total
Platinum	1.150	21,410	1,811	52,442	4,153	73,852	5,964
Gold	1.080	40,480	3,554	74,252	6,141	114,732	9,695
Silver	1.030	75,134	6,662	63,836	5,584	138,970	12,246
Bronze	1.000	34,573	3,526	31,632	2,877	66,205	6,403
Catastrophic	1.000	2,585	325	0	0	2,585	325
Total		**174,182**	**15,878**	**222,162**	**18,755**	**396,344**	**34,633**
Weighted Average Allowed Charge Relativity		1.0500	1.0476	1.0708	1.0683	1.0616	1.0588

Benefit Adjustment (1+c1 on Exhibit 5) = 1.0616/1.0588 = **0.9974**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

DEMOGRAPHIC ADJUSTMENT

Small Groups

Category	Member Months					Total Age Gender					Average Age Gender Factor					Change in ASF
	CY 2017	CY 2018	CY2019	CY2020	YTD Mar 2021	CY 2017	CY 2018	CY2019	CY2020	YTD Mar 2021	CY 2017	CY 2018	CY2019	CY2020	YTD Mar 2021	
Excluding temporary group and Groups who left in 2018	[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]				[redacted]
Excluding temporary group and Groups who left in 2019		[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]			[redacted]
Excluding temporary group and Groups who left in 2020			[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]		[redacted]
Excluding temporary group and Groups who left in 2021				[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]	[redacted]
Excluding temporary group, groups who left in 2018 and New groups in 2018	[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]				[redacted]
Excluding temporary group, groups who left in 2019 and New groups in 2019		[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]			[redacted]
Excluding temporary group, groups who left in 2020 and New groups in 2020			[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]		[redacted]
Excluding temporary group, groups who left in 2020 and New groups in 2021				[redacted]	[redacted]				[redacted]	[redacted]				[redacted]	[redacted]	[redacted]

Individuals

Method of enrollment	Category	CY 2020			March 2021	Projected 2022			
		Member Months	Average Age	Average Age-Gender factor	Membership Count	Average Age	Average Age-Gender factor	Average Duration	Membership Count
Directly enrolled with BCBSVT	Continuous Enrollment - Age 0	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 1	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 2 to 26	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 27	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 28 to 63	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 64	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 65 +	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Moved from Small Group to Individual	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Canceled	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 0					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 1					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 2 to 26					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 27					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 28 to 63					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 64					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 65 +					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2021 - Age 0					[redacted]	[redacted]	[redacted]	[redacted]
Enrolled through Vermont Health Connect	Continuous Enrollment - Age 0	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 1	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 2 to 26	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 27	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 28 to 63	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 64	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Continuous Enrollment - Age 65 +	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Moved from Small Group to Individual	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	Canceled	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 0					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 1					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 2 to 26					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 27					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 28 to 63					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 64					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2020 - Age 65 +					[redacted]	[redacted]	[redacted]	[redacted]
	New in 2021 - Age 0					[redacted]	[redacted]	[redacted]	[redacted]
	Annual Average Age-Gender factor			**1.4417**				**1.4332**	

Combining the Populations	**Individual**	**Small Group**	**Weighted Average**
CY 2020 Average Age-Gender factor	1.4417	1.2151	1.3190
Impact of excluding temporary group and groups that left in 2021		[redacted]	
Regular increase for continuing groups		[redacted]	
Increase for the impact of new groups		[redacted]	
CY 2022 Average Age-Gender factor	**1.4332**	**1.2205**	**1.3180**
Projected Membership	15,878	18,755	34,633

Demographic Adjustment (1+c3 on Exhibit 5) = 1.318/1.319 = 0.9993

MEDICAL COST TREND DEVELOPMENT - INPATIENT

EXHIBIT REDACTED

MEDICAL TREND DEVELOPMENT - OUTPATIENT

EXHIBIT REDACTED

MEDICAL COST TREND DEVELOPMENT - PROFESSIONAL

EXHIBIT REDACTED

EXHIBIT REDACTED

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL COST TREND DEVELOPMENT - TOTAL TREND

	Inpatient	[redacted]	Total
2020	Year 0	[redacted]	63,563,820
2021	Year 1	[redacted]	66,173,029
2022	Year 2	[redacted]	68,549,665
	Trend Y1/Y0	[redacted]	4.1%
	Trend Y2/Y1	[redacted]	3.6%
	Annual Cost Trend	[redacted]	3.8%

	Outpatient	[redacted]	Total
2020	Year 0	[redacted]	126,844,574
2021	Year 1	[redacted]	134,330,273
2022	Year 2	[redacted]	140,832,005
	Trend Y1/Y0	[redacted]	5.9%
	Trend Y2/Y1	[redacted]	4.8%
	Annual Cost Trend	[redacted]	5.4%

	Pharmaceuticals	[redacted]	Total
2020	Year 0	[redacted]	34,762,784
2021	Year 1	[redacted]	36,797,570
2022	Year 2	[redacted]	38,559,616
	Trend Y1/Y0	[redacted]	5.9%
	Trend Y2/Y1	[redacted]	4.8%
	Annual Cost Trend	[redacted]	5.3%

	Professional	[redacted]	Total
2020	Year 0	[redacted]	86,603,558
2021	Year 1	[redacted]	89,656,677
2022	Year 2	[redacted]	91,779,591
	Trend Y1/Y0	[redacted]	3.5%
	Trend Y2/Y1	[redacted]	2.4%
	Annual Cost Trend	[redacted]	2.9%

	Total	[redacted]	Total
2020	Year 0	[redacted]	311,774,736
2021	Year 1	[redacted]	326,957,550
2022	Year 2	[redacted]	339,720,877
	Trend Y1/Y0	[redacted]	4.9%
	Trend Y2/Y1	[redacted]	3.9%
	Annual Cost Trend	[redacted]	4.4%

MEDICAL TREND DEVELOPMENT - POPULATION ADJUSTMENTS

		Adjustments for Fraud Waste and Abuse Programs and working days				
Month	Membership	FWA Factor	Normalized FWA Factor	Working Days	Normalized Working Days	Total Normalized Factor
Jan-17	34,349	1.0000	1.000	21	0.992	1.008
Feb-17	34,001	1.000	1.000	20	0.945	1.058
Mar-17	33,772	1.000	1.000	23	1.087	0.920
Apr-17	33,396	1.000	1.000	20	0.945	1.058
May-17	32,980	1.000	1.000	22	1.039	0.962
Jun-17	32,692	1.000	1.000	22	1.039	0.962
Jul-17	32,340	1.000	1.000	19	0.898	1.114
Aug-17	32,056	1.000	1.000	23	1.087	0.920
Sep-17	31,758	1.000	1.000	20	0.945	1.058
Oct-17	31,454	1.000	1.000	22	1.039	0.962
Nov-17	31,140	1.000	1.000	20	0.945	1.058
Dec-17	30,838	1.000	1.000	20	0.945	1.058
Jan-18	33,563	0.991	1.009	22	1.039	0.971
Feb-18	33,245	0.991	1.009	20	0.945	1.068
Mar-18	33,002	0.991	1.009	22	1.039	0.971
Apr-18	32,768	0.991	1.009	21	0.992	1.017
May-18	32,597	0.991	1.009	22	1.039	0.971
Jun-18	32,482	0.991	1.009	21	0.992	1.017
Jul-18	32,377	0.991	1.009	21	0.992	1.017
Aug-18	32,252	0.991	1.009	23	1.087	0.929
Sep-18	32,209	0.991	1.009	19	0.898	1.124
Oct-18	32,190	0.991	1.009	23	1.087	0.929
Nov-18	32,100	0.991	1.009	20	0.945	1.068
Dec-18	31,991	0.991	1.009	19	0.898	1.124
Jan-19	33,263	0.998	1.002	22	1.039	0.965
Feb-19	33,035	0.998	1.002	20	0.945	1.061
Mar-19	32,900	0.998	1.002	21	0.992	1.010
Apr-19	32,703	0.998	1.002	22	1.039	0.965
May-19	32,562	0.998	1.002	22	1.039	0.965
Jun-19	32,477	0.998	1.002	20	0.945	1.061
Jul-19	32,430	0.998	1.002	21	0.992	1.010
Aug-19	32,357	0.998	1.002	22	1.039	0.965
Sep-19	32,349	0.998	1.002	21	0.992	1.010
Oct-19	32,290	0.998	1.002	22	1.039	0.965
Nov-19	32,248	0.998	1.002	19	0.898	1.117
Dec-19	32,162	0.998	1.002	21	0.992	1.010
Jan-20	33,617	1.000	1.000	22	1.039	0.962
Feb-20	33,402	1.000	1.000	20	0.945	1.058
Mar-20	33,142	1.000	1.000	22	1.039	0.962
Apr-20	32,829	1.000	1.000	22	1.039	0.962
May-20	32,629	1.000	1.000	20	0.945	1.058
Jun-20	32,427	1.000	1.000	22	1.039	0.962
Jul-20	32,338	1.000	1.000	22	1.039	0.962
Aug-20	32,247	1.000	1.000	21	0.992	1.008
Sep-20	32,205	1.000	1.000	21	0.992	1.008
Oct-20	32,139	1.000	1.000	22	1.039	0.962
Nov-20	31,963	1.000	1.000	19	0.898	1.114
Dec-20	31,838	1.000	1.000	21	0.992	1.008

MEDICAL TREND DEVELOPMENT - POPULATION ADJUSTMENTS

	Population Characteristics : Total Population			
Characteristic	2017	2018	2019	2020
Member Months	819,760	629,955	588,010	452,386
Average Age	41.6	42.1	42.0	42.5
Percent of Male Members	49.3%	49.3%	49.4%	49.1%
Percent of Female Members	50.7%	50.7%	50.6%	50.9%
Percent of Non-Binary Members	0.00%	0.00%	0.03%	0.04%
Percent of Members in Small Group	60.2%	57.8%	61.6%	55.0%
Percent of Members with a Catastrophic Plan	0.3%	0.5%	0.6%	0.9%
Percent of Members with a Bronze Plan	13.5%	12.7%	12.9%	16.8%
Percent of Members with a Silver Plan	41.8%	40.8%	34.5%	34.5%
Percent of Members with a Gold Plan	25.7%	26.6%	33.3%	28.7%
Percent of Members with a Platinum Plan	18.6%	19.5%	18.7%	19.0%

	Population Characteristics : Matched Population			
Characteristic	2017	2018	2019	2020
Member Months	390,776	390,776	390,776	390,776
Average Age:	42.8	42.8	42.8	42.8
Percent of Male Members	49.4%	49.4%	49.4%	49.4%
Percent of Female Members	50.6%	50.6%	50.6%	50.6%
Percent of Non-Binary Members	0.00%	0.00%	0.00%	0.00%
Percent of Members in Small Group	58.7%	58.6%	58.6%	58.7%
Percent of Members with a Catastrophic Plan	0.4%	0.4%	0.4%	0.4%
Percent of Members with a Bronze Plan	15.6%	15.5%	15.6%	15.6%
Percent of Members with a Silver Plan	37.4%	37.5%	37.4%	37.4%
Percent of Members with a Gold Plan	27.7%	27.7%	27.7%	27.7%
Percent of Members with a Platinum Plan	18.9%	18.9%	18.9%	18.9%
Percent of Members with no conditions	95.34%	95.34%	95.34%	95.34%
Percent of Members with one conditions	4.58%	4.58%	4.58%	4.58%
Percent of Members with many conditions	0.08%	0.08%	0.08%	0.08%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

		Original Claims		Adjusted Claims - Normalized for Contract Changes		Adjusted Claims - Normalized for FWA and Working Days			
Month	Membership	Inpatient	Inpatient PMPM	Inpatient	Inpatient PMPM	Total Normalized Factor	Inpatient PMPM	Rolling 12 months PMPM	Rolling 24 Months
Jan-17	34,349	$2,423,072	$70.54	$2,750,554	$80.08	1.008	$80.71		
Feb-17	34,001	$2,541,035	$74.73	$2,858,535	$84.07	1.058	$88.98		
Mar-17	33,772	$2,395,190	$70.92	$2,709,944	$80.24	0.920	$73.85		
Apr-17	33,396	$1,609,581	$48.20	$1,810,635	$54.22	1.058	$57.38		
May-17	32,980	$2,037,083	$61.77	$2,303,810	$69.85	0.962	$67.21		
Jun-17	32,692	$2,085,543	$63.79	$2,327,890	$71.21	0.962	$68.51		
Jul-17	32,340	$2,553,888	$78.97	$2,859,208	$88.41	1.114	$98.49		
Aug-17	32,056	$2,063,102	$64.36	$2,327,213	$72.60	0.920	$66.81		
Sep-17	31,758	$2,362,526	$74.39	$2,647,719	$83.37	1.058	$88.24		
Oct-17	31,454	$2,923,642	$92.95	$3,285,387	$104.45	0.962	$100.49		
Nov-17	31,140	$2,131,449	$68.45	$2,363,232	$75.89	1.058	$80.32		
Dec-17	30,838	$1,860,437	$60.33	$2,056,133	$66.68	1.058	$70.56	$78.39	
Jan-18	33,563	$2,135,293	$63.62	$2,356,301	$70.21	0.971	$68.15	$77.30	
Feb-18	33,245	$2,933,798	$88.25	$3,198,897	$96.22	1.068	$102.75	$78.45	
Mar-18	33,002	$2,368,697	$71.77	$2,608,032	$79.03	0.971	$76.72	$78.71	
Apr-18	32,768	$2,843,259	$86.77	$3,090,244	$94.31	1.017	$95.91	$82.00	
May-18	32,597	$2,846,449	$87.32	$3,072,749	$94.26	0.971	$91.51	$84.06	
Jun-18	32,482	$2,475,038	$76.20	$2,693,339	$82.92	1.017	$84.33	$85.39	
Jul-18	32,377	$3,215,547	$99.32	$3,464,183	$107.00	1.017	$108.81	$86.26	
Aug-18	32,252	$2,530,247	$78.45	$2,742,974	$85.05	0.929	$78.97	$87.26	
Sep-18	32,209	$3,397,116	$105.47	$3,677,046	$114.16	1.124	$128.32	$90.59	
Oct-18	32,190	$3,013,594	$93.62	$3,245,137	$100.81	0.929	$93.61	$90.04	
Nov-18	32,100	$2,894,483	$90.17	$3,115,079	$97.04	1.068	$103.63	$91.93	
Dec-18	31,991	$2,747,646	$85.89	$2,951,093	$92.25	1.124	$103.69	$94.58	$86.48
Jan-19	33,263	$2,888,873	$86.85	$3,079,558	$92.58	0.965	$89.30	$96.40	$86.86
Feb-19	33,035	$2,146,782	$64.99	$2,286,543	$69.22	1.061	$73.43	$93.92	$86.20
Mar-19	32,900	$2,827,667	$85.95	$2,998,722	$91.15	1.010	$92.10	$95.22	$86.98
Apr-19	32,703	$2,600,763	$79.53	$2,758,592	$84.35	0.965	$81.36	$94.00	$88.02
May-19	32,562	$2,953,283	$90.70	$3,118,108	$95.76	0.965	$92.36	$94.07	$89.08
Jun-19	32,477	$2,560,342	$78.84	$2,704,738	$83.28	1.061	$88.36	$94.41	$89.91
Jul-19	32,430	$2,725,422	$84.04	$2,867,171	$88.41	1.010	$89.33	$92.79	$89.53
Aug-19	32,357	$2,694,338	$83.27	$2,842,607	$87.85	0.965	$84.73	$93.26	$90.27
Sep-19	32,349	$2,147,604	$66.39	$2,262,471	$69.94	1.010	$70.67	$88.50	$89.54
Oct-19	32,290	$2,753,653	$85.28	$2,859,122	$88.55	0.965	$85.40	$87.82	$88.93
Nov-19	32,248	$2,536,071	$78.64	$2,644,033	$81.99	1.117	$91.57	$86.83	$89.38
Dec-19	32,162	$2,200,808	$68.43	$2,291,103	$71.24	1.010	$71.98	$84.23	$89.40
Jan-20	33,617	$1,886,870	$56.13	$1,933,327	$57.51	0.962	$55.33	$81.31	$88.85
Feb-20	33,402	$2,164,391	$64.80	$2,227,974	$66.70	1.058	$70.59	$81.06	$87.48
Mar-20	33,142	$2,569,347	$77.53	$2,632,016	$79.42	0.962	$76.41	$79.74	$87.47
Apr-20	32,829	$1,636,552	$49.85	$1,675,317	$51.03	0.962	$49.10	$77.04	$85.50
May-20	32,629	$2,200,732	$67.45	$2,244,923	$68.80	1.058	$72.81	$75.42	$84.72
Jun-20	32,427	$2,422,171	$74.70	$2,484,277	$76.61	0.962	$73.71	$74.20	$84.28
Jul-20	32,338	$2,651,914	$82.01	$2,686,979	$83.09	0.962	$79.94	$73.42	$83.09
Aug-20	32,247	$3,172,026	$98.37	$3,211,897	$99.60	1.008	$100.39	$74.71	$83.97
Sep-20	32,205	$2,739,799	$85.07	$2,777,512	$86.24	1.008	$86.93	$76.05	$82.26
Oct-20	32,139	$2,444,716	$76.07	$2,446,271	$76.12	0.962	$73.23	$75.05	$81.43
Nov-20	31,963	$2,333,028	$72.99	$2,333,918	$73.02	1.114	$81.35	$74.20	$80.51
Dec-20	31,838	$2,854,448	$89.66	$2,854,448	$89.66	1.008	$90.37	$75.70	$79.96
CY 2017	390,776	$26,986,548	$69.06	$30,300,260	$77.54				
CY 2018	390,776	$33,401,166	$85.47	$36,215,076	$92.67				
CY 2019	390,776	$31,035,607	$79.42	$32,712,767	$83.71				
CY 2020	390,776	$29,075,997	$74.41	$29,508,859	$75.51				
	CY2018 / CY 2017 Annual Increase		**23.8%**		**19.5%**			**20.7%**	
	CY2019 / CY 2018 Annual Increase		**-7.1%**		**-9.7%**			**-10.9%**	
	CY2020 / CY 2019 Annual Increase		**-6.3%**		**-9.8%**			**-10.1%**	
	YE202002 / YE 201902 Annual Increase							**-13.7%**	**1.5%**
	YE202002 / YE 201802 Annual Increase							**1.6%**	

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

	Logistic Regression on Inpatient PMPM - Period Ended Feb. 2020	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$118.30	$81.09
Feb-17	$116.82	$81.20
Mar-17	$115.50	$81.30
Apr-17	$114.06	$81.41
May-17	$112.68	$81.52
Jun-17	$111.27	$81.63
Jul-17	$109.92	$81.74
Aug-17	$108.55	$81.85
Sep-17	$107.19	$81.96
Oct-17	$105.89	$82.07
Nov-17	$104.57	$82.18
Dec-17	$103.30	$82.28
Jan-18	$102.01	$82.40
Feb-18	$100.73	$82.51
Mar-18	$99.59	$82.61
Apr-18	$98.35	$82.72
May-18	$97.16	$82.83
Jun-18	$95.94	$82.94
Jul-18	$94.78	$83.05
Aug-18	$93.59	$83.16
Sep-18	$92.42	$83.27
Oct-18	$91.30	$83.38
Nov-18	$90.16	$83.50
Dec-18	$89.07	$83.61
Jan-19	$87.96	$83.72
Feb-19	$86.86	$83.83
Mar-19	$85.87	$83.93
Apr-19	$84.80	$84.05
May-19	$83.77	$84.16
Jun-19	$82.73	$84.27
Jul-19	$81.72	$84.38
Aug-19	$80.70	$84.50
Sep-19	$79.69	$84.61
Oct-19	$78.73	$84.72
Nov-19	$77.74	$84.84
Dec-19	$76.80	$84.95
Jan-20	$75.84	$85.06
Feb-20	$74.89	$85.18
Mar-20	$74.02	$85.29
Apr-20	$73.09	$85.40
May-20	$72.21	$85.51
Jun-20	$71.30	$85.63
Jul-20	$70.44	$85.74
Aug-20	$69.56	$85.86
Sep-20	$68.69	$85.97
Oct-20	$67.86	$86.09
Nov-20	$67.01	$86.20
Dec-20	$66.20	$86.32
Annual Trend	**-13.8%**	**1.6%**

	Linear Regression on Inpatient PMPM - Period Ended Feb. 2020	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$113.98	$82.74
Feb-17	$112.92	$82.83
Mar-17	$111.97	$82.92
Apr-17	$110.91	$83.02
May-17	$109.89	$83.11
Jun-17	$108.84	$83.21
Jul-17	$107.81	$83.30
Aug-17	$106.76	$83.40
Sep-17	$105.70	$83.49
Oct-17	$104.68	$83.59
Nov-17	$103.62	$83.68
Dec-17	$102.60	$83.77
Jan-18	$101.55	$83.87
Feb-18	$100.49	$83.97
Mar-18	$99.54	$84.05
Apr-18	$98.48	$84.15
May-18	$97.46	$84.24
Jun-18	$96.40	$84.34
Jul-18	$95.38	$84.43
Aug-18	$94.32	$84.53
Sep-18	$93.27	$84.63
Oct-18	$92.25	$84.72
Nov-18	$91.19	$84.81
Dec-18	$90.17	$84.91
Jan-19	$89.11	$85.00
Feb-19	$88.05	$85.10
Mar-19	$87.10	$85.19
Apr-19	$86.04	$85.28
May-19	$85.02	$85.38
Jun-19	$83.97	$85.47
Jul-19	$82.94	$85.57
Aug-19	$81.89	$85.66
Sep-19	$80.83	$85.76
Oct-19	$79.81	$85.85
Nov-19	$78.75	$85.95
Dec-19	$77.73	$86.04
Jan-20	$76.68	$86.14
Feb-20	$75.62	$86.23
Mar-20	$74.63	$86.32
Apr-20	$73.58	$86.42
May-20	$72.55	$86.51
Jun-20	$71.50	$86.61
Jul-20	$70.48	$86.70
Aug-20	$69.42	$86.80
Sep-20	$68.36	$86.90
Oct-20	$67.34	$86.99
Nov-20	$66.29	$87.09
Dec-20	$65.26	$87.18
Annual Trend	**-16.0%**	**1.3%**

Logistic Regression on Inpatient PMPM - Period Ended Feb. 2020-24 Months on Monthly		Logistic Regression on Inpatient PMPM - Period Ended Feb. 2020-36 Months on Monthly		Linear Regression on Inpatient PMPM - Period Ended Feb. 2020-24 Months on Monthly		Linear Regression on Inpatient PMPM - Period Ended Feb. 2020-36 Months on Monthly	
1.000	4063326315	1.000	12.554	-0.034	1569.929	0.003	-49.982
0.000	6.361	0.000	4.234	0.013	559.959	0.008	357.157
0.260	0.151	0.006	0.185	0.242	13.294	0.004	15.638
7.713	22.000	0.200	34.000	7.008	22.000	0.142	34.000

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

			24 Month Time Series - Inpatient PMPM - Period Ended Feb. 2020						36 Month Time Series - Inpatient PMPM - Period Ended Feb. 2020					
			Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing		Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing	
Month	Membership	Adjusted PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM
Jan-17	34,349	$80.71												
Feb-17	34,001	$88.98												
Mar-17	33,772	$73.85												
Apr-17	33,396	$57.38											$73.85	
May-17	32,980	$67.21											$70.26	
Jun-17	32,692	$68.51											$68.59	
Jul-17	32,340	$98.49											$67.37	
Aug-17	32,056	$66.81											$72.94	
Sep-17	31,758	$88.24											$72.31	
Oct-17	31,454	$100.49											$76.11	
Nov-17	31,140	$80.32											$82.73	
Dec-17	30,838	$70.56											$85.01	
Jan-18	33,563	$68.15											$84.53	
Feb-18	33,245	$102.75											$82.74	
Mar-18	33,002	$76.72							$73.85		$73.85		$87.86	
Apr-18	32,768	$95.91					$76.72		$57.91		$58.05		$87.43	
May-18	32,597	$91.51					$83.50		$78.47		$76.87		$90.59	
Jun-18	32,482	$84.33					$86.34		$85.63		$83.75		$92.62	
Jul-18	32,377	$108.81					$85.64		$127.25		$116.82		$92.70	
Aug-18	32,252	$78.97					$93.84		$86.42		$86.25		$97.59	
Sep-18	32,209	$128.32					$88.60		$114.97		$108.53		$95.91	
Oct-18	32,190	$93.61					$102.65		$137.56		$127.57		$104.19	
Nov-18	32,100	$103.63					$99.48		$104.70		$102.69		$105.10	
Dec-18	31,991	$103.69					$100.97		$92.84		$94.57		$107.35	
Jan-19	33,263	$89.30					$101.95		$93.12		$95.75		$109.03	$96.04
Feb-19	33,035	$73.43					$97.51		$141.35		$130.78		$106.99	$98.10
Mar-19	32,900	$92.10	$76.72		$76.72		$89.02		$93.15		$91.06		$100.72	$99.19
Apr-19	32,703	$81.36	$101.03		$98.42		$90.12		$89.06		$85.11		$97.82	$100.06
May-19	32,562	$92.36	$93.84		$91.85		$87.04		$85.27		$84.89		$92.68	$100.24
Jun-19	32,477	$88.36	$86.06		$84.68		$88.93		$80.45		$81.62		$90.05	$100.03
Jul-19	32,430	$89.33	$111.54		$109.72		$88.74		$109.51		$109.10		$87.09	$99.56
Aug-19	32,357	$84.73	$76.73		$76.65		$88.96		$72.58		$72.21		$84.89	$98.50
Sep-19	32,349	$70.67	$124.77		$126.61		$87.48		$107.34		$103.74		$82.31	$97.38
Oct-19	32,290	$85.40	$79.32		$82.35		$81.55		$89.02		$89.04		$77.21	$95.15
Nov-19	32,248	$91.57	$82.46		$90.24		$82.91		$80.64		$76.72		$75.72	$92.73
Dec-19	32,162	$71.98	$78.69		$88.02		$85.98		$74.81	$93.11	$70.00	$90.92	$76.39	$90.18
Jan-20	33,617	$55.33	$61.90		$68.55		$81.04	$87.44	$64.88	$90.69	$60.44	$87.89	$73.63	$87.16
Feb-20	33,402	$70.59	$45.27		$47.43		$71.96	$85.27	$70.51	$84.69	$74.50	$83.13	$67.58	$83.81
Mar-20	33,142	$76.41	$49.96		$64.28		$71.47	$83.79	$65.16	$82.33	$62.66	$80.73	$65.04	$80.81
Apr-20	32,829	$49.10	$58.54		$52.52		$71.46	$82.23	$58.42	$79.76	$53.55	$78.09	$62.03	$77.81
May-20	32,629	$72.81	$54.76		$60.73		$71.46	$80.93	$59.85	$77.65	$56.59	$75.74	$59.02	$75.01
Jun-20	32,427	$73.71	$48.85		$53.61		$71.45	$79.49	$54.14	$75.47	$50.17	$73.13	$56.01	$72.20
Jul-20	32,338	$79.94	$59.63		$54.44		$71.45	$78.06	$60.64	$71.43	$65.63	$69.54	$53.00	$69.38
Aug-20	32,247	$100.39	$42.67		$46.71		$71.44	$76.61	$47.47	$69.36	$42.25	$67.07	$49.99	$66.50
Sep-20	32,205	$86.93	$63.67		$37.60		$71.44	$75.29	$50.35	$64.66	$54.70	$63.02	$46.98	$63.59
Oct-20	32,139	$73.23	$46.51		$51.57		$71.43	$74.46	$51.16	$61.54	$56.04	$60.30	$43.97	$60.85
Nov-20	31,963	$81.35	$49.42		$57.39		$71.43	$73.51	$49.12	$58.95	$50.99	$58.19	$40.96	$58.00
Dec-20	31,838	$90.37	$46.52	$52.34	$39.64	$52.96	$71.42	$72.31	$39.60	$56.07	$36.90	$55.48	$37.95	$54.85
Jan-21	31,838		$38.13	$50.35	$25.00	$49.32	$71.41	$71.49	$31.46	$53.29	$24.13	$52.49	$34.94	$51.60
Feb-21	31,838		$31.32	$49.22	$38.13	$48.57	$71.41	$71.44	$36.49	$50.43	$39.31	$49.51	$31.93	$48.61
Mar-21	31,838		$30.27	$47.59	$31.94	$45.85	$71.40	$71.43	$32.37	$47.67	$29.48	$46.72	$28.92	$45.57
Apr-21	31,838		$34.68	$45.59	$20.18	$43.16	$71.40	$71.43	$27.74	$45.11	$20.37	$43.96	$25.91	$42.55
May-21	31,838		$31.66	$43.66	$28.40	$40.44	$71.39	$71.42	$26.98	$42.36	$23.41	$41.19	$22.90	$39.52
Jun-21	31,838		$27.49	$41.88	$21.27	$37.74	$71.39	$71.42	$22.98	$39.75	$16.99	$38.42	$19.89	$36.50
Jul-21	31,838		$32.57	$39.61	$22.11	$35.03	$71.38	$71.41	$23.98	$36.68	$32.45	$35.63	$16.88	$33.48
Aug-21	31,838		$22.55	$37.93	$14.37	$32.33	$71.38	$71.41	$17.25	$34.16	$9.07	$32.87	$13.86	$30.45
Sep-21	31,838		$32.41	$35.31	$5.26	$29.63	$71.37	$71.40	$16.50	$31.32	$21.52	$30.08	$10.85	$27.43
Oct-21	31,838		$22.70	$33.32	$19.23	$26.92	$71.37	$71.40	$14.72	$28.27	$22.86	$27.30	$7.84	$24.41
Nov-21	31,838		$23.00	$31.11	$25.05	$24.22	$71.36	$71.39	$11.93	$25.17	$17.81	$24.53	$4.83	$21.39
Dec-21	31,838		$20.49	$28.94	$7.30	$21.52	$71.35	$71.38	$7.60	$22.50	$3.73	$21.76	$1.82	$18.38
Jan-22	31,838		$15.75	$27.07	-$7.33	$18.83	$71.35	$71.38	$4.20	$20.23	-$9.04	$19.00	-$1.19	$15.37
Feb-22	31,838		$11.99	$25.46	$5.79	$16.13	$71.34	$71.37	$2.41	$17.39	$6.13	$16.23	-$4.20	$12.36
Mar-22	31,838		$10.58	$23.82	-$0.39	$13.44	$71.34	$71.37	-$0.42	$14.66	-$3.70	$13.47	-$7.21	$9.35
Apr-22	31,838		$10.83	21.835	-$12.16	$10.74	$71.33	$71.36	-$2.95	$12.10	-$12.81	$10.70	-$10.22	$6.34
May-22	31,838		$8.56	$19.91	-$3.94	$8.05	$71.33	$71.36	-$5.90	$9.36	-$9.77	$7.94	-$13.23	$3.33
Jun-22	31,838		$6.13	$18.13	-$11.06	$5.35	$71.32	$71.35	-$8.19	$6.76	-$16.19	$5.17	-$16.24	$0.32
Jul-22	31,838		$5.51	$15.88	-$10.23	$2.66	$71.32	$71.35	-$12.68	$3.71	-$0.73	$2.41	-$19.25	-$2.70
Aug-22	31,838		$2.42	$14.20	-$17.97	-$0.04	$71.31	$71.34	-$12.98	$1.19	-$24.11	-$0.36	-$22.26	-$5.71
Sep-22	31,838		$1.16	$11.59	-$27.07	-$2.73	$71.30	$71.34	-$17.36	-$1.64	-$11.66	-$3.12	-$25.27	-$8.72
Oct-22	31,838		-$1.10	$9.61	-$13.10	-$5.43	$71.30	$71.33	-$21.72	-$4.67	-$10.32	-$5.89	-$28.28	-$11.73
Nov-22	31,838		-$3.42	$7.41	-$7.28	-$8.12	$71.29	$71.32	-$25.27	-$7.77	-$15.37	-$8.65	-$31.29	-$14.74
Dec-22	31,838		-$5.54	$5.24	-$25.04	-$10.82	$71.29	$71.32	-$24.41	-$10.44	-$29.45	-$11.42	-$34.30	-$17.75
		Annual Trend		**-68.4%**		**#NUM!**		**-0.7%**		**#NUM!**		**#NUM!**		**#NUM!**
		RMSE		20.34		20.68		14.72		21.58		21.58		19.12
		Theils U		1.52		1.52		0.81		1.08		1.08		0.98

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

	Logistic Regression on Inpatient PMPM - Period Ended Dec. 2019	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$98.07	$78.98
Feb-17	$97.63	$79.30
Mar-17	$97.24	$79.59
Apr-17	$96.81	$79.91
May-17	$96.39	$80.22
Jun-17	$95.96	$80.55
Jul-17	$95.55	$80.86
Aug-17	$95.12	$81.19
Sep-17	$94.70	$81.52
Oct-17	$94.29	$81.84
Nov-17	$93.87	$82.17
Dec-17	$93.47	$82.49
Jan-18	$93.05	$82.82
Feb-18	$92.64	$83.16
Mar-18	$92.27	$83.46
Apr-18	$91.86	$83.80
May-18	$91.46	$84.13
Jun-18	$91.05	$84.47
Jul-18	$90.66	$84.80
Aug-18	$90.26	$85.14
Sep-18	$89.86	$85.48
Oct-18	$89.47	$85.82
Nov-18	$89.07	$86.16
Dec-18	$88.69	$86.50
Jan-19	$88.29	$86.85
Feb-19	$87.90	$87.20
Mar-19	$87.55	$87.52
Apr-19	$87.16	$87.87
May-19	$86.78	$88.22
Jun-19	$86.40	$88.57
Jul-19	$86.02	$88.92
Aug-19	$85.64	$89.28
Sep-19	$85.26	$89.64
Oct-19	$84.89	$89.99
Nov-19	$84.51	$90.36
Dec-19	$84.15	$90.71
Jan-20	$83.78	$91.07
Feb-20	$83.40	$91.44
Mar-20	$83.06	$91.79
Apr-20	$82.69	$92.16
May-20	$82.33	$92.52
Jun-20	$81.96	$92.89
Jul-20	$81.61	$93.26
Aug-20	$81.25	$93.63
Sep-20	$80.89	$94.01
Oct-20	$80.54	$94.38
Nov-20	$80.18	$94.76
Dec-20	$79.83	$95.13
Annual Trend	**-5.1%**	**4.9%**

	Linear Regression on Inpatient PMPM - Period Ended Dec. 2019	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$99.60	$80.50
Feb-17	$99.16	$80.80
Mar-17	$98.76	$81.08
Apr-17	$98.32	$81.39
May-17	$97.89	$81.69
Jun-17	$97.45	$82.00
Jul-17	$97.03	$82.30
Aug-17	$96.59	$82.61
Sep-17	$96.15	$82.92
Oct-17	$95.72	$83.22
Nov-17	$95.28	$83.53
Dec-17	$94.85	$83.82
Jan-18	$94.41	$84.13
Feb-18	$93.97	$84.44
Mar-18	$93.58	$84.72
Apr-18	$93.14	$85.03
May-18	$92.71	$85.33
Jun-18	$92.27	$85.64
Jul-18	$91.84	$85.94
Aug-18	$91.40	$86.25
Sep-18	$90.96	$86.55
Oct-18	$90.54	$86.85
Nov-18	$90.10	$87.16
Dec-18	$89.67	$87.46
Jan-19	$89.23	$87.77
Feb-19	$88.79	$88.08
Mar-19	$88.39	$88.36
Apr-19	$87.95	$88.67
May-19	$87.53	$88.97
Jun-19	$87.09	$89.28
Jul-19	$86.66	$89.57
Aug-19	$86.22	$89.88
Sep-19	$85.78	$90.19
Oct-19	$85.35	$90.49
Nov-19	$84.91	$90.80
Dec-19	$84.49	$91.10
Jan-20	$84.05	$91.41
Feb-20	$83.61	$91.72
Mar-20	$83.19	$92.01
Apr-20	$82.75	$92.32
May-20	$82.33	$92.61
Jun-20	$81.89	$92.92
Jul-20	$81.46	$93.22
Aug-20	$81.02	$93.53
Sep-20	$80.58	$93.84
Oct-20	$80.16	$94.14
Nov-20	$79.72	$94.45
Dec-20	$79.29	$94.75
Annual Trend	**-6.2%**	**4.0%**

Logistic Regression on Inpatient PMPM - Period Ended Dec. 2019-24 Months on Monthly		Logistic Regression on Inpatient PMPM - Period Ended Dec. 2019-36 Months on Monthly		Linear Regression on Inpatient PMPM - Period Ended Dec. 2019-24 Months on Monthly		Linear Regression on Inpatient PMPM - Period Ended Dec. 2019-36 Months on Monthly	
1.000	45916.2	1.000	0.304	-0.014	706.505	0.010	-345.420
0.000	6.279	0.000	3.746	0.013	575.524	0.008	325.647
0.043	0.149	0.062	0.164	0.050	13.663	0.049	14.269
0.991	22.000	2.258	34.000	1.150	22.000	1.754	34.000

			36 Month Time Series - Inpatient PMPM - Period Ended Dec. 2019					
			Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing	
Month	Membership	Adjusted PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM
Jan-17	34,349	$80.71						
Feb-17	34,001	$88.98					$80.71	
Mar-17	33,772	$73.85					$82.26	
Apr-17	33,396	$57.38					$80.69	
May-17	32,980	$67.21					$76.33	
Jun-17	32,692	$68.51					$74.62	
Jul-17	32,340	$98.49					$73.48	
Aug-17	32,056	$66.81					$78.14	
Sep-17	31,758	$88.24					$76.02	
Oct-17	31,454	$100.49					$78.30	
Nov-17	31,140	$80.32					$82.44	
Dec-17	30,838	$70.56					$82.05	
Jan-18	33,563	$68.15	$80.71		$80.71		$79.90	
Feb-18	33,245	$102.75	$88.30		$86.50		$77.71	
Mar-18	33,002	$76.72	$73.87		$74.57		$82.38	
Apr-18	32,768	$95.91	$57.51		$58.53		$81.33	
May-18	32,597	$91.51	$69.56		$75.73		$84.05	
Jun-18	32,482	$84.33	$72.01		$80.15		$85.45	
Jul-18	32,377	$108.81	$104.40		$110.97		$85.24	
Aug-18	32,252	$78.97	$70.97		$78.88		$89.65	
Sep-18	32,209	$128.32	$94.25		$100.33		$87.66	
Oct-18	32,190	$93.61	$109.25		$118.12		$95.27	
Nov-18	32,100	$103.63	$86.71		$93.13		$94.97	
Dec-18	31,991	$103.69	$76.92		$85.46		$96.60	
Jan-19	33,263	$89.30	$87.79		$98.06		$97.94	$88.15
Feb-19	33,035	$73.43	$100.68		$107.26		$96.34	$89.73
Mar-19	32,900	$92.10	$81.25		$84.18		$92.08	$90.55
Apr-19	32,703	$81.36	$68.20		$72.52		$92.09	$91.46
May-19	32,562	$92.36	$77.61		$82.12		$90.10	$91.96
Jun-19	32,477	$88.36	$78.54		$84.39		$90.53	$92.39
Jul-19	32,430	$89.33	$111.91		$114.59		$90.14	$92.79
Aug-19	32,357	$84.73	$75.80		$78.15		$89.99	$92.82
Sep-19	32,349	$70.67	$103.62		$103.44		$89.02	$92.93
Oct-19	32,290	$85.40	$109.46		$104.43		$85.60	$92.13
Nov-19	32,248	$91.57	$90.14		$83.72		$85.57	$91.36
Dec-19	32,162	$71.98	$80.66	$88.79	$76.23	$90.78	$86.69	$90.54
Jan-20	33,617	$55.33	$86.64	$88.69	$81.91	$89.40	$83.95	$89.35
Feb-20	33,402	$70.59	$95.79	$88.28	$90.52	$87.99	$83.95	$88.30
Mar-20	33,142	$76.41	$82.32	$88.37	$77.93	$87.46	$83.96	$87.61
Apr-20	32,829	$49.10	$69.13	$88.44	$64.79	$86.81	$83.96	$86.93
May-20	32,629	$72.81	$77.90	$88.46	$72.76	$86.03	$83.96	$86.42
Jun-20	32,427	$73.71	$77.52	$88.38	$72.43	$85.04	$83.97	$85.88
Jul-20	32,338	$79.94	$105.49	$87.85	$99.15	$83.76	$83.97	$85.37
Aug-20	32,247	$100.39	$75.03	$87.79	$70.60	$83.14	$83.97	$84.87
Sep-20	32,205	$86.93	$96.62	$87.20	$90.98	$82.10	$83.98	$84.45
Oct-20	32,139	$73.23	$105.00	$86.83	$99.68	$81.70	$83.98	$84.32
Nov-20	31,963	$81.35	$90.00	$86.81	$85.19	$81.82	$83.98	$84.19
Dec-20	31,838	$90.37	$79.26	$86.71	$75.04	$81.73	$83.98	$83.97
Jan-21	31,838		$86.73	$86.71	$81.95	$81.73	$83.99	$83.97
Feb-21	31,838		$95.88	$86.68	$90.56	$81.70	$83.99	$83.97
Mar-21	31,838		$82.40	$86.71	$77.97	$81.72	$83.99	$83.98
Apr-21	31,838		$69.20	$86.76	$64.82	$81.76	$84.00	$83.98
May-21	31,838		$77.98	$86.78	$72.80	$81.78	$84.00	$83.98
Jun-21	31,838		$77.60	$86.80	$72.46	$81.80	$84.00	$83.99
Jul-21	31,838		$105.59	$86.79	$99.19	$81.78	$84.01	$83.99
Aug-21	31,838		$75.11	$86.81	$70.64	$81.80	$84.01	$83.99
Sep-21	31,838		$96.72	$86.80	$91.01	$81.79	$84.01	$83.99
Oct-21	31,838		$105.10	$86.80	$99.72	$81.78	$84.02	$84.00
Nov-21	31,838		$90.08	$86.80	$85.22	$81.78	$84.02	$84.00
Dec-21	31,838		$79.34	$86.81	$75.07	$81.78	$84.02	$84.01
Jan-22	31,838		$86.81	$86.82	$81.98	$81.79	$84.02	$84.01
Feb-22	31,838		$95.98	$86.83	$90.59	$81.79	$84.03	$84.01
Mar-22	31,838		$82.49	$86.83	$78.00	$81.79	$84.03	$84.01
Apr-22	31,838		$69.27	$86.84	$64.86	$81.80	$84.03	$84.02
May-22	31,838		$78.06	$86.85	$72.83	$81.80	$84.04	$84.02
Jun-22	31,838		$77.67	$86.85	$72.50	$81.80	$84.04	$84.02
Jul-22	31,838		$105.69	$86.86	$99.22	$81.80	$84.04	$84.03
Aug-22	31,838		$75.18	$86.87	$70.67	$81.81	$84.05	$84.03
Sep-22	31,838		$96.82	$86.87	$91.05	$81.81	$84.05	$84.03
Oct-22	31,838		$105.21	$86.88	$99.75	$81.81	$84.05	$84.04
Nov-22	31,838		$90.17	$86.89	$85.26	$81.82	$84.06	$84.04
Dec-22	31,838		$79.42	$86.90	$75.11	$81.82	$84.06	$84.04
		Annual Trend		**0.1%**		**0.1%**		**0.0%**
		RMSE		18.99		17.80		14.34
		Theils U		0.98		0.91		0.78

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

		Original Claims		Adjusted Claims - Normalized for Contract Changes		Adjusted Claims - Normalized FWA and Working Days		
Month	Membership	Outpatient	Outpatient PMPM	Outpatient	Outpatient PMPM	Total Normalized Factor	Outpatient PMPM	Rolling 12 months PMPM
Jan-17	34,349	$5,851,871	$170.37	$6,778,066	$197.33	1.008	$198.90	
Feb-17	34,001	$5,150,443	$151.48	$5,999,033	$176.44	1.058	$186.73	
Mar-17	33,772	$6,317,104	$187.05	$7,329,194	$217.02	0.920	$199.72	
Apr-17	33,396	$5,326,346	$159.49	$6,172,140	$184.82	1.058	$195.60	
May-17	32,980	$6,274,489	$190.25	$7,295,877	$221.22	0.962	$212.84	
Jun-17	32,692	$5,372,021	$164.32	$6,245,362	$191.04	0.962	$183.80	
Jul-17	32,340	$4,643,636	$143.59	$5,380,023	$166.36	1.114	$185.33	
Aug-17	32,056	$5,391,539	$168.19	$6,230,465	$194.36	0.920	$178.87	
Sep-17	31,758	$5,267,220	$165.85	$6,080,627	$191.47	1.058	$202.64	
Oct-17	31,454	$5,988,307	$190.38	$6,800,125	$216.19	0.962	$208.00	
Nov-17	31,140	$6,003,032	$192.78	$6,826,020	$219.20	1.058	$231.99	
Dec-17	30,838	$5,955,924	$193.14	$6,759,160	$219.18	1.058	$231.97	$201.06
Jan-18	33,563	$6,314,315	$188.13	$7,068,084	$210.59	0.971	$204.43	$201.54
Feb-18	33,245	$5,655,065	$170.10	$6,330,215	$190.41	1.068	$203.33	$202.99
Mar-18	33,002	$6,336,509	$192.00	$7,085,638	$214.70	0.971	$208.43	$203.73
Apr-18	32,768	$5,864,493	$178.97	$6,545,778	$199.76	1.017	$203.15	$204.38
May-18	32,597	$5,716,303	$175.36	$6,361,139	$195.14	0.971	$189.44	$202.41
Jun-18	32,482	$5,423,419	$166.97	$6,043,135	$186.05	1.017	$189.21	$202.87
Jul-18	32,377	$5,362,834	$165.64	$5,941,848	$183.52	1.017	$186.64	$202.98
Aug-18	32,252	$5,507,826	$170.77	$6,112,848	$189.53	0.929	$175.99	$202.73
Sep-18	32,209	$5,289,330	$164.22	$5,872,534	$182.33	1.124	$204.94	$202.92
Oct-18	32,190	$6,736,640	$209.28	$7,385,460	$229.43	0.929	$213.04	$203.35
Nov-18	32,100	$5,862,835	$182.64	$6,429,735	$200.30	1.068	$213.89	$201.92
Dec-18	31,991	$6,400,002	$200.06	$7,001,563	$218.86	1.124	$246.01	$203.16
Jan-19	33,263	$6,978,677	$209.80	$7,545,695	$226.85	0.965	$218.80	$204.39
Feb-19	33,035	$5,817,132	$176.09	$6,290,763	$190.43	1.061	$202.03	$204.28
Mar-19	32,900	$6,224,446	$189.19	$6,723,581	$204.36	1.010	$206.50	$204.11
Apr-19	32,703	$6,114,285	$186.96	$6,603,558	$201.93	0.965	$194.76	$203.41
May-19	32,562	$6,256,612	$192.14	$6,748,681	$207.26	0.965	$199.90	$204.28
Jun-19	32,477	$5,881,850	$181.11	$6,337,815	$195.15	1.061	$207.04	$205.77
Jul-19	32,430	$5,959,631	$183.77	$6,400,553	$197.37	1.010	$199.42	$206.83
Aug-19	32,357	$5,898,157	$182.28	$6,318,355	$195.27	0.965	$188.34	$207.84
Sep-19	32,349	$5,924,788	$183.15	$6,355,657	$196.47	1.010	$198.52	$207.31
Oct-19	32,290	$6,852,847	$212.23	$7,229,593	$223.90	0.965	$215.95	$207.55
Nov-19	32,248	$6,007,149	$186.28	$6,339,466	$196.58	1.117	$219.54	$208.02
Dec-19	32,162	$6,527,532	$202.96	$6,881,038	$213.95	1.010	$216.18	$205.58
Jan-20	33,617	$6,710,218	$199.61	$6,947,003	$206.65	0.962	$198.82	$203.88
Feb-20	33,402	$5,985,121	$179.18	$6,184,295	$185.15	1.058	$195.95	$203.36
Mar-20	33,142	$4,719,037	$142.39	$4,887,008	$147.46	0.962	$141.87	$197.89
Apr-20	32,829	$2,475,124	$75.39	$2,567,021	$78.19	0.962	$75.23	$187.88
May-20	32,629	$4,319,871	$132.39	$4,459,670	$136.68	1.058	$144.65	$183.28
Jun-20	32,427	$6,047,472	$186.49	$6,252,005	$192.80	0.962	$185.50	$181.49
Jul-20	32,338	$6,468,053	$200.01	$6,642,557	$205.41	0.962	$197.63	$181.34
Aug-20	32,247	$6,266,421	$194.33	$6,430,979	$199.43	1.008	$201.01	$182.38
Sep-20	32,205	$6,441,260	$200.01	$6,602,431	$205.01	1.008	$206.64	$183.05
Oct-20	32,139	$7,164,023	$222.91	$7,171,607	$223.14	0.962	$214.69	$182.93
Nov-20	31,963	$6,687,086	$209.21	$6,690,873	$209.33	1.114	$233.20	$184.02
Dec-20	31,838	$7,085,080	$222.54	$7,085,080	$222.54	1.008	$224.30	$184.65
CY 2017	390,776	$67,541,932	$172.84	$77,896,093	$199.34			
CY 2018	390,776	$70,469,571	$180.33	$78,177,977	$200.06			
CY 2019	390,776	$74,443,107	$190.50	$79,774,754	$204.14			
CY 2020	390,776	$70,368,767	$180.07	$71,920,528	$184.05			

CY2018 / CY 2017 Annual Increase	**4.3%**	**0.4%**	**1.0%**
CY2019 / CY 2018 Annual Increase	**5.6%**	**2.0%**	**1.2%**
CY2020 / CY 2019 Annual Increase	**-5.5%**	**-9.8%**	**-10.2%**
YE202002 / YE 201902 Annual Increase			**-0.4%**

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

	Logistic Regression on Outpaitent PMPM - Period Ended Feb. 2020	
Month	24 Months on Monthly - Period Ended Feb. 2020	36 Months on Monthly - Period Ended Feb. 2020
Jan-17	$194.98	$199.18
Feb-17	$195.31	$199.39
Mar-17	$195.61	$199.57
Apr-17	$195.94	$199.78
May-17	$196.26	$199.97
Jun-17	$196.59	$200.18
Jul-17	$196.91	$200.38
Aug-17	$197.24	$200.58
Sep-17	$197.58	$200.79
Oct-17	$197.90	$200.98
Nov-17	$198.23	$201.19
Dec-17	$198.56	$201.39
Jan-18	$198.89	$201.60
Feb-18	$199.23	$201.80
Mar-18	$199.53	$201.99
Apr-18	$199.87	$202.20
May-18	$200.20	$202.40
Jun-18	$200.54	$202.60
Jul-18	$200.86	$202.80
Aug-18	$201.20	$203.01
Sep-18	$201.54	$203.22
Oct-18	$201.87	$203.42
Nov-18	$202.21	$203.63
Dec-18	$202.54	$203.83
Jan-19	$202.89	$204.04
Feb-19	$203.23	$204.25
Mar-19	$203.54	$204.44
Apr-19	$203.88	$204.64
May-19	$204.22	$204.85
Jun-19	$204.56	$205.06
Jul-19	$204.89	$205.26
Aug-19	$205.24	$205.47
Sep-19	$205.59	$205.68
Oct-19	$205.92	$205.88
Nov-19	$206.27	$206.09
Dec-19	$206.61	$206.30
Jan-20	$206.96	$206.51
Feb-20	$207.31	$206.72
Mar-20	$207.63	$206.92
Apr-20	$207.99	$207.13
May-20	$208.33	$207.34
Jun-20	$208.68	$207.55
Jul-20	$209.02	$207.75
Aug-20	$209.37	$207.97
Sep-20	$209.73	$208.18
Oct-20	$210.07	$208.38
Nov-20	$210.42	$208.60
Dec-20	$210.77	$208.80

	Linear Regression on Outpaitent PMPM - Period Ended Feb. 2020	
Month	24 Months on Monthly - Period Ended Feb. 2020	36 Months on Monthly - Period Ended Feb. 2020
Jan-17	$195.78	$199.87
Feb-17	$196.11	$200.07
Mar-17	$196.40	$200.25
Apr-17	$196.72	$200.44
May-17	$197.03	$200.64
Jun-17	$197.36	$200.83
Jul-17	$197.67	$201.02
Aug-17	$197.99	$201.22
Sep-17	$198.31	$201.42
Oct-17	$198.63	$201.61
Nov-17	$198.95	$201.81
Dec-17	$199.26	$202.00
Jan-18	$199.59	$202.19
Feb-18	$199.91	$202.39
Mar-18	$200.20	$202.57
Apr-18	$200.52	$202.77
May-18	$200.84	$202.96
Jun-18	$201.16	$203.15
Jul-18	$201.47	$203.34
Aug-18	$201.79	$203.54
Sep-18	$202.12	$203.74
Oct-18	$202.43	$203.93
Nov-18	$202.75	$204.13
Dec-18	$203.06	$204.32
Jan-19	$203.39	$204.51
Feb-19	$203.71	$204.71
Mar-19	$204.00	$204.89
Apr-19	$204.32	$205.09
May-19	$204.64	$205.28
Jun-19	$204.96	$205.48
Jul-19	$205.27	$205.67
Aug-19	$205.59	$205.86
Sep-19	$205.92	$206.06
Oct-19	$206.23	$206.25
Nov-19	$206.55	$206.45
Dec-19	$206.87	$206.64
Jan-20	$207.19	$206.84
Feb-20	$207.51	$207.03
Mar-20	$207.81	$207.22
Apr-20	$208.14	$207.41
May-20	$208.45	$207.61
Jun-20	$208.77	$207.80
Jul-20	$209.08	$207.99
Aug-20	$209.41	$208.19
Sep-20	$209.73	$208.39
Oct-20	$210.04	$208.58
Nov-20	$210.37	$208.78
Dec-20	$210.68	$208.97

Annual Trend	**2.0%**	**1.2%**	
Logistic Regression on Outpaitent PMPM - Period Ended Feb. 2020-24 Months on Monthly - Period Ended Feb. 2020		Logistic Regression on Outpaitent PMPM - Period Ended Feb. 2020-36 Months on Monthly - Period Ended Feb. 2020	
1.000	19.035	1.000	48.640
0.000	2.938	0.000	1.665
0.029	0.070	0.021	0.073
0.650	22.000	0.737	34.000

Annual Trend	**1.8%**	**1.1%**	
Linear Regression on Outpaitent PMPM - Period Ended Feb. 2020-24 Months on Monthly - Period Ended Feb. 2020		Linear Regression on Outpaitent PMPM - Period Ended Feb. 2020-36 Months on Monthly - Period Ended Feb. 2020	
0.010	-249.325	0.006	-71.913
0.014	610.836	0.008	344.435
0.024	14.502	0.018	15.081
0.550	22.000	0.640	34.000

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

			24 Month Time Series - Outpatient PMPM - Period Ended Feb. 2020						36 Month Time Series - Outpatient PMPM - Period Ended Feb. 2020					
			Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing		Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing	
Month	Membership	Adjusted PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM
Jan-17	34,349	$198.90												
Feb-17	34,001	$186.73												
Mar-17	33,772	$199.72												
Apr-17	33,396	$195.60											$199.72	
May-17	32,980	$212.84											$196.16	
Jun-17	32,692	$183.80											$210.55	
Jul-17	32,340	$185.33											$187.48	
Aug-17	32,056	$178.87											$185.61	
Sep-17	31,758	$202.64											$179.78	
Oct-17	31,454	$208.00											$199.48	
Nov-17	31,140	$231.99											$206.83	
Dec-17	30,838	$231.97											$228.54	
Jan-18	33,563	$204.43											$231.53	
Feb-18	33,245	$203.33											$208.19	
Mar-18	33,002	$208.43							$199.72		$199.72		$204.00	
Apr-18	32,768	$203.15					$208.43		$195.61		$195.61		$207.82	
May-18	32,597	$189.44					$203.61		$212.86		$212.86		$203.80	
Jun-18	32,482	$189.21					$190.67		$183.80		$183.79		$191.42	
Jul-18	32,377	$186.64					$189.32		$185.33		$185.33		$189.50	
Aug-18	32,252	$175.99					$186.85		$178.87		$178.87		$187.02	
Sep-18	32,209	$204.94					$176.92		$202.64		$202.63		$177.49	
Oct-18	32,190	$213.04					$202.47		$208.00		$208.00		$201.15	
Nov-18	32,100	$213.89					$212.11		$232.00		$232.00		$211.41	
Dec-18	31,991	$246.01					$213.74		$231.96		$231.95		$213.56	
Jan-19	33,263	$218.80					$243.20		$204.44		$204.43		$241.57	$203.18
Feb-19	33,035	$202.03					$220.96		$203.34		$203.34		$221.97	$204.34
Mar-19	32,900	$206.50	$208.43		$208.43		$203.70		$202.29		$202.29		$204.79	$204.41
Apr-19	32,703	$194.76	$203.15		$202.21		$206.25		$197.83		$197.83		$206.27	$204.28
May-19	32,562	$199.90	$189.43		$184.85		$195.76		$205.99		$205.98		$196.34	$203.66
Jun-19	32,477	$207.04	$189.21		$191.98		$199.53		$185.40		$185.40		$199.41	$204.32
Jul-19	32,430	$199.42	$186.66		$196.79		$206.38		$185.74		$185.74		$205.99	$205.69
Aug-19	32,357	$188.34	$176.02		$187.44		$200.03		$178.07		$178.07		$200.33	$206.79
Sep-19	32,349	$198.52	$204.99		$216.84		$189.35		$203.37		$203.37		$189.99	$207.82
Oct-19	32,290	$215.95	$213.09		$215.98		$197.70		$209.54		$209.53		$197.34	$207.50
Nov-19	32,248	$219.54	$213.94		$216.82		$214.35		$226.75		$226.73		$213.39	$207.66
Dec-19	32,162	$216.18	$246.07		$250.27		$219.10		$236.16	$203.21	$236.14	$203.20	$218.71	$208.09
Jan-20	33,617	$198.82	$218.82		$206.38		$216.45	$205.84	$208.69	$203.58	$208.68	$203.57	$216.55	$205.97
Feb-20	33,402	$195.95	$202.04		$185.90		$200.37	$204.10	$202.97	$203.54	$202.96	$203.54	$201.27	$204.22
Mar-20	33,142	$141.87	$208.42		$196.37		$196.32	$203.47	$203.53	$203.65	$203.52	$203.64	$196.68	$203.53
Apr-20	32,829	$75.23	$203.15		$188.71		$196.31	$202.64	$196.93	$203.57	$196.92	$203.56	$196.68	$202.73
May-20	32,629	$144.65	$189.45		$184.67		$196.30	$202.69	$204.21	$203.42	$204.19	$203.41	$196.67	$202.76
Jun-20	32,427	$185.50	$189.22		$184.43		$196.29	$202.42	$191.76	$203.95	$191.75	$203.94	$196.67	$202.53
Jul-20	32,338	$197.63	$186.65		$176.50		$196.28	$201.58	$189.75	$204.29	$189.74	$204.28	$196.67	$201.76
Aug-20	32,247	$201.01	$176.01		$165.09		$196.26	$201.27	$181.06	$204.54	$181.05	$204.53	$196.66	$201.46
Sep-20	32,205	$206.64	$204.94		$185.76		$196.25	$201.84	$201.91	$204.42	$201.90	$204.41	$196.66	$202.01
Oct-20	32,139	$214.69	$213.05		$201.72		$196.24	$201.73	$211.38	$204.57	$211.38	$204.56	$196.66	$201.96
Nov-20	31,963	$233.20	$213.90		$203.75		$196.23	$200.24	$224.59	$204.38	$224.58	$204.37	$196.66	$200.58
Dec-20	31,838	$224.30	$245.98	$204.28	$220.00	$191.59	$196.22	$198.36	$230.26	$203.87	$230.25	$203.86	$196.65	$198.77
Jan-21	31,838		$218.78	$204.21	$204.20	$191.35	$196.20	$196.62	$205.78	$203.61	$205.77	$203.60	$196.65	$197.06
Feb-21	31,838		$202.03	$204.21	$195.01	$192.12	$196.19	$196.26	$200.90	$203.44	$200.90	$203.43	$196.65	$196.66
Mar-21	31,838		$208.42	$204.20	$196.23	$192.09	$196.18	$196.25	$203.53	$203.44	$203.52	$203.43	$196.64	$196.66
Apr-21	31,838		$203.15	$204.20	$188.57	$192.09	$196.17	$196.23	$196.93	$203.46	$196.92	$203.45	$196.64	$196.66
May-21	31,838		$189.45	$204.23	$184.54	$192.09	$196.16	$196.22	$204.21	$203.46	$204.19	$203.45	$196.64	$196.65
Jun-21	31,838		$189.22	$204.26	$184.30	$192.10	$196.14	$196.21	$191.76	$203.47	$191.75	$203.47	$196.63	$196.65
Jul-21	31,838		$186.65	$204.28	$176.37	$192.10	$196.13	$196.20	$189.75	$203.49	$189.74	$203.48	$196.63	$196.65
Aug-21	31,838		$176.01	$204.31	$164.96	$192.12	$196.12	$196.19	$181.06	$203.52	$181.05	$203.51	$196.63	$196.65
Sep-21	31,838		$204.94	$204.31	$185.62	$192.12	$196.11	$196.17	$201.91	$203.52	$201.90	$203.51	$196.62	$196.64
Oct-21	31,838		$213.05	$204.30	$201.58	$192.10	$196.10	$196.16	$211.38	$203.51	$211.38	$203.50	$196.62	$196.64
Nov-21	31,838		$213.90	$204.30	$203.61	$192.08	$196.08	$196.15	$224.59	$203.51	$224.58	$203.50	$196.62	$196.64
Dec-21	31,838		$245.98	$204.30	$219.86	$192.07	$196.07	$196.14	$230.26	$203.51	$230.25	$203.50	$196.61	$196.63
Jan-22	31,838		$218.78	$204.30	$204.07	$192.06	$196.06	$196.13	$205.78	$203.51	$205.77	$203.50	$196.61	$196.63
Feb-22	31,838		$202.03	$204.30	$194.87	$192.05	$196.05	$196.11	$200.91	$203.51	$200.90	$203.50	$196.61	$196.63
Mar-22	31,838		$208.42	$204.30	$196.10	$192.04	$196.04	$196.10	$203.53	$203.51	$203.52	$203.50	$196.60	$196.62
Apr-22	31,838		$203.15	$204.30	$188.44	$192.03	$196.02	$196.09	$196.93	$203.51	$196.92	$203.50	$196.60	$196.62
May-22	31,838		$189.45	$204.30	$184.40	$192.02	$196.01	$196.08	$204.21	$203.51	$204.19	$203.50	$196.60	$196.62
Jun-22	31,838		$189.22	$204.30	$184.16	$192.00	$196.00	$196.07	$191.76	$203.51	$191.75	$203.50	$196.59	$196.61
Jul-22	31,838		$186.65	$204.30	$176.23	$191.99	$195.99	$196.05	$189.75	$203.51	$189.74	$203.50	$196.59	$196.61
Aug-22	31,838		$176.01	$204.30	$164.82	$191.98	$195.98	$196.04	$181.06	$203.51	$181.05	$203.50	$196.59	$196.61
Sep-22	31,838		$204.94	$204.30	$185.49	$191.97	$195.96	$196.03	$201.91	$203.51	$201.90	$203.50	$196.59	$196.60
Oct-22	31,838		$213.05	$204.30	$201.45	$191.96	$195.95	$196.02	$211.38	$203.51	$211.38	$203.50	$196.58	$196.60
Nov-22	31,838		$213.90	$204.30	$203.48	$191.95	$195.94	$196.01	$224.59	$203.51	$224.58	$203.50	$196.58	$196.60
Dec-22	31,838		$245.98	$204.30	$219.73	$191.94	$195.93	$195.99	$230.26	$203.51	$230.25	$203.50	$196.58	$196.59
		Annual Trend		**0.0%**		**0.1%**		**-0.6%**		**-0.1%**		**-0.1%**		**-0.5%**
		RMSE		13.63		13.49		13.88		11.13		11.13		14.65
		Theils U		1.34		1.35		1.00		0.80		0.80		0.99

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

	Logistic Regression on Outpaitent PMPM - Period Ended Dec. 2019	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$193.23	$196.78
Feb-17	$193.68	$197.13
Mar-17	$194.09	$197.44
Apr-17	$194.54	$197.79
May-17	$194.99	$198.13
Jun-17	$195.44	$198.48
Jul-17	$195.89	$198.82
Aug-17	$196.34	$199.17
Sep-17	$196.80	$199.53
Oct-17	$197.25	$199.87
Nov-17	$197.71	$200.22
Dec-17	$198.16	$200.57
Jan-18	$198.63	$200.92
Feb-18	$199.09	$201.28
Mar-18	$199.51	$201.60
Apr-18	$199.98	$201.96
May-18	$200.43	$202.31
Jun-18	$200.90	$202.66
Jul-18	$201.36	$203.01
Aug-18	$201.83	$203.37
Sep-18	$202.31	$203.73
Oct-18	$202.76	$204.08
Nov-18	$203.24	$204.44
Dec-18	$203.70	$204.79
Jan-19	$204.18	$205.16
Feb-19	$204.66	$205.52
Mar-19	$205.09	$205.85
Apr-19	$205.57	$206.21
May-19	$206.04	$206.57
Jun-19	$206.52	$206.93
Jul-19	$206.99	$207.29
Aug-19	$207.47	$207.66
Sep-19	$207.96	$208.03
Oct-19	$208.43	$208.38
Nov-19	$208.92	$208.75
Dec-19	$209.39	$209.11
Jan-20	$209.88	$209.48
Feb-20	$210.38	$209.85
Mar-20	$210.84	$210.20
Apr-20	$211.33	$210.57
May-20	$211.81	$210.93
Jun-20	$212.31	$211.31
Jul-20	$212.79	$211.67
Aug-20	$213.29	$212.05
Sep-20	$213.79	$212.42
Oct-20	$214.27	$212.79
Nov-20	$214.78	$213.16
Dec-20	$215.26	$213.53
Annual Trend	**2.8%**	**2.1%**

	Linear Regression on Outpaitent PMPM - Period Ended Dec. 2019	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$193.49	$197.30
Feb-17	$193.96	$197.65
Mar-17	$194.39	$197.97
Apr-17	$194.86	$198.33
May-17	$195.32	$198.67
Jun-17	$195.80	$199.03
Jul-17	$196.25	$199.37
Aug-17	$196.73	$199.73
Sep-17	$197.20	$200.08
Oct-17	$197.66	$200.43
Nov-17	$198.13	$200.78
Dec-17	$198.59	$201.12
Jan-18	$199.06	$201.48
Feb-18	$199.54	$201.83
Mar-18	$199.97	$202.15
Apr-18	$200.44	$202.51
May-18	$200.90	$202.85
Jun-18	$201.37	$203.21
Jul-18	$201.83	$203.55
Aug-18	$202.30	$203.91
Sep-18	$202.78	$204.26
Oct-18	$203.23	$204.60
Nov-18	$203.71	$204.96
Dec-18	$204.17	$205.30
Jan-19	$204.64	$205.66
Feb-19	$205.11	$206.01
Mar-19	$205.54	$206.33
Apr-19	$206.01	$206.69
May-19	$206.47	$207.03
Jun-19	$206.95	$207.39
Jul-19	$207.40	$207.73
Aug-19	$207.88	$208.09
Sep-19	$208.35	$208.44
Oct-19	$208.81	$208.78
Nov-19	$209.28	$209.14
Dec-19	$209.74	$209.48
Jan-20	$210.22	$209.84
Feb-20	$210.69	$210.19
Mar-20	$211.13	$210.52
Apr-20	$211.61	$210.88
May-20	$212.06	$211.22
Jun-20	$212.54	$211.58
Jul-20	$213.00	$211.92
Aug-20	$213.47	$212.28
Sep-20	$213.94	$212.63
Oct-20	$214.40	$212.98
Nov-20	$214.87	$213.33
Dec-20	$215.33	$213.67
Annual Trend	**2.7%**	**2.0%**

Logistic Regression on Outpaitent PMPM - Period Ended Dec. 2019-24 Months on Monthly		Logistic Regression on Outpaitent PMPM - Period Ended Dec. 2019-36 Months on Monthly		Linear Regression on Outpaitent PMPM - Period Ended Dec. 2019-24 Months on Monthly		Linear Regression on Outpaitent PMPM - Period Ended Dec. 2019-36 Months on Monthly	
1.000	7.663	1.000	17.123	0.015	-459.323	0.011	-292.080
0.000	2.869	0.000	1.654	0.014	595.732	0.008	341.902
0.056	0.068	0.062	0.072	0.053	14.143	0.058	14.981
1.308	22.000	2.234	34.000	1.241	22.000	2.100	34.000

MEDICAL UTILIZATION TREND DEVELOPMENT - FACILITY

			24 Month Time Series - Outpatient PMPM - Period Ended Dec. 2019						36 Month Time Series - Outpatient PMPM - Period Ended Dec. 2019					
			Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing		Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing	
Month	Membership	Adjusted PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM
Jan-17	34,349	$198.90												
Feb-17	34,001	$186.73											$198.90	
Mar-17	33,772	$199.72											$188.94	
Apr-17	33,396	$195.60											$197.75	
May-17	32,980	$212.84											$195.99	
Jun-17	32,692	$183.80											$209.77	
Jul-17	32,340	$185.33											$188.53	
Aug-17	32,056	$178.87											$185.90	
Sep-17	31,758	$202.64											$180.14	
Oct-17	31,454	$208.00											$198.53	
Nov-17	31,140	$231.99											$206.28	
Dec-17	30,838	$231.97											$227.32	
Jan-18	33,563	$204.43							$198.90		$198.90		$231.15	
Feb-18	33,245	$203.33					$204.43		$186.73		$186.74		$209.33	
Mar-18	33,002	$208.43					$203.49		$199.74		$199.77		$204.43	
Apr-18	32,768	$203.15					$207.72		$195.63		$195.69		$207.70	
May-18	32,597	$189.44					$203.81		$212.88		$212.98		$203.99	
Jun-18	32,482	$189.21					$191.50		$183.82		$183.93		$192.09	
Jul-18	32,377	$186.64					$189.52		$185.35		$185.48		$189.72	
Aug-18	32,252	$175.99					$187.04		$178.89		$179.04		$187.19	
Sep-18	32,209	$204.94					$177.56		$202.66		$202.83		$178.02	
Oct-18	32,190	$213.04					$200.98		$208.03		$208.21		$200.02	
Nov-18	32,100	$213.89					$211.31		$232.02		$232.23		$210.68	
Dec-18	31,991	$246.01					$213.53		$231.98		$232.20		$213.32	
Jan-19	33,263	$218.80	$204.43		$204.43		$241.35		$201.96		$202.19		$240.08	$203.15
Feb-19	33,035	$202.03	$203.34		$203.34		$222.07		$195.89		$196.11		$222.71	$204.28
Mar-19	32,900	$206.50	$208.44		$208.44		$204.93		$204.54		$204.82		$205.82	$204.40
Apr-19	32,703	$194.76	$203.17		$203.17		$206.27		$199.78		$200.09		$206.38	$204.29
May-19	32,562	$199.90	$189.44		$189.44		$196.41		$200.01		$200.43		$196.88	$203.69
Jun-19	32,477	$207.04	$189.22		$189.22		$199.39		$186.80		$187.17		$199.35	$204.30
Jul-19	32,430	$199.42	$186.67		$186.67		$205.94		$186.10		$186.53		$205.64	$205.62
Aug-19	32,357	$188.34	$176.03		$176.04		$200.36		$177.35		$177.85		$200.56	$206.72
Sep-19	32,349	$198.52	$205.00		$205.00		$190.06		$203.99		$204.53		$190.56	$207.75
Oct-19	32,290	$215.95	$213.10		$213.09		$197.29		$210.85		$211.45		$197.06	$207.51
Nov-19	32,248	$219.54	$213.95		$213.94		$213.26		$222.13		$222.86		$212.51	$207.66
Dec-19	32,162	$216.18	$246.08		$246.07		$218.65		$239.78	$202.39	$240.48	$202.83	$218.28	$208.07
Jan-20	33,617	$198.82	$216.55		$218.80		$216.55	$205.98	$211.26	$203.18	$212.00	$203.67	$216.58	$206.08
Feb-20	33,402	$195.95	$202.27		$202.05		$216.56	$205.52	$199.29	$203.47	$200.08	$204.00	$216.60	$205.57
Mar-20	33,142	$141.87	$206.83		$206.51		$216.57	$206.51	$205.64	$203.56	$206.47	$204.14	$216.62	$206.49
Apr-20	32,829	$75.23	$196.12		$194.79		$216.59	$207.37	$197.04	$203.33	$197.92	$203.96	$216.63	$207.34
May-20	32,629	$144.65	$198.27		$199.90		$216.60	$209.05	$199.97	$203.33	$200.90	$204.00	$216.65	$208.99
Jun-20	32,427	$185.50	$204.22		$207.02		$216.61	$210.48	$197.95	$204.25	$198.81	$204.96	$216.67	$210.42
Jul-20	32,338	$197.63	$197.40		$199.40		$216.62	$211.36	$193.42	$204.86	$194.33	$205.61	$216.69	$211.34
Aug-20	32,247	$201.01	$186.37		$188.30		$216.63	$212.70	$183.38	$205.36	$184.30	$206.15	$216.70	$212.67
Sep-20	32,205	$206.64	$199.53		$198.51		$216.65	$214.90	$200.96	$205.11	$201.93	$205.94	$216.72	$214.83
Oct-20	32,139	$214.69	$215.48		$215.92		$216.66	$216.50	$213.63	$205.34	$214.57	$206.19	$216.74	$216.45
Nov-20	31,963	$233.20	$218.63		$219.51		$216.67	$216.78	$220.69	$205.21	$221.68	$206.08	$216.76	$216.80
Dec-20	31,838	$224.30	$220.92	$205.20	$216.21	$205.57	$216.68	$216.62	$226.79	$204.12	$227.81	$205.02	$216.77	$216.68
Jan-21	31,838		$216.55	$205.15	$218.80	$205.51	$216.70	$216.63	$211.26	$204.09	$212.63	$205.04	$216.79	$216.69
Feb-21	31,838		$202.27	$205.16	$202.05	$205.52	$216.71	$216.64	$199.29	$204.11	$200.72	$205.11	$216.81	$216.71
Mar-21	31,838		$206.83	$205.15	$206.52	$205.52	$216.72	$216.65	$205.64	$204.11	$207.11	$205.16	$216.83	$216.73
Apr-21	31,838		$196.12	$205.18	$194.79	$205.55	$216.73	$216.66	$197.04	$204.12	$198.56	$205.23	$216.84	$216.75
May-21	31,838		$198.27	$205.19	$199.90	$205.56	$216.74	$216.68	$199.98	$204.13	$201.54	$205.30	$216.86	$216.76
Jun-21	31,838		$204.23	$205.19	$207.02	$205.56	$216.76	$216.69	$197.95	$204.14	$199.44	$205.36	$216.88	$216.78
Jul-21	31,838		$197.40	$205.20	$199.40	$205.56	$216.77	$216.70	$193.42	$204.16	$194.96	$205.42	$216.90	$216.80
Aug-21	31,838		$186.37	$205.22	$188.30	$205.58	$216.78	$216.71	$183.38	$204.18	$184.94	$205.50	$216.91	$216.82
Sep-21	31,838		$199.53	$205.23	$198.51	$205.59	$216.79	$216.73	$200.96	$204.18	$202.56	$205.56	$216.93	$216.83
Oct-21	31,838		$215.48	$205.22	$215.92	$205.58	$216.80	$216.74	$213.63	$204.17	$215.21	$205.60	$216.95	$216.85
Nov-21	31,838		$218.63	$205.22	$219.51	$205.58	$216.82	$216.75	$220.69	$204.17	$222.32	$205.65	$216.97	$216.87
Dec-21	31,838		$220.92	$205.22	$216.21	$205.58	$216.83	$216.76	$226.79	$204.17	$228.45	$205.70	$216.98	$216.89
Jan-22	31,838		$216.55	$205.22	$218.80	$205.58	$216.84	$216.77	$211.26	$204.17	$213.27	$205.76	$217.00	$216.91
Feb-22	31,838		$202.27	$205.22	$202.05	$205.58	$216.85	$216.79	$199.29	$204.17	$201.35	$205.81	$217.02	$216.92
Mar-22	31,838		$206.83	$205.22	$206.52	$205.58	$216.86	$216.80	$205.64	$204.17	$207.74	$205.86	$217.04	$216.94
Apr-22	31,838		$196.12	$205.22	$194.79	$205.58	$216.88	$216.81	$197.04	$204.17	$199.19	$205.91	$217.05	$216.96
May-22	31,838		$198.27	$205.22	$199.90	$205.58	$216.89	$216.82	$199.98	$204.17	$202.17	$205.97	$217.07	$216.98
Jun-22	31,838		$204.23	$205.22	$207.02	$205.58	$216.90	$216.83	$197.95	$204.17	$200.08	$206.02	$217.09	$216.99
Jul-22	31,838		$197.40	$205.22	$199.40	$205.58	$216.91	$216.85	$193.43	$204.17	$195.60	$206.07	$217.11	$217.01
Aug-22	31,838		$186.37	$205.22	$188.30	$205.58	$216.93	$216.86	$183.38	$204.17	$185.57	$206.13	$217.12	$217.03
Sep-22	31,838		$199.53	$205.22	$198.51	$205.58	$216.94	$216.87	$200.96	$204.17	$203.20	$206.18	$217.14	$217.05
Oct-22	31,838		$215.48	$205.22	$215.92	$205.58	$216.95	$216.88	$213.64	$204.17	$215.84	$206.23	$217.16	$217.06
Nov-22	31,838		$218.63	$205.22	$219.51	$205.58	$216.96	$216.90	$220.69	$204.17	$222.95	$206.28	$217.18	$217.08
Dec-22	31,838		$220.92	$205.22	$216.21	$205.58	$216.97	$216.91	$226.79	$204.17	$229.08	$206.34	$217.20	$217.10
		Annual Trend		**0.0%**		**0.0%**		**0.1%**		**0.0%**		**0.3%**		**0.1%**
		RMSE		12.91		12.90		13.37		11.66		11.65		14.57
		Theils U		1.06		1.06		1.00		0.80		0.80		0.99

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL UTILIZATION TREND DEVELOPMENT - PROFESSIONAL

			Mental Health and Substance Abuse Services						
Month	Membership	Month	Services	Allowed Charges	Total Normalized Factor	Normalized Services	Normalized Services per 1,000 Members	Rolling Normalized Services per 1,000 members	Annual Utilization Trend
Jan-17	34,349	Jan-17	4,754	$398,730	1.01	4,792	139.50		
Feb-17	34,001	Feb-17	4,134	$361,768	1.06	4,375	128.68		
Mar-17	33,772	Mar-17	4,638	$398,264	0.92	4,268	126.39		
Apr-17	33,396	Apr-17	4,243	$372,413	1.06	4,491	134.46		
May-17	32,980	May-17	4,979	$436,635	0.96	4,790	145.25		
Jun-17	32,692	Jun-17	4,430	$389,377	0.96	4,262	130.37		
Jul-17	32,340	Jul-17	3,684	$320,926	1.11	4,104	126.90		
Aug-17	32,056	Aug-17	4,167	$361,127	0.92	3,835	119.63		
Sep-17	31,758	Sep-17	4,069	$351,665	1.06	4,306	135.60		
Oct-17	31,454	Oct-17	4,453	$377,518	0.96	4,284	136.21		
Nov-17	31,140	Nov-17	4,194	$358,041	1.06	4,439	142.54		
Dec-17	30,838	Dec-17	3,423	$291,276	1.06	3,623	117.47	131.97	
Jan-18	33,563	Jan-18	5,076	$431,153	0.97	4,928	146.82	132.58	
Feb-18	33,245	Feb-18	4,358	$372,488	1.07	4,654	139.98	133.55	
Mar-18	33,002	Mar-18	4,661	$400,398	0.97	4,525	137.10	134.48	
Apr-18	32,768	Apr-18	4,597	$399,714	1.02	4,675	142.67	135.17	
May-18	32,597	May-18	5,242	$456,682	0.97	5,089	156.11	136.08	
Jun-18	32,482	Jun-18	4,534	$393,035	1.02	4,611	141.96	137.05	
Jul-18	32,377	Jul-18	4,415	$381,607	1.02	4,490	138.68	138.03	
Aug-18	32,252	Aug-18	4,598	$398,219	0.93	4,269	132.37	139.09	
Sep-18	32,209	Sep-18	4,415	$382,671	1.12	4,963	154.09	140.62	
Oct-18	32,190	Oct-18	5,549	$479,215	0.93	5,153	160.07	142.58	
Nov-18	32,100	Nov-18	4,842	$419,746	1.07	5,170	161.07	144.11	
Dec-18	31,991	Dec-18	4,314	$374,418	1.12	4,849	151.58	146.82	11.3%
Jan-19	33,263	Jan-19	5,685	$491,425	0.96	5,483	164.84	148.36	11.9%
Feb-19	33,035	Feb-19	4,896	$423,397	1.06	5,195	157.24	149.82	12.2%
Mar-19	32,900	Mar-19	5,420	$464,521	1.01	5,476	166.45	152.30	13.3%
Apr-19	32,703	Apr-19	5,537	$492,094	0.96	5,340	163.30	154.03	14.0%
May-19	32,562	May-19	5,835	$513,449	0.96	5,628	172.83	155.43	14.2%
Jun-19	32,477	Jun-19	5,050	$444,241	1.06	5,357	164.96	157.34	14.8%
Jul-19	32,430	Jul-19	5,200	$458,898	1.01	5,254	162.01	159.28	15.4%
Aug-19	32,357	Aug-19	4,981	$441,646	0.96	4,804	148.46	160.61	15.5%
Sep-19	32,349	Sep-19	5,162	$460,656	1.01	5,216	161.24	161.20	14.6%
Oct-19	32,290	Oct-19	6,016	$534,308	0.96	5,802	179.69	162.82	14.2%
Nov-19	32,248	Nov-19	4,784	$427,348	1.12	5,343	165.69	163.20	13.2%
Dec-19	32,162	Dec-19	4,785	$434,006	1.01	4,835	150.34	163.09	11.1%
Jan-20	33,617	Jan-20	6,290	$558,484	0.96	6,051	180.01	164.40	10.8%
Feb-20	33,402	Feb-20	5,364	$476,730	1.06	5,677	169.96	165.48	10.4%
Mar-20	33,142	Mar-20	5,765	$511,926	0.96	5,547	167.37	165.55	8.7%
Apr-20	32,829	Apr-20	6,205	$544,648	0.96	5,970	181.84	167.11	8.5%
May-20	32,629	May-20	5,764	$504,200	1.06	6,100	186.94	168.28	8.3%
Jun-20	32,427	Jun-20	6,083	$532,669	0.96	5,853	180.49	169.57	7.8%
Jul-20	32,338	Jul-20	5,942	$525,522	0.96	5,717	176.78	170.79	7.2%
Aug-20	32,247	Aug-20	5,469	$481,110	1.01	5,513	170.95	172.65	7.5%
Sep-20	32,205	Sep-20	6,075	$537,991	1.01	6,123	190.13	175.03	8.6%
Oct-20	32,139	Oct-20	6,099	$555,048	0.96	5,868	182.58	175.26	7.6%
Nov-20	31,963	Nov-20	6,119	$555,189	1.11	6,817	213.27	179.16	9.8%
Dec-20	31,838	Dec-20	6,079	$553,559	1.01	6,127	192.44	182.61	12.0%
CY 2017	390,776	CY 2017	51,168	$4,417,741		51,569	131.97		
CY 2018	390,776	CY 2018	56,601	$4,889,345		57,375	146.82		11.3%
CY 2019	390,776	CY 2019	63,350	$5,585,990		63,733	163.09		11.1%
CY 2020	390,776	CY 2020	71,253	$6,337,074		71,361	182.61		12.0%
Year Ended Feb. 2018	389,234	Year Ended Feb. 2018	51,714	$4,460,883		51,984	133.55		
Year Ended Feb. 2019	390,266	Year Ended Feb. 2019	57,748	$5,000,526		58,472	149.82		12.2%
Year Ended Feb. 2020	391,497	Year Ended Feb. 2020	64,422	$5,706,381		64,784	165.48		10.4%

MEDICAL UTILIZATION TREND DEVELOPMENT - PROFESSIONAL

	Facility							All Other Professional Services (excluding independent labs and vaccinations)						
Month	Services	Allowed Charges	Total Normalized Factor	Normalized Services	Normalized Services per 1,000 Members	Rolling Normalized Services per 1,000 members	Annual Utilization Trend	Services	Allowed Charges	Total Normalized Factor	Normalized Services	Normalized Services per 1,000 Members	Rolling Normalized Services per 1,000 members	Annual Utilization Trend
Jan-17	5,109	$1,268,288	1.01	5,150	149.92			27,886	$2,652,472	1.01	28,107	818.29		
Feb-17	4,587	$1,140,516	1.06	4,855	142.78			24,434	$2,368,496	1.06	25,859	760.55		
Mar-17	5,282	$1,343,393	0.92	4,861	143.93			28,048	$2,745,061	0.92	25,812	764.31		
Apr-17	4,508	$1,096,420	1.06	4,771	142.86			24,510	$2,385,485	1.06	25,940	776.73		
May-17	5,113	$1,291,300	0.96	4,919	149.16			28,394	$2,848,296	0.96	27,318	828.33		
Jun-17	4,674	$1,202,733	0.96	4,497	137.56			26,202	$2,561,591	0.96	25,210	771.12		
Jul-17	4,093	$1,055,692	1.11	4,560	140.99			22,551	$2,221,411	1.11	25,123	776.83		
Aug-17	4,614	$1,171,824	0.92	4,246	132.46			25,481	$2,469,694	0.92	23,450	731.53		
Sep-17	4,623	$1,110,766	1.06	4,893	154.06			23,883	$2,353,368	1.06	25,276	795.90		
Oct-17	5,221	$1,314,389	0.96	5,023	159.70			26,879	$2,585,843	0.96	25,861	822.18		
Nov-17	5,118	$1,358,123	1.06	5,417	173.94			25,368	$2,505,059	1.06	26,848	862.16		
Dec-17	4,881	$1,224,937	1.06	5,166	167.51	149.33		24,122	$2,405,233	1.06	25,529	827.85	794.15	
Jan-18	4,983	$1,235,210	0.97	4,837	144.13	148.84		28,579	$2,818,915	0.97	27,743	826.61	794.81	
Feb-18	4,931	$1,333,203	1.07	5,266	158.39	150.18		25,476	$2,451,779	1.07	27,204	818.30	799.81	
Mar-18	5,135	$1,333,104	0.97	4,985	151.05	150.80		27,416	$2,575,353	0.97	26,614	806.45	803.46	
Apr-18	4,930	$1,266,307	1.02	5,014	153.01	151.67		25,315	$2,412,342	1.02	25,745	785.69	804.26	
May-18	4,943	$1,367,253	0.97	4,799	147.21	151.51		28,059	$2,789,280	0.97	27,239	835.63	804.85	
Jun-18	4,935	$1,259,409	1.02	5,019	154.51	152.94		25,505	$2,441,205	1.02	25,939	798.56	807.17	
Jul-18	4,654	$1,237,220	1.02	4,733	146.19	153.37		25,157	$2,455,906	1.02	25,585	790.21	808.29	
Aug-18	4,883	$1,196,346	0.93	4,534	140.57	154.03		26,366	$2,650,611	0.93	24,483	759.10	810.54	
Sep-18	4,919	$1,360,723	1.12	5,529	171.65	155.49		23,963	$2,312,743	1.12	26,935	836.26	813.88	
Oct-18	5,761	$1,525,677	0.93	5,350	166.19	156.04		28,878	$2,754,902	0.93	26,814	833.00	814.79	
Nov-18	5,038	$1,246,566	1.07	5,380	167.59	155.56		25,999	$2,530,901	1.07	27,763	864.89	815.13	
Dec-18	5,244	$1,437,041	1.12	5,894	184.25	156.97	5.1%	25,491	$2,629,604	1.12	28,653	895.66	820.72	3.3%
Jan-19	5,782	$1,407,273	0.96	5,577	167.66	158.98	6.8%	28,839	$2,694,897	0.96	27,815	836.22	821.54	3.4%
Feb-19	4,780	$1,172,205	1.06	5,071	153.51	158.57	5.6%	25,630	$2,399,142	1.06	27,192	823.13	821.95	2.8%
Mar-19	5,121	$1,318,672	1.01	5,174	157.28	159.09	5.5%	27,598	$2,564,217	1.01	27,885	847.58	825.42	2.7%
Apr-19	4,980	$1,267,832	0.96	4,804	146.88	158.58	4.6%	27,654	$2,582,828	0.96	26,673	815.60	827.93	2.9%
May-19	5,044	$1,336,615	0.96	4,865	149.41	158.77	4.8%	27,557	$2,636,511	0.96	26,578	816.24	826.31	2.7%
Jun-19	4,532	$1,121,773	1.06	4,808	148.06	158.23	3.5%	25,620	$2,482,972	1.06	27,181	836.94	829.51	2.8%
Jul-19	4,804	$1,133,096	1.01	4,854	149.67	158.52	3.4%	25,695	$2,497,033	1.01	25,963	800.57	830.37	2.7%
Aug-19	5,020	$1,338,047	0.96	4,842	149.65	159.26	3.4%	25,739	$2,462,383	0.96	24,825	767.23	831.02	2.5%
Sep-19	4,703	$1,191,297	1.01	4,752	146.88	157.22	1.1%	25,065	$2,486,602	1.01	25,326	782.90	826.60	1.6%
Oct-19	5,453	$1,362,925	0.96	5,259	162.88	156.95	0.6%	28,905	$2,764,574	0.96	27,879	863.40	829.12	1.8%
Nov-19	4,646	$1,194,412	1.12	5,189	160.90	156.40	0.5%	24,400	$2,390,967	1.12	27,249	844.99	827.49	1.5%
Dec-19	4,475	$1,206,828	1.01	4,522	140.59	152.82	-2.6%	26,362	$2,531,771	1.01	26,637	828.20	821.96	0.2%
Jan-20	5,221	$1,127,035	0.96	5,023	149.42	151.26	-4.9%	29,918	$2,804,316	0.96	28,785	856.26	823.70	0.3%
Feb-20	4,612	$1,080,797	1.06	4,881	146.13	150.63	-5.0%	26,030	$2,416,515	1.06	27,548	824.75	823.84	0.2%
Mar-20	3,625	$1,018,122	0.96	3,487	105.23	146.23	-8.1%	20,860	$1,945,851	0.96	20,070	605.58	803.38	-2.7%
Apr-20	1,679	$398,704	0.96	1,615	49.20	138.05	-12.9%	11,728	$1,191,847	0.96	11,284	343.72	763.85	-7.7%
May-20	2,862	$851,877	1.06	3,029	92.84	133.34	-16.0%	16,469	$1,638,178	1.06	17,430	534.18	740.38	-10.4%
Jun-20	4,373	$1,199,004	0.96	4,207	129.73	131.83	-16.7%	23,437	$2,296,365	0.96	22,549	695.37	728.65	-12.2%
Jul-20	4,284	$1,079,789	0.96	4,122	127.46	129.99	-18.0%	24,264	$2,365,304	0.96	23,345	721.90	722.14	-13.0%
Aug-20	4,607	$1,174,053	1.01	4,643	143.99	129.52	-18.7%	24,207	$2,379,677	1.01	24,399	756.64	721.26	-13.2%
Sep-20	4,876	$1,282,063	1.01	4,915	152.61	129.98	-17.3%	25,120	$2,554,912	1.01	25,319	786.18	721.50	-12.7%
Oct-20	4,979	$1,202,427	0.96	4,790	149.05	128.83	-17.9%	27,456	$2,703,353	0.96	26,416	821.92	718.04	-13.4%
Nov-20	4,341	$1,210,788	1.11	4,836	151.31	128.03	-18.1%	26,476	$2,501,510	1.11	29,495	922.79	724.31	-12.5%
Dec-20	4,704	$1,233,271	1.01	4,741	148.91	128.69	-15.8%	27,215	$2,627,683	1.01	27,431	861.59	726.94	-11.6%
CY 2017	57,823	$14,578,381		58,356	149.33			307,758	$30,102,010		310,333	794.15		
CY 2018	60,356	$15,798,058		61,338	156.97		5.1%	316,206	$30,823,541		320,718	820.72		3.3%
CY 2019	59,340	$15,050,976		59,716	152.82		-2.6%	319,062	$30,493,898		321,204	821.96		0.2%
CY 2020	50,162	$12,857,929		50,290	128.69		-15.8%	283,180	$27,425,513		284,071	726.94		-11.6%
Year Ended Feb. 2018	58,041	$14,737,991		58,455	150.18			309,493	$30,351,736		311,314	799.81		
Year Ended Feb. 2019	61,003	$15,809,123		61,883	158.57		5.6%	316,619	$30,646,886		320,778	821.95		2.8%
Year Ended Feb. 2020	58,611	$14,679,330		58,973	150.63		-5.0%	320,541	$30,620,690		322,530	823.84		0.2%

MEDICAL UTILIZATION TREND DEVELOPMENT - PROFESSIONAL

	All Professional Services (excluding independent labs and vaccinations)						
Month	Services	Allowed Charges	Total Normalized Factor	Normalized Services	Normalized Services per 1,000 Members	Rolling Normalized Services per 1,000 members	Annual Utilization Trend
Jan-17	29,599	$3,972,077	1.01	29,834	868.55		
Feb-17	25,994	$3,564,978	1.06	27,510	809.10		
Mar-17	29,779	$4,144,524	0.92	27,405	811.48		
Apr-17	26,164	$3,550,484	1.06	27,690	829.15		
May-17	30,221	$4,227,825	0.96	29,076	881.63		
Jun-17	27,620	$3,830,387	0.96	26,574	812.85		
Jul-17	24,208	$3,342,397	1.11	26,969	833.91		
Aug-17	27,035	$3,698,495	0.92	24,880	776.14		
Sep-17	25,516	$3,524,722	1.06	27,004	850.32		
Oct-17	28,731	$3,948,922	0.96	27,643	878.83		
Nov-17	27,676	$3,926,678	1.06	29,290	940.60		
Dec-17	25,830	$3,641,381	1.06	27,337	886.46	847.58	
Jan-18	30,781	$4,150,828	0.97	29,881	890.30	849.41	
Feb-18	27,766	$3,861,235	1.07	29,650	891.85	856.55	
Mar-18	29,294	$3,972,043	0.97	28,438	861.69	860.91	
Apr-18	27,485	$3,766,449	1.02	27,952	853.04	862.98	
May-18	30,223	$4,262,658	0.97	29,340	900.07	864.51	
Jun-18	27,724	$3,783,282	1.02	28,195	868.03	869.17	
Jul-18	26,871	$3,758,507	1.02	27,328	844.05	870.01	
Aug-18	28,198	$3,918,583	0.93	26,183	811.83	872.93	
Sep-18	26,369	$3,765,678	1.12	29,639	920.22	878.71	
Oct-18	31,885	$4,407,215	0.93	29,607	919.76	882.10	
Nov-18	28,545	$3,881,220	1.07	30,481	949.58	882.98	
Dec-18	28,145	$4,143,202	1.12	31,636	988.92	891.38	5.2%
Jan-19	31,944	$4,232,087	0.96	30,810	926.25	894.45	5.3%
Feb-19	27,564	$3,663,979	1.06	29,244	885.26	893.89	4.4%
Mar-19	29,968	$3,997,414	1.01	30,280	920.38	898.85	4.4%
Apr-19	29,652	$3,975,701	0.96	28,600	874.53	900.66	4.4%
May-19	29,906	$4,119,782	0.96	28,845	885.84	899.47	4.0%
Jun-19	27,871	$3,735,974	1.06	29,570	910.48	903.00	3.9%
Jul-19	28,246	$3,772,750	1.01	28,540	880.06	905.99	4.1%
Aug-19	28,376	$3,924,875	0.96	27,369	845.85	908.78	4.1%
Sep-19	28,017	$3,844,999	1.01	28,310	875.13	905.05	3.0%
Oct-19	32,079	$4,304,578	0.96	30,940	958.20	908.23	3.0%
Nov-19	26,862	$3,704,400	1.12	29,999	930.25	906.65	2.7%
Dec-19	28,154	$3,842,996	1.01	28,448	884.51	898.10	0.8%
Jan-20	32,592	$4,113,093	0.96	31,357	932.78	898.68	0.5%
Feb-20	28,154	$3,644,209	1.06	29,796	892.05	899.25	0.6%
Mar-20	24,181	$3,223,649	0.96	23,265	701.98	880.79	-2.0%
Apr-20	17,305	$2,038,989	0.96	16,650	507.16	850.01	-5.6%
May-20	20,990	$2,825,214	1.06	22,215	680.83	832.95	-7.4%
Jun-20	27,347	$3,749,924	0.96	26,311	811.38	824.74	-8.7%
Jul-20	27,360	$3,663,004	0.96	26,324	814.02	819.27	-9.6%
Aug-20	27,501	$3,738,162	1.01	27,719	859.58	820.40	-9.7%
Sep-20	29,029	$4,069,658	1.01	29,259	908.52	823.12	-9.1%
Oct-20	30,764	$4,124,138	0.96	29,599	920.97	820.01	-9.7%
Nov-20	29,384	$3,940,892	1.11	32,735	1024.14	827.61	-8.7%
Dec-20	30,294	$4,071,222	1.01	30,534	959.05	833.63	-7.2%
CY 2017	328,373	$45,372,871		331,213	847.58		
CY 2018	343,287	$47,670,901		348,331	891.38		5.2%
CY 2019	348,640	$47,119,535		350,955	898.10		0.8%
CY 2020	324,900	$43,202,153		325,763	833.63		-7.2%
Year Ended Feb. 2018	331,327	$45,847,880		333,399	856.55		
Year Ended Feb. 2019	344,248	$47,554,903		348,855	893.89		4.4%
Year Ended Feb. 2020	349,878	$46,980,772		352,054	899.25		0.6%

MEDICAL UTILIZATION TREND DEVELOPMENT - PROFESSIONAL

	Logistic Regression on All Other Professional Services	
Month	24 Months on Monthly - Period Ended Feb. 2020	36 Months on Monthly - Period Ended Feb. 2020
Jan-17	$797.15	$788.34
Feb-17	$798.14	$789.69
Mar-17	$799.03	$790.91
Apr-17	$800.02	$792.27
May-17	$800.99	$793.58
Jun-17	$801.98	$794.94
Jul-17	$802.95	$796.26
Aug-17	$803.94	$797.63
Sep-17	$804.94	$799.00
Oct-17	$805.91	$800.32
Nov-17	$806.91	$801.69
Dec-17	$807.88	$803.02
Jan-18	$808.89	$804.40
Feb-18	$809.89	$805.78
Mar-18	$810.80	$807.03
Apr-18	$811.81	$808.41
May-18	$812.78	$809.75
Jun-18	$813.79	$811.14
Jul-18	$814.77	$812.49
Aug-18	$815.78	$813.88
Sep-18	$816.80	$815.27
Oct-18	$817.78	$816.63
Nov-18	$818.80	$818.03
Dec-18	$819.78	$819.38
Jan-19	$820.80	$820.79
Feb-19	$821.82	$822.20
Mar-19	$822.74	$823.47
Apr-19	$823.76	$824.88
May-19	$824.75	$826.25
Jun-19	$825.78	$827.67
Jul-19	$826.77	$829.04
Aug-19	$827.80	$830.46
Sep-19	$828.83	$831.88
Oct-19	$829.82	$833.26
Nov-19	$830.86	$834.69
Dec-19	$831.85	$836.08
Jan-20	$832.89	$837.51
Feb-20	$833.92	$838.95
Mar-20	$834.89	$840.29
Apr-20	$835.93	$841.73
May-20	$836.94	$843.13
Jun-20	$837.97	$844.58
Jul-20	$838.98	$845.98
Aug-20	$840.03	$847.43
Sep-20	$841.07	$848.88
Oct-20	$842.08	$850.29
Nov-20	$843.13	$851.75
Dec-20	$844.14	$853.16

	Logistic Regression on MHSA services	
Month	24 Months on Monthly - Period Ended Feb. 2020	36 Months on Monthly - Period Ended Feb. 2020
Jan-17	$127.70	$125.52
Feb-17	$128.77	$126.64
Mar-17	$129.74	$127.66
Apr-17	$130.82	$128.79
May-17	$131.87	$129.90
Jun-17	$132.97	$131.06
Jul-17	$134.04	$132.19
Aug-17	$135.15	$133.36
Sep-17	$136.28	$134.55
Oct-17	$137.38	$135.71
Nov-17	$138.52	$136.92
Dec-17	$139.64	$138.09
Jan-18	$140.80	$139.32
Feb-18	$141.97	$140.56
Mar-18	$143.04	$141.69
Apr-18	$144.23	$142.95
May-18	$145.39	$144.18
Jun-18	$146.60	$145.47
Jul-18	$147.78	$146.72
Aug-18	$149.01	$148.03
Sep-18	$150.25	$149.34
Oct-18	$151.46	$150.63
Nov-18	$152.72	$151.97
Dec-18	$153.95	$153.28
Jan-19	$155.23	$154.64
Feb-19	$156.52	$156.02
Mar-19	$157.70	$157.27
Apr-19	$159.01	$158.67
May-19	$160.29	$160.04
Jun-19	$161.63	$161.46
Jul-19	$162.93	$162.85
Aug-19	$164.29	$164.30
Sep-19	$165.65	$165.76
Oct-19	$166.99	$167.19
Nov-19	$168.38	$168.68
Dec-19	$169.73	$170.13
Jan-20	$171.15	$171.64
Feb-20	$172.57	$173.17
Mar-20	$173.92	$174.61
Apr-20	$175.36	$176.17
May-20	$176.78	$177.68
Jun-20	$178.25	$179.26
Jul-20	$179.68	$180.81
Aug-20	$181.18	$182.42
Sep-20	$182.69	$184.04
Oct-20	$184.16	$185.63
Nov-20	$185.69	$187.28
Dec-20	$187.19	$188.89

Annual Trend	**1.5%**	**2.0%**

Logistic Regression on All Other Professional Services-24 Months on Monthly - Period Ended Feb. 2020		Logistic Regression on All Other Professional Services-36 Months on Monthly - Period Ended Feb. 2020	
1.000	143.906	1.000	74.326
0.000	1.669	0.000	0.920
0.047	0.040	0.166	0.040
1.091	22.000	6.777	34.000

Annual Trend	**10.3%**	**11.0%**

Logistic Regression on MHSA services-24 Months on Monthly - Period Ended Feb. 2020		Logistic Regression on MHSA services-36 Months on Monthly - Period Ended Feb. 2020	
1.000	0.001	1.000	0.001
0.000	2.545	0.000	1.463
0.487	0.060	0.678	0.064
20.899	22.000	71.679	34.000

MEDICAL UTILIZATION TREND DEVELOPMENT - PROFESSIONAL

Calculation of overall professional utilization trend

	Services per 1,000 members			Annual Trend		Number of Services Trend		
Category	Year Ended Feb. 2018	Year Ended Feb. 2019	Year Ended Feb. 2020	Year 2 / Year 1	Year 3 / Year 2	Projected Trend	Months of Trend	Projection Period
All Other Professional Services	799.81	821.95	823.84	2.8%	0.2%	1.0%	34	847.39
Facility-Services	150.18	158.57	150.63	5.6%	-5.0%	0.7%	34	153.71
MHSA Services	133.55	149.82	165.48	12.2%	10.4%	10.5%	34	219.58
Total Includes Services	**1083.55**	**1130.34**	**1139.95**	**4.3%**	**0.9%**	**2.4%**	**34**	**1220.68**

	Average Cost per Service with 202002 Costs			Annual Trend			Mix Trend	
Category	Year Ended Feb. 2018	Year Ended Feb. 2019	Year Ended Feb. 2020	Year 2 / Year 1	Year 3 / Year 2	Projected Trend	Months of Trend	Projection Period
All Other Professional Services	$96.41	$96.26	$95.54	-0.2%	-0.7%	-0.5%	34	$94.19
Facility-Services	$250.45	$250.45	$250.45	0.0%	0.0%			$250.45
MHSA Services	$88.58	$88.58	$88.58	0.0%	0.0%			$88.58
Total Includes Services	**$116.80**	**$116.87**	**$115.00**	**0.1%**	**-1.6%**	**-0.7%**	**34**	**$112.86**

Category	Calculated Trend
All Other Professional Services	0.5%
Facility-Services	0.7%
MHSA Services	10.5%
Total Professional Services	**1.8%**

MEDICAL UTILIZATION TREND DEVELOPMENT - PHARMACEUTICALS

Month	Membership	Month	Pharmaceuticals - With claims since 2017				
			Allowed Charges	Monthly PMPM	Rolling 12-month PMPM	Annual Trend PMPM	Two-Year Trend PMPM
Jan-17	34,349	Jan-17	$990,776	$28.84			
Feb-17	34,001	Feb-17	$1,115,671	$32.81			
Mar-17	33,772	Mar-17	$1,093,869	$32.39			
Apr-17	33,396	Apr-17	$873,767	$26.16			
May-17	32,980	May-17	$1,207,122	$36.60			
Jun-17	32,692	Jun-17	$1,144,367	$35.00			
Jul-17	32,340	Jul-17	$950,302	$29.38			
Aug-17	32,056	Aug-17	$1,327,478	$41.41			
Sep-17	31,758	Sep-17	$1,129,862	$35.58			
Oct-17	31,454	Oct-17	$1,261,283	$40.10			
Nov-17	31,140	Nov-17	$1,269,259	$40.76			
Dec-17	30,838	Dec-17	$1,255,790	$40.72	$34.85		
Jan-18	33,563	Jan-18	$1,137,244	$33.88	$35.30		
Feb-18	33,245	Feb-18	$1,006,152	$30.26	$35.09		
Mar-18	33,002	Mar-18	$1,349,144	$40.88	$35.81		
Apr-18	32,768	Apr-18	$1,206,644	$36.82	$36.73		
May-18	32,597	May-18	$1,506,388	$46.21	$37.54		
Jun-18	32,482	Jun-18	$1,263,574	$38.90	$37.87		
Jul-18	32,377	Jul-18	$1,386,986	$42.84	$38.99		
Aug-18	32,252	Aug-18	$1,263,549	$39.18	$38.80		
Sep-18	32,209	Sep-18	$1,184,132	$36.76	$38.90		
Oct-18	32,190	Oct-18	$1,364,118	$42.38	$39.09		
Nov-18	32,100	Nov-18	$1,307,458	$40.73	$39.09		
Dec-18	31,991	Dec-18	$1,312,048	$41.01	$39.12	12.2%	
Jan-19	33,263	Jan-19	$1,358,125	$40.83	$39.72	12.5%	
Feb-19	33,035	Feb-19	$1,205,832	$36.50	$40.25	14.7%	
Mar-19	32,900	Mar-19	$1,172,725	$35.65	$39.81	11.2%	
Apr-19	32,703	Apr-19	$1,333,637	$40.78	$40.14	9.3%	
May-19	32,562	May-19	$1,263,539	$38.80	$39.52	5.3%	
Jun-19	32,477	Jun-19	$1,269,817	$39.10	$39.54	4.4%	
Jul-19	32,430	Jul-19	$1,307,754	$40.33	$39.33	0.9%	
Aug-19	32,357	Aug-19	$1,313,467	$40.59	$39.45	1.7%	
Sep-19	32,349	Sep-19	$1,246,437	$38.53	$39.59	1.8%	
Oct-19	32,290	Oct-19	$1,396,908	$43.26	$39.67	1.5%	
Nov-19	32,248	Nov-19	$1,351,698	$41.92	$39.76	1.7%	
Dec-19	32,162	Dec-19	$1,431,099	$44.50	$40.05	2.4%	7.2%
Jan-20	33,617	Jan-20	$1,398,434	$41.60	$40.12	1.0%	6.6%
Feb-20	33,402	Feb-20	$1,092,017	$32.69	$39.79	-1.1%	6.5%
Mar-20	33,142	Mar-20	$1,334,471	$40.27	$40.18	0.9%	5.9%
Apr-20	32,829	Apr-20	$1,220,536	$37.18	$39.88	-0.7%	4.2%
May-20	32,629	May-20	$1,351,884	$41.43	$40.10	1.5%	3.4%
Jun-20	32,427	Jun-20	$1,544,852	$47.64	$40.80	3.2%	3.8%
Jul-20	32,338	Jul-20	$1,502,137	$46.45	$41.31	5.0%	2.9%
Aug-20	32,247	Aug-20	$1,600,180	$49.62	$42.05	6.6%	4.1%
Sep-20	32,205	Sep-20	$1,459,464	$45.32	$42.61	7.6%	4.7%
Oct-20	32,139	Oct-20	$1,581,759	$49.22	$43.10	8.7%	5.0%
Nov-20	31,963	Nov-20	$1,265,070	$39.58	$42.91	7.9%	4.8%
Dec-20	31,838	Dec-20	$1,724,208	$54.16	$43.70	9.1%	5.7%
CY 2017	390,776	CY 2017	$13,619,545	$34.85			
CY 2018	390,776	CY 2018	$15,287,435	$39.12		12.2%	
CY 2019	390,776	CY 2019	$15,651,041	$40.05		2.4%	
CY 2020	390,776	CY 2020	$17,075,013	$43.70		9.1%	
Year Ended Feb. 2018	389,234	Year Ended Feb. 2018	$13,656,494	$35.09			
Year Ended Feb. 2019	390,266	Year Ended Feb. 2019	$15,707,997	$40.25		14.7%	
Year Ended Feb. 2020	391,497	Year Ended Feb. 2020	$15,577,535	$39.79		-1.1%	

MEDICAL UTILIZATION TREND DEVELOPMENT - PHARMACEUTICALS

	Logistic Regression - Period Ended Dec. 2020		
Month	24 Months on Monthly	36 Months on Monthly	24 Months on Rolling
Jan-17	$29.39	$34.12	$35.71
Feb-17	$29.69	$34.33	$35.84
Mar-17	$29.96	$34.52	$35.95
Apr-17	$30.26	$34.73	$36.09
May-17	$30.55	$34.94	$36.21
Jun-17	$30.86	$35.16	$36.35
Jul-17	$31.16	$35.36	$36.47
Aug-17	$31.47	$35.58	$36.61
Sep-17	$31.79	$35.80	$36.74
Oct-17	$32.10	$36.01	$36.87
Nov-17	$32.42	$36.23	$37.01
Dec-17	$32.74	$36.45	$37.14
Jan-18	$33.07	$36.67	$37.27
Feb-18	$33.40	$36.89	$37.41
Mar-18	$33.70	$37.10	$37.53
Apr-18	$34.04	$37.33	$37.67
May-18	$34.37	$37.55	$37.80
Jun-18	$34.72	$37.78	$37.94
Jul-18	$35.06	$38.00	$38.07
Aug-18	$35.41	$38.23	$38.21
Sep-18	$35.77	$38.47	$38.35
Oct-18	$36.11	$38.70	$38.49
Nov-18	$36.48	$38.93	$38.63
Dec-18	$36.83	$39.16	$38.76
Jan-19	$37.20	$39.40	$38.91
Feb-19	$37.58	$39.65	$39.05
Mar-19	$37.92	$39.86	$39.18
Apr-19	$38.30	$40.11	$39.32
May-19	$38.67	$40.35	$39.46
Jun-19	$39.06	$40.59	$39.60
Jul-19	$39.44	$40.83	$39.74
Aug-19	$39.84	$41.08	$39.89
Sep-19	$40.24	$41.34	$40.03
Oct-19	$40.63	$41.58	$40.17
Nov-19	$41.04	$41.84	$40.32
Dec-19	$41.44	$42.08	$40.46
Jan-20	$41.86	$42.34	$40.61
Feb-20	$42.28	$42.60	$40.76
Mar-20	$42.67	$42.85	$40.90
Apr-20	$43.10	$43.11	$41.05
May-20	$43.52	$43.36	$41.19
Jun-20	$43.96	$43.63	$41.34
Jul-20	$44.39	$43.89	$41.49
Aug-20	$44.84	$44.16	$41.64
Sep-20	$45.29	$44.43	$41.79
Oct-20	$45.73	$44.69	$41.94
Nov-20	$46.19	$44.97	$42.09
Dec-20	$46.64	$45.23	$42.24
Annual Trend	**12.5%**	**7.5%**	**4.4%**

	Logistic Regression - Period Ended Feb. 2020		
Month	24 Months on Monthly	36 Months on Monthly	24 Months on Rolling
Jan-17	$40.85	$34.44	$36.09
Feb-17	$40.81	$34.62	$36.21
Mar-17	$40.78	$34.79	$36.31
Apr-17	$40.74	$34.98	$36.43
May-17	$40.70	$35.16	$36.54
Jun-17	$40.67	$35.35	$36.66
Jul-17	$40.63	$35.53	$36.77
Aug-17	$40.59	$35.72	$36.89
Sep-17	$40.55	$35.92	$37.01
Oct-17	$40.52	$36.10	$37.12
Nov-17	$40.48	$36.30	$37.24
Dec-17	$40.45	$36.49	$37.36
Jan-18	$40.41	$36.68	$37.48
Feb-18	$40.37	$36.88	$37.60
Mar-18	$40.34	$37.06	$37.71
Apr-18	$40.30	$37.26	$37.83
May-18	$40.27	$37.45	$37.95
Jun-18	$40.23	$37.65	$38.07
Jul-18	$40.19	$37.85	$38.18
Aug-18	$40.16	$38.05	$38.31
Sep-18	$40.12	$38.26	$38.43
Oct-18	$40.09	$38.46	$38.55
Nov-18	$40.05	$38.66	$38.67
Dec-18	$40.01	$38.87	$38.79
Jan-19	$39.98	$39.08	$38.92
Feb-19	$39.94	$39.29	$39.04
Mar-19	$39.91	$39.48	$39.15
Apr-19	$39.87	$39.69	$39.28
May-19	$39.84	$39.90	$39.40
Jun-19	$39.80	$40.11	$39.53
Jul-19	$39.76	$40.32	$39.65
Aug-19	$39.73	$40.54	$39.78
Sep-19	$39.69	$40.75	$39.90
Oct-19	$39.66	$40.97	$40.03
Nov-19	$39.62	$41.19	$40.15
Dec-19	$39.59	$41.40	$40.28
Jan-20	$39.55	$41.62	$40.41
Feb-20	$39.51	$41.85	$40.54
Mar-20	$39.48	$42.06	$40.66
Apr-20	$39.44	$42.28	$40.79
May-20	$39.41	$42.50	$40.91
Jun-20	$39.37	$42.73	$41.05
Jul-20	$39.34	$42.96	$41.17
Aug-20	$39.30	$43.19	$41.30
Sep-20	$39.27	$43.42	$41.44
Oct-20	$39.23	$43.65	$41.57
Nov-20	$39.19	$43.88	$41.70
Dec-20	$39.16	$44.11	$41.83
Annual Trend	**-1.1%**	**6.5%**	**3.8%**

Logistic Regression - Period Ended Dec. 2020-24 Months on Monthly		Logistic Regression - Period Ended Dec. 2020-36 Months on Monthly		Logistic Regression - Period Ended Dec. 2020-24 Months on Rolling		Logistic Regression - Period Ended Feb. 2020-24 Months on Monthly		Logistic Regression - Period Ended Feb. 2020-36 Months on Monthly		Logistic Regression - Period Ended Feb. 2020-24 Months on Rolling	
1.000	0.000	1.000	0.008	1.000	0.235	1.000	144.004	1.000	0.021	1.000	0.441
0.000	3.977	0.000	2.311	0.000	0.827	0.000	3.262	0.000	2.512	0.000	0.789
0.365	0.094	0.289	0.101	0.638	0.020	0.007	0.077	0.208	0.110	0.595	0.019
12.648	22.000	13.849	34.000	38.743	22.000	0.155	22.000	8.916	34.000	32.353	22.000

MEDICAL UTILIZATION TREND DEVELOPMENT - PHARMACEUTICALS

Summary of Total Medical Trend for Pharmaceuticals

		From 2018 to 2019		From 2019 to 2020	
Experience Trend	2018	Actual Trend	2019	Actual Trend	2020
Long Term	$39.12	2.4%	$40.05	9.1%	$43.70
2018 Pipeline	$6.55	-28.2%	$4.70	11.1%	$5.22
2019 Pipeline	NA		$2.90	26.3%	$3.66
2020 Pipeline	NA		NA		$2.58
ALL	**$45.67**	**4.3%**	**$47.65**	**15.8%**	**$55.16**

		From 2020 to 2021		From 2021 to 2022	
Projected Trend	2020	Selected Trend	2021	Selected Trend	2022
Long Term	$43.70	6.0%	$46.32	6.0%	$49.10
2018 Pipeline	$5.22	6.0%	$5.54	6.0%	$5.87
2019 Pipeline	$3.66	6.0%	$3.88	6.0%	$4.12
2020 Pipeline	$2.58	6.0%	$2.73	6.0%	$2.90
ALL	**$55.16**	**6.0%**	**$58.47**		**$61.98**

Impact of Pipeline	
CY 2018	16.7%
CY 2019	6.5%
CY 2020	4.9%

Total Utilization Trend	
Total Trend	6.0%
Cost	5.3%
Utilization and Intensity	0.6%
Pipeline	6.0%
Selected Utilization Trend	**6.7%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

PHARMACY TREND DEVELOPMENT - NON-SPECIALTY UTILIZATION

		Days Supply Without Vaccines & Devices			Smoothed Days Supply		Smoothed and Adjusted for Working Days Supply			
Month	Membership	Total Non-Specialty Days Supply	Monthly Days Supply per Member	Rolling Days Supply per Member	Smoothing Factor	Smoothed Monthly Supply	Working Days	Nomalized Working Days	Smoothed Monthly Supply	Rolling Days Supply per Member
Jan-17	34,349	985,283	28.68			28.68	21	0.992	28.91	
Feb-17	34,001	907,048	26.68			26.68	20	0.945	28.23	
Mar-17	33,772	1,012,884	29.99			29.99	23	1.087	27.60	
Apr-17	33,396	916,023	27.43			27.43	20	0.945	29.03	
May-17	32,980	1,015,246	30.78			30.78	22	1.039	29.62	
Jun-17	32,692	954,630	29.20			29.20	22	1.039	28.09	
Jul-17	32,340	925,058	28.60			28.60	19	0.898	31.87	
Aug-17	32,056	986,820	30.78			30.78	23	1.087	28.33	
Sep-17	31,758	899,706	28.33			28.33	20	0.945	29.98	
Oct-17	31,454	981,821	31.21			31.21	22	1.039	30.03	
Nov-17	31,140	951,234	30.55			30.55	20	0.945	32.33	
Dec-17	30,838	986,026	31.97	29.48		31.97	20	0.945	33.84	29.78
Jan-18	33,563	985,621	29.37	29.54		29.37	22	1.039	28.25	29.72
Feb-18	33,245	887,044	26.68	29.55		26.68	20	0.945	28.24	29.72
Mar-18	33,002	981,198	29.73	29.53		29.73	22	1.039	28.61	29.81
Apr-18	32,768	958,235	29.24	29.68		29.24	21	0.992	29.48	29.85
May-18	32,597	1,004,011	30.80	29.68		30.80	22	1.039	29.63	29.85
Jun-18	32,482	937,544	28.86	29.66		28.86	21	0.992	29.09	29.94
Jul-18	32,377	968,917	29.93	29.77		29.93	21	0.992	30.16	29.80
Aug-18	32,252	1,011,294	31.36	29.82		31.36	23	1.087	28.86	29.84
Sep-18	32,209	909,608	28.24	29.81		28.24	19	0.898	31.46	29.96
Oct-18	32,190	1,034,899	32.15	29.89		32.15	23	1.087	29.59	29.93
Nov-18	32,100	986,727	30.74	29.90		30.74	20	0.945	32.53	29.95
Dec-18	31,991	930,525	29.09	29.67		29.09	19	0.898	32.40	29.84
Jan-19	33,263	994,299	29.89	29.72		29.89	22	1.039	28.76	29.89
Feb-19	33,035	897,031	27.15	29.76		27.15	20	0.945	28.74	29.93
Mar-19	32,900	984,207	29.92	29.78	0.3312	29.92	21	0.992	30.15	30.06
Apr-19	32,703	976,257	29.85	29.83	0.3305	29.85	22	1.039	28.72	30.00
May-19	32,562	995,264	30.57	29.81	0.3384	30.57	22	1.039	29.41	29.98
Jun-19	32,477	937,558	28.87	29.81	0.3186	28.87	20	0.945	30.55	30.10
Jul-19	32,430	998,902	30.80	29.88	0.3399	30.80	21	0.992	31.05	30.17
Aug-19	32,357	1,001,291	30.95	29.85	0.3415	30.95	22	1.039	29.77	30.25
Sep-19	32,349	952,678	29.45	29.95		29.45	21	0.992	29.68	30.10
Oct-19	32,290	1,035,678	32.07	29.94		32.07	22	1.039	30.86	30.21
Nov-19	32,248	965,127	29.93	29.87		29.93	19	0.898	33.34	30.28
Dec-19	32,162	1,079,136	33.55	30.24		33.55	21	0.992	33.82	30.39
Jan-20	33,617	1,046,198	31.12	30.35		31.12	22	1.039	29.94	30.49
Feb-20	33,402	938,875	28.11	30.42		28.11	20	0.945	29.75	30.58
Mar-20	33,142	1,177,731	35.54	30.90		*30.50*	22	1.039	*29.34*	30.51
Apr-20	32,829	930,495	28.34	30.77		*30.43*	22	1.039	*29.28*	30.55
May-20	32,629	920,335	28.21	30.58		*31.16*	20	0.945	*32.98*	30.85
Jun-20	32,427	1,008,736	31.11	30.76		*29.57*	22	1.039	*28.45*	30.68
Jul-20	32,338	1,013,791	31.35	30.81		*31.55*	22	1.039	*30.35*	30.62
Aug-20	32,247	978,528	30.34	30.76		*31.69*	21	0.992	*31.94*	30.80
Sep-20	32,205	1,015,366	31.53	30.93		31.53	21	0.992	31.78	30.97
Oct-20	32,139	1,012,647	31.51	30.88		31.51	22	1.039	30.31	30.93
Nov-20	31,963	994,567	31.12	30.98		31.12	19	0.898	34.66	31.03
Dec-20	31,838	1,108,609	34.82	31.08		34.82	21	0.992	35.10	31.14

CY2019 / CY 2018 Annual Increase	**1.9%**	**1.8%**
CY2020 / CY 2019 Annual Increase	**2.8%**	**2.4%**

PHARMACY TREND DEVELOPMENT - NON-SPECIALTY UTILIZATION

	Regression on Adjusted Days Supply	
Month	36 Months on Monthly	24 months on Monthly
Jan-17	27.93	26.08
Feb-17	28.02	26.21
Mar-17	28.09	26.32
Apr-17	28.17	26.44
May-17	28.26	26.56
Jun-17	28.34	26.69
Jul-17	28.42	26.81
Aug-17	28.50	26.94
Sep-17	28.59	27.06
Oct-17	28.67	27.19
Nov-17	28.75	27.31
Dec-17	28.84	27.44
Jan-18	28.92	27.57
Feb-18	29.01	27.70
Mar-18	29.08	27.82
Apr-18	29.17	27.95
May-18	29.25	28.07
Jun-18	29.34	28.21
Jul-18	29.42	28.34
Aug-18	29.51	28.47
Sep-18	29.60	28.60
Oct-18	29.68	28.73
Nov-18	29.77	28.87
Dec-18	29.85	29.00
Jan-19	29.94	29.14
Feb-19	30.03	29.28
Mar-19	30.11	29.40
Apr-19	30.20	29.54
May-19	30.29	29.67
Jun-19	30.38	29.81
Jul-19	30.46	29.95
Aug-19	30.55	30.09
Sep-19	30.64	30.23
Oct-19	30.73	30.37
Nov-19	30.82	30.51
Dec-19	30.91	30.65
Jan-20	31.00	30.80
Feb-20	31.09	30.94
Mar-20	31.18	31.08
Apr-20	31.27	31.23
May-20	31.36	31.37
Jun-20	31.45	31.52
Jul-20	31.54	31.66
Aug-20	31.63	31.81
Sep-20	31.73	31.96
Oct-20	31.82	32.10
Nov-20	31.91	32.26
Dec-20	32.00	32.40
	3.5%	**5.7%**

36 Months on Monthly		24 months on Monthly	
1.000	0.480	1.000	0.040
0.000	1.168	0.000	2.244
0.271	0.051	0.285	0.053
12.627	34.000	8.778	22.000

			36 Month Time Series - Days Supply						24 Month Time Series - Days Supply					
			Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing		Holt-Winters' Multiplicative		Holt-Winters' Additive		Double Exponential Smoothing	
Month	Membership	Adjusted Days Supply	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM	Monthly PMPM	Rolling 12 PMPM
Jan-17	34,349	28.91												
Feb-17	34,001	28.23												
Mar-17	33,772	27.60												
Apr-17	33,396	29.03												
May-17	32,980	29.62												
Jun-17	32,692	28.09												
Jul-17	32,340	31.87												
Aug-17	32,056	28.33												
Sep-17	31,758	29.98												
Oct-17	31,454	30.03												
Nov-17	31,140	32.33												
Dec-17	30,838	33.84												
Jan-18	33,563	28.25												
Feb-18	33,245	28.24					28.25							
Mar-18	33,002	28.61					28.25							
Apr-18	32,768	29.48					28.35							
May-18	32,597	29.63					28.68							
Jun-18	32,482	29.09					28.97							
Jul-18	32,377	30.16					29.03							
Aug-18	32,252	28.86					29.38							
Sep-18	32,209	31.46					29.26							
Oct-18	32,190	29.59					29.93							
Nov-18	32,100	32.53					29.87							
Dec-18	31,991	32.40					30.69							
Jan-19	33,263	28.76	28.25		28.25		31.25							
Feb-19	33,035	28.74	28.26		28.26		30.60						28.76	
Mar-19	32,900	30.15	28.66		28.66		30.11						28.75	
Apr-19	32,703	28.72	29.61		29.61		30.16						29.28	
May-19	32,562	29.41	29.78		29.79		29.78						29.09	
Jun-19	32,477	30.55	29.26		29.26		29.70						29.22	
Jul-19	32,430	31.05	30.42		30.42		29.97						29.74	
Aug-19	32,357	29.77	29.17		29.19		30.32						30.27	
Sep-19	32,349	29.68	31.90		31.89		30.20						30.13	
Oct-19	32,290	30.86	30.00		30.00		30.09						30.01	
Nov-19	32,248	33.34	33.06		33.01		30.35						30.37	
Dec-19	32,162	33.82	33.00	30.10	32.95	30.09	31.26	30.32					31.54	
Jan-20	33,617	29.94	28.93	30.16	28.96	30.15	32.07	30.39	28.76		28.76		32.49	
Feb-20	33,402	29.75	29.02	30.22	29.06	30.22	31.53	30.47	28.80		28.81		31.65	
Mar-20	33,142	29.34	29.67	30.31	29.69	30.31	31.07	30.55	30.30		30.31		31.02	
Apr-20	32,829	29.28	30.30	30.36	30.34	30.37	30.62	30.59	28.87		28.89		30.44	
May-20	32,629	32.98	30.61	30.43	30.63	30.44	30.26	30.63	29.62		29.63		30.04	
Jun-20	32,427	28.45	30.47	30.53	30.49	30.54	31.09	30.74	31.00		31.02		31.17	
Jul-20	32,338	30.35	31.53	30.62	31.52	30.63	30.36	30.77	31.50		31.50		30.20	
Aug-20	32,247	31.94	30.21	30.71	30.24	30.72	30.39	30.78	30.22		30.23		30.28	
Sep-20	32,205	31.78	32.65	30.77	32.62	30.78	30.87	30.84	30.26		30.28		30.94	
Oct-20	32,139	30.31	31.21	30.87	31.21	30.88	31.18	30.93	31.63		31.63		31.31	
Nov-20	31,963	34.66	34.27	30.97	34.13	30.97	30.97	30.98	34.23		34.16		30.99	
Dec-20	31,838	35.10	34.31	31.07	34.16	31.06	32.09	31.04	34.85	30.81	34.76	30.81	32.43	31.08
Jan-21	31,838		30.13	31.18	30.21	31.18	33.04	31.12	30.69	30.98	30.87	30.99	33.54	31.16
Feb-21	31,838		30.15	31.28	30.24	31.28	33.13	31.25	30.58	31.13	30.75	31.16	33.67	31.33
Mar-21	31,838		30.63	31.37	30.70	31.37	33.23	31.43	30.64	31.16	30.58	31.18	33.80	31.56
Apr-21	31,838		31.17	31.44	31.25	31.45	33.32	31.65	30.34	31.29	30.48	31.32	33.93	31.85
May-21	31,838		32.01	31.56	32.03	31.57	33.41	31.92	33.52	31.62	33.90	31.68	34.07	32.19
Jun-21	31,838		31.12	31.62	31.22	31.63	33.51	32.12	30.11	31.55	29.91	31.59	34.20	32.44
Jul-21	31,838		32.38	31.69	32.41	31.70	33.60	32.39	31.86	31.58	31.78	31.61	34.33	32.78
Aug-21	31,838		31.49	31.79	31.58	31.81	33.69	32.67	32.93	31.80	33.16	31.85	34.47	33.14
Sep-21	31,838		33.57	31.87	33.57	31.89	33.79	32.91	32.77	32.01	33.00	32.08	34.60	33.44
Oct-21	31,838		32.10	31.94	32.19	31.97	33.88	33.14	31.86	32.03	31.80	32.10	34.73	33.73
Nov-21	31,838		35.50	32.05	35.35	32.08	33.97	33.39	36.03	32.18	36.01	32.25	34.86	34.05
Dec-21	31,838		35.60	32.15	35.44	32.18	34.07	33.55	36.51	32.32	36.45	32.39	35.00	34.27
Jan-22	31,838		31.15	32.24	31.34	32.28	34.16	33.65	31.96	32.43	32.26	32.51	35.13	34.40
Feb-22	31,838		31.17	32.32	31.38	32.37	34.25	33.74	31.85	32.53	32.14	32.62	35.26	34.53
Mar-22	31,838		31.65	32.41	31.83	32.47	34.34	33.83	31.90	32.64	31.97	32.74	35.39	34.66
Apr-22	31,838		32.21	32.50	32.39	32.56	34.44	33.93	31.59	32.74	31.86	32.85	35.53	34.80
May-22	31,838		33.08	32.59	33.16	32.66	34.53	34.02	34.90	32.86	35.29	32.97	35.66	34.93
Jun-22	31,838		32.15	32.67	32.35	32.75	34.62	34.11	31.34	32.96	31.29	33.08	35.79	35.06
Jul-22	31,838		33.45	32.76	33.55	32.84	34.72	34.21	33.16	33.07	33.16	33.20	35.93	35.20
Aug-22	31,838		32.53	32.85	32.71	32.94	34.81	34.30	34.26	33.18	34.55	33.32	36.06	35.33
Sep-22	31,838		34.67	32.94	34.70	33.03	34.90	34.39	34.10	33.29	34.39	33.43	36.19	35.46
Oct-22	31,838		33.16	33.03	33.32	33.13	35.00	34.48	33.15	33.40	33.18	33.55	36.32	35.59
Nov-22	31,838		36.66	33.12	36.48	33.22	35.09	34.58	37.47	33.52	37.39	33.66	36.46	35.73
Dec-22	31,838		36.76	33.22	36.57	33.32	35.18	34.67	37.97	33.64	37.84	33.78	36.59	35.86
		Annual Trend		**3.4%**		**3.6%**		**5.7%**		**4.5%**		**4.7%**		**7.4%**
		RMSE		1.15		1.15		1.71		1.57		1.58		1.82
		Theils U		0.5652		0.5656		0.8933		0.6362		0.6363		0.9084

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

PHARMACY TREND DEVELOPMENT - NON-SPECIALTY UTILIZATION

Actual Claims	Sum of Average Wholesale Cost			Total Days Supplied			Average Wholesale Cost per Day Supplied			Increase		Percentage of Days		
Brand Name of Device	2018	2019	2020	2018	2019	2020	2018	2019	2020	Year 2 over Year 1	Year 3 over Year 2	2018	2019	2020
[redacted]														
Total	**76,619**	**142,776**	**331,445**	**90,404**	**91,364**	**118,687**	**0.85**	**1.56**	**2.79**	**84.4%**	**78.7%**	**100.0%**	**100.0%**	**100.0%**
Subtotal Without DEXCOM & FREESTYLE LIBRE	75,023	72,233	88,459	89,846	80,337	84,263	0.84	0.90	1.05	7.7%	16.8%	99.4%	87.9%	71.0%

Projection	Sum of Average Wholesale Cost			Total Days Supplied			Average Wholesale Cost per Day Supplied			Increase		Percentage of Days		
Brand Name of Device	2018	2019	2020	2018	2019	2020	2018	2019	2020	Year 2 over Year 1	Year 3 over Year 2	2018	2019	2020
[redacted]														
Total	**331,445**	**467,102**	**531,292**	**118,687**	**127,357**	**118,687**	**2.79**	**3.67**	**4.48**	**31.3%**	**22.1%**	**100.0%**	**107.3%**	**100.0%**

Average	26.7%
Selected	**25%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 3G

PHARMACY TREND DEVELOPMENT - SPECIALTY

		Specialty Drug - Adjustment for Contract				
Month	Membership	Total Allowed Charges	Adjustment for Contract	Allowed Charges Adjusted for Contract	PMPM Adjusted for Contract	Rolling 12 PMPM Adjusted for Contract
Jan-17	34,349	[redacted]	[redacted]	$503,769	$14.67	
Feb-17	34,001	[redacted]	[redacted]	$514,397	$15.13	
Mar-17	33,772	[redacted]	[redacted]	$596,055	$17.65	
Apr-17	33,396	[redacted]	[redacted]	$502,563	$15.05	
May-17	32,980	[redacted]	[redacted]	$634,922	$19.25	
Jun-17	32,692	[redacted]	[redacted]	$670,015	$20.49	
Jul-17	32,340	[redacted]	[redacted]	$552,790	$17.09	
Aug-17	32,056	[redacted]	[redacted]	$696,816	$21.74	
Sep-17	31,758	[redacted]	[redacted]	$606,261	$19.09	
Oct-17	31,454	[redacted]	[redacted]	$668,983	$21.27	
Nov-17	31,140	[redacted]	[redacted]	$727,562	$23.36	
Dec-17	30,838	[redacted]	[redacted]	$672,976	$21.82	$18.80
Jan-18	33,563	[redacted]	[redacted]	$726,061	$21.63	$19.41
Feb-18	33,245	[redacted]	[redacted]	$708,595	$21.31	$19.95
Mar-18	33,002	[redacted]	[redacted]	$746,056	$22.61	$20.37
Apr-18	32,768	[redacted]	[redacted]	$829,040	$25.30	$21.25
May-18	32,597	[redacted]	[redacted]	$870,616	$26.71	$21.88
Jun-18	32,482	[redacted]	[redacted]	$808,693	$24.90	$22.25
Jul-18	32,377	[redacted]	[redacted]	$880,749	$27.20	$23.09
Aug-18	32,252	[redacted]	[redacted]	$823,664	$25.54	$23.41
Sep-18	32,209	[redacted]	[redacted]	$778,173	$24.16	$23.82
Oct-18	32,190	[redacted]	[redacted]	$910,899	$28.30	$24.40
Nov-18	32,100	[redacted]	[redacted]	$860,059	$26.79	$24.68
Dec-18	31,991	[redacted]	[redacted]	$735,240	$22.98	$24.77
Jan-19	33,263	[redacted]	[redacted]	$804,435	$24.18	$24.99
Feb-19	33,035	[redacted]	[redacted]	$798,497	$24.17	$25.23
Mar-19	32,900	[redacted]	[redacted]	$794,060	$24.14	$25.36
Apr-19	32,703	[redacted]	[redacted]	$936,804	$28.65	$25.64
May-19	32,562	[redacted]	[redacted]	$888,217	$27.28	$25.69
Jun-19	32,477	[redacted]	[redacted]	$910,134	$28.02	$25.95
Jul-19	32,430	[redacted]	[redacted]	$938,378	$28.94	$26.09
Aug-19	32,357	[redacted]	[redacted]	$1,015,797	$31.39	$26.58
Sep-19	32,349	[redacted]	[redacted]	$925,604	$28.61	$26.94
Oct-19	32,290	[redacted]	[redacted]	$990,124	$30.66	$27.14
Nov-19	32,248	[redacted]	[redacted]	$939,308	$29.13	$27.33
Dec-19	32,162	[redacted]	[redacted]	$1,093,096	$33.99	$28.24
Jan-20	33,617	[redacted]	[redacted]	$1,057,758	$31.46	$28.86
Feb-20	33,402	[redacted]	[redacted]	$1,048,909	$31.40	$29.47
Mar-20	33,142	[redacted]	[redacted]	$1,132,637	$34.18	$30.32
Apr-20	32,829	[redacted]	[redacted]	$1,077,075	$32.81	$30.67
May-20	32,629	[redacted]	[redacted]	$1,093,062	$33.50	$31.18
Jun-20	32,427	[redacted]	[redacted]	$1,163,999	$35.90	$31.84
Jul-20	32,338	[redacted]	[redacted]	$1,053,957	$32.59	$32.14
Aug-20	32,247	[redacted]	[redacted]	$1,057,398	$32.79	$32.25
Sep-20	32,205	[redacted]	[redacted]	$1,199,647	$37.25	$32.96
Oct-20	32,139	[redacted]	[redacted]	$1,186,493	$36.92	$33.48
Nov-20	31,963	[redacted]	[redacted]	$1,066,018	$33.35	$33.83
Dec-20	31,838	[redacted]	[redacted]	$1,161,342	$36.48	$34.03

CY2018 / CY 2017 Annual Increase	**31.7%**
CY2019 / CY 2018 Annual Increase	**14.0%**
CY2020 / CY 2019 Annual Increase	**20.5%**

	Regression on Adjusted PMPM	
Month	24 Months on Monthly	36 Months on Monthly
Jan-17	$17.20	$19.13
Feb-17	$17.50	$19.40
Mar-17	$17.76	$19.65
Apr-17	$18.06	$19.93
May-17	$18.36	$20.20
Jun-17	$18.67	$20.48
Jul-17	$18.98	$20.76
Aug-17	$19.30	$21.05
Sep-17	$19.63	$21.35
Oct-17	$19.95	$21.64
Nov-17	$20.29	$21.95
Dec-17	$20.62	$22.25
Jan-18	$20.97	$22.56
Feb-18	$21.33	$22.88
Mar-18	$21.66	$23.17
Apr-18	$22.02	$23.50
May-18	$22.39	$23.82
Jun-18	$22.77	$24.15
Jul-18	$23.14	$24.48
Aug-18	$23.53	$24.83
Sep-18	$23.93	$25.18
Oct-18	$24.33	$25.52
Nov-18	$24.74	$25.88
Dec-18	$25.14	$26.23
Jan-19	$25.57	$26.60
Feb-19	$26.01	$26.98
Mar-19	$26.40	$27.32
Apr-19	$26.85	$27.70
May-19	$27.29	$28.08
Jun-19	$27.76	$28.48
Jul-19	$28.21	$28.87
Aug-19	$28.69	$29.27
Sep-19	$29.18	$29.69
Oct-19	$29.66	$30.09
Nov-19	$30.16	$30.52
Dec-19	$30.66	$30.93
Jan-20	$31.18	$31.37
Feb-20	$31.71	$31.81
Mar-20	$32.21	$32.23
Apr-20	$32.76	$32.68
May-20	$33.29	$33.13
Jun-20	$33.86	$33.60
Jul-20	$34.42	$34.05
Aug-20	$35.00	$34.53
Sep-20	$35.59	$35.02
Oct-20	$36.18	$35.50
Nov-20	$36.79	$36.00
Dec-20	$37.40	$36.49
	22.0%	**18.0%**

Regression on Adjusted PMPM-24 Months on Monthly		Regression on Adjusted PMPM-36 Months on Monthly	
1.001	0.000	1.000	0.000
0.000	2.391	0.000	1.528
0.818	0.056	0.830	0.066
99.011	22.000	166.274	34.000

PHARMACY TREND DEVELOPMENT - COST

GENERIC COST TREND

	"Old" Generics			New Generics			All Generics			
Month	Days Supply	Average Wholesale Price	Cost per Days Supply	Days Supply	Average Wholesale Price	Cost per Days Supply	Days Supply	Average Wholesale Price	Monthly Cost per Days Supply	Rolling Cost per Days Supply
Jan-17	895,383	$3,316,271	$3.70				895,383	$3,316,271	$3.70	
Feb-17	823,359	$3,125,847	$3.80				823,359	$3,125,847	$3.80	
Mar-17	913,923	$3,507,518	$3.84				913,923	$3,507,518	$3.84	
Apr-17	832,794	$3,184,212	$3.82				832,794	$3,184,212	$3.82	
May-17	915,381	$3,480,686	$3.80				915,381	$3,480,686	$3.80	
Jun-17	861,828	$3,298,759	$3.83				861,828	$3,298,759	$3.83	
Jul-17	838,223	$3,202,441	$3.82				838,223	$3,202,441	$3.82	
Aug-17	890,263	$3,457,514	$3.88				890,263	$3,457,514	$3.88	
Sep-17	807,352	$3,152,727	$3.91				807,352	$3,152,727	$3.91	
Oct-17	878,709	$3,469,890	$3.95				878,709	$3,469,890	$3.95	
Nov-17	850,323	$3,378,126	$3.97				850,323	$3,378,126	$3.97	
Dec-17	870,967	$3,529,593	$4.05				870,967	$3,529,593	$4.05	$3.86
Jan-18	901,593	$3,570,378	$3.96	30	$38	$1.25	901,623	$3,570,415	$3.96	$3.89
Feb-18	805,654	$3,154,202	$3.92	84	$201	$2.39	805,738	$3,154,403	$3.91	$3.90
Mar-18	888,251	$3,448,382	$3.88	1,308	$1,703	$1.30	889,559	$3,450,085	$3.88	$3.90
Apr-18	865,781	$3,345,024	$3.86	2,058	$10,712	$5.20	867,839	$3,355,736	$3.87	$3.90
May-18	906,988	$3,448,437	$3.80	1,833	$10,467	$5.71	908,821	$3,458,904	$3.81	$3.90
Jun-18	843,271	$3,283,479	$3.89	2,438	$9,381	$3.85	845,709	$3,292,860	$3.89	$3.91
Jul-18	873,963	$3,316,506	$3.79	2,668	$10,216	$3.83	876,631	$3,326,722	$3.79	$3.91
Aug-18	912,324	$3,544,359	$3.88	1,865	$5,631	$3.02	914,189	$3,549,991	$3.88	$3.91
Sep-18	816,532	$3,225,003	$3.95	3,001	$7,584	$2.53	819,533	$3,232,588	$3.94	$3.91
Oct-18	930,111	$3,634,648	$3.91	3,437	$16,383	$4.77	933,548	$3,651,031	$3.91	$3.91
Nov-18	883,423	$3,368,551	$3.81	2,681	$17,753	$6.62	886,104	$3,386,305	$3.82	$3.89
Dec-18	825,008	$3,235,090	$3.92	3,807	$20,690	$5.43	828,815	$3,255,781	$3.93	$3.88
Jan-19	886,224	$3,420,501	$3.86	18,767	$72,249	$3.85	904,991	$3,492,749	$3.86	$3.87
Feb-19	797,389	$3,102,746	$3.89	14,215	$56,051	$3.94	811,604	$3,158,797	$3.89	$3.87
Mar-19	873,338	$3,436,769	$3.94	19,657	$78,595	$4.00	892,995	$3,515,364	$3.94	$3.88
Apr-19	868,460	$3,389,684	$3.90	18,980	$82,586	$4.35	887,440	$3,472,270	$3.91	$3.88
May-19	883,797	$3,464,116	$3.92	15,746	$75,231	$4.78	899,543	$3,539,348	$3.93	$3.89
Jun-19	835,556	$3,279,405	$3.92	18,638	$78,145	$4.19	854,194	$3,357,550	$3.93	$3.90
Jul-19	887,256	$3,536,265	$3.99	19,299	$92,354	$4.79	906,555	$3,628,619	$4.00	$3.91
Aug-19	891,435	$3,542,678	$3.97	20,156	$114,636	$5.69	911,591	$3,657,314	$4.01	$3.92
Sep-19	843,665	$3,389,512	$4.02	19,759	$110,640	$5.60	863,424	$3,500,152	$4.05	$3.93
Oct-19	917,992	$3,673,571	$4.00	20,321	$128,759	$6.34	938,313	$3,802,330	$4.05	$3.95
Nov-19	852,126	$3,417,308	$4.01	19,891	$122,789	$6.17	872,017	$3,540,097	$4.06	$3.97
Dec-19	950,936	$3,839,185	$4.04	21,410	$130,140	$6.08	972,346	$3,969,325	$4.08	$3.98
Jan-20	942,857	$3,699,660	$3.92	21,456	$129,099	$6.02	964,313	$3,828,759	$3.97	$3.99
Feb-20	841,626	$3,415,447	$4.06	19,462	$120,081	$6.17	861,088	$3,535,527	$4.11	$4.00
Mar-20	1,049,293	$4,194,751	$4.00	23,417	$150,364	$6.42	1,072,710	$4,345,115	$4.05	$4.01
Apr-20	834,832	$3,302,263	$3.96	23,268	$137,919	$5.93	858,100	$3,440,182	$4.01	$4.02
May-20	823,545	$3,325,115	$4.04	21,385	$124,391	$5.82	844,930	$3,449,506	$4.08	$4.03
Jun-20	908,081	$3,600,307	$3.96	21,840	$140,278	$6.42	929,921	$3,740,584	$4.02	$4.04
Jul-20	909,489	$3,651,807	$4.02	26,642	$177,220	$6.65	936,131	$3,829,027	$4.09	$4.05
Aug-20	876,037	$3,529,817	$4.03	23,558	$150,859	$6.40	899,595	$3,680,677	$4.09	$4.06
Sep-20	909,362	$3,686,880	$4.05	24,361	$164,227	$6.74	933,723	$3,851,107	$4.12	$4.06
Oct-20	904,077	$3,666,551	$4.06	25,592	$159,771	$6.24	929,669	$3,826,322	$4.12	$4.07
Nov-20	887,213	$3,649,459	$4.11	24,946	$158,687	$6.36	912,159	$3,808,146	$4.17	$4.08
Dec-20	987,748	$4,090,414	$4.14	26,810	$179,831	$6.71	1,014,558	$4,270,245	$4.21	$4.09
CY2018 / CY 2017 Annual Increase			**0.5%**						**0.5%**	
CY2019 / CY 2018 Annual Increase			**1.9%**			**14.6%**			**2.5%**	
CY2020 / CY 2019 Annual Increase			**1.8%**			**25.9%**			**2.7%**	

	Regression on Cost per Days Supply on All Generics	
Month	24 Months on Monthly	24 months on Rolling
Jan-17	$3.65	$3.63
Feb-17	$3.66	$3.64
Mar-17	$3.67	$3.64
Apr-17	$3.68	$3.65
May-17	$3.69	$3.66
Jun-17	$3.70	$3.67
Jul-17	$3.71	$3.68
Aug-17	$3.72	$3.69
Sep-17	$3.73	$3.70
Oct-17	$3.74	$3.71
Nov-17	$3.75	$3.72
Dec-17	$3.76	$3.73
Jan-18	$3.77	$3.74
Feb-18	$3.79	$3.75
Mar-18	$3.80	$3.76
Apr-18	$3.81	$3.77
May-18	$3.82	$3.78
Jun-18	$3.83	$3.79
Jul-18	$3.84	$3.80
Aug-18	$3.85	$3.81
Sep-18	$3.86	$3.82
Oct-18	$3.87	$3.83
Nov-18	$3.88	$3.84
Dec-18	$3.89	$3.85
Jan-19	$3.90	$3.86
Feb-19	$3.91	$3.87
Mar-19	$3.93	$3.88
Apr-19	$3.94	$3.89
May-19	$3.95	$3.90
Jun-19	$3.96	$3.91
Jul-19	$3.97	$3.92
Aug-19	$3.98	$3.93
Sep-19	$3.99	$3.94
Oct-19	$4.00	$3.95
Nov-19	$4.01	$3.96
Dec-19	$4.03	$3.97
Jan-20	$4.04	$3.98
Feb-20	$4.05	$3.99
Mar-20	$4.06	$4.00
Apr-20	$4.07	$4.01
May-20	$4.08	$4.02
Jun-20	$4.09	$4.03
Jul-20	$4.11	$4.04
Aug-20	$4.12	$4.06
Sep-20	$4.13	$4.07
Oct-20	$4.14	$4.08
Nov-20	$4.15	$4.09
Dec-20	$4.16	$4.10
	3.4%	**3.2%**

Regression on Cost per Days Supply on All Generics-24 Months on Monthly		Regression on Cost per Days Supply on All Generics-	
1.000	0.072	1.000	0.094
0.000	0.440	0.000	0.095
0.793	0.010	0.986	0.002
84.072	22.000	1543.164	22.000

PHARMACY TREND DEVELOPMENT - COST

BRAND COST TREND

	All Other Brands			Brands with at least four years of claims				Vaccines			Over the Counter			All Brands		
Month	Days Supply	Average Wholesale Price	Cost per Days Supply	Days Supply	Average Wholesale Price	Monthly Cost per Days Supply	Rolling Cost per Days Supply	Days Supply	Average Wholesale Price	Cost per Days Supply	Days Supply	Average Wholesale Price	Cost per Days Supply	Days Supply	Average Wholesale Price	Cost per Days Supply
Jan-17	52,255	$658,018	$12.59	52,255	$658,018	$12.59		577	$15,884	$27.53	14,835	$37,705	$2.54	90,477	$1,853,649	$20.49
Feb-17	51,483	$682,553	$13.26	51,483	$682,553	$13.26		287	$11,064	$38.55	11,913	$30,530	$2.56	83,976	996,343	$11.86
Mar-17	57,171	$768,312	$13.44	57,171	$768,313	$13.44		382	$9,838	$25.75	14,498	$40,000	$2.76	99,343	2,011,017	$20.24
Apr-17	48,122	$659,019	$13.69	48,122	$659,019	$13.69		168	$4,932	$29.36	13,878	$36,362	$2.62	83,397	1,023,867	$12.28
May-17	58,153	$789,244	$13.57	58,153	$789,244	$13.57		179	$7,841	$43.80	17,832	$51,357	$2.88	100,044	1,184,248	$11.84
Jun-17	54,047	$731,735	$13.54	54,047	$731,735	$13.54		133	$10,501	$78.95	14,579	$37,647	$2.58	92,935	1,127,667	$12.13
Jul-17	49,443	$710,244	$14.36	49,443	$710,244	$14.36		114	$5,724	$50.21	15,641	$42,467	$2.72	86,949	1,078,609	$12.41
Aug-17	55,360	$751,681	$13.58	55,360	$751,681	$13.58		392	$14,661	$37.40	16,190	$44,167	$2.73	96,949	1,176,925	$12.14
Sep-17	55,636	$789,732	$14.19	55,636	$789,732	$14.19		710	$19,689	$27.73	16,463	$48,019	$2.92	93,064	1,148,259	$12.34
Oct-17	58,748	$816,766	$13.90	58,748	$816,766	$13.90		2,093	$44,287	$21.16	17,819	$51,524	$2.89	105,205	1,260,586	$11.98
Nov-17	59,731	$843,959	$14.13	59,731	$843,960	$14.13		1,247	$28,049	$22.49	16,732	$44,952	$2.69	102,158	2,079,671	$20.36
Dec-17	69,049	$949,257	$13.75	69,049	$949,257	$13.75	$13.67	796	$15,916	$19.99	17,744	$57,210	$3.22	115,855	3,040,970	$26.25
Jan-18	50,356	$679,442	$13.49	50,356	$679,442	$13.49	$13.74	879	$17,223	$19.59	13,762	$29,650	$2.15	84,877	987,782	$11.64
Feb-18	50,139	$700,547	$13.97	50,062	$698,823	$13.96	$13.80	457	$10,256	$22.44	12,537	$24,704	$1.97	81,763	1,040,215	$12.72
Mar-18	55,012	$765,539	$13.92	54,874	$761,922	$13.88	$13.84	284	$10,654	$37.51	14,514	$29,093	$2.00	91,923	1,109,154	$12.07
Apr-18	54,549	$806,520	$14.79	54,469	$804,327	$14.77	$13.92	258	$16,958	$65.73	15,518	$34,179	$2.20	90,654	1,164,071	$12.84
May-18	58,475	$830,881	$14.21	58,275	$825,137	$14.16	$13.97	382	$15,648	$40.96	17,448	$36,526	$2.09	95,572	1,171,330	$12.26
Jun-18	55,156	$823,125	$14.92	54,946	$818,169	$14.89	$14.08	224	$15,186	$67.80	16,186	$31,841	$1.97	92,059	1,197,965	$13.01
Jul-18	55,427	$886,693	$16.00	54,930	$873,818	$15.91	$14.21	146	$12,244	$83.86	16,268	$35,744	$2.20	92,432	1,236,245	$13.37
Aug-18	58,881	$881,403	$14.97	58,449	$869,238	$14.87	$14.32	277	$19,286	$69.62	16,893	$33,225	$1.97	97,382	1,268,815	$13.03
Sep-18	53,223	$828,888	$15.57	52,780	$807,043	$15.29	$14.41	1,028	$32,981	$32.08	16,900	$35,371	$2.09	91,103	1,196,905	$13.14
Oct-18	64,117	$1,013,568	$15.81	62,997	$986,505	$15.66	$14.57	2,965	$74,397	$25.09	15,949	$31,919	$2.00	104,316	1,502,426	$14.40
Nov-18	64,469	$998,007	$15.48	63,631	$975,452	$15.33	$14.67	1,716	$46,232	$26.94	16,325	$32,071	$1.96	102,339	1,343,641	$13.13
Dec-18	64,897	$990,119	$15.26	63,635	$942,409	$14.81	$14.78	707	$31,262	$44.22	16,338	$35,117	$2.15	102,417	1,341,133	$13.09
Jan-19	54,533	$780,233	$14.31	53,961	$764,056	$14.16	$14.83	691	$27,874	$40.34	15,821	$24,101	$1.52	89,999	1,091,536	$12.13
Feb-19	53,492	$848,263	$15.86	52,514	$814,222	$15.50	$14.94	380	$24,065	$63.33	16,712	$22,555	$1.35	85,807	1,101,654	$12.84
Mar-19	55,509	$962,664	$17.34	54,326	$925,566	$17.04	$15.19	302	$19,957	$66.08	17,788	$31,724	$1.78	91,514	1,300,416	$14.21
Apr-19	53,157	$913,770	$17.19	51,735	$855,532	$16.54	$15.33	214	$18,635	$87.08	18,172	$27,026	$1.49	89,031	1,213,848	$13.63
May-19	58,414	$926,675	$15.86	56,841	$864,950	$15.22	$15.42	279	$21,255	$76.18	19,992	$28,868	$1.44	96,000	1,223,729	$12.75
Jun-19	50,312	$887,552	$17.64	48,968	$838,788	$17.13	$15.59	345	$22,899	$66.37	17,981	$28,235	$1.57	83,709	1,191,336	$14.23
Jul-19	55,996	$907,243	$16.20	53,531	$827,299	$15.45	$15.55	338	$17,327	$51.26	18,853	$29,170	$1.55	92,685	1,213,720	$13.10
Aug-19	55,482	$899,526	$16.21	53,721	$837,272	$15.59	$15.61	574	$27,524	$47.95	18,834	$31,630	$1.68	90,274	1,181,739	$13.09
Sep-19	57,882	$992,509	$17.15	55,797	$889,126	$15.94	$15.66	1,128	$44,597	$39.54	16,456	$28,218	$1.71	90,382	1,285,745	$14.23
Oct-19	61,613	$1,006,268	$16.33	59,324	$914,329	$15.41	$15.64	3,628	$94,677	$26.10	18,429	$27,616	$1.50	100,993	1,373,938	$13.60
Nov-19	57,358	$974,105	$16.98	55,073	$884,878	$16.07	$15.71	1,789	$56,324	$31.48	18,061	$27,801	$1.54	94,899	1,312,179	$13.83
Dec-19	68,989	$1,132,984	$16.42	66,115	$1,047,924	$15.85	$15.81	1,070	$45,508	$42.53	19,036	$35,387	$1.86	107,860	1,509,855	$14.00
Jan-20	52,791	$899,653	$17.04	49,765	$792,356	$15.92	$15.95	919	$42,423	$46.16	11,477	$18,780	$1.64	82,804	1,184,894	$14.31
Feb-20	50,701	$858,277	$16.93	47,650	$753,435	$15.81	$15.98	628	$29,570	$47.09	12,185	$19,850	$1.63	78,415	1,146,356	$14.62
Mar-20	68,727	$1,159,700	$16.87	65,501	$1,050,340	$16.04	$15.90	317	$23,562	$74.33	14,456	$22,544	$1.56	105,338	1,536,255	$14.58
Apr-20	47,784	$848,528	$17.76	45,407	$766,371	$16.88	$15.91	24	$4,119	$171.64	8,842	$15,352	$1.74	72,419	1,083,724	$14.96
May-20	47,236	$918,536	$19.45	44,085	$803,683	$18.23	$16.13	70	$4,428	$63.26	12,870	$24,720	$1.92	75,475	1,203,807	$15.95
Jun-20	47,769	$916,355	$19.18	44,662	$793,109	$17.76	$16.17	143	$13,793	$96.45	13,631	$23,820	$1.75	78,958	1,229,817	$15.58
Jul-20	48,808	$973,854	$19.95	45,058	$859,474	$19.07	$16.44	163	$18,647	$114.40	11,742	$18,387	$1.57	77,823	1,253,505	$16.11
Aug-20	48,289	$924,035	$19.14	44,882	$789,535	$17.59	$16.60	513	$26,519	$51.69	13,563	$22,613	$1.67	79,446	1,259,625	$15.86
Sep-20	48,667	$974,864	$20.03	44,317	$849,179	$19.16	$16.84	1,844	$69,974	$37.95	13,903	$23,916	$1.72	83,487	1,333,156	$15.97
Oct-20	52,326	$1,034,958	$19.78	46,506	$846,123	$18.19	$17.09	3,237	$112,167	$34.65	11,334	$18,795	$1.66	86,215	1,458,116	$16.91
Nov-20	49,568	$1,032,960	$20.84	45,768	$872,170	$19.06	$17.34	1,630	$66,660	$40.90	15,204	$27,480	$1.81	84,038	1,402,920	$16.69
Dec-20	56,169	$1,129,210	$20.10	50,489	$927,320	$18.37	$17.60	699	$45,786	$65.48	14,552	$24,639	$1.69	94,751	1,566,070	$16.53
CY2018 / CY 2017 Annual Increase			**9.0%**			**8.1%**				**21.8%**			**-25.6%**			**-17.3%**
CY2019 / CY 2018 Annual Increase			**10.4%**			**7.0%**				**20.8%**			**-23.3%**			**4.3%**
CY2020 / CY 2019 Annual Increase			**14.6%**			**11.3%**				**14.7%**			**7.1%**			**16.3%**

	Regression on Cost per Days Supply on Brands with at least four years of claims	
Month	24 months on Monthly	24 months on Rolling
Jan-17	$12.06	$12.92
Feb-17	$12.17	$13.00
Mar-17	$12.27	$13.07
Apr-17	$12.39	$13.15
May-17	$12.50	$13.23
Jun-17	$12.62	$13.31
Jul-17	$12.73	$13.39
Aug-17	$12.85	$13.47
Sep-17	$12.97	$13.55
Oct-17	$13.09	$13.63
Nov-17	$13.21	$13.71
Dec-17	$13.33	$13.79
Jan-18	$13.46	$13.88
Feb-18	$13.59	$13.96
Mar-18	$13.70	$14.04
Apr-18	$13.83	$14.12
May-18	$13.96	$14.21
Jun-18	$14.09	$14.29
Jul-18	$14.21	$14.38
Aug-18	$14.35	$14.46
Sep-18	$14.48	$14.55
Oct-18	$14.61	$14.64
Nov-18	$14.75	$14.73
Dec-18	$14.89	$14.81
Jan-19	$15.03	$14.90
Feb-19	$15.17	$14.99
Mar-19	$15.29	$15.07
Apr-19	$15.44	$15.17
May-19	$15.58	$15.26
Jun-19	$15.72	$15.35
Jul-19	$15.87	$15.44
Aug-19	$16.02	$15.53
Sep-19	$16.17	$15.63
Oct-19	$16.31	$15.72
Nov-19	$16.47	$15.81
Dec-19	$16.62	$15.91
Jan-20	$16.77	$16.00
Feb-20	$16.93	$16.10
Mar-20	$17.08	$16.19
Apr-20	$17.24	$16.29
May-20	$17.39	$16.38
Jun-20	$17.56	$16.48
Jul-20	$17.72	$16.58
Aug-20	$17.88	$16.68
Sep-20	$18.05	$16.78
Oct-20	$18.22	$16.88
Nov-20	$18.39	$16.98
Dec-20	$18.55	$17.08
	11.7%	**7.4%**

Regression on Cost per Days Supply on Brands with at least four years of claims-24 months on Monthly		Regression on Cost per Days Supply on Brands with at least four years of claims-24 months on Rolling	
1.000	0.000	1.000	0.003
0.000	2.227	0.000	0.562
0.615	0.053	0.913	0.013
35.145	22.000	231.143	22.000

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

EXHIBIT 3I

PHARMACY TREND DEVELOPMENT
SUMMARY

		Generic	New Generics	Brands Going Generic	Brand	Vaccines	Over the Counter	Devices	Compounds	Non-Specialty Total	Specialty	Total Pharmacy
Experience Period Member Months	m											452,386
Experience Period Days Supply	a	13,356,657	342,933	306,231	980,991	11,905	205,437	193,131	14,998	15,412,285	156,926	15,569,211
Experience Period Allowed Charge per Supply	b	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]		$250.12	
Experience Period Total Allowed Charges	c = a x b	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	$33,142,364	$39,249,752	$72,392,116
Experience Period PMPM	n = c / m	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	$73.26	$86.76	$160.02
Utitlization Trend	e	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	**3.0%**		
Projected Period Days Supply	$f=c \times (1+e)^2$	14,170,077	363,818	324,881	1,040,733	12,630	217,949	204,892	15,912	16,350,893		
Calculated Annual Trend	g	3.0%	3.0%	0.0%	10.0%	20.0%	0.0%	25.0%	0.0%		[redacted]	
Impact on Cost of going Generic or mulit source	h	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]			
Projected Allowed Charge per Supply	$i=b \times (1+g)^2 \times h$	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]			
Projected Total Allowed Charges before Contract Changes	j = f x i	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Projection Period PMPM	k = j / m	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Annual Trend before Contract Changes	$l = (k/n)^{1/2}-1$	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Reduction of Projected Claims due to Contract Changes	o	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]		[redacted]	
Projected Total Allowed Charges after Contract Changes	p = j x o	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Projected PMPM adter Contract Changes	q = p / m	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Impact of Contract Changes on Projected Pharmacy PMPM		[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Annual Trend after Contract Changes		[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	**2.8%**	**17.6%**	**11.1%**

BLUE CROSS AND BLUE SHIELD OF VERMONT

EXHIBIT 3J

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

TREND DEVELOPMENT

PROJECTION FACTOR FOR INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
From Exhibit 5	Total Experience Allowed Claims	a1	$103.97	$197.19	$71.81	$133.87	$73.23	$86.74	$0.08	$1.34	$668.23
	Experience Period Allowed Claims for Non-EHB	a2	$0.00	$0.06	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.06
	Exclusion for High Claimant	a3	$0.00	$0.00	$0.00	$0.00	$0.00	$4.63	$0.00	$0.00	$4.63
	Experience Period Allowed Claims for EHB	**A**	**$103.97**	**$197.12**	**$71.81**	**$133.87**	**$73.23**	**$82.10**	**$0.08**	**$1.34**	**$663.53**
	Index Rate Projection Factors - Morbidity and Others	b and c	1.066	1.068	1.068	1.067	1.008	1.008	1.001	1.281	
	Uncapped Adjusted Experience Period Allowed Claims for EHB		**$110.85**	**$210.61**	**$76.73**	**$142.90**	**$73.84**	**$82.74**	**$0.08**	**$1.71**	**$699.45**
	Selected Utilization Trend for Year 1		1.0150	1.0030	1.0668	1.0180	1.030	1.170	1.000	1.0000	
	Selected Utilization Trend for Year 2		1.0150	1.0030	1.0668	1.0180	1.030	1.170	1.000	1.000	
	Projected Period Allowed Claims - Utilization Only		$114.20	$211.87	$87.33	$148.09	$78.34	$113.26	$0.08	$1.71	$754.88
	Cost Trend for Year 1 - Including Rx Contract Change		1.0410	1.0590	1.0585	1.0353	0.998	1.005	1.000	1.0000	
	Cost Trend for Year 2 - Including Rx Contract Change		1.0359	1.0484	1.0479	1.0237	0.998	1.005	1.000	1.000	
	Projected Period Allowed Claims		$123.16	$235.24	$96.86	$156.94	$78.07	$114.43	$0.08	$1.71	$806.49
	Impact of FWA		0.9910	0.9910	0.9910	0.9910					
	Projected Period Allowed Claims		$122.05	$233.12	$95.99	$155.53	$78.07	$114.43	$0.08	$1.71	$800.99
	Index Rate - d2 - Utilization Trend		1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.0792
	Index Rate - d1 - Cost Trend (including FWA/Rx Contract)		1.0784	1.1103	1.1092	1.0598	0.9966	1.0103	1.0000	1.0000	1.0611
	Total Trend		1.0493	1.0521	1.1185	1.0433	1.0282	1.1760	1.0000	1.0000	1.0701

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 4

RISK ADJUSTMENT CALCULATION

Table 1	Average Premium			
	Merged		Catastrophic	
Scenario	**BCBSVT**	**MVP**	**BCBSVT**	**MVP**
Premium PMPM 2021	$657.96	$577.69	$256.93	$339.18
Adjust to billable member months	0.937	0.944	1.000	1.000
Premium adjustment factor	0.86	0.86	0.86	0.86
Projected 2022 Rate Increase	0.992	1.065	0.867	1.065
Projected Statewide Average Premium 2022	**$578.88**		**$194.08**	

Table 2	Plan Liability Risk Score					
	Merged			Catastrophic		
Scenario	BCBSVT	MVP	Ratio	BCBSVT	MVP	Ratio
Interim 2020	**1.312**	**1.059**	**1.2391**	**0.261**	**0.144**	**1.8206**
Impact of Claims Runout & Supplemental Diagnosis	*1.030*	*1.042*		*1.030*	*1.030*	
Estimated Final 2020	**1.351**	**1.103**	**1.2244**	**0.269**	**0.148**	**1.8206**
Impact of 2022 Model Coefficients	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]		[redacted]	[redacted]	
Projected Final 2022	**1.444**	**1.181**	**1.2222**	**0.269**	**0.148**	**1.8206**

Table 3	Other Risk Adjustment Factors*					
Factor -->	**AV**		**IDF**		**ARF**	
	Merged					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated Final 2020	0.749	0.731	1.062	1.052	0.981	0.983
Projected Final 2022	0.744	0.734	1.059	1.054	0.981	0.983
**Catastrophic AV, IDF and ARF equals 0.57, 1.00 and 1.00 for both carriers in all scenarios*						

Table 4	Risk Adjustment Transfer		
	Merged	**Catastrophic**	**Total**
Interim 2020	-$22,151,265	-$4,098	-$22,155,363
Estimated Final 2020	-$20,708,982	-$4,098	-$20,713,080
Projected Final 2022	-$22,053,630	-$2,945	-$22,056,575

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$22,056,575
High Cost Risk Pool Recoveries	-$662,308
Total Risk Adjustment Transfer	-$22,718,882
Member Months	415,596
Net Projected Risk Adjustment PMPM	-$54.67
Estimated Cost of High Risk Pool program	$2.12
Paid to Allowed Ratio (from Exh 6C)	74.90%

Market Wide Adjustment for the Risk Adjustment Program	**-$70.16**

Exhibit 5

BLUE CROSS AND BLUE SHIELD OF VERMONT
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INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
Experience	Total Experience Period Allowed Claims PMPM	a_1	$103.97	$197.19	$71.81	$133.87	$73.23	$86.74	$0.08	$1.34	$668.23
	Experience Period Allowed Claims PMPM for Non-EHB	a_2	$0.00	$0.06	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.06
	Exclude High Cost Claimant	a_3	$0.00	$0.00	$0.00	$0.00	$0.00	$4.63	$0.00	$0.00	$4.63
	Index Rate : Experience Period Allowed Claims for EHB	A	$103.97	$197.12	$71.81	$133.87	$73.23	$82.10	$0.08	$1.34	$663.53
	Capping experience claims	a4	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997	0.9997
	Capped Experience Period Allowed Claims for EHB	B = A x a_3	$103.93	$197.06	$71.79	$133.83	$73.21	$82.07	$0.08	$1.34	$663.31
Morbidity	Impact of Market Mix	$1+b_3$	0.9998	1.0019	1.0019	1.0009	1.0030	1.0025	0.9960	0.9992	1.0016
	Impact of the ACO Experience Settlement	$1+b_4$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Impact of Projected ACO Savings	$1+b_6$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in pool morbidity	$1+b_9$	1.0114	1.0114	1.0114	1.0114	1.0114	1.0114	1.0114	1.0114	1.0114
Other	Impact of different benefit plans (in experience vs projection)	$1+c_1$	0.9974	0.9974	0.9974	0.9974	0.9974	0.9974	0.9974	0.9974	0.9974
	Changes in provider networks	$1+c_2$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in demographics (age, gender, region, etc.)	$1+c_3$	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993
	Impact of leap year	$1+c_4$	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973
	Adjustment to Experience Period for one-time events	$1+c_5$	1.0608	1.0608	1.0608	1.0608	1.0000	1.0000	1.0000	1.2756	1.0470
	Adjusted Experience Period Allowed Claims for EHB	**C**	**$110.81**	**$210.54**	**$76.70**	**$142.85**	**$73.81**	**$82.71**	**$0.08**	**$1.71**	**$699.22**
Trend	Cost Trend	$1+d_1$	1.0784	1.1103	1.1092	1.0598	0.9966	1.0103	1.0000	1.0000	1.071
	Utilization Trend	$1+d_2$	1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.070
	Projected Period Allowed Claims for Experience EHB	**D**	**$122.01**	**$233.05**	**$95.96**	**$155.48**	**$78.04**	**$114.39**	**$0.08**	**$1.71**	**$800.73**
Non-System Claims	Projected Pharmacy Rebates	e_1									-$59.61
	Projected Blue Print Payments	e_2									$3.78
	Projected ITS Fees	e_3									$2.23
	Projected Vaccine Payments	e_4									$2.15
	Contractual Fees	e_5, e_7 and e_8									$5.82
	OneCare Care Coordination Fee	e_6									$1.54
	Projected Index Rate : Projected Period Expected Allowed Claims for EHB	**F = D + ∑ei**									**$756.63**
Market Wide Adjustments	Risk Adjustment Payments and Fees	g_1									-$70.16
	Transitional Reinsurance Payments and Recoveries	g_2									$0.00
	Vermont Exchange Fees	g_3									$0.00
	Market Adjusted Index Rate	**H = F + g_1 + g_2 + g_3**									**$686.48**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 6A

PLAN LEVEL ADJUSTMENT SUMMARY

			Market Adjusted Index Rate	Benefit Richness Adjustment	Paid to Allowed Ratio	Plan Benefits in addition to EHB	For Catastrophic Only - Impact of Eligibility	Expected Claims Cost	Administrative Charges Plan Level Adjustment	Taxes and Fees Plan Level Adjustment	Contribution to Reserve Plan Level Adjustment	Plan Level Adjusted Index Rate	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$686.48	1.0010	84.86%	1.0001	1.0000	**$583.18**	1.0846	1.0157	1.0163	**$652.92**	1,325
	GOLD	Vermont Select	$686.48	1.0182	88.46%	1.0001	1.0000	**$618.40**	1.0802	1.0154	1.0163	**$689.33**	4,294
	SILVER	Vermont Preferred	$686.48	0.9615	87.18%	1.0001	1.0000	**$575.47**	1.0855	1.0158	1.0163	**$644.84**	1,154
	SILVER	Vermont Select	$686.48	0.9668	87.25%	1.0001	1.0000	**$579.17**	1.0849	1.0158	1.0163	**$648.65**	295
	BRONZE	Vermont Preferred	$686.48	0.9374	66.51%	1.0002	1.0000	**$428.08**	1.1139	1.0176	1.0163	**$493.14**	641
	BRONZE	Vermont Select	$686.48	0.9357	65.80%	1.0002	1.0000	**$422.71**	1.1154	1.0177	1.0163	**$487.66**	2,094
STANDARD PLANS	PLATINUM	Deductible	$686.48	1.0966	102.07%	1.0001	1.0000	**$768.43**	1.0649	1.0144	1.0163	**$843.58**	5,964
	GOLD	Deductible	$686.48	1.0265	90.10%	1.0001	1.0000	**$635.01**	1.0778	1.0153	1.0163	**$706.18**	4,076
	SILVER	Deductible	$686.48	0.9695	88.70%	1.0001	1.0000	**$590.46**	1.0834	1.0157	1.0163	**$660.27**	2,705
	SILVER	CDHP	$686.48	0.9798	89.49%	1.0001	1.0000	**$601.95**	1.0818	1.0156	1.0163	**$672.11**	623
	BRONZE	Deductible	$686.48	0.9355	65.69%	1.0002	1.0000	**$421.94**	1.1156	1.0177	1.0163	**$486.83**	1,634
	BRONZE	CDHP	$686.48	0.9395	67.39%	1.0002	1.0000	**$434.71**	1.1123	1.0175	1.0163	**$499.98**	1,475
	BRONZE	Integrated	$686.48	0.9376	66.58%	1.0002	1.0000	**$428.62**	1.1137	1.0176	1.0163	**$493.68**	559
	Catastrophic	Deductible	$686.48	0.9412	68.04%	1.0004	0.3757	**$165.24**	1.2902	1.0271	1.0163	**$222.54**	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$686.48	0.9606	74.62%	1.0001	1.0000	**$492.13**	1.0998	1.0167	1.0163	**$559.22**	787
	SILVER	Vermont Select	$686.48	0.9657	76.12%	1.0001	1.0000	**$504.72**	1.0974	1.0166	1.0163	**$572.18**	1,031
	SILVER	Deductible	$686.48	0.9689	77.00%	1.0001	1.0000	**$512.25**	1.0958	1.0165	1.0163	**$579.83**	4,036
	SILVER	CDHP	$686.48	0.9794	79.78%	1.0001	1.0000	**$536.50**	1.0916	1.0162	1.0163	**$604.79**	1,615
		Total	$686.48					**$578.40**				**$647.95**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 6B

PLAN LEVEL ADJUSTMENT
BENEFIT RICHNESS ADJUSTMENT FACTOR

			Base Paid to Allowed Ratio before Silver Load	Benefit Richness Adjustment for EHB	Normalized Benefit Richness Adjustment for EHB	For Catastrophic Only - Impact of Eligibility	Projected Period Paid Claims for Experience EHB	Benefit Richness Adjustment for EHB	Non-System Claims	Market Wide Adjustments	Total Paid Claims with Benefit Richness Adjustment	Overall Benefit Richness Adjustment	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	76.70%	1.0613	1.0009	1.000	$679.16	1.0009	-$44.09	-$52.55	$583.11	1.0010	1,325
	GOLD	Vermont Select	79.50%	1.0770	1.0157	1.000	$703.92	1.0157	-$44.09	-$52.55	$618.33	1.0182	4,294
	SILVER	Vermont Preferred	68.77%	1.0252	0.9668	1.000	$695.08	0.9668	-$44.09	-$52.55	$575.40	0.9615	1,154
	SILVER	Vermont Select	70.02%	1.0301	0.9714	1.000	$695.62	0.9714	-$44.09	-$52.55	$579.10	0.9668	295
	BRONZE	Vermont Preferred	62.48%	1.0056	0.9483	1.000	$553.24	0.9483	-$44.09	-$52.55	$428.01	0.9374	641
	BRONZE	Vermont Select	61.93%	1.0042	0.9470	1.000	$548.31	0.9470	-$44.09	-$52.55	$422.64	0.9357	2,094
STANDARD PLANS	PLATINUM	Deductible	90.05%	1.1504	1.0849	1.000	$797.32	1.0849	-$44.09	-$52.55	$768.36	1.0966	5,964
	GOLD	Deductible	80.77%	1.0847	1.0229	1.000	$715.18	1.0229	-$44.09	-$52.55	$634.94	1.0265	4,076
	SILVER	Deductible	70.62%	1.0325	0.9737	1.000	$705.57	0.9737	-$44.09	-$52.55	$590.39	0.9695	2,705
	SILVER	CDHP	72.77%	1.0419	0.9825	1.000	$710.93	0.9825	-$44.09	-$52.55	$601.88	0.9798	623
	BRONZE	Deductible	61.85%	1.0040	0.9469	1.000	$547.60	0.9469	-$44.09	-$52.55	$421.87	0.9355	1,634
	BRONZE	CDHP	63.16%	1.0073	0.9500	1.000	$559.26	0.9500	-$44.09	-$52.55	$434.64	0.9395	1,475
	BRONZE	Integrated	62.54%	1.0057	0.9485	1.000	$553.72	0.9485	-$44.09	-$52.55	$428.54	0.9376	559
	Catastrophic	Deductible	63.66%	1.0087	0.9512	0.376	$563.71	0.9512	-$44.09	-$52.55	$439.59	0.9412	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	68.77%	1.0252	0.9668	1.000	$608.88	0.9668	-$44.09	-$52.55	$492.06	0.9606	787
	SILVER	Vermont Select	69.93%	1.0297	0.9711	1.000	$619.19	0.9711	-$44.09	-$52.55	$504.65	0.9657	1,031
	SILVER	Deductible	70.61%	1.0325	0.9737	1.000	$625.25	0.9737	-$44.09	-$52.55	$512.18	0.9689	4,036
	SILVER	CDHP	72.77%	1.0418	0.9825	1.000	$644.33	0.9825	-$44.09	-$52.55	$536.43	0.9794	1,615
		Total		**1.0604**				**1.0000**				**0.9990**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 6C

PLAN LEVEL ADJUSTMENT
PAID TO ALLOWED RATIOS

			Projected Period Allowed Claims for Experience EHB	Paid to Allowed Ratio for EHB Portion	Impact of silver loading	Impact of selection	Projected Period Paid Claims for Experience EHB	Non-System Claims	Market Wide Adjustments (Paid)	Market Wide Adjustments (Allowed)	Market Adjusted Index Rate	Total Paid Claims	Paid to Allowed Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$800.73	76.70%	100.00%	110.58%	$679.16	-$44.09	-$52.55	-$70.16	$686.48	$582.52	84.86%	1,325
	GOLD	Vermont Select	$800.73	79.50%	100.00%	110.58%	$703.92	-$44.09	-$52.55	-$70.16	$686.48	$607.28	88.46%	4,294
	SILVER	Vermont Preferred	$800.73	68.77%	114.16%	110.58%	$695.08	-$44.09	-$52.55	-$70.16	$686.48	$598.44	87.18%	1,154
	SILVER	Vermont Select	$800.73	70.02%	112.21%	110.58%	$695.62	-$44.09	-$52.55	-$70.16	$686.48	$598.99	87.25%	295
	BRONZE	Vermont Preferred	$800.73	62.48%	100.00%	110.58%	$553.24	-$44.09	-$52.55	-$70.16	$686.48	$456.60	66.51%	641
	BRONZE	Vermont Select	$800.73	61.93%	100.00%	110.58%	$548.31	-$44.09	-$52.55	-$70.16	$686.48	$451.68	65.80%	2,094
STANDARD PLANS	PLATINUM	Deductible	$800.73	90.05%	100.00%	110.58%	$797.32	-$44.09	-$52.55	-$70.16	$686.48	$700.68	102.07%	5,964
	GOLD	Deductible	$800.73	80.77%	100.00%	110.58%	$715.18	-$44.09	-$52.55	-$70.16	$686.48	$618.54	90.10%	4,076
	SILVER	Deductible	$800.73	70.62%	112.84%	110.58%	$705.57	-$44.09	-$52.55	-$70.16	$686.48	$608.93	88.70%	2,705
	SILVER	CDHP	$800.73	72.77%	110.33%	110.58%	$710.93	-$44.09	-$52.55	-$70.16	$686.48	$614.30	89.49%	623
	BRONZE	Deductible	$800.73	61.85%	100.00%	110.58%	$547.60	-$44.09	-$52.55	-$70.16	$686.48	$450.97	65.69%	1,634
	BRONZE	CDHP	$800.73	63.16%	100.00%	110.58%	$559.26	-$44.09	-$52.55	-$70.16	$686.48	$462.62	67.39%	1,475
	BRONZE	Integrated	$800.73	62.54%	100.00%	110.58%	$553.72	-$44.09	-$52.55	-$70.16	$686.48	$457.09	66.58%	559
	Catastrophic	Deductible	$800.73	63.66%	100.00%	110.58%	$563.71	-$44.09	-$52.55	-$70.16	$686.48	$467.08	68.04%	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$800.73	68.77%	100.00%	110.58%	$608.88	-$44.09	-$52.55	-$70.16	$686.48	$512.25	74.62%	787
	SILVER	Vermont Select	$800.73	69.93%	100.00%	110.58%	$619.19	-$44.09	-$52.55	-$70.16	$686.48	$522.55	76.12%	1,031
	SILVER	Deductible	$800.73	70.61%	100.00%	110.58%	$625.25	-$44.09	-$52.55	-$70.16	$686.48	$528.61	77.00%	4,036
	SILVER	CDHP	$800.73	72.77%	100.00%	110.58%	$644.33	-$44.09	-$52.55	-$70.16	$686.48	$547.69	79.78%	1,615
		Total	**$800.73**	**74.90%**	**101.76%**	**110.58%**	**$674.17**	**-$44.09**	**-$52.55**	**-$70.16**	**$686.48**	**$577.53**	**84.13%**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 6D

PLAN LEVEL ADJUSTMENTS

IMPACT OF SPECIFIC ELIGIBILITY CATEGORIES FOR THE CATASTROPHIC PLAN

	Percent of Eligible Population	Projected Allowed Charges for Experience EHB	Paid to Allowed Ratio for EHB Claims	Projected Paid Claims for EHB Claims
Average Population		$800.73	62.4%	$499.49
Individual Ages 30 or Less	100.0%	$425.01	57.4%	$243.87
Allowed Charges Adjustment		*0.5308*		
Paid to Allowed Ratio Adjustment			*0.9199*	
Plan Level Adjustment Calculation				
Projected Period Allowed Claims for Experience EHB		$800.73		
Paid to Allowed Ratio for EHB Portion		70.4%		
Benefit Richness Adjustment for EHB		0.9512		
Adjustment for Allowed Charges and Paid to Allowed Ratio		*0.4882*		
Projected Period Paid Claims for Experience EHB		$261.81		
Non-System Claims		-$44.09		
Market Wide Adjustments		-$52.55		
Plans Benefits in addition to EHB		$0.07		
Expected Claims Cost		$165.24		
Market Adjusted Index Rate		$686.48		
Paid to Allowed Ratio		68.0%		
Benefit Richness Adjustment		0.9412		
Plan Benefits in addition to EHB		1.0004		
For Catastrophic Only - Impact of Eligibility		0.3757		
Expected Claims Cost		$165.24		
Total Adjustment for Catastrophic Plan			**0.3757**	

BLUE CROSS AND BLUE SHIELD OF VERMONT
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Exhibit 6E

IMPACT OF SELECTION

			Projected Paid Claims - Using HHS Induced Utilization Factor					Projected Paid Claims - Using BCBSVT Induced Utilization Factor				
	Individual Market		Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from Standard Population	For Catastrophic Plan only - Impact of the specific eligibility	Projected Paid Claims	Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from BCBSVT Population	Projected Paid Claims	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$800.73	1.0009	76.70%	1.0000	$614.71	$800.73	1.0690	84.70%	$725.01	726
	GOLD	Vermont Select	$800.73	1.0157	79.50%	1.0000	$646.57	$800.73	1.5466	87.64%	$1,085.34	1,258
	SILVER	Vermont Preferred	$800.73	0.9668	68.77%	1.0000	$532.37	$800.73	0.9752	77.69%	$606.71	1,154
	SILVER	Vermont Select	$800.73	0.9714	70.02%	1.0000	$544.60	$800.73	0.9752	76.67%	$598.73	295
	BRONZE	Vermont Preferred	$800.73	0.9483	62.48%	1.0000	$474.45	$800.73	0.5144	70.06%	$288.54	450
	BRONZE	Vermont Select	$800.73	0.9470	61.93%	1.0000	$469.59	$800.73	0.5144	68.72%	$283.05	1,188
STANDARD PLANS	PLATINUM	Deductible	$800.73	1.0849	90.05%	1.0000	$782.24	$800.73	1.8485	94.11%	$1,392.98	1,811
	GOLD	Deductible	$800.73	1.0229	80.77%	1.0000	$661.58	$800.73	1.0690	84.68%	$724.81	1,570
	SILVER	Deductible	$800.73	0.9737	70.62%	1.0000	$550.57	$800.73	0.9752	76.90%	$600.54	2,705
	SILVER	CDHP	$800.73	0.9825	72.77%	1.0000	$572.54	$800.73	0.9752	78.83%	$615.61	623
	BRONZE	Deductible	$800.73	0.9469	61.85%	1.0000	$468.90	$800.73	0.5144	68.56%	$282.37	831
	BRONZE	CDHP	$800.73	0.9500	63.16%	1.0000	$480.45	$800.73	0.5144	69.61%	$286.72	660
	BRONZE	Integrated	$800.73	0.9485	62.54%	1.0000	$474.93	$800.73	0.5144	70.36%	$289.80	397
	Catastrophic	Deductible	$800.73	0.9512	63.66%	0.4882	$236.76	$800.73	0.3747	71.98%	$215.95	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$800.73	0.9668	68.77%	1.0000	$532.37	$800.73	0.8149	73.99%	$482.81	304
	SILVER	Vermont Select	$800.73	0.9711	69.93%	1.0000	$543.76	$800.73	0.8149	72.38%	$472.31	262
	SILVER	Deductible	$800.73	0.9737	70.61%	1.0000	$550.56	$800.73	0.8149	73.68%	$480.80	1,044
	SILVER	CDHP	$800.73	0.9825	72.77%	1.0000	$572.50	$800.73	0.8149	75.71%	$494.02	275
		Total					**$574.14**				**$656.30**	**15,878**

			Projected Paid Claims - Using HHS Induced Utilization Factor					Projected Paid Claims - Using BCBSVT Induced Utilization Factor				
	Small Group Market		Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from Standard Population	For Catastrophic Plan only - Impact of the specific eligibility	Projected Paid Claims	Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from BCBSVT Population	Projected Paid Claims	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$800.73	1.0009	76.70%	1.0000	$614.71	$800.73	1.0096	84.70%	$684.76	599
	GOLD	Vermont Select	$800.73	1.0157	79.50%	1.0000	$646.57	$800.73	1.2483	87.64%	$876.02	3,036
	SILVER	Vermont Preferred	$800.73	0.9668	68.77%	1.0000	$532.37	$800.73	1.0232	77.69%	$636.52	0
	SILVER	Vermont Select	$800.73	0.9714	70.02%	1.0000	$544.60	$800.73	1.0232	76.67%	$628.16	0
	BRONZE	Vermont Preferred	$800.73	0.9483	62.48%	1.0000	$474.45	$800.73	0.6927	70.06%	$388.59	191
	BRONZE	Vermont Select	$800.73	0.9470	61.93%	1.0000	$469.59	$800.73	0.6927	68.72%	$381.19	906
STANDARD PLANS	PLATINUM	Deductible	$800.73	1.0849	90.05%	1.0000	$782.24	$800.73	1.2972	94.11%	$977.51	4,153
	GOLD	Deductible	$800.73	1.0229	80.77%	1.0000	$661.58	$800.73	1.0096	84.68%	$684.57	2,506
	SILVER	Deductible	$800.73	0.9737	70.62%	1.0000	$550.57	$800.73	1.0232	76.90%	$630.06	0
	SILVER	CDHP	$800.73	0.9825	72.77%	1.0000	$572.54	$800.73	1.0232	78.83%	$645.87	0
	BRONZE	Deductible	$800.73	0.9469	61.85%	1.0000	$468.90	$800.73	0.6927	68.56%	$380.28	803
	BRONZE	CDHP	$800.73	0.9500	63.16%	1.0000	$480.45	$800.73	0.6927	69.61%	$386.13	815
	BRONZE	Integrated	$800.73	0.9485	62.54%	1.0000	$474.93	$800.73	0.6927	70.36%	$390.28	162
	Catastrophic	Deductible	$800.73	0.9512	63.66%	0.4882	$236.76	$800.73	1.0232	71.98%	$589.70	0
REFLECTIVE PLANS	SILVER	Vermont Preferred	$800.73	0.9668	68.77%	1.0000	$532.37	$800.73	0.7969	73.99%	$472.15	483
	SILVER	Vermont Select	$800.73	0.9711	69.93%	1.0000	$543.76	$800.73	0.7969	72.38%	$461.88	769
	SILVER	Deductible	$800.73	0.9737	70.61%	1.0000	$550.56	$800.73	0.7969	73.68%	$470.18	2,992
	SILVER	CDHP	$800.73	0.9825	72.77%	1.0000	$572.50	$800.73	0.7969	75.71%	$483.11	1,340
		Total					**$623.22**				**$671.03**	**18,755**
				Reweighted Merged Market Total			**$600.72**				**$664.27**	**34,633**

Impact of Selection = $664.27 / $600.72 = **1.1058**

BLUE CROSS AND BLUE SHIELD OF VERMONT

Exhibit 7A

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

DETAILS OF ADMINISTRATIVE CHARGES

			BCBSVT Base Administrative Charges	Administrative Charges for Outside Vendors	VHC Billing	Credit Card Fees	Total Administrative Charges PMPM	Administrative Charges Plan Level Adjustment	Administrative Charges as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$45.29	$0.41	$1.75	$1.89	$49.34	1.0846	7.56%	1,325
	GOLD	Vermont Select	$45.29	$0.56	$1.75	$2.00	$49.59	1.0802	7.19%	4,294
	SILVER	Vermont Preferred	$45.29	$0.28	$1.75	$1.87	$49.18	1.0855	7.63%	1,154
	SILVER	Vermont Select	$45.29	$0.28	$1.75	$1.88	$49.19	1.0849	7.58%	295
	BRONZE	Vermont Preferred	$45.29	$0.29	$1.75	$1.43	$48.76	1.1139	9.89%	641
	BRONZE	Vermont Select	$45.29	$0.35	$1.75	$1.41	$48.80	1.1154	10.01%	2,094
STANDARD PLANS	PLATINUM	Deductible	$45.29	$0.37	$1.75	$2.45	$49.85	1.0649	5.91%	5,964
	GOLD	Deductible	$45.29	$0.32	$1.75	$2.05	$49.40	1.0778	7.00%	4,076
	SILVER	Deductible	$45.29	$0.28	$1.75	$1.91	$49.23	1.0834	7.46%	2,705
	SILVER	CDHP	$45.29	$0.28	$1.75	$1.95	$49.26	1.0818	7.33%	623
	BRONZE	Deductible	$45.29	$0.32	$1.75	$1.41	$48.76	1.1156	10.02%	1,634
	BRONZE	CDHP	$45.29	$0.31	$1.75	$1.45	$48.80	1.1123	9.76%	1,475
	BRONZE	Integrated	$45.29	$0.29	$1.75	$1.43	$48.75	1.1137	9.88%	559
	Catastrophic	Deductible	$45.29	$0.28	$1.75	$0.65	$47.96	1.2902	21.55%	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$45.29	$0.45	$1.75	$1.62	$49.11	1.0998	8.78%	787
	SILVER	Vermont Select	$45.29	$0.44	$1.75	$1.66	$49.14	1.0974	8.59%	1,031
	SILVER	Deductible	$45.29	$0.35	$1.75	$1.68	$49.07	1.0958	8.46%	4,036
	SILVER	CDHP	$45.29	$0.33	$1.75	$1.75	$49.12	1.0916	8.12%	1,615
		Total	**$45.29**	**$0.37**	**$1.75**	**$1.88**	**$49.28**	**1.0852**	**7.61%**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT

Exhibit 7B

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

DETAILS OF CONTRIBUTION TO RESERVE

			BCBSVT Contribution to Reserve	Risk Margin for Bad Debt	Total Contribution to Reserve PMPM	Contribution to Reserve and Risk Margin Plan Level Adjustment	Contribution to Reserve as a percent of Premium	Risk Margin Bad Debt as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$9.79	$0.65	$10.45	1.0163	1.50%	0.10%	1,325
	GOLD	Vermont Select	$10.34	$0.69	$11.03	1.0163	1.50%	0.10%	4,294
	SILVER	Vermont Preferred	$9.67	$0.64	$10.32	1.0163	1.50%	0.10%	1,154
	SILVER	Vermont Select	$9.73	$0.65	$10.38	1.0163	1.50%	0.10%	295
	BRONZE	Vermont Preferred	$7.40	$0.49	$7.89	1.0163	1.50%	0.10%	641
	BRONZE	Vermont Select	$7.31	$0.49	$7.80	1.0163	1.50%	0.10%	2,094
STANDARD PLANS	PLATINUM	Deductible	$12.65	$0.84	$13.50	1.0163	1.50%	0.10%	5,964
	GOLD	Deductible	$10.59	$0.71	$11.30	1.0163	1.50%	0.10%	4,076
	SILVER	Deductible	$9.90	$0.66	$10.56	1.0163	1.50%	0.10%	2,705
	SILVER	CDHP	$10.08	$0.67	$10.75	1.0163	1.50%	0.10%	623
	BRONZE	Deductible	$7.30	$0.49	$7.79	1.0163	1.50%	0.10%	1,634
	BRONZE	CDHP	$7.50	$0.50	$8.00	1.0163	1.50%	0.10%	1,475
	BRONZE	Integrated	$7.41	$0.49	$7.90	1.0163	1.50%	0.10%	559
	Catastrophic	Deductible	$3.34	$0.22	$3.56	1.0163	1.50%	0.10%	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$8.39	$0.56	$8.95	1.0163	1.50%	0.10%	787
	SILVER	Vermont Select	$8.58	$0.57	$9.15	1.0163	1.50%	0.10%	1,031
	SILVER	Deductible	$8.70	$0.58	$9.28	1.0163	1.50%	0.10%	4,036
	SILVER	CDHP	$9.07	$0.60	$9.68	1.0163	1.50%	0.10%	1,615
		Total	**$9.72**	**$0.65**	**$10.37**	**1.0163**	**1.50%**	**0.10%**	**34,633**

BLUE CROSS AND BLUE SHIELD OF VERMONT

Exhibit 7C

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

DETAILS OF TAXES AND FEES

			0.800%	0.199%								
			State Assessment - HCCA	State Tax - VITL	GMCB Billbacks	Federal Assessment - PCORI	Federal Insurer Fee	Risk Adjustment User Fee	Total Taxes and Fees PMPM	Taxes and Fees Plan Level Adjustment	Taxes and Fees as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$5.46	$1.36	$2.65	$0.24	$0.00	$0.25	$9.95	1.0157	1.52%	1,325
	GOLD	Vermont Select	$5.74	$1.43	$2.65	$0.24	$0.00	$0.25	$10.30	1.0154	1.49%	4,294
	SILVER	Vermont Preferred	$5.39	$1.34	$2.65	$0.24	$0.00	$0.25	$9.87	1.0158	1.53%	1,154
	SILVER	Vermont Select	$5.42	$1.35	$2.65	$0.24	$0.00	$0.25	$9.91	1.0158	1.53%	295
	BRONZE	Vermont Preferred	$4.22	$1.05	$2.65	$0.24	$0.00	$0.25	$8.40	1.0176	1.70%	641
	BRONZE	Vermont Select	$4.17	$1.04	$2.65	$0.24	$0.00	$0.25	$8.35	1.0177	1.71%	2,094
STANDARD PLANS	PLATINUM	Deductible	$6.94	$1.73	$2.65	$0.24	$0.00	$0.25	$11.80	1.0144	1.40%	5,964
	GOLD	Deductible	$5.87	$1.46	$2.65	$0.24	$0.00	$0.25	$10.47	1.0153	1.48%	4,076
	SILVER	Deductible	$5.51	$1.37	$2.65	$0.24	$0.00	$0.25	$10.02	1.0157	1.52%	2,705
	SILVER	CDHP	$5.61	$1.39	$2.65	$0.24	$0.00	$0.25	$10.14	1.0156	1.51%	623
	BRONZE	Deductible	$4.17	$1.04	$2.65	$0.24	$0.00	$0.25	$8.34	1.0177	1.71%	1,634
	BRONZE	CDHP	$4.27	$1.06	$2.65	$0.24	$0.00	$0.25	$8.47	1.0175	1.69%	1,475
	BRONZE	Integrated	$4.22	$1.05	$2.65	$0.24	$0.00	$0.25	$8.41	1.0176	1.70%	559
	Catastrophic	Deductible	$2.11	$0.53	$2.65	$0.24	$0.00	$0.25	$5.78	1.0271	2.60%	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$4.73	$1.18	$2.65	$0.24	$0.00	$0.25	$9.04	1.0167	1.62%	787
	SILVER	Vermont Select	$4.83	$1.20	$2.65	$0.24	$0.00	$0.25	$9.17	1.0166	1.60%	1,031
	SILVER	Deductible	$4.89	$1.22	$2.65	$0.24	$0.00	$0.25	$9.24	1.0165	1.59%	4,036
	SILVER	CDHP	$5.08	$1.26	$2.65	$0.24	$0.00	$0.25	$9.48	1.0162	1.57%	1,615
		Total	**$5.42**	**$1.35**	**$2.65**	**$0.24**	**$0.00**	**$0.25**	**$9.90**	**1.0158**	**1.53%**	**34,633**

Exhibit 8

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

FEDERAL MINIMUM LOSS RATIO for COMBINED MARKET
(PROJECTION)

			Expected Direct Claims PMPM	Risk Adjustment Transfer Payments PMPM	Adjustments for Health Care Quality PMPM*	MLR Claims	Premium PMPM	Taxes & Fees PMPM	MLR Premium	Expected Loss Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$634.30	-$52.55	$1.89	$583.65	$652.92	-$4.50	$648.43	90.0%	1,325
	GOLD	Vermont Select	$669.81	-$52.55	$1.89	$619.16	$689.33	-$4.57	$684.76	90.4%	4,294
	SILVER	Vermont Preferred	$626.52	-$52.55	$1.88	$575.86	$644.84	-$4.48	$640.36	89.9%	1,154
	SILVER	Vermont Select	$630.26	-$52.55	$1.88	$579.59	$648.65	-$4.49	$644.16	90.0%	295
	BRONZE	Vermont Preferred	$477.96	-$52.55	$1.88	$427.30	$493.14	-$4.19	$488.95	87.4%	641
	BRONZE	Vermont Select	$472.54	-$52.55	$1.89	$421.88	$487.66	-$4.18	$483.48	87.3%	2,094
STANDARD PLANS	PLATINUM	Deductible	$821.04	-$52.55	$1.89	$770.38	$843.58	-$4.86	$838.72	91.9%	5,964
	GOLD	Deductible	$686.55	-$52.55	$1.88	$635.89	$706.18	-$4.60	$701.58	90.6%	4,076
	SILVER	Deductible	$641.64	-$52.55	$1.88	$590.97	$660.27	-$4.51	$655.76	90.1%	2,705
	SILVER	CDHP	$653.22	-$52.55	$1.88	$602.56	$672.11	-$4.53	$667.57	90.3%	623
	BRONZE	Deductible	$471.76	-$52.55	$1.88	$421.10	$486.83	-$4.17	$482.66	87.2%	1,634
	BRONZE	CDHP	$484.64	-$52.55	$1.88	$433.98	$499.98	-$4.20	$495.78	87.5%	1,475
	BRONZE	Integrated	$478.49	-$52.55	$1.88	$427.83	$493.68	-$4.19	$489.49	87.4%	559
	Catastrophic	Deductible	$213.01	-$52.55	$1.88	$162.34	$222.54	-$3.66	$218.87	74.2%	325
REFLECTIVE PLANS	SILVER	Vermont Preferred	$542.52	-$52.55	$1.89	$491.86	$559.22	-$4.31	$554.91	88.6%	787
	SILVER	Vermont Select	$555.21	-$52.55	$1.89	$504.55	$572.18	-$4.34	$567.84	88.9%	1,031
	SILVER	Deductible	$562.80	-$52.55	$1.89	$512.14	$579.83	-$4.35	$575.48	89.0%	4,036
	SILVER	CDHP	$587.25	-$52.55	$1.89	$536.59	$604.79	-$4.40	$600.38	89.4%	1,615
		Total	**$629.48**	**-$52.55**	**$1.89**	**$578.82**	**$647.95**	**-$4.49**	**$643.46**	**90.0%**	**34,633**

*Approximately 4.13% of current BCBSVT Administrative Charges are for health care quality plus

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 9A

CONTRACT CONVERSION FACTOR

								Preliminary Rates				Projected Contracts			
			Projected Membership	Plan Level Adjusted Index Rate	Average Members per Subcribers	Average Tier Factor	Ratio of Members per Subcribers to Tier Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	1,325	$652.92	1.6246	1.4565	1.1154	$728.27	$1,456.54	$1,405.56	$2,046.44	549	139	25	114
	GOLD	Vermont Select	4,294	$689.33	1.6246	1.4565	1.1154	$768.88	$1,537.76	$1,483.94	$2,160.55	1,179	468	123	468
	SILVER	Vermont Preferred	1,154	$644.84	1.6246	1.4565	1.1154	$719.25	$1,438.50	$1,388.15	$2,021.09	661	174	19	29
	SILVER	Vermont Select	295	$648.65	1.6246	1.4565	1.1154	$723.51	$1,447.02	$1,396.37	$2,033.06	165	40	3	12
	BRONZE	Vermont Preferred	641	$493.14	1.6246	1.4565	1.1154	$550.04	$1,100.08	$1,061.58	$1,545.61	335	63	15	39
	BRONZE	Vermont Select	2,094	$487.66	1.6246	1.4565	1.1154	$543.93	$1,087.86	$1,049.78	$1,528.44	899	209	38	176
STANDARD PLANS	PLATINUM	Deductible	5,964	$843.58	1.6246	1.4565	1.1154	$940.93	$1,881.86	$1,815.99	$2,644.01	2,019	643	204	542
	GOLD	Deductible	4,076	$706.18	1.6246	1.4565	1.1154	$787.68	$1,575.36	$1,520.22	$2,213.38	1,658	429	105	328
	SILVER	Deductible	2,705	$660.27	1.6246	1.4565	1.1154	$736.47	$1,472.94	$1,421.39	$2,069.48	1,388	438	55	89
	SILVER	CDHP	623	$672.11	1.6246	1.4565	1.1154	$749.67	$1,499.34	$1,446.86	$2,106.57	297	97	12	29
	BRONZE	Deductible	1,634	$486.83	1.6246	1.4565	1.1154	$543.01	$1,086.02	$1,048.01	$1,525.86	766	167	37	117
	BRONZE	CDHP	1,475	$499.98	1.6246	1.4565	1.1154	$557.68	$1,115.36	$1,076.32	$1,567.08	584	148	33	137
	BRONZE	Integrated	559	$493.68	1.6246	1.4565	1.1154	$550.65	$1,101.30	$1,062.75	$1,547.33	290	44	6	43
	Catastrophic	Deductible	325	$222.54	1.0450	1.0339	1.0107	$224.92	$449.84	$434.10	$632.03	302	6	1	2
REFLECTIVE PLANS	SILVER	Vermont Preferred	787	$559.22	1.6246	1.4565	1.1154	$623.76	$1,247.52	$1,203.86	$1,752.77	346	69	18	63
	SILVER	Vermont Select	1,031	$572.18	1.6246	1.4565	1.1154	$638.21	$1,276.42	$1,231.75	$1,793.37	291	100	26	119
	SILVER	Deductible	4,036	$579.83	1.6246	1.4565	1.1154	$646.75	$1,293.50	$1,248.23	$1,817.37	1,693	388	96	337
	SILVER	CDHP	1,615	$604.79	1.6246	1.4565	1.1154	$674.58	$1,349.16	$1,301.94	$1,895.57	572	145	43	165
		Total	34,633	$647.95							$646.79				

Additional Factor for Contract Conversion Factor	100.18%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

CONSUMER ADJUSTED PREMIUM RATES

					2022 Proposed Rates				2021 Approved Rates				2022 Proposed Rate Increases			
			Plan Level Adjusted Index Rate	PMPM to Single Contract Conversion Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	$652.92	1.1174	$729.57	$1,459.14	$1,408.07	$2,050.09	$731.76	$1,463.52	$1,412.30	$2,056.25	-0.3%	-0.3%	-0.3%	-0.3%
	GOLD	Vermont Select	$689.33	1.1174	$770.26	$1,540.52	$1,486.60	$2,164.43	$770.70	$1,541.40	$1,487.45	$2,165.67	-0.1%	-0.1%	-0.1%	-0.1%
	SILVER	Vermont Preferred	$644.84	1.1174	$720.54	$1,441.08	$1,390.64	$2,024.72	$725.41	$1,450.82	$1,400.04	$2,038.40	-0.7%	-0.7%	-0.7%	-0.7%
	SILVER	Vermont Select	$648.65	1.1174	$724.80	$1,449.60	$1,398.86	$2,036.69	$730.67	$1,461.34	$1,410.19	$2,053.18	-0.8%	-0.8%	-0.8%	-0.8%
	BRONZE	Vermont Preferred	$493.14	1.1174	$551.03	$1,102.06	$1,063.49	$1,548.39	$562.56	$1,125.12	$1,085.74	$1,580.79	-2.0%	-2.0%	-2.0%	-2.0%
	BRONZE	Vermont Select	$487.66	1.1174	$544.91	$1,089.82	$1,051.68	$1,531.20	$557.06	$1,114.12	$1,075.13	$1,565.34	-2.2%	-2.2%	-2.2%	-2.2%
STANDARD PLANS	PLATINUM	Deductible	$843.58	1.1174	$942.62	$1,885.24	$1,819.26	$2,648.76	$939.97	$1,879.94	$1,814.14	$2,641.32	0.3%	0.3%	0.3%	0.3%
	GOLD	Deductible	$706.18	1.1174	$789.09	$1,578.18	$1,522.94	$2,217.34	$796.44	$1,592.88	$1,537.13	$2,238.00	-0.9%	-0.9%	-0.9%	-0.9%
	SILVER	Deductible	$660.27	1.1174	$737.79	$1,475.58	$1,423.93	$2,073.19	$742.80	$1,485.60	$1,433.60	$2,087.27	-0.7%	-0.7%	-0.7%	-0.7%
	SILVER	CDHP	$672.11	1.1174	$751.01	$1,502.02	$1,449.45	$2,110.34	$756.05	$1,512.10	$1,459.18	$2,124.50	-0.7%	-0.7%	-0.7%	-0.7%
	BRONZE	Deductible	$486.83	1.1174	$543.99	$1,087.98	$1,049.90	$1,528.61	$560.45	$1,120.90	$1,081.67	$1,574.86	-2.9%	-2.9%	-2.9%	-2.9%
	BRONZE	CDHP	$499.98	1.1174	$558.68	$1,117.36	$1,078.25	$1,569.89	$573.62	$1,147.24	$1,107.09	$1,611.87	-2.6%	-2.6%	-2.6%	-2.6%
	BRONZE	Integrated	$493.68	1.1174	$551.63	$1,103.26	$1,064.65	$1,550.08	$568.00	$1,136.00	$1,096.24	$1,596.08	-2.9%	-2.9%	-2.9%	-2.9%
	Catastrophic	Deductible	$222.54	1.0125	$225.32	$450.64	$434.87	$633.15	$259.79	$519.58	$501.39	$730.01	-13.3%	-13.3%	-13.3%	-13.3%
REFLECTIVE PLANS	SILVER	Vermont Preferred	$559.22	1.1174	$624.88	$1,249.76	$1,206.02	$1,755.91	$632.21	$1,264.42	$1,220.17	$1,776.51	-1.2%	-1.2%	-1.2%	-1.2%
	SILVER	Vermont Select	$572.18	1.1174	$639.35	$1,278.70	$1,233.95	$1,796.57	$649.74	$1,299.48	$1,254.00	$1,825.77	-1.6%	-1.6%	-1.6%	-1.6%
	SILVER	Deductible	$579.83	1.1174	$647.91	$1,295.82	$1,250.47	$1,820.63	$659.14	$1,318.28	$1,272.14	$1,852.18	-1.7%	-1.7%	-1.7%	-1.7%
	SILVER	CDHP	$604.79	1.1174	$675.79	$1,351.58	$1,304.27	$1,898.97	$686.16	$1,372.32	$1,324.29	$1,928.11	-1.5%	-1.5%	-1.5%	-1.5%
		Total						**$269,284,677**				**$271,726,540**				**-0.90%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

CONSUMER ADJUSTED PREMIUM RATES

			Inforce Contracts				Projected Contracts			
			Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	549	139	25	114	549	139	25	114
	GOLD	Vermont Select	1,179	468	123	468	1,179	468	123	468
	SILVER	Vermont Preferred	661	174	19	29	661	174	19	29
	SILVER	Vermont Select	165	40	3	12	165	40	3	12
	BRONZE	Vermont Preferred	335	63	15	39	335	63	15	39
	BRONZE	Vermont Select	899	209	38	176	899	209	38	176
STANDARD PLANS	PLATINUM	Deductible	2,043	646	204	542	2,019	643	204	542
	GOLD	Deductible	1,658	429	105	328	1,658	429	105	328
	SILVER	Deductible	1,388	438	55	89	1,388	438	55	89
	SILVER	CDHP	297	97	12	29	297	97	12	29
	BRONZE	Deductible	766	167	37	117	766	167	37	117
	BRONZE	CDHP	584	148	33	137	584	148	33	137
	BRONZE	Integrated	290	44	6	43	290	44	6	43
	Catastrophic	Deductible	302	6	1	2	302	6	1	2
REFLECTIVE PLANS	SILVER	Vermont Preferred	346	69	18	63	346	69	18	63
	SILVER	Vermont Select	291	100	26	119	291	100	26	119
	SILVER	Deductible	1,693	388	96	337	1,693	388	96	337
	SILVER	CDHP	572	145	43	165	572	145	43	165
		Total				**21,456**				**21,429**

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

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VT 05601-0186

800 247 2583
800 922 8778
802 255 4550

May 7, 2021

Thomas Crompton
Health Systems Finance Associate Director
Green Mountain Care Board
144 State Street
Montpelier, Vermont 05620

Subject: Blue Cross and Blue Shield of Vermont - NAIC # 53295
2022 Vermont ACA Market – Small Group Rate Filing

Dear Mr. Crompton:

Attached for the Green Mountain Care Board's review and approval is Blue Cross and Blue Shield of Vermont's 2022 Vermont ACA Market – Small Group Rate Filing.

The average rate change is a decrease of 7.8 percent.

Rate changes for specific plans range from -19.8 percent to -7.0 percent. Apart from the On-Exchange silver plans, the rate changes range from -9.5 percent to -7.0 percent.

Please let me know if we can answer any questions or provide further information during your review.

Sincerely,

Ruth Greene Digitally signed by Ruth Greene
Date: 2021.05.07 10:30:08
-04'00'

Ruth Greene

cc: Michael Barber/GMCB
Laura Beliveau/GMCB
Christina McLaughlin/GMCB
Paul Schultz/BCBSVT
Martine Lemieux/BCBSVT
Michael Donofrio/Stris&Maher
Bridget Asay/Stris&Maher

BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET – SMALL GROUP RATE FILING
ADDENDUM A

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BLUE CROSS BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET – SMALL GROUP RATE FILING
ADDENDUM A

1. GENERAL INFORMATION

1.1. Company Identifying Information

Company Legal Name: Blue Cross and Blue Shield of Vermont
State: Vermont
HIOS Issuer ID: 13627
Market: Small Group Market
Effective Date: January 1, 2022

1.2. Company Contact Information

Primary Contact Name: Paul A. Schultz, FSA, MAAA
Primary Contact Telephone Number: 1-(802)-371-3763
Primary Contact Email Address: schultzp@bcbsvt.com

1.3. Scope and Purpose

The purpose of this addendum is to provide the rates and a description of the rate development for the ACA-compliant plans for the Vermont Small Group market that Blue Cross and Blue Shield of Vermont (BCBSVT) proposes to offer for the 2022 benefit year. This addendum describes where the development differs from the Merged market calculation described in the Actuarial Memorandum.

1.4. Proposed Rate Change(s)

The average rate change is a decrease of 7.8 percent. Rate changes for specific plans range from -19.9 percent to -7.0 percent. The range of rate changes is due to changes to the actuarial values and plan designs. Apart from the On-Exchange silver plans[1], the rate changes range from -9.5 percent to -7.0 percent.

1.5. Reason for Rate Change(s)

Details of the reasons for rate changes can be found in section 1.5 of the Actuarial Memorandum. The difference between the -0.9 percent rate change presented in the Actuarial Memorandum and the -7.9 percent rate change presented in this addendum is entirely due to the impact of splitting the market.

1.6. Historical Financial Results

Details of historical financial results can be found in section 1.6 of the Actuarial Memorandum. While the results specific to individuals and small groups are calculable, the interference of risk adjustment applying across the merged market would not present a meaningful picture of the split market.

[1] On-Exchange silver plans included silver loading in the combined market. Silver loading does not apply to the Small Group market. Therefore, On-Exchange silver plans rates for Small Group benefit from both the positive impacts of removing the silver loading and splitting the market, yielding a particularly negative rate change.

1.7. Environmental Factors

Details of the environmental factors can be found in section 1.7 of the Actuarial Memorandum.

1.8. Vermont Statutory Rate Review Criteria

Details of the Vermont statutory rate review criteria can be found in section 1.8 of the Actuarial Memorandum.

2. PROPOSED BENEFITS

2.1. Description of Benefits

Details of the description of benefits can be found in section 2.1 of the Actuarial Memorandum.

2.2. AV Metal Values

Details of the AV Metal Values can be found in section 2.2 of the Actuarial Memorandum.

3. EXPERIENCE RATING

3.1. Experience Period Premium and Claims

Our analysis begins with the 2020 experience of Blue Cross and Blue Shield of Vermont (BCBSVT) Small Group market.

We analyzed claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021. We completed both the paid claims and the allowed charges using BCBSVT's monthly reserving models that underpin the financial statement reserves (best estimates before margin). These methods are subject to review by independent auditors and examination by Vermont Department of Financial Regulation (DFR). For the purpose of calculating completion factors, the reserving method categorizes claims by reporting/payment process (Local, BlueCard, Retail Pharmacy, Medicare Supplement, etc.). We calculate completion factors separately for each category. We also included an estimate of outstanding pharmacy rebates.

The paid claims and allowed charges are sourced directly from claim records in BCBSVT's data warehouse. For fee-for-service claims, we combined plan payment with member cost sharing to calculate the allowed charges. For claims under a capitation arrangement, we combined capitation paid to the provider with the member cost sharing to generate allowed charges.

The table below shows details underlying the incurred claims and allowed claims (from URRT, Section I of Worksheet 1) for the experience period.

Calculation of Experience Period Per Member Per Month (PMPM)		
	Incurred Claims	**Allowed Claims**
Claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021	$127,136,344	$151,646,067
Estimate of IBNR for claims incurred January 1, 2020 through December 31, 2020 as of March 31, 2021	$1,072,671	$526,394
Estimate of IBNR pharmacy rebates incurred January 1, 2020 through December 31, 2020 as of March 31, 2021	$(2,127,972)	$(2,127,972)
Total completed experience period claims	$126,081,043	$150,044,489
Member months	249,156	249,156
Total per member per month (PMPM)	$506.03	$602.21

The experience period total allowed charges PMPM are $602.21.

In the experience period, the earned premium was $157,930,488. BCBSVT will not be required to pay Minimum Loss Ratio (MLR) rebates for the 2020 calendar year.

3.2. Benefit Categories

Details of the benefit categories can be found in section 3.2 of the Actuarial Memorandum.

3.3. Index Rate

The Index Rate is equal to the experience period allowed charges for EHB. As shown in section 3.1, the allowed charges per member per month in the experience totals $719.46. In 2017, BCBSVT removed an exclusion for routine circumcision (see section 3.8.3 for details). Those services are not considered EHB and must be removed from the experience to calculate the Index Rate.

Calculation of the Experience Index Rate PMPM	
Allowed Claims in section 1 of worksheet 1 of URRT	$602.21
Allowed Claims for Non-EHB	$0.10
Experience Index Rate in section 2 of worksheet 1 of URRT	**$602.11**

The experience index rate for 2020 is $602.11.

To calculate the Projected Period Index Rate, we first excluded pharmacy rebates, BlueCard fees, and payments to the Blueprint program. These claims are not dependent on benefits and are not subject to the projection factors described in the following sections. They are added back into the Projected Period Index Rate as described in section 3.4.6.

BCBSVT has access to the detailed claims information underlying capitated claims. We use the FFS equivalent rather than the capitation.

These adjustments are included in the "Other" factor in the section II of worksheet 1 of the URRT.

Reconciliation of Allowed Claims from section 1 of URRT to Line A1 of Exhibit 5		
	Total Dollars	**PMPM**
Allowed Claims in section 1 of worksheet 1 of URRT	$150,044,489	$602.21
Remove BlueCard Fees	$(650,069)	($2.61)
Remove Pharmacy Rebates	$4,625,453	$18.56
Remove Payments to Blueprint Program	$(1,014,399)	($4.07)
Replace Capitation with FFS equivalent	$(245,029)	($0.98)
Line a1 of Exhibit 5	$152,760,445	$613.11

3.3.1. Pooling experience claims

Starting in 2020, BCBSVT purchased reinsurance coverage for the Small Group market that covers the portion of claims above one million dollars that is not reimbursed by the high cost risk pool. To project the claims above the pooling point, we cap the claims and include the full cost of reinsurance and high cost risk pool. To cap the projected claims, we calculate the de-trended pooling level by removing the total trend (see section 3.4.7 for details) from the attachment point of one million dollars. We then exclude the claims above the resulting de-trended limit of $872,573.

Calculation of the Impact of Capping Claims		
CY 2020 total allowed claims	A1	$152,760,445
Allowed charges for drugs not included in the BCBSVT reinsurance agreement	A2	$0
Net allowed charges	A = A1 – A2	$152,760,445
Claims above $872,573	B	$99,844
Capped Claims	C = A - B	$152,760,445
Impact of capping claims ($1+a_3$ on Exhibit 5)	D = C / A	0.9993

3.4. <u>Projection Factors</u>

3.4.1. Membership Projections

As of March 2021, BCBSVT had 18,785 members enrolled in the small group market.

We used this information as the starting point to project the 2022 enrollment and the distribution by plan.

In the experience period, BCBSVT covered employees and dependents of a sizable group whose members are younger than the remainder of the single risk pool and were exclusively enrolled in the

Platinum plan. As this group was established for a specific and temporary effort, only members currently on COBRA are enrolled with BCBSVT. We do not expect them to continue enrollment into 2022. We therefore exclude these members from all our membership projection factors.

BCBSVT expects to cover 225,060 member months with this filing.

We use this projected membership to adjust our Index Rate for demographics, morbidity, benefit changes, and other allowable adjustments described below.

3.4.2. Changes in the Morbidity of the Population Insured

Change in market mix ($1+b_3$)
Not Applicable.

Changes in pool morbidity ($1+b_9$)
Details of changes in pool morbidity can be found in section 3.4.2 of the Actuarial Memorandum and on Exhibit 2C. The small group factor ($1+b_9$ on Exhibit 5 – SMG) is $611.31 / $606.15 = 1.0085.

3.4.3. Changes in Benefits

Impact of changes in benefits ($1+c_1$)
Details of changes in benefits can be found in section 3.4.4 of the Actuarial Memorandum and on Exhibit 2D. The small group factor ($1+c_1$ on Exhibit 5 – SMG) is 1.0683 / 1.0708 = 0.9977.

3.4.4. Changes in Demographics

Impact of changes in demographics ($1+c_3$)
Details of changes in demographics can be found in section 3.4.4 of the Actuarial Memorandum and on Exhibit 2E. The small group factor ($1+c_3$ on Exhibit 5 – SMG) is 1.2205 / 1.2151 = 1.0045.

3.4.5. Other Adjustments

Changes in Provider Network ($1+c_2$)
Since the experience period claims and the projection period claims are both on the EPO network, the factor for the change in provider networks (factor $1+c_2$ on Exhibit 5 – SMG) is 1.000.

Impact of the ACO program ($1+b_4$ and $1+b_6$)
Details of the impact of the ACO program can be found in section 3.4.5 of the Actuarial Memorandum. The factors for this program ($1+b_4$ on Exhibit 5 -SMG and $1+b_6$ on Exhibit 5 – SMG) are 1.000.

Impact of Leap Year ($1+c_4$)
Details of the impact of leap year can be found in section 3.4.5 of the actuarial memorandum. The factor is 0.9973 ($1+c_4$ on Exhibit 5 – SMG)

3.4.6. Non-System Claims

Details of the non-system claims can be found in section 3.5.6 of the Actuarial Memorandum.

- Pharmacy Rebates (e_1):
  The projected pharmacy rebates are $52.24 PMPM.

- Blueprint Payments (e_2):
  The projected Blueprint payments are is $4.07 PMPM.

- Interplan Teleprocessing System (ITS) (e_3):
  The projected ITS fees PMPM are $2.70 PMPM.

- Vermont Vaccine Purchasing Program Payments (e_4):
  The projected Vermont Vaccine Purchasing Program Payments PMPM is $2.44.

- Net Cost of Reinsurance (e_5):
  The projected rate for this coverage in 2022 is $[redacted] PMPM.

- OneCare Coordination Fee (e_6):
  The projected OneCare coordination fee is $1.56 PMPM.

- PBM Additional Administration Fees (e_7):
  The projected PBM Additional Administration Fee is $[redacted] PMPM.

- Accordant Health Services Fees (e_8)
  The projected Accordant Health Services Fee is $[redacted] PMPM.

3.4.7. Trend

Details of the selected trends can be found in section 3.4.7 of the Actuarial Memorandum. The calculation of the overall trend is shown on Exhibit 3J – SMG.

	Row on Exhibit 5 - SMG	Factor
Cost Trend Factor	$1+d_1$	1.071
Utilization Trend Factor	$1+d_2$	1.067

3.4.8. One-Time Experience Events

Details of the impact of one-time events on experience can be found in section 3.4.8 of the Actuarial Memorandum.

3.5. Credibility of Experience

BCBSVT's experience period had 249,156 member months and is therefore fully credible.

3.6. Credibility manual rate development

Since BCBSVT's experience is fully credible, no manual rate was needed in the development of rates for the experience period claims.

3.6.1. Source and Appropriateness of Experience Data Used: Not Applicable

3.6.2. Adjustments Made to the Data: Not Applicable

3.6.3. Inclusion of Capitation Payments: Not Applicable

3.7. Market Adjusted Index Rate

The Market Adjusted Index Rate (line H of Exhibit 5) is $649.93. We calculated this quantity by adjusting the Projected Index Rate (line F of Exhibit 5, $700.76) for allowable market-wide modifiers described below.

3.7.1. Projected Risk Adjustment Transfer PMPM:

On April 13, 2021, BCBSVT received split market risk score information for the 2019 plan year from Lewis & Ellis. We calculate 2020 MVP split market risk scores by applying market specific assumptions from BCBSVT's previous 2021 Individual and Small Group Filing to the 2019 split market MVP risk scores. Calibrating these factors such that the weighted average of MVP's 2020 individual and small group markets yields the same risk score as the estimated final MVP merged market generates a split market starting point to which 2022 adjustments can be applied.

Statewide Small Group Premium Increases
The 2022 statewide small group premium blends BCBSVT's projected 2022 premium PMPM with MVP's projected 2022 premium PMPM. Hypothetical 2021 MVP rates as if the market were split were established utilizing information from their previous year's filing. We project MVP's rates to 2022 by applying the same 1.065 average rate increase factor as in the merged market.

The 2022 risk adjustment calculation starts with the estimated final 2020 risk adjustment and projects to 2022 based on projected membership changes, market specific premiums, PLRS adjustments due to model changes, and other factors impacting the transfer as described in Actuarial Memorandum section 3.7.1. We estimate that the final 2022 transfer will be $9,456,966 prior to the charges for the High Cost Risk Pool program.

The results can be found in Exhibit 4 – SMG.

The 2022 transfer amount PMPM is partially offset by the projected charges and payments for the High Cost Risk Pool (HCRP) program. The plan year 2019 High-Cost Risk Pool charge for the small group

market, was 0.37 percent of premium[2]. Due to trend leverage for a constant attachment point, the charge will increase over time as a percentage of total premium. To estimate the 2022 charge, we trend the charge using an 18.6 percent trend for three years for claims above $1 million[3]. We then divide by an estimated average nationwide premium increase of 7 percent annually for three years. This calculation yields an estimate of the 2022 charge of 0.504 percent of premium, or $3.03 PMPM.

3.7.2. Exchange User Fees

BCBSVT does not expect Vermont Health Connect to charge a user fee for 2022.

3.8. Plan Adjusted Index Rates

3.8.1. Plan Adjustment – Actuarial Value and Cost Sharing adjustment

Details of the actuarial values and cost sharing adjustment can be found in section 3.8.1 of the Actuarial Memorandum, Exhibit 6B – SMG and Exhibit 6C – SMG.

3.8.2. Silver Loading:

Not applicable.

3.8.3. Provider Network, Delivery System and Utilization Management adjustment:

Not applicable.

3.8.4. Adjustment for benefits in addition to the EHBs:

Details of the actuarial values and cost sharing adjustment can be found in section 3.8.4 of the Actuarial Memorandum and Exhibit 6A – SMG.

3.8.5. Impact of specific eligibility categories for the catastrophic plan

Not Applicable

3.8.6 Impact of Selection

Details of the actuarial values and cost sharing adjustment can be found in section 3.8.6 of the Actuarial Memorandum and Exhibit 6E – SMG.

[2] https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/RA-Report-BY2019.pdf
[3] This leveraged trend is based on factors in the Milliman Reinsurance Guidelines.

3.8.7. Adjustment for distribution of the administrative costs

3.8.7.1. Administrative Expense Load:

BCBSVT did not initially calculate the administrative expense load as a percent of premium adjustment. This adjustment is the sum of the following fees:

BCBSVT Base Administrative Charges

Details of the calculation of projected administrative charges can be found in section 3.8.7.1 of the Actuarial Memorandum.

Projected Administrative Charges Calculation		
Experience Base Administrative Charges PMPM	A	$36.43
Trend Projection	B	1.0221
Impact of Membership changes	C	1.0378
Projected Base Administrative Charges (Exhibit 7A)	D = A x B x C	$38.65

The projected base administrative charges PMPM of $38.65 is 6.4 percent of premium for the small group market.

VHC Billing

Not Applicable.

Debit and Credit Card Fees

Details of the calculation of the debit and credit card fees can be found in section 3.8.7.1 of the Actuarial Memorandum.

Projected Credit and Debit Cards Fees as a Percent of Premium					
	Projected Membership	**Expected percentage of debit/credit card payment**	**Member Responsibility Premium PMPM**	**Total Premium PMPM**	**Credit Card Fee PMPM**
	(A)	**(B)**	**(C)**	**(D)**	**(E) = 3.0% x (C)**
Small Group Members	18,755	7.5%	$651.62	$651.62	$1.47

The average fee of 3.0 percent applied to the member responsibility PMPM and multiplied by the projection of 7.5 percent paying by debit or credit card yields a premium load of 0.2250 percent ($1.47 / $651.62 = 0.002250).

Charges for Outside Vendors

Details of charges for outside vendors can be found in section 3.8.7.1 of the Actuarial Memorandum.

The total of all administrative charges outlined in this section is 6.74 percent of premium. The details of the administrative charges are on Exhibit 7A – SMG.

Reconciliation to the Supplemental Health Care Exhibit

Details of the reconciliation to the Supplemental Health Care Exhibit can be found in section 3.8.7.1 of the Actuarial Memorandum.

3.8.7.2. Profit (or Contribution to Reserves) & Risk Margin**:**

Contribution to Policyholder Reserves
As directed by BCBSVT management, the filed rates include a 1.5 percent contribution to reserves (CTR). A contribution to policyholder reserves is required in order to maintain an adequate level of surplus. Surplus, or policyholder reserves, is a critical consumer protection that is required by the Vermont Department of Financial Regulation. In the event of unforeseen adverse events that may otherwise impact BCBSVT's ability to pay claims, surplus allows subscribers to receive needed care and providers to continue to receive payments.

A memo from BCBSVT senior management regarding the requested level of CTR can be found as Attachment C.

Other Risk Margin

Not Applicable.

Details of Contribution to Reserve are on Exhibit 7B – SMG.

3.8.7.3. Taxes and Fees:

The proposed rates include on average 1.56 percent in taxes and fees. These taxes and fees are imposed by both the state and federal government.

Details of the Taxes and Fees can be found in section 3.8.7.3 of the Actuarial Memorandum.

Details of the Taxes and Fees by product are on Exhibit 7C – SMG.

3.8.8. Calibration

Age, Tobacco, and Geographic factors are not allowed in Vermont. Therefore, no calibration is required.

3.8.9. Projected Loss Ratio

The MLR calculation will be performed at the small group market level with a minimum requirement of 80 percent. We project that the overall Loss Ratio, using the federally prescribed MLR methodology for the combined market, will be 91.3 percent. See Exhibit 8 – SMG for details.

3.9. Consumer Adjusted Premium Rate Development

The description of the calculation of the contract conversion factor can be found in section 3.9 in the Actuarial Memorandum and on Exhibit 9A – SMG.

The Consumer Adjusted Premium Rates are shown on Exhibit 9B – SMG.

3.10. Small Group Plan Premium Rates

All Small Groups must renew on January 1, 2022 according to the combined market rules. BCBSVT will not file small group rates for Q2-Q4 2022.

4. ADDITIONAL INFORMATION

4.1. Terminated Products

BCBSVT terminated the Blue Rewards deductible plans and replaced them with the Vermont Preferred plans as of January 1, 2021. The table below includes the mapping to the new plans.

	Terminated Plans		New Plans	
Market	**2020 Name**	**2020 QHPID**	**2022 Name**	**2022 QHPID**
Small Group	Blue Rewards Gold	13627VT0360001	Vermont Preferred Gold	13627VT0360005
Small Group	Blue Rewards Silver	13627VT0360002	Vermont Preferred Silver	13627VT0360006
Small Group	Blue Rewards Silver - Reflective	13627VT0360004	Vermont Preferred Silver - Reflective	13627VT0360008
Small Group	Blue Rewards Bronze	13627VT0360003	Vermont Preferred Bronze	13627VT0360007

4.2. Plan Type

The plan type is EPO.

4.3. Act 193 Information

Details of the Act 193 information can be found in section 4.3 of the Actuarial Memorandum.

5. RELIANCE AND ACTUARIAL CERTIFICATION

5.1. Reliance

For the metallic AV values of the standard plans we relied upon the certification provided by Julie A. Peper, FSA, MAAA, Principal and Senior Consulting Actuary and Brittney Phillips, ASA, MAAA, Senior Consulting Actuary with Wakely Consulting. (Attachment A)

5.2. Actuarial Certification

The purpose of this rate filing is to provide the rates and a description of the rate development for the plans that Blue Cross and Blue Shield of Vermont (BCBSVT) is proposing to offer to the Vermont small group market in 2022. These calculations are not intended to be used for any other purpose. This addendum documents the methodology used to calculate the AV Metal Value for each Qualified Health plan and Reflective plan offered by BCBSVT in 2022, the appropriateness of the essential health benefit portion of premium upon which advanced payment of premium tax credits (APTCs) are based, that the Index Rate is developed in accordance with federal regulations, and that the Index Rate along with allowable modifiers are used in the development of plan specific premium rates.

I, Paul A. Schultz, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, meet the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work described herein.

In my opinion, the projected Index Rate is in compliance with all applicable State and Federal Statutes and Regulations (including 45 CFR 156.80 and 147.102), has been developed in compliance with the applicable Actuarial Standards of Practice, is reasonable in relation to the benefits provided and the population anticipated to be covered, and is neither excessive nor deficient. The calculations and results are appropriate for the purpose intended.

The Index Rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.

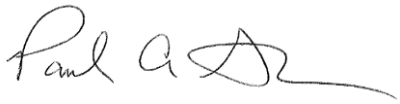
I have relied upon the certification of AV Metal Value provided by the State for Standard Plans, and attached hereto. Metal AVs for Non-Standard Plans were determined using the AV calculator, or in accordance with the requirements of 45 CFR 156.135(b)(3), as described in the attached actuarial certification.

Data used in this filing were reviewed for reasonableness, but no audit was performed.

The COVID-19 pandemic introduces uncertainty far greater than that present in a typical rate development. Scientific knowledge of the pathogen and its treatment continues to evolve. Furthermore, future governmental action in response to the pandemic will have a material impact on costs. As the

health care ecosystem continues to rapidly change, new developments may call into question the adequacy or excessiveness of the premium rates discussed herein.

The Part I Unified Rate Review Template does not demonstrate the process used by the issuer to develop the rates. Rather, it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans for federally facilitated exchanges, and for certification that the Index Rate is developed in accordance with Federal regulation, is used consistently, and is only adjusted by the allowable modifiers.



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Paul A. Schultz, F.S.A., M.A.A.A.
Chief Actuary
Blue Cross and Blue Shield of Vermont
May 7, 2021

5.3. Disclosures

Information Date: The analysis provided in the report is based on information as known on May 7, 2021.

Scope: The purpose of this addendum is to establish the premium rates for the Small Group Market products offered by Blue Cross and Blue Shield of Vermont for the 2022 plan year. This addendum is not intended to be used for other purposes.

Intended Users: This material has been prepared for the GMCB. BCBSVT understands that this memorandum and accompanying exhibits will be posted publicly.

Uncertainty or Risk: Future events may affect the results presented in the addendum.

Reliance on Other Sources for Data and Other Information: This analysis relies upon data from the BCBSVT data warehouse. I have reviewed the data for reasonableness, but no audit was performed. This analysis relies upon several sources of information that are cited as footnotes at their respective references. If any of the sources we have relied upon are incorrect or inaccurate, it may affect the accuracy of the results presented in the report.

Subsequent Events: New information related to the COVID-19 pandemic continues to emerge on a regular basis. Subsequent events may affect the projected MLR presented herein. The degree to which future events may materially change the MLR is unknown. Notably, the filing does not include an assumption for additional claims expense due to ongoing COVID-19 vaccination on an annual basis. It remains uncertain whether the vaccines will require annual administration.

As of May 7, 2021, Vermont remains in a state of emergency regarding the COVID-19 pandemic. Given BCBSVT's previously communicated position of paying for pandemic-related costs through policyholder reserves, we would not include vaccine costs in the rate development even if emerging evidence demonstrates that an annual booster will be required.

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

EXHIBIT 3J - SMG

TREND DEVELOPMENT
PROJECTION FACTOR FOR INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
From Exhibit 5	Total Experience Allowed Claims	a1	$104.96	$179.11	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.11
	Experience Period Allowed Claims for Non-EHB	a2	$0.00	$0.10	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.10
	Exclusion for High Claimant	a3	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Experience Period Allowed Claims for EHB	**A**	**$104.96**	**$179.00**	**$65.16**	**$127.73**	**$62.47**	**$72.19**	**$0.10**	**$1.39**	**$613.01**
	Index Rate Projection Factors - Morbidity and Others	b and c	1.068	1.068	1.068	1.068	1.007	1.007	1.007	1.285	
	Uncapped Adjusted Experience Period Allowed Claims for EHB		**$112.12**	**$191.22**	**$69.61**	**$136.44**	**$62.91**	**$72.70**	**$0.10**	**$1.79**	**$646.88**
	Selected Utilization Trend for Year 1		1.0150	1.0030	1.0668	1.0180	1.0300	1.170	1.000	1.0000	
	Selected Utilization Trend for Year 2		1.0150	1.0030	1.0668	1.0180	1.0300	1.170	1.000	1.000	
	Projected Period Allowed Claims - Utilization Only		$115.51	$192.37	$79.23	$141.40	$66.74	$99.51	$0.10	$1.79	$696.64
	Cost Trend for Year 1 - Including Rx Contract Change		1.0410	1.0590	1.0585	1.0353	0.998	1.005	1.000	1.0000	
	Cost Trend for Year 2 - Including Rx Contract Change		1.0359	1.0484	1.0479	1.0237	0.998	1.005	1.000	1.000	
	Projected Period Allowed Claims		$124.57	$213.58	$87.88	$149.85	$66.51	$100.54	$0.10	$1.79	$744.82
	Impact of FWA		0.9910	0.9910	0.9910	0.9910					
	Projected Period Allowed Claims		$123.45	$211.66	$87.09	$148.50	$66.51	$100.54	$0.10	$1.79	$739.65
	Index Rate - d2 - Utilization Trend		1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.0769
	Index Rate - d1 - Cost Trend (including FWA/Rx Contract)		1.0784	1.1103	1.1092	1.0598	0.9966	1.0103	1.0000	1.0000	1.0617
	Total Trend		1.0493	1.0521	1.1185	1.0433	1.0282	1.1760	1.0000	1.0000	1.0693

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 4 - SMG

RISK ADJUSTMENT CALCULATION

Table 1	Average Premium	
	Merged	
Scenario	**BCBSVT**	**MVP**
Estimated Premium PMPM 2021 if market was split	$606.23	$543.47
Adjust to billable member months	0.919	0.919
Premium adjustment factor	0.86	0.86
Projected 2022 Rate Increase	0.992	1.065
Projected Statewide Average Premium 2022	**$611.06**	

Table 2	Plan Liability Risk Score		
	Merged		
Scenario	BCBSVT	MVP	Ratio
Estimated Final 2020	**1.231**	**1.024**	**1.2024**
Impact of 2022 Model Coefficients	[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]	
Projected Final 2022	**1.290**	**1.105**	**1.1676**

Table 3	Other Risk Adjustment Factors*					
Factor -->	AV		IDF		ARF	
	Small Group					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated Final 2020	0.769	0.756	1.072	1.064	0.9769	0.9792
Projected Final 2022	0.762	0.759	1.068	1.066	0.9769	0.9793

Table 4	Risk Adjustment Transfer		
	Merged		Total
Estimated Final 2020 if the market was unmerged	-$11,136,213		-$11,136,213
Projected Final 2022	-$9,456,966		-$9,456,966

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$9,456,966
High Cost Risk Pool Recoveries	$0
Total Risk Adjustment Transfer	-$9,456,966
Member Months	225,060
Net Projected Risk Adjustment PMPM	-$42.02
Estimated Cost of High Risk Pool program	$3.03
Paid to Allowed Ratio (from Exh 6C)	76.71%

Market Wide Adjustment for the Risk Adjustment Program	**-$50.82**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 5 - SMG

INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
Experience	Total Experience Period Allowed Claims PMPM	a_1	$104.96	$179.11	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.11
	Experience Period Allowed Claims PMPM for Non-EHB	a_2	$0.00	$0.10	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.10
	Exclude High Cost Claimant	a_3	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Index Rate : Experience Period Allowed Claims for EHB	A	$104.96	$179.00	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.01
	Capping experience claims	a4	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993
	Capped Experience Period Allowed Claims for EHB	B = A x a_3	$104.89	$178.89	$65.12	$127.64	$62.43	$72.14	$0.10	$1.39	$612.61
Morbidity	Impact of Market Mix	$1+b_3$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Impact of the ACO Experience Settlement	$1+b_4$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Impact of Projected ACO Savings	$1+b_6$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in pool morbidity	$1+b_9$	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085
Other	Impact of different benefit plans (in experience vs projection)	$1+c_1$	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977
	Changes in provider networks	$1+c_2$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in demographics (age, gender, region, etc.)	$1+c_3$	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045
	Impact of leap year	$1+c_4$	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973
	Adjustment to Experience Period for one-time events	$1+c_5$	1.0608	1.0608	1.0608	1.0608	1.0000	1.0000	1.0000	1.2756	1.0479
	Adjusted Experience Period Allowed Claims for EHB	**C**	**$112.16**	**$191.28**	**$69.63**	**$136.49**	**$62.93**	**$72.72**	**$0.10**	**$1.79**	**$647.09**
Trend	Cost Trend	$1+d_1$	1.0784	1.1103	1.1092	1.0598	0.9966	1.0103	1.0000	1.0000	1.071
	Utilization Trend	$1+d_2$	1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.067
	Projected Period Allowed Claims for Experience EHB	**D**	**$123.49**	**$211.73**	**$87.12**	**$148.55**	**$66.53**	**$100.57**	**$0.10**	**$1.79**	**$739.88**
Non-System Claims	Projected Pharmacy Rebates	e_1									-$52.24
	Projected Blue Print Payments	e_2									$4.07
	Projected ITS Fees	e_3									$2.70
	Projected Vaccine Payments	e_4									$2.44
	Contractual Fees	e_5, e_7 and e_8									$2.37
	OneCare Care Coordination Fee	e_6									$1.56
	Projected Index Rate : Projected Period Expected Allowed Claims for EHB	**F = D + ∑ei**									**$700.78**
Market Wide Adjustments	Risk Adjustment Payments and Fees	g_1									-$50.82
	Transitional Reinsurance Payments and Recoveries	g_2									$0.00
	Vermont Exchange Fees	g_3									$0.00
	Market Adjusted Index Rate	**H = F + g_1 + g_2 + g_3**									**$649.96**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6A - SMG

PLAN LEVEL ADJUSTMENT SUMMARY

			Market Adjusted Index Rate	Benefit Richness Adjustment	Paid to Allowed Ratio	Plan Benefits in addition to EHB	For Catastrophic Only - Impact of Eligibility	Expected Claims Cost	Administrative Charges Plan Level Adjustment	Taxes and Fees Plan Level Adjustment	Contribution to Reserve Plan Level Adjustment	Plan Level Adjusted Index Rate	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$649.96	0.9908	82.84%	1.0002	1.0000	**$533.60**	1.0761	1.0162	1.0152	**$592.37**	599
	GOLD	Vermont Select	$649.96	1.0076	86.30%	1.0002	1.0000	**$565.29**	1.0721	1.0158	1.0152	**$625.04**	3,036
	SILVER	Vermont Preferred	$649.96	0.9514	73.03%	1.0003	1.0000	**$451.68**	1.0888	1.0172	1.0152	**$507.88**	0
	SILVER	Vermont Select	$649.96	0.9568	74.57%	1.0002	1.0000	**$463.85**	1.0866	1.0170	1.0152	**$520.38**	0
	BRONZE	Vermont Preferred	$649.96	0.9288	65.25%	1.0003	1.0000	**$394.06**	1.1016	1.0182	1.0152	**$448.72**	191
	BRONZE	Vermont Select	$649.96	0.9272	64.57%	1.0003	1.0000	**$389.22**	1.1031	1.0182	1.0152	**$443.86**	906
STANDARD PLANS	PLATINUM	Deductible	$649.96	1.0843	99.34%	1.0002	1.0000	**$700.27**	1.0583	1.0148	1.0152	**$763.49**	4,153
	GOLD	Deductible	$649.96	1.0157	87.87%	1.0002	1.0000	**$580.23**	1.0698	1.0157	1.0152	**$640.06**	2,506
	SILVER	Deductible	$649.96	0.9595	75.31%	1.0002	1.0000	**$469.79**	1.0855	1.0169	1.0152	**$526.49**	0
	SILVER	CDHP	$649.96	0.9698	77.98%	1.0002	1.0000	**$491.64**	1.0818	1.0167	1.0152	**$548.94**	0
	BRONZE	Deductible	$649.96	0.9270	64.47%	1.0003	1.0000	**$388.53**	1.1031	1.0183	1.0152	**$443.06**	803
	BRONZE	CDHP	$649.96	0.9309	66.10%	1.0003	1.0000	**$400.02**	1.1002	1.0180	1.0152	**$454.85**	815
	BRONZE	Integrated	$649.96	0.9290	65.32%	1.0003	1.0000	**$394.54**	1.1014	1.0181	1.0152	**$449.18**	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$649.96	0.9514	73.03%	1.0003	1.0000	**$451.68**	1.0895	1.0172	1.0152	**$508.16**	483
	SILVER	Vermont Select	$649.96	0.9564	74.46%	1.0002	1.0000	**$463.01**	1.0872	1.0170	1.0152	**$519.74**	769
	SILVER	Deductible	$649.96	0.9595	75.31%	1.0002	1.0000	**$469.78**	1.0857	1.0169	1.0152	**$526.58**	2,992
	SILVER	CDHP	$649.96	0.9698	77.98%	1.0002	1.0000	**$491.60**	1.0819	1.0166	1.0152	**$548.97**	1,340
		Total	$649.96					**$542.07**				**$600.94**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

PLAN LEVEL ADJUSTMENT
BENEFIT RICHNESS ADJUSTMENT FACTOR

			Base Paid to Allowed Ratio before Silver Load	Benefit Richness Adjustment for EHB	Normalized Benefit Richness Adjustment for EHB	For Catastrophic Only - Impact of Eligibility	Projected Period Paid Claims for Experience EHB	Benefit Richness Adjustment for EHB	Non-System Claims	Market Wide Adjustments	Total Paid Claims with Benefit Richness Adjustment	Overall Benefit Richness Adjustment	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	76.70%	1.0613	0.9920	1.000	$616.52	0.9920	-$39.10	-$38.99	$533.49	0.9908	599
	GOLD	Vermont Select	79.50%	1.0770	1.0067	1.000	$639.00	1.0067	-$39.10	-$38.99	$565.17	1.0076	3,036
	SILVER	Vermont Preferred	68.77%	1.0252	0.9583	1.000	$552.73	0.9583	-$39.10	-$38.99	$451.57	0.9514	0
	SILVER	Vermont Select	70.02%	1.0301	0.9628	1.000	$562.76	0.9628	-$39.10	-$38.99	$463.73	0.9568	0
	BRONZE	Vermont Preferred	62.48%	1.0056	0.9399	1.000	$502.21	0.9399	-$39.10	-$38.99	$393.94	0.9288	191
	BRONZE	Vermont Select	61.93%	1.0042	0.9386	1.000	$497.74	0.9386	-$39.10	-$38.99	$389.11	0.9272	906
STANDARD PLANS	PLATINUM	Deductible	90.05%	1.1504	1.0752	1.000	$723.78	1.0752	-$39.10	-$38.99	$700.15	1.0843	4,153
	GOLD	Deductible	80.77%	1.0847	1.0138	1.000	$649.22	1.0138	-$39.10	-$38.99	$580.12	1.0157	2,506
	SILVER	Deductible	70.62%	1.0325	0.9651	1.000	$567.59	0.9651	-$39.10	-$38.99	$469.67	0.9595	0
	SILVER	CDHP	72.77%	1.0419	0.9738	1.000	$584.93	0.9738	-$39.10	-$38.99	$491.52	0.9698	0
	BRONZE	Deductible	61.85%	1.0040	0.9384	1.000	$497.10	0.9384	-$39.10	-$38.99	$388.41	0.9270	803
	BRONZE	CDHP	63.16%	1.0073	0.9415	1.000	$507.68	0.9415	-$39.10	-$38.99	$399.91	0.9309	815
	BRONZE	Integrated	62.54%	1.0057	0.9400	1.000	$502.65	0.9400	-$39.10	-$38.99	$394.42	0.9290	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	68.77%	1.0252	0.9582	1.000	$552.72	0.9582	-$39.10	-$38.99	$451.56	0.9514	483
	SILVER	Vermont Select	69.93%	1.0297	0.9625	1.000	$562.08	0.9625	-$39.10	-$38.99	$462.89	0.9564	769
	SILVER	Deductible	70.61%	1.0325	0.9651	1.000	$567.58	0.9651	-$39.10	-$38.99	$469.66	0.9595	2,992
	SILVER	CDHP	72.77%	1.0418	0.9738	1.000	$584.90	0.9738	-$39.10	-$38.99	$491.49	0.9698	1,340
		Total		**1.0699**				**1.0000**				**0.9991**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6C - SMG

PLAN LEVEL ADJUSTMENT
PAID TO ALLOWED RATIOS

			Projected Period Allowed Claims for Experience EHB	Paid to Allowed Ratio for EHB Portion	Impact of silver loading	Impact of selection	Projected Period Paid Claims for Experience EHB	Non-System Claims	Market Wide Adjustments (Paid)	Market Wide Adjustments (Allowed)	Market Adjusted Index Rate	Total Paid Claims	Paid to Allowed Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$739.88	76.70%	100.00%	108.64%	$616.52	-$39.10	-$38.99	-$50.82	$649.96	$538.43	82.84%	599
	GOLD	Vermont Select	$739.88	79.50%	100.00%	108.64%	$639.00	-$39.10	-$38.99	-$50.82	$649.96	$560.91	86.30%	3,036
	SILVER	Vermont Preferred	$739.88	68.77%	100.00%	108.64%	$552.73	-$39.10	-$38.99	-$50.82	$649.96	$474.64	73.03%	0
	SILVER	Vermont Select	$739.88	70.02%	100.00%	108.64%	$562.76	-$39.10	-$38.99	-$50.82	$649.96	$484.68	74.57%	0
	BRONZE	Vermont Preferred	$739.88	62.48%	100.00%	108.64%	$502.21	-$39.10	-$38.99	-$50.82	$649.96	$424.13	65.25%	191
	BRONZE	Vermont Select	$739.88	61.93%	100.00%	108.64%	$497.74	-$39.10	-$38.99	-$50.82	$649.96	$419.66	64.57%	906
STANDARD PLANS	PLATINUM	Deductible	$739.88	90.05%	100.00%	108.64%	$723.78	-$39.10	-$38.99	-$50.82	$649.96	$645.70	99.34%	4,153
	GOLD	Deductible	$739.88	80.77%	100.00%	108.64%	$649.22	-$39.10	-$38.99	-$50.82	$649.96	$571.13	87.87%	2,506
	SILVER	Deductible	$739.88	70.62%	100.00%	108.64%	$567.59	-$39.10	-$38.99	-$50.82	$649.96	$489.51	75.31%	0
	SILVER	CDHP	$739.88	72.77%	100.00%	108.64%	$584.93	-$39.10	-$38.99	-$50.82	$649.96	$506.84	77.98%	0
	BRONZE	Deductible	$739.88	61.85%	100.00%	108.64%	$497.10	-$39.10	-$38.99	-$50.82	$649.96	$419.01	64.47%	803
	BRONZE	CDHP	$739.88	63.16%	100.00%	108.64%	$507.68	-$39.10	-$38.99	-$50.82	$649.96	$429.59	66.10%	815
	BRONZE	Integrated	$739.88	62.54%	100.00%	108.64%	$502.65	-$39.10	-$38.99	-$50.82	$649.96	$424.57	65.32%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$739.88	68.77%	100.00%	108.64%	$552.72	-$39.10	-$38.99	-$50.82	$649.96	$474.64	73.03%	483
	SILVER	Vermont Select	$739.88	69.93%	100.00%	108.64%	$562.08	-$39.10	-$38.99	-$50.82	$649.96	$483.99	74.46%	769
	SILVER	Deductible	$739.88	70.61%	100.00%	108.64%	$567.58	-$39.10	-$38.99	-$50.82	$649.96	$489.50	75.31%	2,992
	SILVER	CDHP	$739.88	72.77%	100.00%	108.64%	$584.90	-$39.10	-$38.99	-$50.82	$649.96	$506.81	77.98%	1,340
		Total	**$739.88**	**76.71%**	**100.00%**	**108.64%**	**$616.61**	**-$39.10**	**-$38.99**	**-$50.82**	**$649.96**	**$538.52**	**82.85%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

IMPACT OF SELECTION

	Small Group Market		Projected Paid Claims - Using HHS Induced Utilization Factor					Projected Paid Claims - Using BCBSVT Induced Utilization Factor				
			Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from Standard Population	For Catastrophic Plan only - Impact of the specific eligibility	Projected Paid Claims	Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from BCBSVT Population	Projected Paid Claims	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$739.88	0.9920	76.70%	1.0000	$562.96	$739.88	1.0096	84.70%	$632.72	599
	GOLD	Vermont Select	$739.88	1.0067	79.50%	1.0000	$592.12	$739.88	1.2483	87.64%	$809.46	3,036
	SILVER	Vermont Preferred	$739.88	0.9583	68.77%	1.0000	$487.55	$739.88	1.0232	77.69%	$588.16	0
	SILVER	Vermont Select	$739.88	0.9628	70.02%	1.0000	$498.75	$739.88	1.0232	76.67%	$580.42	0
	BRONZE	Vermont Preferred	$739.88	0.9399	62.48%	1.0000	$434.50	$739.88	0.6927	70.06%	$359.06	191
	BRONZE	Vermont Select	$739.88	0.9386	61.93%	1.0000	$430.05	$739.88	0.6927	68.72%	$352.22	906
STANDARD PLANS	PLATINUM	Deductible	$739.88	1.0752	90.05%	1.0000	$716.37	$739.88	1.2972	94.11%	$903.23	4,153
	GOLD	Deductible	$739.88	1.0138	80.77%	1.0000	$605.88	$739.88	1.0096	84.68%	$632.55	2,506
	SILVER	Deductible	$739.88	0.9651	70.62%	1.0000	$504.21	$739.88	1.0232	76.90%	$582.18	0
	SILVER	CDHP	$739.88	0.9738	72.77%	1.0000	$524.33	$739.88	1.0232	78.83%	$596.79	0
	BRONZE	Deductible	$739.88	0.9384	61.85%	1.0000	$429.41	$739.88	0.6927	68.56%	$351.38	803
	BRONZE	CDHP	$739.88	0.9415	63.16%	1.0000	$440.00	$739.88	0.6927	69.61%	$356.79	815
	BRONZE	Integrated	$739.88	0.9400	62.54%	1.0000	$434.94	$739.88	0.6927	70.36%	$360.62	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$739.88	0.9582	68.77%	1.0000	$487.54	$739.88	0.7969	73.99%	$436.27	483
	SILVER	Vermont Select	$739.88	0.9625	69.93%	1.0000	$497.97	$739.88	0.7969	72.38%	$426.78	769
	SILVER	Deductible	$739.88	0.9651	70.61%	1.0000	$504.21	$739.88	0.7969	73.68%	$434.45	2,992
	SILVER	CDHP	$739.88	0.9738	72.77%	1.0000	$524.29	$739.88	0.7969	75.71%	$446.40	1,340
		Total					**$570.75**				**$620.04**	**18,755**

Impact of Selection = $620.04 / $570.75 = **1.0864**

BLUE CROSS AND BLUE SHIELD OF VERMONT

Exhibit 7A - SMG

2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

DETAILS OF ADMINISTRATIVE CHARGES

			BCBSVT Base Administrative Charges	Administrative Charges for Outside Vendors	VHC Billing	Credit Card Fees	Total Administrative Charges PMPM	Administrative Charges Plan Level Adjustment	Administrative Charges as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$38.65	$0.63	$0.00	$1.33	$40.61	1.0761	6.86%	599
	GOLD	Vermont Select	$38.65	$0.73	$0.00	$1.41	$40.78	1.0721	6.52%	3,036
	SILVER	Vermont Preferred	$38.65	$0.33	$0.00	$1.14	$40.12	1.0888	7.90%	0
	SILVER	Vermont Select	$38.65	$0.33	$0.00	$1.17	$40.15	1.0866	7.72%	0
	BRONZE	Vermont Preferred	$38.65	$0.39	$0.00	$1.01	$40.05	1.1016	8.93%	191
	BRONZE	Vermont Select	$38.65	$0.50	$0.00	$1.00	$40.14	1.1031	9.04%	906
STANDARD PLANS	PLATINUM	Deductible	$38.65	$0.47	$0.00	$1.72	$40.83	1.0583	5.35%	4,153
	GOLD	Deductible	$38.65	$0.40	$0.00	$1.44	$40.49	1.0698	6.33%	2,506
	SILVER	Deductible	$38.65	$0.33	$0.00	$1.18	$40.16	1.0855	7.63%	0
	SILVER	CDHP	$38.65	$0.33	$0.00	$1.24	$40.21	1.0818	7.33%	0
	BRONZE	Deductible	$38.65	$0.42	$0.00	$1.00	$40.06	1.1031	9.04%	803
	BRONZE	CDHP	$38.65	$0.40	$0.00	$1.02	$40.07	1.1002	8.81%	815
	BRONZE	Integrated	$38.65	$0.37	$0.00	$1.01	$40.03	1.1014	8.91%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$38.65	$0.62	$0.00	$1.14	$40.40	1.0895	7.95%	483
	SILVER	Vermont Select	$38.65	$0.56	$0.00	$1.17	$40.37	1.0872	7.77%	769
	SILVER	Deductible	$38.65	$0.43	$0.00	$1.18	$40.26	1.0857	7.65%	2,992
	SILVER	CDHP	$38.65	$0.40	$0.00	$1.24	$40.28	1.0819	7.34%	1,340
		Total	**$38.65**	**$0.50**	**$0.00**	**$1.35**	**$40.50**	**1.0747**	**6.74%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT

Exhibit 7B - SMG

2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

DETAILS OF CONTRIBUTION TO RESERVE

			BCBSVT Contribution to Reserve	Risk Margin for Bad Debt	Total Contribution to Reserve PMPM	Contribution to Reserve and Risk Margin Plan Level Adjustment	Contribution to Reserve as a percent of Premium	Risk Margin Bad Debt as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$8.89	$0.00	$8.89	1.0152	1.50%	0.00%	599
	GOLD	Vermont Select	$9.38	$0.00	$9.38	1.0152	1.50%	0.00%	3,036
	SILVER	Vermont Preferred	$7.62	$0.00	$7.62	1.0152	1.50%	0.00%	0
	SILVER	Vermont Select	$7.81	$0.00	$7.81	1.0152	1.50%	0.00%	0
	BRONZE	Vermont Preferred	$6.73	$0.00	$6.73	1.0152	1.50%	0.00%	191
	BRONZE	Vermont Select	$6.66	$0.00	$6.66	1.0152	1.50%	0.00%	906
STANDARD PLANS	PLATINUM	Deductible	$11.45	$0.00	$11.45	1.0152	1.50%	0.00%	4,153
	GOLD	Deductible	$9.60	$0.00	$9.60	1.0152	1.50%	0.00%	2,506
	SILVER	Deductible	$7.90	$0.00	$7.90	1.0152	1.50%	0.00%	0
	SILVER	CDHP	$8.23	$0.00	$8.23	1.0152	1.50%	0.00%	0
	BRONZE	Deductible	$6.65	$0.00	$6.65	1.0152	1.50%	0.00%	803
	BRONZE	CDHP	$6.82	$0.00	$6.82	1.0152	1.50%	0.00%	815
	BRONZE	Integrated	$6.74	$0.00	$6.74	1.0152	1.50%	0.00%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$7.62	$0.00	$7.62	1.0152	1.50%	0.00%	483
	SILVER	Vermont Select	$7.80	$0.00	$7.80	1.0152	1.50%	0.00%	769
	SILVER	Deductible	$7.90	$0.00	$7.90	1.0152	1.50%	0.00%	2,992
	SILVER	CDHP	$8.23	$0.00	$8.23	1.0152	1.50%	0.00%	1,340
		Total	**$9.01**	**$0.00**	**$9.01**	**1.0152**	**1.50%**	**0.00%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 7C - SMG

DETAILS OF TAXES AND FEES

			0.800%	0.199%								
			State Assessment - HCCA	State Tax - VITL	GMCB Billbacks	Federal Assessment - PCORI	Federal Insurer Fee	Risk Adjustment User Fee	Total Taxes and Fees PMPM	Taxes and Fees Plan Level Adjustment	Taxes and Fees as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$4.91	$1.22	$2.65	$0.24	$0.00	$0.25	$9.27	1.0162	1.57%	599
	GOLD	Vermont Select	$5.17	$1.29	$2.65	$0.24	$0.00	$0.25	$9.59	1.0158	1.53%	3,036
	SILVER	Vermont Preferred	$4.26	$1.06	$2.65	$0.24	$0.00	$0.25	$8.46	1.0172	1.67%	0
	SILVER	Vermont Select	$4.36	$1.08	$2.65	$0.24	$0.00	$0.25	$8.58	1.0170	1.65%	0
	BRONZE	Vermont Preferred	$3.80	$0.94	$2.65	$0.24	$0.00	$0.25	$7.88	1.0182	1.76%	191
	BRONZE	Vermont Select	$3.76	$0.94	$2.65	$0.24	$0.00	$0.25	$7.83	1.0182	1.76%	906
STANDARD PLANS	PLATINUM	Deductible	$6.25	$1.55	$2.65	$0.24	$0.00	$0.25	$10.94	1.0148	1.43%	4,153
	GOLD	Deductible	$5.29	$1.32	$2.65	$0.24	$0.00	$0.25	$9.74	1.0157	1.52%	2,506
	SILVER	Deductible	$4.40	$1.10	$2.65	$0.24	$0.00	$0.25	$8.64	1.0169	1.64%	0
	SILVER	CDHP	$4.58	$1.14	$2.65	$0.24	$0.00	$0.25	$8.86	1.0167	1.61%	0
	BRONZE	Deductible	$3.75	$0.93	$2.65	$0.24	$0.00	$0.25	$7.83	1.0183	1.77%	803
	BRONZE	CDHP	$3.85	$0.96	$2.65	$0.24	$0.00	$0.25	$7.94	1.0180	1.75%	815
	BRONZE	Integrated	$3.80	$0.95	$2.65	$0.24	$0.00	$0.25	$7.89	1.0181	1.76%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$4.26	$1.06	$2.65	$0.24	$0.00	$0.25	$8.46	1.0172	1.66%	483
	SILVER	Vermont Select	$4.35	$1.08	$2.65	$0.24	$0.00	$0.25	$8.57	1.0170	1.65%	769
	SILVER	Deductible	$4.40	$1.10	$2.65	$0.24	$0.00	$0.25	$8.64	1.0169	1.64%	2,992
	SILVER	CDHP	$4.58	$1.14	$2.65	$0.24	$0.00	$0.25	$8.86	1.0166	1.61%	1,340
		Total	**$4.98**	**$1.24**	**$2.65**	**$0.24**	**$0.00**	**$0.25**	**$9.36**	**1.0161**	**1.56%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 8 - SMG

FEDERAL MINIMUM LOSS RATIO for SMALL GROUP MARKET
(PROJECTION)

			Expected Direct Claims PMPM	Risk Adjustment Transfer Payments PMPM	Adjustments for Health Care Quality PMPM*	MLR Claims	Premium PMPM	Taxes & Fees PMPM	MLR Premium	Expected Loss Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$573.58	-$38.99	$1.62	$536.21	$592.37	-$4.36	$588.01	91.2%	599
	GOLD	Vermont Select	$605.52	-$38.99	$1.63	$568.15	$625.04	-$4.42	$620.61	91.5%	3,036
	SILVER	Vermont Preferred	$491.00	-$38.99	$1.61	$453.62	$507.88	-$4.20	$503.68	90.1%	0
	SILVER	Vermont Select	$503.26	-$38.99	$1.61	$465.88	$520.38	-$4.22	$516.16	90.3%	0
	BRONZE	Vermont Preferred	$432.91	-$38.99	$1.61	$395.54	$448.72	-$4.08	$444.63	89.0%	191
	BRONZE	Vermont Select	$428.04	-$38.99	$1.62	$390.67	$443.86	-$4.07	$439.78	88.8%	906
STANDARD PLANS	PLATINUM	Deductible	$741.58	-$38.99	$1.62	$704.20	$763.49	-$4.69	$758.80	92.8%	4,153
	GOLD	Deductible	$620.58	-$38.99	$1.61	$583.20	$640.06	-$4.45	$635.61	91.8%	2,506
	SILVER	Deductible	$509.25	-$38.99	$1.61	$471.87	$526.49	-$4.23	$522.25	90.4%	0
	SILVER	CDHP	$531.28	-$38.99	$1.61	$493.90	$548.94	-$4.28	$544.66	90.7%	0
	BRONZE	Deductible	$427.34	-$38.99	$1.61	$389.97	$443.06	-$4.07	$438.98	88.8%	803
	BRONZE	CDHP	$438.93	-$38.99	$1.61	$401.55	$454.85	-$4.09	$450.76	89.1%	815
	BRONZE	Integrated	$433.40	-$38.99	$1.61	$396.02	$449.18	-$4.08	$445.10	89.0%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$491.00	-$38.99	$1.62	$453.63	$508.16	-$4.20	$503.96	90.0%	483
	SILVER	Vermont Select	$502.42	-$38.99	$1.62	$465.05	$519.74	-$4.22	$515.52	90.2%	769
	SILVER	Deductible	$509.24	-$38.99	$1.61	$471.87	$526.58	-$4.23	$522.34	90.3%	2,992
	SILVER	CDHP	$531.24	-$38.99	$1.61	$493.86	$548.97	-$4.28	$544.70	90.7%	1,340
		Total	**$582.11**	**-$38.99**	**$1.62**	**$544.74**	**$600.94**	**-$4.38**	**$596.56**	**91.3%**	**18,755**

*Approximately 4.13% of current BCBSVT Administrative Charges are for health care quality plus

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

CONTRACT CONVERSION FACTOR

								Preliminary Rates				Projected Contracts			
			Projected Membership	**Plan Level Adjusted Index Rate**	Average Members per Subcribers	Average Tier Factor	Ratio of Members per Subcribers to Tier Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	599	$592.37	1.7396	1.5214	1.1435	$677.38	$1,354.76	$1,307.34	$1,903.44	234	40	14	65
	GOLD	Vermont Select	3,036	$625.04	1.7396	1.5214	1.1435	$714.73	$1,429.46	$1,379.43	$2,008.39	715	305	96	369
	SILVER	Vermont Preferred	0	$507.88	1.7396	1.5214	1.1435	$580.76	$1,161.52	$1,120.87	$1,631.94	0	0	0	0
	SILVER	Vermont Select	0	$520.38	1.7396	1.5214	1.1435	$595.06	$1,190.12	$1,148.47	$1,672.12	0	0	0	0
	BRONZE	Vermont Preferred	191	$448.72	1.7396	1.5214	1.1435	$513.11	$1,026.22	$990.30	$1,441.84	91	16	6	14
	BRONZE	Vermont Select	906	$443.86	1.7396	1.5214	1.1435	$507.55	$1,015.10	$979.57	$1,426.22	346	76	23	90
STANDARD PLANS	PLATINUM	Deductible	4,153	$763.49	1.7396	1.5214	1.1435	$873.06	$1,746.12	$1,685.01	$2,453.30	1,295	417	142	428
	GOLD	Deductible	2,506	$640.06	1.7396	1.5214	1.1435	$731.91	$1,463.82	$1,412.59	$2,056.67	1,006	226	71	223
	SILVER	Deductible	0	$526.49	1.7396	1.5214	1.1435	$602.04	$1,204.08	$1,161.94	$1,691.73	0	0	0	0
	SILVER	CDHP	0	$548.94	1.7396	1.5214	1.1435	$627.71	$1,255.42	$1,211.48	$1,763.87	0	0	0	0
	BRONZE	Deductible	803	$443.06	1.7396	1.5214	1.1435	$506.64	$1,013.28	$977.82	$1,423.66	343	66	23	71
	BRONZE	CDHP	815	$454.85	1.7396	1.5214	1.1435	$520.12	$1,040.24	$1,003.83	$1,461.54	265	80	18	91
	BRONZE	Integrated	162	$449.18	1.7396	1.5214	1.1435	$513.64	$1,027.28	$991.33	$1,443.33	70	8	2	19
REFLECTIVE PLANS	SILVER	Vermont Preferred	483	$508.16	1.7396	1.5214	1.1435	$581.08	$1,162.16	$1,121.48	$1,632.83	231	42	11	34
	SILVER	Vermont Select	769	$519.74	1.7396	1.5214	1.1435	$594.33	$1,188.66	$1,147.06	$1,670.07	214	77	17	90
	SILVER	Deductible	2,992	$526.58	1.7396	1.5214	1.1435	$602.14	$1,204.28	$1,162.13	$1,692.01	1,340	286	69	233
	SILVER	CDHP	1,340	$548.97	1.7396	1.5214	1.1435	$627.75	$1,255.50	$1,211.56	$1,763.98	484	117	34	138
		Total	18,755	$600.94							$599.98				

Additional Factor for Contract Conversion Factor	100.16%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

CONSUMER ADJUSTED PREMIUM RATES

					2022 Proposed Rates				2021 Approved Rates				2022 Proposed Rate Increases			
			Plan Level Adjusted Index Rate	PMPM to Single Contract Conversion Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	$592.37	1.1453	$678.44	$1,356.88	$1,309.39	$1,906.42	$731.76	$1,463.52	$1,412.30	$2,056.25	-7.3%	-7.3%	-7.3%	-7.3%
	GOLD	Vermont Select	$625.04	1.1453	$715.86	$1,431.72	$1,381.61	$2,011.57	$770.70	$1,541.40	$1,487.45	$2,165.67	-7.1%	-7.1%	-7.1%	-7.1%
	SILVER	Vermont Preferred	$507.88	1.1453	$581.67	$1,163.34	$1,122.62	$1,634.49	$725.41	$1,450.82	$1,400.04	$2,038.40	-19.8%	-19.8%	-19.8%	-19.8%
	SILVER	Vermont Select	$520.38	1.1453	$595.99	$1,191.98	$1,150.26	$1,674.73	$730.67	$1,461.34	$1,410.19	$2,053.18	-18.4%	-18.4%	-18.4%	-18.4%
	BRONZE	Vermont Preferred	$448.72	1.1453	$513.91	$1,027.82	$991.85	$1,444.09	$562.56	$1,125.12	$1,085.74	$1,580.79	-8.6%	-8.6%	-8.6%	-8.6%
	BRONZE	Vermont Select	$443.86	1.1453	$508.35	$1,016.70	$981.12	$1,428.46	$557.06	$1,114.12	$1,075.13	$1,565.34	-8.7%	-8.7%	-8.7%	-8.7%
STANDARD PLANS	PLATINUM	Deductible	$763.49	1.1453	$874.43	$1,748.86	$1,687.65	$2,457.15	$939.97	$1,879.94	$1,814.14	$2,641.32	-7.0%	-7.0%	-7.0%	-7.0%
	GOLD	Deductible	$640.06	1.1453	$733.06	$1,466.12	$1,414.81	$2,059.90	$796.44	$1,592.88	$1,537.13	$2,238.00	-8.0%	-8.0%	-8.0%	-8.0%
	SILVER	Deductible	$526.49	1.1453	$602.98	$1,205.96	$1,163.75	$1,694.37	$742.80	$1,485.60	$1,433.60	$2,087.27	-18.8%	-18.8%	-18.8%	-18.8%
	SILVER	CDHP	$548.94	1.1453	$628.70	$1,257.40	$1,213.39	$1,766.65	$756.05	$1,512.10	$1,459.18	$2,124.50	-16.8%	-16.8%	-16.8%	-16.8%
	BRONZE	Deductible	$443.06	1.1453	$507.43	$1,014.86	$979.34	$1,425.88	$560.45	$1,120.90	$1,081.67	$1,574.86	-9.5%	-9.5%	-9.5%	-9.5%
	BRONZE	CDHP	$454.85	1.1453	$520.94	$1,041.88	$1,005.41	$1,463.84	$573.62	$1,147.24	$1,107.09	$1,611.87	-9.2%	-9.2%	-9.2%	-9.2%
	BRONZE	Integrated	$449.18	1.1453	$514.45	$1,028.90	$992.89	$1,445.60	$568.00	$1,136.00	$1,096.24	$1,596.08	-9.4%	-9.4%	-9.4%	-9.4%
REFLECTIVE PLANS	SILVER	Vermont Preferred	$508.16	1.1453	$582.00	$1,164.00	$1,123.26	$1,635.42	$632.21	$1,264.42	$1,220.17	$1,776.51	-7.9%	-7.9%	-7.9%	-7.9%
	SILVER	Vermont Select	$519.74	1.1453	$595.26	$1,190.52	$1,148.85	$1,672.68	$649.74	$1,299.48	$1,254.00	$1,825.77	-8.4%	-8.4%	-8.4%	-8.4%
	SILVER	Deductible	$526.58	1.1453	$603.09	$1,206.18	$1,163.96	$1,694.68	$659.14	$1,318.28	$1,272.14	$1,852.18	-8.5%	-8.5%	-8.5%	-8.5%
	SILVER	CDHP	$548.97	1.1453	$628.74	$1,257.48	$1,213.47	$1,766.76	$686.16	$1,372.32	$1,324.29	$1,928.11	-8.4%	-8.4%	-8.4%	-8.4%
		Total						**$135,244,067**				**$146,659,671**				**-7.78%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

CONSUMER ADJUSTED PREMIUM RATES

			Inforce Contracts				Projected Contracts			
			Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	234	40	14	65	234	40	14	65
	GOLD	Vermont Select	715	305	96	369	715	305	96	369
	SILVER	Vermont Preferred	0	0	0	0	0	0	0	0
	SILVER	Vermont Select	0	0	0	0	0	0	0	0
	BRONZE	Vermont Preferred	91	16	6	14	91	16	6	14
	BRONZE	Vermont Select	346	76	23	90	346	76	23	90
STANDARD PLANS	PLATINUM	Deductible	1,319	420	142	428	1,295	417	142	428
	GOLD	Deductible	1,006	226	71	223	1,006	226	71	223
	SILVER	Deductible	0	0	0	0	0	0	0	0
	SILVER	CDHP	0	0	0	0	0	0	0	0
	BRONZE	Deductible	343	66	23	71	343	66	23	71
	BRONZE	CDHP	265	80	18	91	265	80	18	91
	BRONZE	Integrated	70	8	2	19	70	8	2	19
REFLECTIVE PLANS	SILVER	Vermont Preferred	231	42	11	34	231	42	11	34
	SILVER	Vermont Select	214	77	17	90	214	77	17	90
	SILVER	Deductible	1,340	286	69	233	1,340	286	69	233
	SILVER	CDHP	484	117	34	138	484	117	34	138
		Total				**10,808**				**10,781**

BlueCross BlueShield of Vermont
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June 1, 2021

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 05/24/2021 Questions re:
Blue Cross and Blue Shield of Vermont
2022 Vermont ACA Market - Individual and Small Group Rate Filings
(SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

Dear Mr. Ruggeberg:

In response to your requests dated May 24, 2021, here are *your questions* and our answers:

1. *In the Individual filing, Exhibit 9A, the Average members per Subscriber is shown as 1.5046. However, that exhibits shows a total of 15,878 members and 10,648 subscribers, for a ratio of 1.4912. Similarly, we cannot replicate the average tier factor. The impact appears to be that the Single Conversion Factor appears to be overstated by approximately 0.15%. Please confirm.*

   The average member per subscriber on Exhibit 9A – IND is correct. We calculate a contract conversion factor specific to the Catastrophic plan, which is why the factor used for all other plans is different from the total average member to subscriber ratio.

Plan	Members	Subscribers	Ratio on Exhibit 9A - IND
Catastrophic	325	311	1.045
All Other Plans	15,553	10,337	1.505
Total	**15,878**	**10,648**	

2. *The memorandum states that the total allowed pharmacy trend in Exhibit 3I is 8.4%. However, Exhibit 3I seems to show this value as 11.1% (including contract changes). Please reconcile this apparent discrepancy.*

   The "8.4" is a typo. The correct value is 11.1 percent as shown in Exhibit 3I.

3. *Reconcile the base period claims, trend factors, and "Other" factors between Exhibit 5 and the URRT.*

   Please see tabs "URRT-IND" and "URRT-SMG" in attached *Responses to BCBSVT 2022 ACA Filings Inquiry 2.xlsx*.

4. *Wakely recently released a small change to the Standard Bronze CDHP plan. Please provide a revised copy of Exhibit 9B reflecting the anticipated premiums including this change to benefits.*

   Please see tabs "9B-IND" and "9B-SMG" in attached *Responses to BCBSVT 2022 ACA Filings Inquiry 2.xlsx*.

5. *Provide actual-to-expected Rx trend results from 2016-2020.*

   To ensure that the actual experience is normalized for population changes, we calculate the actual trend using the matched population (described in section 3.4.7.1 of the Actuarial Memorandum). Note that the original matched population did not include 2016. We created a new matched population to calculate the 2016 to 2018 results.

   Because the weights of specialty and non-specialty prescriptions are markedly different in the matched population than in the overall population, we calculate separately specialty and non-specialty trends. We calculate an overall trend using specialty and non-specialty weights taken from the base experience underlying the relevant filing.

   The table below shows the two-year actual trends and the filing allowed PMPM trends after adjustment for contract changes.

Years	Filing Year for Comparison	Filing Trend	Actual Trend
2016 to 2018	CY 2018	7.9%	5.7%
2017 to 2019	CY 2019	9.8%	10.3%
2018 to 2020	CY 2020	12.0%	11.1%
2019 to 2021	CY 2021	13.4%	
2020 to 2022	CY 2022	11.1%	

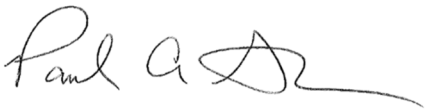
   We have made many refinements to the trend methodology over the last five filings to address differences between observed and expected trends. In this year's filing, for instance, we added an adjustment to new generics to better account for the expected changes in the applicable discounts. We will continue to monitor and enhance our trend methodology as emerging experience dictates.

6. *How has COVID-19 affected non-benefit costs (expenses such as overhead, travel, claims adjudication, profit, etc.)*

   In 2020, BCBSVT incurred $249,836 in direct general administrative expenses related to COVID-19. We also did not terminate coverage due to non-payment of premium. Uncollectable premiums in 2020 reduced the premium volume by $837,781.

   Year to date through April 30, 2021, BCBSVT has incurred $15,998 in direct general administrative expenses related to COVID-19. Premium volume was reduced by $108,318 due to uncollectable premiums.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.
Sincerely,



_____
Paul Schultz, F.S.A., M.A.A.A.
Chief Actuary

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

Reconciliation of URRT to Exhibit 5 - Individual Filing

RECONCILIATION OF BASE CLAIMS

Benefit Category	Experience Period Index Rate PMPM - URRT	Remove Blue Card Fees	Remove Pharmacy Rebates	Remove Payment to Blueprint Program	Replace Capitation with FFS equivalent	Non-EHB	Line a1 of Exhibit 5
Inpatient Hospital	$102.96	-$0.21	$0.00	$0.00	$0.00	$0.00	$102.75
Outpatient Hospital	$291.62	-$0.35	$0.00	$0.00	$0.00	$0.02	$291.29
Professional	$81.66	-$0.59	$0.00	$0.00	$0.00	$0.00	$81.06
Other Medical - Medical	$66.77	-$0.45	$0.00	$0.00	$0.00	$0.00	$66.32
Other Medical - Vision	$0.06	$0.00	$0.00	$0.00	$0.00	$0.00	$0.06
Other Medical - Dental	$1.27	$0.00	$0.00	$0.00	$0.00	$0.00	$1.27
Capitation	$5.48	$0.00	$0.00	-$3.44	$0.02	$0.00	$2.05
Prescription Drug	$169.62	$0.00	$21.36	$0.00	$0.00	$0.00	$190.99
Total	**$719.44**	**-$1.60**	**$21.36**	**-$3.44**	**$0.02**	**$0.02**	**$735.79**

RERCONCILIATION OF TREND COMPONENTS

	From Exhibit 3J				Rounded to 3rd Decimal
	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
Benefit Category	Cost	Utilization	Cost	Utilization	
Inpatient Hospital	1.036	1.015	1.031	1.015	$113.30
Outpatient Hospital	1.054	1.020	1.044	1.021	$334.18
Professional	1.031	1.018	1.019	1.018	$88.91
Other Medical - Medical	1.031	1.018	1.019	1.018	$72.55
Other Medical - Vision	1.000	1.000	1.000	1.000	$0.07
Other Medical - Dental	1.000	1.000	1.000	1.000	$1.38
Capitation	1.031	1.018	1.019	1.018	$5.97
Prescription Drug	1.028	1.103	1.028	1.107	$218.87
					$835.22
Other Medical - Total	**1.030**	**1.018**	**1.019**	**1.017**	

RERCONCILIATION OF PROJECTED INDEX RATE

	Exhibit 5	URRT - Unrounded	URRT - Rounded	
Experience Allowed Claims (Line a1)	$735.79	$719.44	$719.44	
Exclude High Claim and Non-EHB *	0.9860	1.0084	0.9800	*Other*
Capped Experience Period Allowed Claims for EHB (Line A)	$725.46			
Impact of Leap Year	0.9973	0.9973		
Adjustment to Experience Period for One-Time Events	1.0460	1.0460		
Non-System Claims = $823.19 / $873.18 = Line F / Line D	0.9427	0.9427		
Changes in Pool Morbidity	1.0142	1.0142	1.0140	*Morbidity Adjustment*
Changes in demographics (age, gender, region, etc.)	0.9941	0.9941	0.9940	*Demographic Shift*
Impact of different benefit plans (in experience vs projection)	0.9977	0.9977	0.9980	*Plan Design Changes*
Trend	1.1469	1.1609	1.1609	*Trend*
Adjustment to Trend for URRT Weights vs Filing Weights	1.0000	0.9879		*Other*
Projected Index Rate - Line F	**$823.19**	**$823.19**	**$823.35**	

* URRT Factor is to adjust between URRT allowed claims and Line A - See section 3.3 of the Addendum

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

Reconciliation of URRT to Exhibit 5 - Small Group Filing

RECONCILIATION OF BASE CLAIMS

Benefit Category	Experience Period Index Rate PMPM - URRT	Remove Blue Card Fees	Remove Pharmacy Rebates	Remove Payment to Blueprint Program	Replace Capitation with FFS equivalent	Non-EHB	Line a1 of Exhibit 5
Inpatient Hospital	$105.48	-$0.53	$0.00	$0.00	$0.00	$0.00	$104.96
Outpatient Hospital	$234.33	-$1.01	$0.00	$0.00	$0.00	$0.10	$233.42
Professional	$73.19	-$0.66	$0.00	$0.00	$0.00	$0.00	$72.52
Other Medical Medical	$61.97	-$0.41	$0.00	$0.00	$0.00	$0.00	$61.57
Vision	$0.10	$0.00	$0.00	$0.00	$0.00	$0.00	$0.10
Dental	$1.39	$0.00	$0.00	$0.00	$0.00	$0.00	$1.39
Capitation	$9.54	$0.00	$0.00	-$4.07	-$0.98	$0.00	$4.48
Prescription Drug	$116.10	$0.00	$18.56	$0.00	$0.00	$0.00	$134.66
Total	**$602.11**	**-$2.61**	**$18.56**	**-$4.07**	**-$0.98**	**$0.10**	**$613.11**

RERCONCILIATION OF TREND COMPONENTS

	From Exhibit 3J				Rounded to 3rd Decimal
	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
Benefit Category	Cost	Utilization	Cost	Utilization	
Inpatient Hospital	1.036	1.015	1.031	1.015	$116.07
Outpatient Hospital	1.054	1.020	1.044	1.021	$268.53
Professional	1.031	1.018	1.019	1.018	$79.69
Other Medical Medical	1.031	1.018	1.019	1.018	$67.34
Vision	1.000	1.000	1.000	1.000	$0.11
Dental	1.000	1.000	1.000	1.000	$1.51
Capitation	1.031	1.018	1.019	1.018	$10.39
Prescription Drug	1.028	1.105	1.028	1.109	$150.35
					$693.98
Other Medical - Total	**1.030**	**1.018**	**1.019**	**1.017**	

RERCONCILIATION OF PROJECTED INDEX RATE

	Exhibit 5	URRT - Unrounded	URRT - Rounded	
Experience Allowed Claims (Line a1)	$613.11	$602.11	$602.10	
Exclude High Claim and Non-EHB *	0.9992	1.0174	0.9990	*Other*
Capped Experience Period Allowed Claims for EHB (Line A)	$612.61			
Impact of Leap Year	0.9973	0.9973		
Adjustment to Experience Period for One-Time Events	1.0479	1.0479		
Non-System Claims = $823.19 / $873.18 = Line F / Line D	0.9472	0.9472		
Changes in Pool Morbidity	1.0085	1.0085	1.0090	*Morbidity Adjustment*
Changes in demographics (age, gender, region, etc.)	1.0045	1.0045	1.0040	*Demographic Shift*
Impact of different benefit plans (in experience vs projection)	0.9977	0.9977	0.9980	*Plan Design Changes*
Trend	1.1434	1.1526	1.1526	*Trend*
Adjustment to Trend for URRT Weights vs Filing Weights	1.0000	0.9920		*Other*
Projected Index Rate - Line F	**$700.76**	**$700.76**	**$700.92**	

* URRT Factor is to adjust between URRT allowed claims and Line A - See section 3.3 of the Addendum

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

					2022 Proposed Rates				2021 Approved Rates				2022 Proposed Rate Increases			
			Plan Level Adjusted Index Rate	PMPM to Single Contract Conversion Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	$736.07	1.0846	$798.34	$1,596.68	$1,540.80	$2,243.34	$731.76	$1,463.52	$1,412.30	$2,056.25	9.1%	9.1%	9.1%	9.1%
	GOLD	Vermont Select	$777.01	1.0846	$842.75	$1,685.50	$1,626.51	$2,368.13	$770.70	$1,541.40	$1,487.45	$2,165.67	9.3%	9.3%	9.3%	9.3%
	SILVER	Vermont Preferred	$719.44	1.0846	$780.30	$1,560.60	$1,505.98	$2,192.64	$725.41	$1,450.82	$1,400.04	$2,038.40	7.6%	7.6%	7.6%	7.6%
	SILVER	Vermont Select	$722.61	1.0846	$783.74	$1,567.48	$1,512.62	$2,202.31	$730.67	$1,461.34	$1,410.19	$2,053.18	7.3%	7.3%	7.3%	7.3%
	BRONZE	Vermont Preferred	$555.76	1.0846	$602.78	$1,205.56	$1,163.37	$1,693.81	$562.56	$1,125.12	$1,085.74	$1,580.79	7.1%	7.1%	7.1%	7.1%
	BRONZE	Vermont Select	$549.51	1.0846	$596.00	$1,192.00	$1,150.28	$1,674.76	$557.06	$1,114.12	$1,075.13	$1,565.34	7.0%	7.0%	7.0%	7.0%
STANDARD PLANS	PLATINUM	Deductible	$951.42	1.0846	$1,031.91	$2,063.82	$1,991.59	$2,899.67	$939.97	$1,879.94	$1,814.14	$2,641.32	9.8%	9.8%	9.8%	9.8%
	GOLD	Deductible	$796.32	1.0846	$863.68	$1,727.36	$1,666.90	$2,426.94	$796.44	$1,592.88	$1,537.13	$2,238.00	8.4%	8.4%	8.4%	8.4%
	SILVER	Deductible	$733.74	1.0846	$795.81	$1,591.62	$1,535.91	$2,236.23	$742.80	$1,485.60	$1,433.60	$2,087.27	7.1%	7.1%	7.1%	7.1%
	SILVER	CDHP	$748.79	1.0846	$812.14	$1,624.28	$1,567.43	$2,282.11	$756.05	$1,512.10	$1,459.18	$2,124.50	7.4%	7.4%	7.4%	7.4%
	BRONZE	Deductible	$548.61	1.0846	$595.03	$1,190.06	$1,148.41	$1,672.03	$560.45	$1,120.90	$1,081.67	$1,574.86	6.2%	6.2%	6.2%	6.2%
	BRONZE	CDHP	$564.38	1.0846	$612.13	$1,224.26	$1,181.41	$1,720.09	$573.62	$1,147.24	$1,107.09	$1,611.87	6.7%	6.7%	6.7%	6.7%
	BRONZE	Integrated	$556.38	1.0846	$603.45	$1,206.90	$1,164.66	$1,695.69	$568.00	$1,136.00	$1,096.24	$1,596.08	6.2%	6.2%	6.2%	6.2%
	Catastrophic	Deductible	$250.20	1.0118	$253.15	$506.30	$488.58	$711.35	$259.79	$519.58	$501.39	$730.01	-2.6%	-2.6%	-2.6%	-2.6%
REFLECTIVE PLANS	SILVER	Vermont Preferred	$630.21	1.0846	$683.53	$1,367.06	$1,319.21	$1,920.72	$632.21	$1,264.42	$1,220.17	$1,776.51	8.1%	8.1%	8.1%	8.1%
	SILVER	Vermont Select	$644.85	1.0846	$699.40	$1,398.80	$1,349.84	$1,965.31	$649.74	$1,299.48	$1,254.00	$1,825.77	7.6%	7.6%	7.6%	7.6%
	SILVER	Deductible	$653.60	1.0846	$708.89	$1,417.78	$1,368.16	$1,991.98	$659.14	$1,318.28	$1,272.14	$1,852.18	7.5%	7.5%	7.5%	7.5%
	SILVER	CDHP	$681.80	1.0846	$739.48	$1,478.96	$1,427.20	$2,077.94	$686.16	$1,372.32	$1,324.29	$1,928.11	7.8%	7.8%	7.8%	7.8%
		Total						**$134,928,661**				**$125,066,869**				**7.89%**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

			Inforce Contracts				Projected Contracts			
			Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	315	99	11	49	315	99	11	49
	GOLD	Vermont Select	464	163	27	99	464	163	27	99
	SILVER	Vermont Preferred	661	174	19	29	661	174	19	29
	SILVER	Vermont Select	165	40	3	12	165	40	3	12
	BRONZE	Vermont Preferred	244	47	9	25	244	47	9	25
	BRONZE	Vermont Select	553	133	15	86	553	133	15	86
STANDARD PLANS	PLATINUM	Deductible	724	226	62	114	724	226	62	114
	GOLD	Deductible	652	203	34	105	652	203	34	105
	SILVER	Deductible	1,388	438	55	89	1,388	438	55	89
	SILVER	CDHP	297	97	12	29	297	97	12	29
	BRONZE	Deductible	423	101	14	46	423	101	14	46
	BRONZE	CDHP	319	68	15	46	319	68	15	46
	BRONZE	Integrated	220	36	4	24	220	36	4	24
	Catastrophic	Deductible	302	6	1	2	302	6	1	2
REFLECTIVE PLANS	SILVER	Vermont Preferred	115	27	7	29	115	27	7	29
	SILVER	Vermont Select	77	23	9	29	77	23	9	29
	SILVER	Deductible	353	102	27	104	353	102	27	104
	SILVER	CDHP	88	28	9	27	88	28	9	27
		Total				**10,648**				**10,648**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

					2022 Proposed Rates				2021 Approved Rates				2022 Proposed Rate Increases			
			Plan Level Adjusted Index Rate	PMPM to Single Contract Conversion Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	$592.35	1.1453	$678.42	$1,356.84	$1,309.35	$1,906.36	$731.76	$1,463.52	$1,412.30	$2,056.25	-7.3%	-7.3%	-7.3%	-7.3%
	GOLD	Vermont Select	$625.02	1.1453	$715.83	$1,431.66	$1,381.55	$2,011.48	$770.70	$1,541.40	$1,487.45	$2,165.67	-7.1%	-7.1%	-7.1%	-7.1%
	SILVER	Vermont Preferred	$507.86	1.1453	$581.65	$1,163.30	$1,122.58	$1,634.44	$725.41	$1,450.82	$1,400.04	$2,038.40	-19.8%	-19.8%	-19.8%	-19.8%
	SILVER	Vermont Select	$520.36	1.1453	$595.97	$1,191.94	$1,150.22	$1,674.68	$730.67	$1,461.34	$1,410.19	$2,053.18	-18.4%	-18.4%	-18.4%	-18.4%
	BRONZE	Vermont Preferred	$448.70	1.1453	$513.90	$1,027.80	$991.83	$1,444.06	$562.56	$1,125.12	$1,085.74	$1,580.79	-8.6%	-8.6%	-8.6%	-8.6%
	BRONZE	Vermont Select	$443.84	1.1453	$508.33	$1,016.66	$981.08	$1,428.41	$557.06	$1,114.12	$1,075.13	$1,565.34	-8.7%	-8.7%	-8.7%	-8.7%
STANDARD PLANS	PLATINUM	Deductible	$763.47	1.1453	$874.40	$1,748.80	$1,687.59	$2,457.06	$939.97	$1,879.94	$1,814.14	$2,641.32	-7.0%	-7.0%	-7.0%	-7.0%
	GOLD	Deductible	$640.04	1.1453	$733.04	$1,466.08	$1,414.77	$2,059.84	$796.44	$1,592.88	$1,537.13	$2,238.00	-8.0%	-8.0%	-8.0%	-8.0%
	SILVER	Deductible	$526.47	1.1453	$602.96	$1,205.92	$1,163.71	$1,694.32	$742.80	$1,485.60	$1,433.60	$2,087.27	-18.8%	-18.8%	-18.8%	-18.8%
	SILVER	CDHP	$548.92	1.1453	$628.68	$1,257.36	$1,213.35	$1,766.59	$756.05	$1,512.10	$1,459.18	$2,124.50	-16.8%	-16.8%	-16.8%	-16.8%
	BRONZE	Deductible	$443.04	1.1453	$507.42	$1,014.84	$979.32	$1,425.85	$560.45	$1,120.90	$1,081.67	$1,574.86	-9.5%	-9.5%	-9.5%	-9.5%
	BRONZE	CDHP	$455.57	1.1453	$521.76	$1,043.52	$1,007.00	$1,466.15	$573.62	$1,147.24	$1,107.09	$1,611.87	-9.0%	-9.0%	-9.0%	-9.0%
	BRONZE	Integrated	$449.17	1.1453	$514.43	$1,028.86	$992.85	$1,445.55	$568.00	$1,136.00	$1,096.24	$1,596.08	-9.4%	-9.4%	-9.4%	-9.4%
REFLECTIVE PLANS	SILVER	Vermont Preferred	$508.14	1.1453	$581.98	$1,163.96	$1,123.22	$1,635.36	$632.21	$1,264.42	$1,220.17	$1,776.51	-7.9%	-7.9%	-7.9%	-7.9%
	SILVER	Vermont Select	$519.73	1.1453	$595.24	$1,190.48	$1,148.81	$1,672.62	$649.74	$1,299.48	$1,254.00	$1,825.77	-8.4%	-8.4%	-8.4%	-8.4%
	SILVER	Deductible	$526.56	1.1453	$603.07	$1,206.14	$1,163.93	$1,694.63	$659.14	$1,318.28	$1,272.14	$1,852.18	-8.5%	-8.5%	-8.5%	-8.5%
	SILVER	CDHP	$548.96	1.1453	$628.72	$1,257.44	$1,213.43	$1,766.70	$686.16	$1,372.32	$1,324.29	$1,928.11	-8.4%	-8.4%	-8.4%	-8.4%
		Total						**$135,246,660**				**$146,659,671**				**-7.78%**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED MAY 24, 2021

			Inforce Contracts				Projected Contracts			
			Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	234	40	14	65	234	40	14	65
	GOLD	Vermont Select	715	305	96	369	715	305	96	369
	SILVER	Vermont Preferred	0	0	0	0	0	0	0	0
	SILVER	Vermont Select	0	0	0	0	0	0	0	0
	BRONZE	Vermont Preferred	91	16	6	14	91	16	6	14
	BRONZE	Vermont Select	346	76	23	90	346	76	23	90
STANDARD PLANS	PLATINUM	Deductible	1,319	420	142	428	1,295	417	142	428
	GOLD	Deductible	1,006	226	71	223	1,006	226	71	223
	SILVER	Deductible	0	0	0	0	0	0	0	0
	SILVER	CDHP	0	0	0	0	0	0	0	0
	BRONZE	Deductible	343	66	23	71	343	66	23	71
	BRONZE	CDHP	265	80	18	91	265	80	18	91
	BRONZE	Integrated	70	8	2	19	70	8	2	19
REFLECTIVE PLANS	SILVER	Vermont Preferred	231	42	11	34	231	42	11	34
	SILVER	Vermont Select	214	77	17	90	214	77	17	90
	SILVER	Deductible	1,340	286	69	233	1,340	286	69	233
	SILVER	CDHP	484	117	34	138	484	117	34	138
		Total				**10,808**				**10,781**

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

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June 15, 2021

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 06/08/2021 Questions re:
Blue Cross and Blue Shield of Vermont
2022 Vermont ACA Market - Individual and Small Group Rate Filings
(SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

Dear Mr. Ruggeberg:

In response to your requests dated June 8, 2021, here are *your questions* and our answers:

1. *L&E has used the RATEE reports from both VT carriers to calculate that the actual 2020 risk transfer will be $21,188,025 in the non-catastrophic market. Based on this information, please provide an updated Exhibit 4 and quantify the overall rate impact.*

   Using the calculated split individual and small group 2020 risk transfer along with the same projection factors to 2022 included in the filings, the individual average rate change would be 5.2 percent and the small group average rate change would be -6.4 percent. Using the updated merged market 2020 transfer of $21,711,763 and applying the same 2022 projection factors, the average rate change would be -1.2 percent. Note that we did not update the projection factors for any information gleaned from the MVP filings. These average increases include the change in the Standard Bronze plan.

   The updated Exhibits 4 in Excel format have been provided under separate cover. The redacted updated Exhibits 4 are attached to this response.

2. *We see from the actuarial memorandum that no reduction to market morbidity was assumed in relation to the American Rescue Plan Act. While we recognize that these new members will be making anti-selective decisions, they are by definition the population who chose not to elect coverage under the pre-existing subsidies that generated the 2020 market. Therefore, it would seem they will be almost guaranteed to be healthier than the average enrollee in the 2020 experience. Provide further explanation for why no adjustment is being made.*

   Blue Cross did not adjust the rates for potential changes in morbidity due to the American Rescue Plan Act (ARPA). We did consider the morbidity impact of new membership as part of the rate setting process but determined that the impact was likely to be immaterial relative to the combined market population. That dynamic changes with the market split—we expect new membership to impact only the individual market. Furthermore, we agree that the new members are likely to be healthier than the average individual market enrollee. We overlooked the newfound materiality of this assumption when the market was split very late in the filing process.

While ARPA greatly enhanced the subsidies available on the Exchange, premiums are still required for most households. In particular, premiums will still be significant for individuals and families who did not previously qualify for subsidies.

We expect that the decision to purchase insurance will be based on current health status, affordability of the premium, and expected claims for the projection period. All of these purchasing decisions will result in the worst morbidity among the uninsured population to select insurance. Risk adjustment data demonstrates that of those choosing insurance, Blue Cross is likely to enroll the portion of the population with the highest morbidity. The question therefore becomes how the average claims cost for the portion of the uninsured population with highest morbidity compares to the current average claims cost for the enrolled Blue Cross individual population.

Our original filing assumption that the new members would be similar to the average combined market member splits into zero impact for small group (because we assume that new members would only enroll in the individual market) and a -0.7 percent premium impact for the individual market. As shown in the table below, the weighted average PMPM, assuming that the 1,500 newly insured members would have morbidity similar to that of the combined market, is $720.11.

Allowed charges PMPM	**Exhibit 5- Line A**	**Projected Membership**
Newly Insured (Combined PMPM)	$663.53	1,500
Currently Insured (Individual PMPM)	$725.46	15,878
Weighted Average	**$720.11**	**17,378**

The impact of these newly insured members is $720.11 / $725.46 = 0.9926.

Blue Cross tested this assumption is two different ways. One point of view is that the new enrollment will make their selections predominantly based on health status. The opposing perspective is that selections will primarily be based on affordability, with health status driven only by the average demographics of the uninsured. We developed a selection model to test the former decision driver, and we compared the demographic characteristics of the Vermont uninsured market to the enrolled Blue Cross population to test the latter. Both sets of calculations yielded results that were very similar to the original assumption of a -0.7 percent impact to average claims. It can be reasonably assumed that results would be similar for any combination of these two primary motivating factors.

Including this factor yields an average premium increase of 4.3 percent for the individual market, as compared to the 5.2 percent documented in our response to Question 1.

3. *How are telehealth services anticipated to impact the utilization and average cost of physician services in 2022 relative to pre-COVID levels?*

Blue Cross has been paying the same amount for a telehealth visit as for an in-person visit. With the exception of audio-only services, Blue Cross will continue this practice at least through the end of 2022.

The selected professional trend was based on pre-COVID data and therefore did not include a shift from in-person to telehealth visits. Due to payment parity for telehealth, this would not impact the average cost of services.

Since March 2020, the number of telehealth visits has grown exponentially. For the matched population used in the trend data in the filing, the number of visits went from 13 in January 2020 to 2,365 in December 2020. Almost all telehealth services in 2020 were for Evaluation and Management (E&M), and Mental Health and Substance Abuse (MHSA) services. For E&M, the telemedicine services are most likely replacing in-person visits. MHSA utilization has been increasing at a much faster pace than other professional services. This increase in utilization is expected to continue through 2022, as shown by our higher selected utilization trend.

While not explicit in the professional trend selection, the impact of telemedicine services on mix of services is reflected in our trend selection through the higher MHSA utilization trend and an adjustment to the average mix of services to recognize that more lower cost services will be utilized.

We anticipate that the increased availability and utilization of telemedicine will have an upward impact on utilization due to increased access and convenience. However, we do not yet have enough data available to assess this hypothesis. We have therefore chosen to assume for this filing that professional utilization trends will remain at pre-pandemic levels.

Finally, we note that the selected trend for MHSA services of 10.5 percent is lower than the true expected trend. As described in the July 14, 2021 COVID-19 Modeling Addendum[1] provided as part of the 2021 VISG rate filing, Blue Cross had observed a 13 percent increase in mental health services through June 2020, as compared to the historical increases of approximately 10 percent. Blue Cross updated its COVID-19 modeling with data through March 2021 (see attached Blue Cross – COVID-19 Modeling – 6.1.2021.pdf) and we now expect the mental health services to increase by 20 percent. The difference between the selected and best estimate trends are considered to be costs directly caused by the pandemic and therefore excluded from the filed rates.

4. *Explain the increases to Item 3.3 of URRT Worksheet 2, reflecting AV and Cost Sharing Design. For example, the value for the platinum appears to have increased from about 1.09 in last year's URRT to an average of about 1.12 between this year's Individual and Small Group URRT.*

Item 3.3 of URRT Worksheet 2 is the product of the benefit richness adjustment and paid to allowed ratio from Exhibit 6A.

Comparing Exhibit 6A from the approved 2021 filing to the combined market exhibits shows that the average for this item is 0.2 percent higher in 2022 but that the plans are not all impacted the same way. This is due to the calculation of the paid to allowed ratio for the URRT. As shown on Exhibits 6C, the paid to allowed ratio is calculated as follows:

$$\frac{Projected\ Period\ Paid\ Claims\ for\ EHB\ +\ Non-System\ Claims\ +\ Market\ Wide\ Adjustments}{Market\ Adjusted\ Index\ Rate}$$

Non-System claims were -$17.65 and are now -$44.09. This change is almost entirely due to the enhancement in pharmacy rebates.

The paid market wide adjustment is the risk adjustment transfer. For the combined markets, the PMPM was -$48.11 and is now -$52.55.

[1] https://ratereview.vermont.gov/sites/dfr/files/PDF/BCBSVT%20-%20COVID-19%20Modeling%20Addendum%20Submitted%207.14.2020.pdf

The increase in the fixed PMPMs included in the paid to allowed ratio has different impacts for each plan. The Standard Platinum plan paid to allowed ratio increases by 2.0 percent while the Standard Bronze paid to allowed ratio decreases by 1.0 percent.

Please see tab "Question 4" in attached *Responses to Blue Cross 2022 ACA Filings Inquiry 3.xlsx* for a comparison of the benefit richness adjustment and paid to allowed ratios.

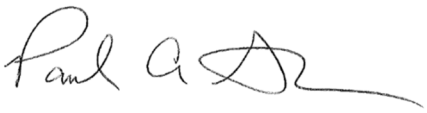
5. *The selected non-specialty Rx utilization trend of 3.0% per year is higher than the year-over-year increase from any of the last three years. The regression results therefore appear to be heavily influenced by the outlier costs in late 2020 and in 1Q 2018 and 2019. Address the concern that the chosen trend factor appears to capture seasonality in addition to long-term trends.*

In responding to this question, we became aware of a typographical error within the actuarial memorandum. The selected non-specialty utilization trend of 3.0 percent was not calculated as the average of all 36-month statistics and the most recent year-over-year. Rather, it is the simple average of the most recent year-over-year (2.4 percent) and the 36-months Holt-winter's Additive method (3.6 percent).

We observed in the course of our analysis that the regressions were likely skewed by the seasonal patterns you note. We therefore did not consider the regression results in forming our assumption. Similarly, we did not include the 24-month statistics because the outlier quarters make these results less reliable, as can be seen by the resulting Thiel's-U statistics.

While the selected trend is higher than the most recent year-over-year results, the Holt-Winters' time series analyses, which have a strong Theil's U statistic, indicate a somewhat higher trend. In my professional judgment, an average of the observed and statistically generated trend results represents the best estimate of future non-specialty utilization trend. We note that this trend assumption of 3.0 percent is slightly lower than the 3.5 percent trend approved in the most recent large group filings and is equal to the 3.0 percent trend approved in the prior ACA market filing.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.
Sincerely,



_____
Paul Schultz, F.S.A., M.A.A.A.
Chief Actuary

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

Exhibit 4
Updated

RESPONSE TO ACTUARIAL INQUIRY DATED JUNE 8, 2021

Table 1	**Average Premium**			
	Merged		**Catastrophic**	
Scenario	**BCBSVT**	**MVP**	**BCBSVT**	**MVP**
Premium PMPM 2021	$657.96	$577.58	$256.93	$339.18
Adjust to billable member months	0.937	0.944	1.000	1.000
Premium adjustment factor	0.86	0.86	0.86	0.86
Projected 2022 Rate Increase	0.988	1.065	0.906	1.065
Projected Statewide Average Premium 2022	**$577.91**		**$202.51**	

Table 2	**Plan Liability Risk Score**					
	Merged			**Catastrophic**		
Scenario	BCBSVT	MVP	Ratio	BCBSVT	MVP	Ratio
Interim 2020	**1.312**	**1.059**	**1.2391**	**0.215**	**0.176**	**1.2236**
Impact of Claims Runout & Supplemental Diagnosis	*1.030*	*1.033*		*1.477*	*1.033*	
Estimated L&E 2020	**1.351**	**1.094**	**1.2352**	**0.317**	**0.182**	**1.7490**
Impact of 2022 Model Coefficients	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]		[redacted]	[redacted]	
Projected Final 2022	**1.444**	**1.172**	**1.2316**	**0.396**	**0.226**	**1.7490**

Table 3	**Other Risk Adjustment Factors***					
Factor -->	**AV**		**IDF**		**ARF**	
	Merged					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated L&E 2020	0.749	0.731	1.062	1.052	0.981	0.983
Projected Final 2022	0.744	0.734	1.059	1.054	0.981	0.983
**Catastrophic AV, IDF and ARF equals 0.57, 1.00 and 1.00 for both carriers in all scenarios*						

Table 4	**Risk Adjustment Transfer**		
	Merged	**Catastrophic**	**Total**
Interim 2020	-$22,151,265	-$4,098	-$22,155,363
Estimated L&E 2020	-$21,711,763	-$7,559	-$21,719,322
Projected Final 2022	-$22,909,946	-$7,214	-$22,917,160

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$22,917,160
High Cost Risk Pool Recoveries	-$662,308
Total Risk Adjustment Transfer	-$23,579,468
Member Months	415,596
Net Projected Risk Adjustment PMPM	-$56.74
Estimated Cost of High Risk Pool program	$2.12
Paid to Allowed Ratio (from Exh 6C)	74.90%

Market Wide Adjustment for the Risk Adjustment Program	**-$72.92**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL RATE FILING

Exhibit 4 - IND
Updated

RESPONSE TO ACTUARIAL INQUIRY DATED JUNE 8, 2021

Table 1	Average Premium			
	Individual		Catastrophic	
Scenario	**BCBSVT**	**MVP**	**BCBSVT**	**MVP**
Premium PMPM 2021	$708.29	$627.98	$256.93	$339.18
Adjust to billable member months	0.958	0.979	1.000	1.000
Premium adjustment factor	0.86	0.86	0.86	0.86
Projected 2022 Rate Increase	0.988	1.065	0.906	1.065
Projected Statewide Average Premium 2022	**$607.55**		**$202.51**	

Table 2	Plan Liability Risk Score					
	Individual			Catastrophic		
Scenario	BCBSVT	MVP	Ratio	BCBSVT	MVP	Ratio
Estimated L&E 2020	**1.408**	**1.063**	**1.3247**	**0.317**	**0.182**	**1.7490**
Impact of 2022 Model Coefficients	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]		[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]		[redacted]	[redacted]	
Projected Final 2022	**1.547**	**1.134**	**1.3640**	**0.396**	**0.226**	**1.7490**

Table 3	Other Risk Adjustment Factors*					
Factor -->	**AV**		**IDF**		**ARF**	
	Individual					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated L&E 2020	0.726	0.699	1.049	1.037	0.9858	0.9882
Projected Final 2022	0.723	0.699	1.049	1.037	0.9858	0.9883
**Catastrophic AV, IDF and ARF equals 0.57, 1.00 and 1.00 for both carriers in all scenarios*						

Table 4	Risk Adjustment Transfer		
	Individual	**Catastrophic**	**Total**
Estimated L&E 2020	-$12,437,969	-$7,559	-$12,445,528
Projected Final 2022	-$15,143,749	-$7,214	-$15,150,963

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$15,150,963
High Cost Risk Pool Recoveries	-$662,308
Total Risk Adjustment Transfer	-$15,813,271
Member Months	190,536
Net Projected Risk Adjustment PMPM	-$82.99
Estimated Cost of High Risk Pool program	$2.31
Paid to Allowed Ratio (from Exh 6C)	72.75%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 4 - SMG
Updated

RESPONSE TO ACTUARIAL INQUIRY DATED JUNE 8, 2021

Table 1	**Average Premium**	
	Merged	
Scenario	**BCBSVT**	**MVP**
Premium PMPM 2021	$616.91	$543.47
Adjust to billable member months	0.919	0.919
Premium adjustment factor	0.86	0.86
Projected 2022 Rate Increase	0.988	1.065
Projected Statewide Average Premium 2022	**$555.19**	

Table 2	**Plan Liability Risk Score**		
	Merged		
Scenario	BCBSVT	MVP	Ratio
Estimated L&E 2020	**1.231**	**1.059**	**1.1621**
Impact of 2022 Model Coefficients	[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]	
Projected Final 2022	**1.290**	**1.141**	**1.1306**

Table 3	**Other Risk Adjustment Factors***					
Factor -->	**AV**		**IDF**		**ARF**	
	Small Group					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated L&E 2020	0.769	0.756	1.072	1.064	0.9769	0.9792
Projected Final 2022	0.762	0.759	1.068	1.066	0.9769	0.9793

Table 4	**Risk Adjustment Transfer**		
	Merged		**Total**
Estimated L&E 2020	-$8,750,057		-$8,750,057
Projected Final 2022	-$7,521,952		-$7,521,952

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$7,521,952
High Cost Risk Pool Recoveries	$0
Total Risk Adjustment Transfer	-$7,521,952
Member Months	225,060
Net Projected Risk Adjustment PMPM	-$33.42
Estimated Cost of High Risk Pool program	$3.03
Paid to Allowed Ratio (from Exh 6C)	76.71%

Market Wide Adjustment for the Risk Adjustment Program	**-$39.62**

BLUE CROSS AND BLUE SHIELD OF VERMONT

2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

RESPONSE TO ACTUARIAL INQUIRY DATED JUNE 8, 2021

			Approved 2021				FILED - COMBINED 2022						
			Exhibit 6A			URRT	Exhibit 6A			URRT Calculation*	Change from Prior Year		
			Benefit Richness Adjustment	Paid to Allowed Ratio	Projected Membership	Worksheet 2, Line 3.3	Benefit Richness Adjustment	Paid to Allowed Ratio	Projected Membership	Worksheet 2, Line 3.3	Benefit Richness Adjustment	Paid to Allowed Ratio	Worksheet 2, Line 3.3
NON-STANDARD PLANS	GOLD	Vermont Preferred	0.9971	83.58%	1,208	0.833	1.0010	84.86%	1,325	0.849	1.004	1.015	1.019
	GOLD	Vermont Select CDHP	1.0134	86.97%	5,022	0.881	1.0182	88.46%	4,294	0.901	1.005	1.017	1.022
	SILVER	Vermont Preferred	0.9598	86.03%	1,299	0.826	0.9615	87.18%	1,154	0.838	1.002	1.013	1.015
	SILVER	Vermont Select CDHP	0.9661	86.15%	212	0.832	0.9668	87.25%	295	0.844	1.001	1.013	1.014
	BRONZE	Vermont Preferred	0.9379	66.51%	520	0.624	0.9374	66.51%	641	0.623	0.999	1.000	1.000
	BRONZE	Vermont Select CDHP	0.9364	65.85%	2,098	0.617	0.9357	65.80%	2,094	0.616	0.999	0.999	0.998
STANDARD PLANS	PLATINUM	Deductible	1.0907	100.08%	6,963	1.092	1.0966	102.07%	5,964	1.119	1.005	1.020	1.025
	GOLD	Deductible	1.0248	89.16%	4,797	0.914	1.0265	90.10%	4,076	0.925	1.002	1.011	1.012
	SILVER	Deductible	0.9691	87.43%	3,546	0.847	0.9695	88.70%	2,705	0.860	1.000	1.015	1.015
	SILVER	CDHP	0.9791	88.21%	824	0.864	0.9798	89.49%	623	0.877	1.001	1.014	1.015
	BRONZE	Deductible	0.9373	66.26%	1,823	0.621	0.9355	65.69%	1,634	0.615	0.998	0.991	0.990
	BRONZE	CDHP	0.9409	67.75%	1,392	0.637	0.9395	67.39%	1,475	0.633	0.999	0.995	0.993
	BRONZE	Integrated	0.9393	67.13%	563	0.631	0.9376	66.58%	559	0.624	0.998	0.992	0.990
	Catastrophic	Deductible	0.9394	67.14%	360	0.631	0.9412	68.04%	325	0.640	1.002	1.013	1.015
REFLECTIVE PLANS	SILVER	Vermont Preferred	0.9592	74.03%	637	0.710	0.9606	74.62%	787	0.717	1.001	1.008	1.009
	SILVER	Vermont Select CDHP	0.9652	75.78%	661	0.731	0.9657	76.12%	1,031	0.735	1.001	1.004	1.005
	SILVER	Deductible	0.9687	76.74%	4,586	0.743	0.9689	77.00%	4,036	0.746	1.000	1.003	1.004
	SILVER	CDHP	0.9789	79.37%	1,910	0.777	0.9794	79.78%	1,615	0.781	1.001	1.005	1.006
		Total	0.9994	84.0%	**38,421**		0.9990	84.1%	**34,633**		**1.000**	**1.002**	**1.002**

**If the URRT had been prepared on a combined basis*

BlueCross BlueShield of Vermont
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June 21, 2021

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 06/21/2021 Questions re:
Blue Cross and Blue Shield of Vermont
2022 Vermont ACA Market - Individual and Small Group Rate Filings
(SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

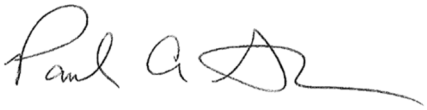
Dear Mr. Ruggeberg:

In response to your requests dated June 21, 2021, here is *your question* and our answer:

1. *Your June 15, 2021 response letter referenced an attached document regarding updated COVID modeling that does not appear to have been included in your response. Please provide that document.*

Please see *Blue Cross – COVID-19 Modeling – 06.01.2021.pdf*, which is provided in the subsequent pages of this document.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.
Sincerely,



_____
Paul Schultz, F.S.A., M.A.A.A.
Chief Actuary

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

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Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Purpose

The COVID-19 pandemic has introduced significant uncertainty into the anticipated level of claim costs. In the spring of 2020, stay at home orders resulted in a significant drop in claims volume. Over subsequent months, a return of deferred care increased utilization above expected levels, while infection rates remained low through the summer before spiking in late autumn. The University of Vermont Health Network experienced a cyberattack in late October that led to further deferrals of care through November. The first quarter of 2021 saw a continuation of returning care from the COVID slowdown and the cyberattack, along with the broad rollout of the first vaccines. Looking forward, there are uncertain impacts around the ongoing level of infection, the cost of annual vaccine administration, and the degree to which deferred or foregone care will lead to increased population morbidity, among many other uncertainties.

To examine the possible variance in paid claims in 2021 and 2022, Blue Cross and Blue Shield of Vermont (Blue Cross) has created a model that simulates paid claims under varying scenarios for directly written insured lines of business[1]. The model and results are intended to quantify the impact varying scenarios have on Blue Cross's performance by line of business, projected net income and risk based capital ratio (RBC). It should not be used for any other purpose.

Not included in this modeling are a number of additional operational costs incurred by Blue Cross related to the COVID-19 pandemic. Blue Cross implemented programming to enhance access to and affordability of retail pharmaceuticals during the crisis, extended grace periods and offered premium flexibility to customers, cancelled the recoupment of certain overpayments to providers, waived any deductible amounts applying to generic wellness drugs and insulins and temporarily suspended claims audit activity.

This modeling is specific to claims costs directly related to COVID-19, along with the deferral of medical care due to the economic shutdown and that care's eventual (partial) return. We specifically note the exclusion of retail pharmacy from this modeling[2].

This model does not project ongoing COVID-19 illness beyond the end of Calendar Year (CY) 2022. Neither does it attempt to quantify the financial impact of long-term health complications that have been noted among individuals who have contracted and recovered from COVID-19.

Data

The model and its inputs rely on several sources of information. We use as a baseline projected claims, trend, and actuarial value information presented in or underlying the Blue Cross 2022 Vermont ACA

[1] These include the Vermont ACA Markets (Individual and Small Group), Blue Cross insured large groups, TVHP insured large groups, Blue Cross Medicare Supplement products, and TVHP Medicare Supplement products.
[2] Patterns of retail pharmacy utilization were impacted by the pandemic (e.g. an unusually large number of 90-day scripts were filled in late March) but the overall level of utilization was not materially impacted.

Individual and Small Group rate filings (BCVT-132829562 & BCVT-132829271), Blue Cross 2021 Vermont Individual and Small Group Rate Filing (BCVT-132371410), the Blue Cross and TVHP Q3 2021 Large Group Rating Program Filing (BCVT-132713612 & BCVT-132713919), the Blue Cross and TVHP Q3 2020 Large Group Rating Program Filing (BCVT-132350241 & BCVT-132350492), the 2021 TVHP Medigap Blue Rate Filing (BCVT-132559586), and the 2021 Blue Cross Medicare Supplement Rate Filing (BCVT-132570622).. We approximate membership from May 2021 through December 2022 using membership as of April 30, 2021. We include from the Blue Cross data warehouse direct COVID-related costs incurred in February 2020 through March 2021 and paid through April 30, 2021. We use vaccine claims incurred through April 30, 2021 and paid through May 25, 2021.

To calculate the level of deferred care, we use claims incurred from January 2019 through March 2021 for all Blue Cross members. We apply completion factors developed from the monthly financial reporting process (best estimates before margin and before blending with trended estimates). Shelter in place restrictions were put in place in March 2020; therefore, the slowdown period was defined as the incurred period from March 2020 through May 2020. Beginning in July 2020, utilization levels can be observed to have returned to levels that surpass trended pre-pandemic benchmarks across the Blue Cross book of business[3]. The slowdown period was quantified by comparing the PMPM of the slowdown period relative to a benchmark PMPM. We calculate the level of deferred care separately for Medicare Supplement members. For more detail, please refer to the *Deferred Care* section.

Methodology

Baseline Claims

Given that the timing of the deferred and returning care (see subsequent sections) is variable on a monthly basis, we convert the claim totals included in the 2021 filings to monthly totals.

To estimate individual and small group claims, we start with the 2020, 2021, and 2022 projected allowed medical and pharmacy claims from the 2022 ACA Market rate filings. We apply paid claim seasonality factors developed as part of the monthly reserving process. We then calculate a monthly allowed trend for medical and pharmacy claims using the allowed trend factors filed with or underlying the 2022 rate filings. Lastly, we set the starting trend for January such that the total projected allowed claims equals the allowed claims from the filing in each respective year. Finally, we apply the 2021 and 2022 actuarial value to convert from allowed claims to paid claims. We used the 2022 filing to project both 2021 and 2022 claims because a significant population shift observed in 2020 had not been anticipated by the 2021 filing. The 2022 filing includes an expectation that the new population would persist through 2021, and is therefore a more appropriate source for projected 2021 claims costs.

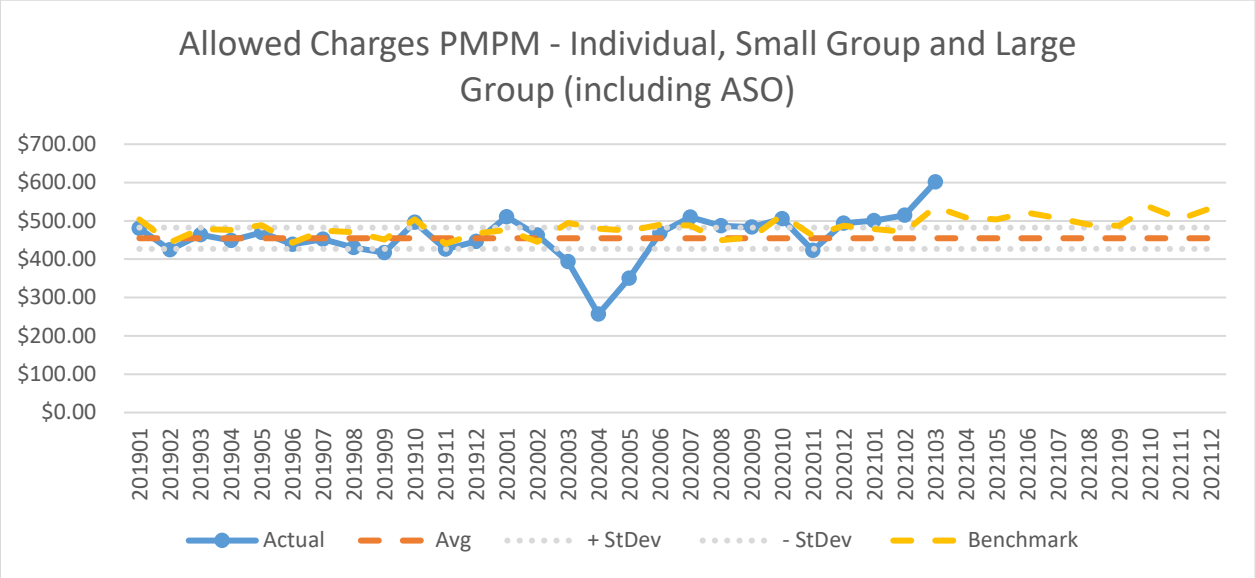
[3] Claims during June 2020 were quite close to benchmark. While the mandated deferral of care had ended by June, returning care had yet begun to manifest in the form of claims costs exceeding benchmark levels. Anecdotally, this period may have persisted for many more months in other areas of the nation.

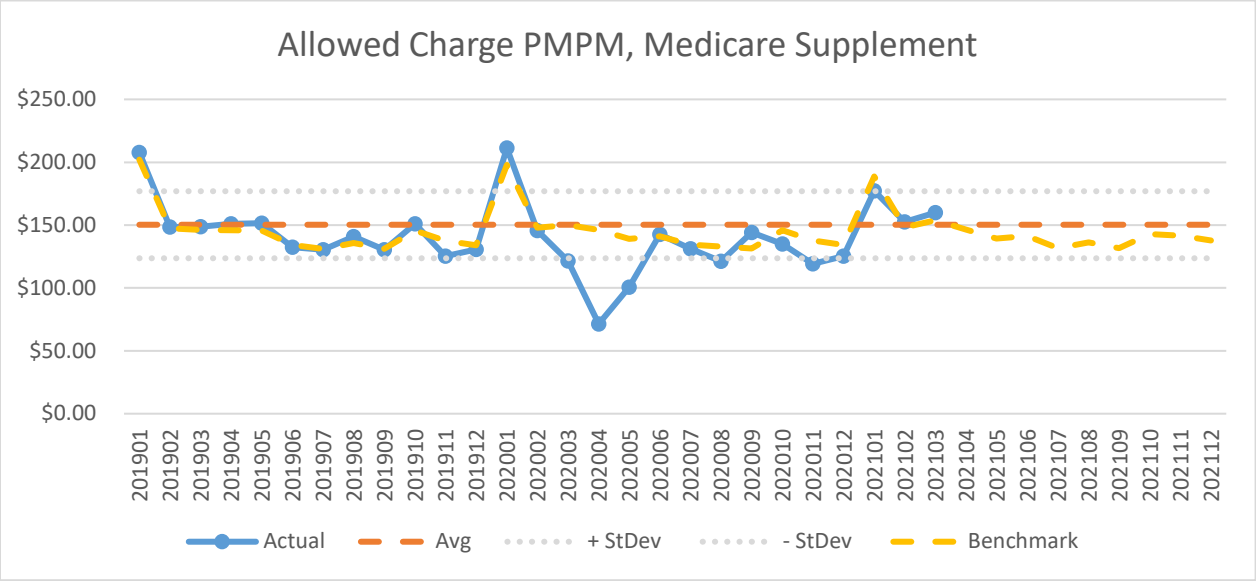
To estimate the insured large group claims, we start with the approved manual rate in the Q3 2020 Blue Cross /TVHP Large Group filing. The manual rate represents an estimated paid claim amount for the 12-month period starting January 1, 2021. We then divide by the effective actuarial value underlying the Q3 2020 benefit relativity model to convert the manual rate to an allowed claim total. Then, we split medical and pharmacy claims using the proportion of each comprising the manual rate. We then apply paid claim seasonality factors developed as part of the reserving process and convert the annual allowed medical and pharmacy trend in the filing to monthly factors. We set the starting trend for January 2021 such that the total projected allowed claims per member for the year equals the allowed manual rate. We then apply the average actuarial value to convert the allowed claims back to paid claims. We follow the same methodology to develop 2022 projected claims using the factors included in the Q3 2021 rate filings.

To estimate Medicare Supplement claims, we start with the 2021 projected medical claims from the 2021 Blue Cross Medicare Supplement and 2021 TVHP Medigap Blue filings. We apply paid claim seasonality factors developed as part of the monthly reserving process. We then calculate a monthly allowed trend for medical claims using the approved allowed trend factors. We set the starting monthly claims so that the annual claims are equal to the totals presented in the filing. We use the monthly trends to project claims for 2022.

Deferred Care

Using the period identified in the *Data* section, we create the following graphs showing the total monthly claims per member spanning over the benchmark, slowdown and recovery periods. In October 2020 there was a cyberattack that impacted all University of Vermont Health Network providers. As a result, non-emergency care was rescheduled from November 2020 to subsequent months. It appears that all care that was originally scheduled for November 2020 has been made up as of March 2021.





We further subdivide our total claims by service category to make determinations about the percentage of claims in our slowdown period that are likely to be rescheduled rather than foregone. We also make assumptions about changes in demand that certain claim categories are likely to experience in the future due to temporary or more lasting changes to the care delivery system expected to result from the pandemic.

We use place of service, DRG, ICD-10 procedure code, CPT/HCPCS, revenue code and ICD-10 diagnosis code to bucket the total claims into 36 sub-categories[4] we considered in estimating the impact of deferred services. A table displaying the assumptions for each of the 36 categories can be found in Appendix D.

BCBSVT actuaries worked closely with BCBSVT medical directors to develop assumptions for the return of care for each service category.

Mental health services apart from inpatient stays can be observed to exceed the benchmark, presumably due to the availability of telehealth options as well as the increased stress the pandemic and economic disruption have inflicted upon our members. While there was a slowdown in inpatient mental health admissions, they returned above benchmark starting in June 2020.

Medical-drug services (such as injections), oncology treatment, dialysis and home health and hospice services experienced no slowdown. Emergency and urgent care experienced a significant percent slowdown in services during the spring of 2020 but have since rebounded. We expect these services to not return because any emergent event that occurred during March to May has been resolved in other ways. We assume that influenza and pneumonia-based claims will not be made up because they are

[4] Previous iterations of our modeling used 35 categories. The current modeling split dialysis services from "other outpatient services" because we observed radically different utilization patterns for these types of claims.

seasonal and do not result in pent-up demand. Newborns and delivery/pregnancy care for mothers cannot be deferred or made up for obvious reasons.

Rescheduling of laboratory, radiology and evaluation and management services depends on whether the service was for chronic care or acute care. We assume that 60 percent of chronic laboratory and radiology services and 30 percent of chronic evaluation and management services will be made up. Any acute care that did not take place in the slowdown period has been foregone[5]. We also assume that immunization services that were deferred during the lockdown will be made up fully due to the necessary but deferrable nature of this care.

All surgeries had relatively significant slowdowns during the period. We project that all these services will be made up due to the necessity of this care. We note that various Vermont hospitals and surgical centers expanded their hours in 2020 to contend with the glut of services.

Overall, we estimate that 48.1 percent of the services that were deferred during the slowdown period have been or will be made up. For Medicare Supplement members, we estimate 42.8 percent of deferred services have returned or will return. This can be calculated by taking the weighted average of the 'percent rescheduled services' and 'slowdown PMPM' from the table by type of service provided in Appendix D.

We can observe that the majority of the deferred care that was expected to return for ACA and large group markets has already returned through March 2021. For Medicare Supplement members, only approximately 40 percent of the expected returning care has already returned. We attribute this difference primarily to greater hesitancy among the high-risk population to return to normal patterns of care before vaccination.

	ACA Market	Large Group Insured	Medicare Supplement
Expected returning care	48.0%	48.2%	42.8%
Care returned as of March 2021	43.6%	41.9%	25.4%
Care still expected to return	4.4%	6.4%	17.5%

In the spring months of 2020 during which care was deferred, we assume that a mean of 48.1 percent of the claims will return at a later date (a mean of 42.8 percent for Medicare Supplement members). In the stochastic model, we assume the level of deferred care is normally distributed with above-referenced 'Care still expected to return' means and a standard deviation of one-tenth the mean.

Our estimate that 48.1 percent of the services deferred during the slowdown period have been or will be made up is consistent with the modeling results presented on December 31, 2020 and July 14, 2020, wherein we respectively estimated that 50.3 percent and 51.7 percent of deferred care would return.

[5] While it is unlikely that literally every deferred service in this category will return, the difference between using 100 percent and a figure as low as 90 percent is immaterial to the modeling results. The expectation is that the vast majority of services for the management of chronic disease have been or will be rescheduled. Similarly, it is unlikely that every service we categorized as "acute" will be foregone, but using an assumption of, say, 5 percent has no material impact on results.

Returning Care

We measured the observed returning care by considering the subset of 36 service categories, described in the Deferred Care section, where we expected to observe some or all of the deferred care returning. We measured returning care PMPM as the difference between the observed PMPM and benchmark PMPM for months where the observed claims exceeded the benchmark. By definition, we assumed that no more than 100 percent of the deferred care could return in any given service category. The total observed returning care is the average of the slowdown claims PMPM by service category weighted by the observed returning care percentage. Through March 2021, we have observed that 43.6 percent of ACA market claims and 41.9 percent of large group insured market claims have returned.

The timing of the return of care is dependent on the capacity of the health care system. We use emerging experience to estimate the expanded capacity of the health care system. We assume a total maximum capacity range of 104 to 108 percent.

To model the return of care, we randomly generate capacity factors to apply for each month from April 2021 through December 2022. The capacity in a given month is not allowed to exceed the maximum noted above. . We also apply dampening factors that eventually revert care to 100 percent of the benchmark to reflect that the health care system likely cannot operate at maximum capacity for an extended duration. We include an additive term that helps prevent the dampening factors from returning the maximum capacity to 100 percent before returning care reaches the percentage randomly selected for the simulation. Lastly, we end any excess capacity upon reaching the modeled percent of care returning.

See Appendix E for a sample of capacity distributions randomly generated by these mechanics.

Changes in Demand

The 'Stay Home, Stay Safe' order changed the way many Vermonters access care. BCBSVT actuarial staff worked with medical directors to make assumptions about persistent changes in utilization resulting from the pandemic and economic crisis.

We expect influenza and pneumonia services to continue to remain dampened due to lower rates of infection that result from social distancing protocols. Our previous analysis assumed physical therapy and chiropractic services would remain dampened due to patients seeking non emergent services less actively during the pandemic. As of March 2021, we have seen these services exceed their baseline, likely due to the increasing vaccination rates and the pent-up demand for these services. We expect these services to remain 5 percent higher than the benchmark for the through the end of 2022.

As noted above, non-inpatient mental health services are being utilized at higher than historical levels, presumably due to the availability of telehealth options as well as the increased stress the pandemic and economic disruption have inflicted upon Vermonters. Across our book of business, we have observed a 20 percent increase during the slowdown period in the allowed charge PMPM for non-inpatient mental

health services. We assume that the increase represents the new norm through 2022. We assume that inpatient mental health admissions will resume at a higher level due to the fallout from the extreme stress of the pandemic, lockdown, economic crisis and social unrest. There is evidence of an increase in PTSD in the aftermath of such events. The literature notes a possible uptick of as much as 7 percent in MHSA services after a catastrophic event[6]; we use this figure—roughly a third of the observed non-inpatient increase—as an ongoing increase in inpatient MHSA utilization.

Previous iterations of the modeling assumed a reduction in future emergency and urgent care services due to the anticipated acceptance of telehealth services as a viable alternative. As noted in the *Deferred Care* section, emergency and urgent care have returned to their baseline levels following the slowdown in services during the spring of 2020. On the basis of this evidence, we do not include any ongoing reduction in these services from baseline levels.

The weighted average of the ”Future Demand %“ and ”Benchmark PMPM” columns in the table below yields a $0.99 decrease in allowed PMPM before July 2021 and a $3.24 increase in allowed PMPM in and after July 2021. We use these figures as the change in ongoing demand. For Medicare Supplement members, the respective changes are a $0.53 PMPM decrease and a $0.31 PMPM increase. We treat these as best estimate assumptions and do not allow them to vary within the stochastic modeling.

	ACA Market & Insured Large Group		**Medicare Supplement**	
Type of Service	**Benchmark PMPM**	**Future Demand %**	**Benchmark PMPM**	**Future Demand %**
Mental Health (Inpatient)	$5.34	7%	$0.42	7%
Mental Health (Other)	$14.83	20%	$2.10	20%
PT & Chiropractic	$17.77	5%	$7.75	5%
Influenza/Pneumonia**	$2.47	-40%	$1.32	-40%
Pre-Vaccine Changes in Demand, Allowed PMPM	**($0.99)**		**($0.53)**	
Post-Vaccine Changes in Demand, Allowed PMPM	**$3.24**		**$0.31**	

** Future demand reverts to baseline levels in July 2021.

Deferred Care Morbidity Impact

As outlined above, a broad spectrum of medical services experienced a decline during the spring of 2020. While many of these services were rescheduled, many will not occur at all. The cancellation and

[6] https://www.annualreviews.org/doi/full/10.1146/annurev-publhealth-032013-182435

delay of services has created public health impacts[7], and similar events that have impaired access to care have increased population morbidity[8].

The health impacts created by the limited access to care in the spring of 2020 are unknown. Catastrophic events have a documented long-term impact on population morbidity. Given the long-term nature of the current health and economic crises, we consider it important to model possible morbidity effects created by the lack of access to care during periods of significant government restrictions. We set the stochastic model to randomly generate a morbidity factor uniformly distributed between 1.000 and 1.005 that is applied to projected medical and pharmacy claims.

Treatment Costs

To estimate treatment costs, we first develop an incidence rate. We use the CDC's COVID Data Tracker[9] to collate cases on a daily basis for Vermont. We then calculate a weekly average incidence from April 1, 2020 through May 11, 2021.

Next, we fit a time series to the historical data. The formula we use to project the weekly case rate is as follows:

$$\text{Estimated cases}_t = \big((\alpha * Actual\ cases_{t-1} \div Seasonal\ factor_{t-1} + (1-\alpha) * (Estimated\ cases_{t-1} + \beta_{t-1}) + \beta_t\big) * Seasonal\ factor_t$$

First, we develop the seasonal factors. Other coronaviruses have exhibited a seasonal pattern, where the case prevalence increases in winter months[10]. To model the variation in seasonal incidence, we use a sine wave with a peak set in January and February, and a trough in July and August. We set the amplitude at 0.5, which corresponds to an approximate 3:1 ratio of prevalence in peak months versus trough months. We use the resulting factors as the seasonal factors in the above time series equation.

Next, we set alpha as 0.6. This factor represents the degree to which the estimated claims for the current week are based on the prior week's claims, prior to seasonality. This selection reflects the high correlation of cases from week-to-week, but still allows for cases to vary due to other factors.

The remaining portion of the incidence rate, beta, is set as the sum of a social distancing trend factor and a seasonal trend factor. The social distancing trend factor is based on the approximate level of restrictions in effect, which in turn is based on the average case rate in the preceding four weeks. The factor for lowest social distancing level, which is analogous to the period in the summer where limited interstate travel was allowed, randomly varies between 0 and 1. The second level of distancing

[7] https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/ResumingCalifornia%E2%80%99sDeferredandPreventiveHealthCare.aspx
[8] https://www.washingtonpost.com/opinions/2020/04/08/covid-19-pandemic-will-end-americas-next-health-crisis-is-already-starting/
[9] https://covid.cdc.gov/covid-data-tracker/#trends_dailytrendscases, accessed May 19, 2021.
[10] https://www.frontiersin.org/articles/10.3389/fpubh.2020.567184/full, accessed November 5, 2020.

corresponds to a level of social distancing where interstate travel is restricted and there are moderate limits on gatherings. The third level of distancing corresponds to a status where in-person schooling is limited and there are strict restrictions on gatherings and traveling. The fourth level of social distancing is most restrictive, corresponding to a partial economic shutdown and deferral of non-emergent medical services. For historical weeks, we apply the level based on the approximate level of restrictions in effect and apply the average of the low and high factors in the table below.

Social Distancing Factor (units are cases per million unless otherwise specified)			
Social Distancing Level	Low Factor	High Factor	Incidence Start
4	-30%	-10%	600
3	-3	-1	75
2	-1	0	25
1	0	1	0

The seasonal trend factors adjust for cases escalating or decreasing based on the slope of the seasonal pattern. This factor is calculated as follows:

$$\text{Seasonal trend factor}_{\ t} = ((Seasonal\ factor_t \div Seasonal\ factor_{t-1}) - 1) * Actual\ cases_{t-1}$$

To project future cases, we substitute estimated cases for actual cases in the formulas above. Through the week ended May 11, 2021, estimated cases generally fell within 30 percent of actual cases. In the projection of future cases, we include an additional variable in the beta factor that varies by 30 percent from the previous week's cases to account for the random variation in case pattern.

Additionally, four weeks have seen the actual case rate at least double over the prior week's level. Each of these weeks included a specific event in Vermont that gave rise to a spike in cases. To model the potential of a "super-spreader" event, we include a random variable that overrides the time series. This variable is set to occur at a 10 percent probability. In the event the prior week's case rate is less than 150 cases per million, this variable will double the prior weeks the case rate. If the prior week's case rates is between 150 and 450 cases per million, the prior week's cases will increase by the following formula: *150 + 50% (previous case rate -150).* If the previous week's case rate is above 450, this variable will add 300 cases to the previous week's case rate. This reflects the proportionally lower impact of a "super spreader" event when cases are at an elevated level. These values were informed by an analysis of weekly changes in case rates by state through December 8, 2020.

Lastly, we dampen the incidence rate using the factors in the Vaccine Development section.

Appendix I provides a summary of the modeled incidence level by month.

To calculate the number of cases that will result in a hospital admission, we use data from The COVID Tracking Project[11] and Vermont Department of Health[12]. From October 1, 2020 through December 31, 2020, the ratio of new hospitalizations to cases for Vermont, New Hampshire, Maine, and Massachusetts was 1.4 percent. The rate of hospital admission for COVID-19 varies materially by age. We use "CDC - Laboratory-Confirmed COVID-19-Associated Hospitalizations"[13] to estimate the relative rate of admission by age band. We then apply the above overall hospitalization rate of 1.4 percent, the relative rate of admission, and 2019 census data[14] to calculate an admission rate by age.

To develop a treatment cost, we split admissions into those requiring an ICU stay and non-ICU admissions. The COVID Tracking Project[15] measures the number of individuals currently hospitalized and currently in the ICU. From September 1, 2020 through March 7, 2021, the ratio of individuals in the ICU over total hospitalizations was consistently near 20 percent. We use this figure as our estimate of the percentage of hospital admissions that progress to the ICU. To develop the cost of an admission, we use a mix of BCBSVT contract terms, emerging BCBSVT experience and industry sources, including a Wakely[16] study. In particular, the cost of an ICU admission is heavily based on the anticipated cost given BCBSVT's contract terms, while the cost of a non-ICU admission observed within BCBSVT experience data aligns very closely with material published elsewhere in the industry. For members where Medicare is the primary payer, we set the treatment cost equal to the actual or estimated Part A deductible.

Vaccine Development

As of April 19, 2021, all Vermont residents age 16 and older are eligible to be vaccinated against COVID-19. We assume the modeled vaccination rate is achieved by the end of June for members ages 16 and above, with vaccine administration costs equally distributed from March through June. Treatment costs for vaccinated members are assumed to ramp down in the following pattern:

Vaccine Availability Month	Treatment Costs Dampening Factor
April 2021	83.33%
May 2021	50.00%
June 2021	16.67%
July 2021+	0.00%

The federal government has executed purchasing agreements which we assume will cover the cost of a vaccine through 2022, while plan sponsors will be responsible for the costs of administration. We use our contracted rates for the cost of vaccine administration, which is set as the reimbursement levels

[11] https://covidtracking.com/data, accessed November 1, 2020. Reporting dates with outliers were smoothed.
[12] https://www.healthvermont.gov/, accessed November 1, 2020. COVID19-Weekly-Data-Summary-10-2-2020 and COVID19-Weekly-Data-Summary-7.2.2020
[13] https://www.cdc.gov/coronavirus/2019-ncov/covid-data/covid-net/purpose-methods.html, accessed November 2, 2020. Preliminary cumulative rates as of Oct 24, 2020
[14] https://www.census.gov/data.html, accessed November 4, 2020.
[15] https://covidtracking.com/data/national/hospitalization, accessed May 7, 2021.
[16] https://www.ahip.org/wp-content/uploads/AHIP-COVID-19-Modeling-Update_Wakely-2020.06.pdf

published by CMS[17]. Starting with vaccines administered on March 15th, CMS increased the payment rate for a two-dose series from $45.33 to $80.00. For Medicare Supplement, we assume Medicare will cover the entire administration costs and any potential vaccine costs.

DFR recently presented results from a survey on the willingness to receive a COVID vaccine[18]. This survey indicated 88 percent of Vermonters would definitely or probably get a vaccine. In the stochastic model, we assume the vaccination rate is normally distributed with a mean of 88 percent with a standard deviation of one-tenth the mean. We also set a lower and upper bound of a range of plausible values using the above referenced survey. We use the Vermont Forward Step 4 goal of 80.0 percent as the lower bound, and the inverse of members of who will definitely not get a vaccine, 94.1 percent, as the upper bound. We lower the vaccination rate by 30 percentage points to account for vaccines administered at sites that are not submitting claims to BCBSVT.

Two of the three vaccines currently being used in Vermont require two doses to be fully protected against COVID-19. For the week of April 26th, the CDC allocated 10,530 Pfizer[19] and 7,300 Moderna[20] first-doses to Vermont. The Johnson & Johnson vaccine requires a single dose to be fully protected against COVID-19. The allocations of the Johnson & Johnson vaccine have varied widely since its Emergency Use Authorization was granted. In its six weeks of CDC allocations, Vermont averaged 3,633 Johnson & Johnson doses[21]. We use the above allocations to estimate that 83 percent of initial doses administered will require a second dose.

The timing of the vaccine for adolescents and children is uncertain. On May 10, 2021, the FDA approved the emergency use of the Pfizer vaccine in ages 12 to 15[22]. On April 13, 2021, Moderna announced their adolescent trial covering ages 12 to 17 was fully enrolled, and their pediatric trial covering ages 6 months to 11 years was currently enrolling[23]. Given this, we assume the vaccine eligibility will expand to cover all ages by the end of 2021. We apply vaccine costs for the 12-15 population proportionally May through August 2021, and apply vaccine costs for the under 12 populationally from September through December 2021.

Both Pfizer and Moderna are actively running trials to study the efficacy of a booster vaccine dose[24] [25]. We assume a one-dose booster vaccine will occur one year following the initial vaccine availability, with a $40 administration cost. We use the same vaccination rate assumptions as above, but use a minimum

[17] https://www.cms.gov/medicare/covid-19/medicare-covid-19-vaccine-shot-payment, accessed April 28, 2021.
[18] https://dfr.vermont.gov/sites/finreg/files/doc_library/dfr-covid19-modeling-040621.pdf, accessed April 28, 2021.
[19] https://data.cdc.gov/Vaccinations/National-Weekly-Pfizer-Allocations/sxbq-3sid, accessed April 27, 2021.
[20] https://data.cdc.gov/Vaccinations/COVID-19-Vaccine-Distribution-Allocations-by-Juris/b7pe-5nws, accessed April 27, 2021.
[21] https://data.cdc.gov/Vaccinations/COVID-19-Vaccine-Distribution-Allocations-by-Juris/w9zu-fywh, accessed April 27, 2021.
[22] https://www.fda.gov/news-events/press-announcements/coronavirus-covid-19-update-fda-authorizes-pfizer-biontech-covid-19-vaccine-emergency-use, accessed May 26, 2021.
[23] https://investors.modernatx.com/news-releases/news-release-details/moderna-provides-clinical-and-supply-updates-covid-19-vaccine, accessed May 26, 2021.
[24] https://www.pfizer.com/news/press-release/press-release-detail/pfizer-and-biontech-initiate-study-part-broad-development, accessed May 26, 2021.
[25] https://investors.modernatx.com/news-releases/news-release-details/moderna-announces-positive-initial-booster-data-against-sars-cov, accessed May 26, 2021.

rate of 57.0 percent, which was the Vermont flu vaccine rate during the 2019-2020 flu season[26]. We assume the vaccination rate is normally distributed, with a standard deviation of one-tenth the mean.

Diagnostic Testing

To estimate the cost of diagnostic testing, we calculate a weekly average of testing costs incurred by insured individual, small group and large group members, excluding members where Medicare is the primary payer. The assumed testing cost uses a 4-3-2-1 weighted average, wherein the week ending March 26, 2021 is weighted the most heavily and preceding three weeks weighted in descending order.

The future utilization of testing remains uncertain. Prior lack of testing availability, emerging federal guidance, availability of public health testing, and ongoing federal funding for state-run testing all affect the testing rate. In the stochastic model, we start with the assumption that the level of testing is normally distributed with a mean set at the observed testing rate for February and March 2021, 0.61 tests per member per year (PMPY) for insured individual, small group and large group members and 0.29 tests PMPY for Medicare Supplement members, with a standard deviation of one-tenth the respective means. We do not assume any testing costs for members where Medicare is the primary payer, since Medicare covers diagnostic testing in full. We then dampen the testing factors to an ultimate rate of 50 percent using the factors in the *Vaccine Development* section. We also apply the seasonal factors in the *Treatment Costs* section. The adjusted testing rate represents a background level of testing that will face upward pressure due to relaxations of social distancing and downward pressure due to vaccine availability and administration. See Appendix F for a sample of testing rates randomly generated by these mechanics.

Previous iterations of the model assumed testing would cease upon broad vaccine availability. We now anticipate testing will continue at a background level through 2022 to meet various recreational, occupational, travel, and diagnostic needs. We expect significant testing in the fall for the combination influenza/RSV/COVID test, which will likely persist indefinitely as the standard of care.

We sometimes include the cost of an office visit with the cost of testing. We allow the model to select an office visit ratio according to a normal distribution centered at the visit-to-test ratio for February and March 2021. The cost of the office visit is calculated as the average office visit cost, exclusive of emergency room charges, for February through March 2021. Both the visit-to-test ratio and office visit cost are calculated separately for members where Medicare is the primary payer.

Office Visit		
	ACA Market/Large Group	Medicare Supplement
Cost	$91.91	$28.14
Visit-to-Test Ratio	0.063	0.036

[26] https://www.kff.org/other/state-indicator/flu-vaccination-rate, accessed May 26, 2021.

Antibody Testing

Current VDH guidance does not recommend the use of antibody testing for use in the general population nor for places of employment. Emerging studies of the efficacy of antibody testing indicate that there may be little to no benefit to conducting this type of testing. We assume that antibody testing will not occur at significant levels in Vermont, and therefore include no future projected antibody testing costs in our modeling.

Summary of Modeling Changes

As described in the preceding sections, we have made the following changes to the COVID model since the publication of results on December 31, 2020:

- Refreshed data to incorporate claims information through March 2021;
- Updated starting claim assumptions to use values from the individual, small group, and large group filings currently under review or recently approved;
- Updated the benchmark calculation to account for trend, population changes, and seasonality;
- Refreshed the level of deferred and returning care through March 2021 (*neutral impact in total, favorable impact in 2020 due to further deferred care at UVMHN in the fall)*;
- Calculated the level of deferred claims separately for ACA market and insured large group;
- Updated the changes in demand based on emerging information *(unfavorable impact)*;
- Refreshed incidence data to include cases through May 11, 2021;
- Refreshed admission data *(favorable impact)*;
- Updated treatment cost methodology to assume costs beyond vaccine availability for unvaccinated members *(unfavorable impact)*;
- Updated vaccination timeline *(varying impacts)*;
- Updated vaccine cost assumptions to reflect the March 15th CMS update to payment rates *(unfavorable impact)*;
- Updated estimated vaccination rate based on a recent survey *(unfavorable impact)*;
- Assumed testing rate will continue at a dampened level through 2022 *(unfavorable impact)*;
- New information emerges daily relative to the pandemic. We have worked swiftly to incorporate new information and the latest data.

Analysis & Results

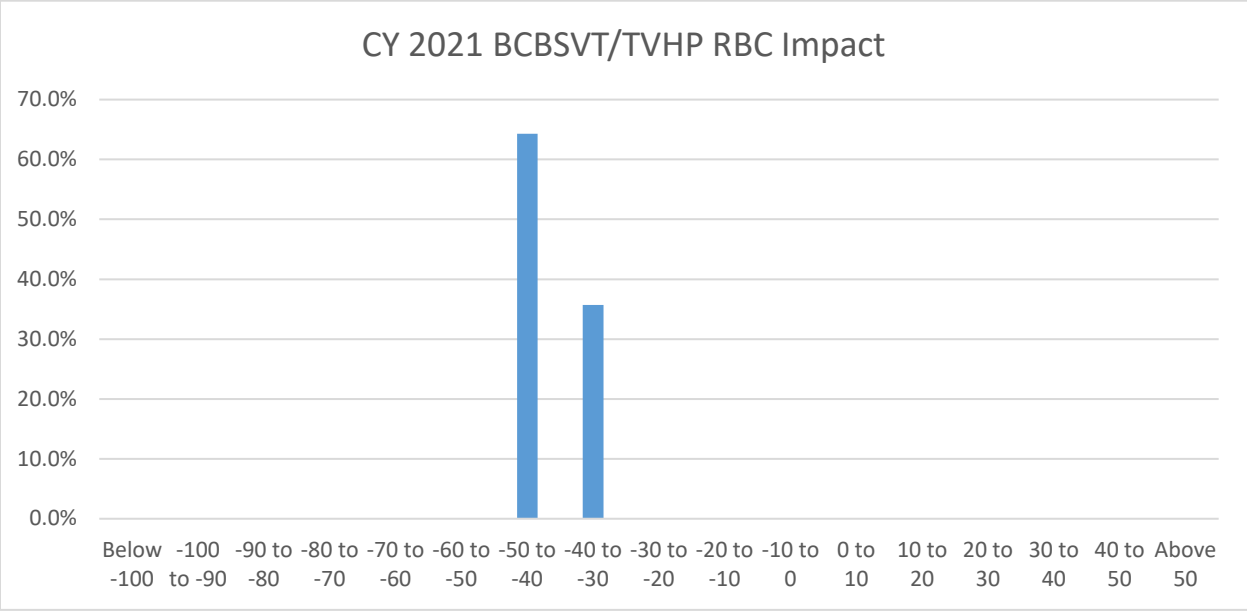
On the following pages, we examine the impact of varying scenarios for the ACA markets, Insured Large Group, and Medicare Supplement populations. We run 10,000 simulations using the inputs noted in the *Methodology* section. Appendix G provides the summary statistics of the stochastic modeling[27].

[27] The minimum and maximum values are included in Appendix G to assist the evaluation of the reasonability of the full range of modeling results and are not intended to inform the range of likely outcomes.

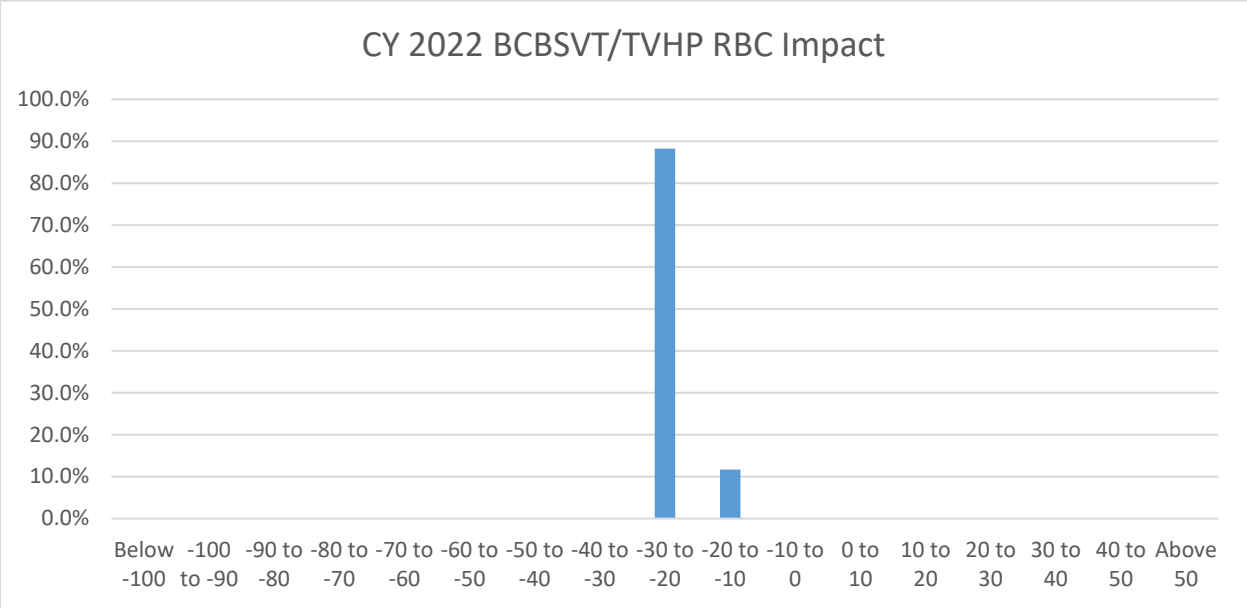
Summary of Results by Year

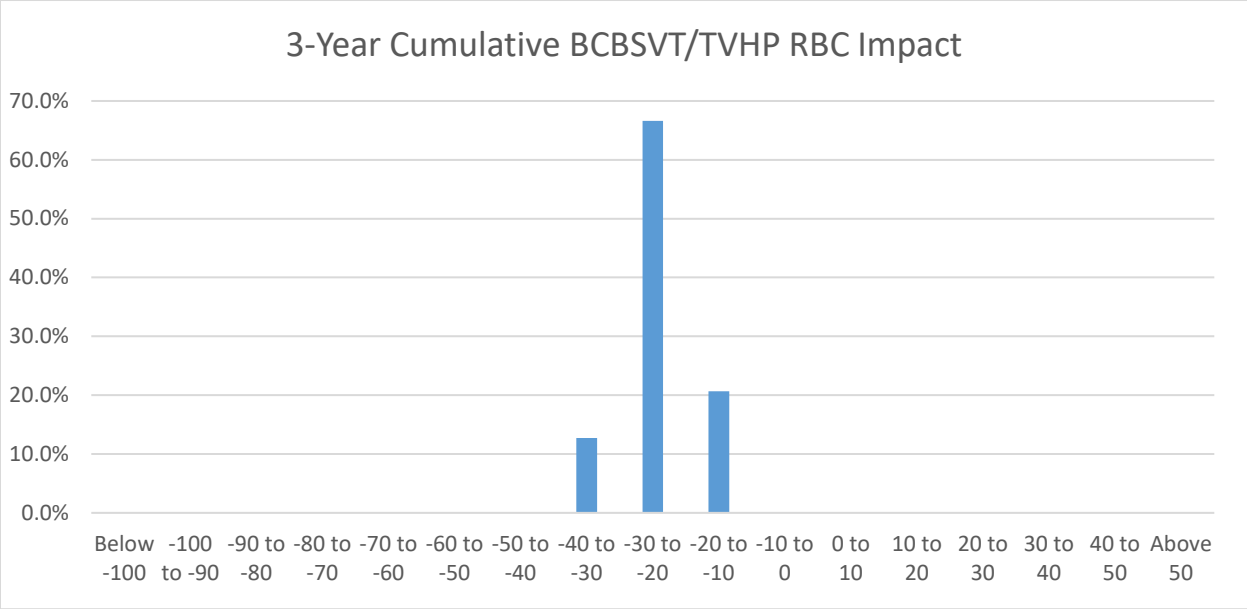
We provide the median modeled impact by calendar year for all insured Blue Cross and TVHP membership. Appendices A-C provide line of business specific results for ACA markets, Insured Large Group, and Medicare Supplement.

All Blue Cross/TVHP	CY 2020	CY 2021	CY 2022	Total
COVID Impact	**($8,504,802)**	**$8,728,354**	**$4,940,099**	**$5,163,652**
Baseline[28]	$343,100,540	$327,370,781	$348,392,423	$1,018,863,745
Change from Baseline	-2.5%	2.7%	1.4%	0.5%
RBC Change	40	-41	-23	-24



[28] Baseline claims reflect the projected medical and pharmacy claims for each respective period in the absence of any COVID-19 impacts.





These results demonstrate the disparate claim impacts by year. Notably, CY 2020 results show favorable impacts due initial slowdown occurring in the spring of 2020, which is not fully offset by the return of deferred care and COVID-related costs. 2021 results show unfavorable impacts due to testing costs, treatment costs, vaccination costs, and the return of care that was deferred during 2021. 2022 results demonstrate an upward impact on expected claims, primarily attributable to vaccine administration, heightened utilization of mental health services, and the worsening of morbidity expected to arise from the lapse in care for chronic conditions. Vaccine availability in 2021 dampens potential variance in both 2021 and 2022 since future treatment costs are minimal in many simulations. Results are materially different for Medicare Supplement members. Results are more favorable for this population since

Medicare is covering all diagnostic testing and vaccination costs in full. Appendix C provides a summary of the results for Medicare Supplement.

Collectively, these results demonstrate that, while 2020 operating results were significantly favorable, the claims impact of the full pandemic is likely to be unfavorable through 2022. These results are well aligned with the modeling performed in July and December 2020, which produced a majority of simulated results that were fairly neutral over a two-year timeframe. The update to the CMS payment rates, which represents a 76 percent increase in cost in a two-dose series, introduces further unfavorability in 2021 and 2022 due to increased vaccination costs. Additionally, the likelihood of continued diagnostic testing through 2022 contributes to the unfavorability in 2021 and 2022 as compared to previous modeling. These results show a narrower range of possible outcomes than earlier iterations of the COVID modeling, which is due to the ongoing development of COVID experience and vaccine cost and availability.

Conclusions

The COVID-19 pandemic has created unprecedented uncertainty in the level of paid claims through 2022. There is uncertainty beyond 2022 as well, related to levels of infection, vaccine frequency, and vaccine efficacy, all of which may present impacts to Blue Cross members, groups, and its reserve position. This analysis exclusively considers direct costs in 2020, 2021, and 2022.

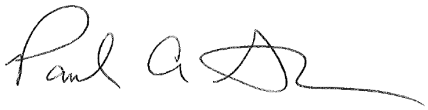
The modeling outlined in the memorandum reflects thousands of scenarios under varying assumptions that produce disparate results. New information regarding the factors outlined in this memorandum continues to emerge and will directly affect claims and the Blue Cross reserve position. Based on the best information known at the time this modeling was performed, the COVID-19 pandemic is likely to have an unfavorable impact on claims costs in both 2021 and 2022.

Actuarial Certification

The purpose of this report is to model possible scenarios related to the COVID-19 pandemic on paid claims and policyholder reserves for Blue Cross. The model and results are intended to quantify the impact varying scenarios have on BCBSVT's projected claims and funded position through 2022. This report is not intended to be used for other purposes.

Appendix J lists applicable limitations and disclosures.

It is my opinion that the modeling presented in this report is reasonable and has been prepared in accordance with applicable Actuarial Standards of Practice. 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.

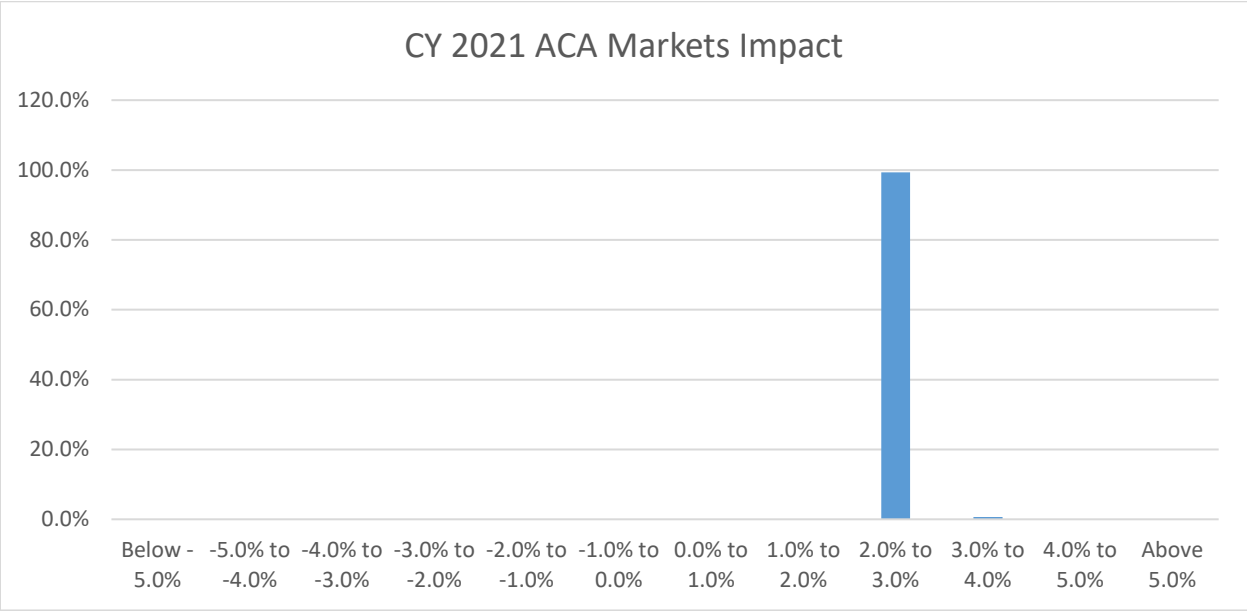


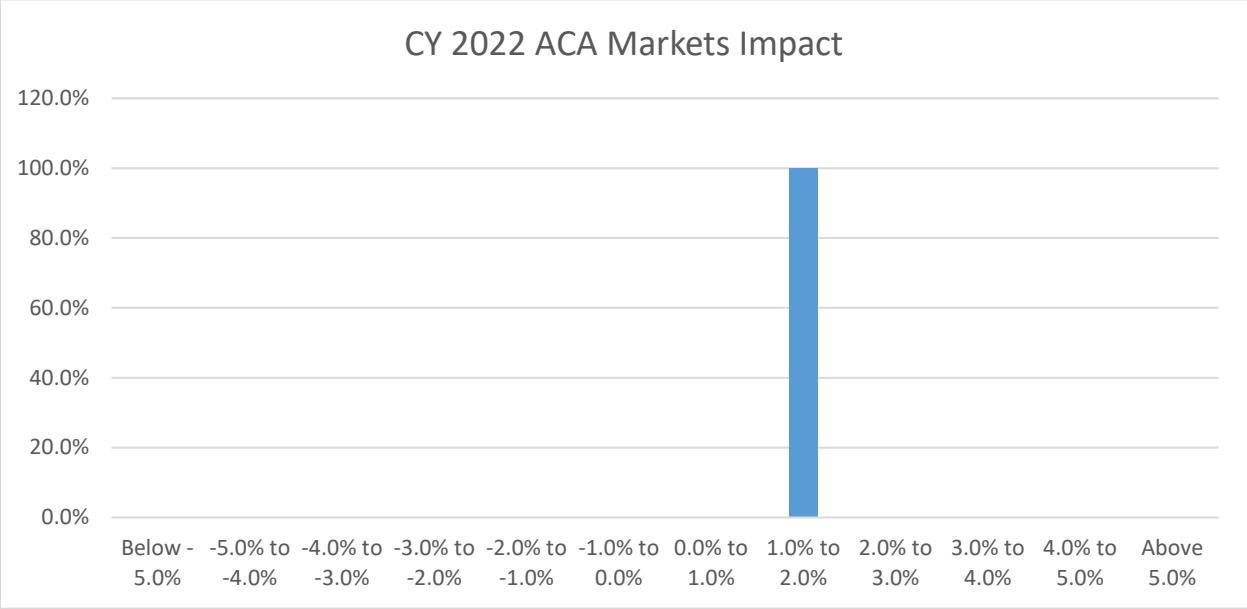
_____
Paul A Schultz, F.S.A., M.A.A.A.

June 1, 2021

Appendix A: ACA Markets Results

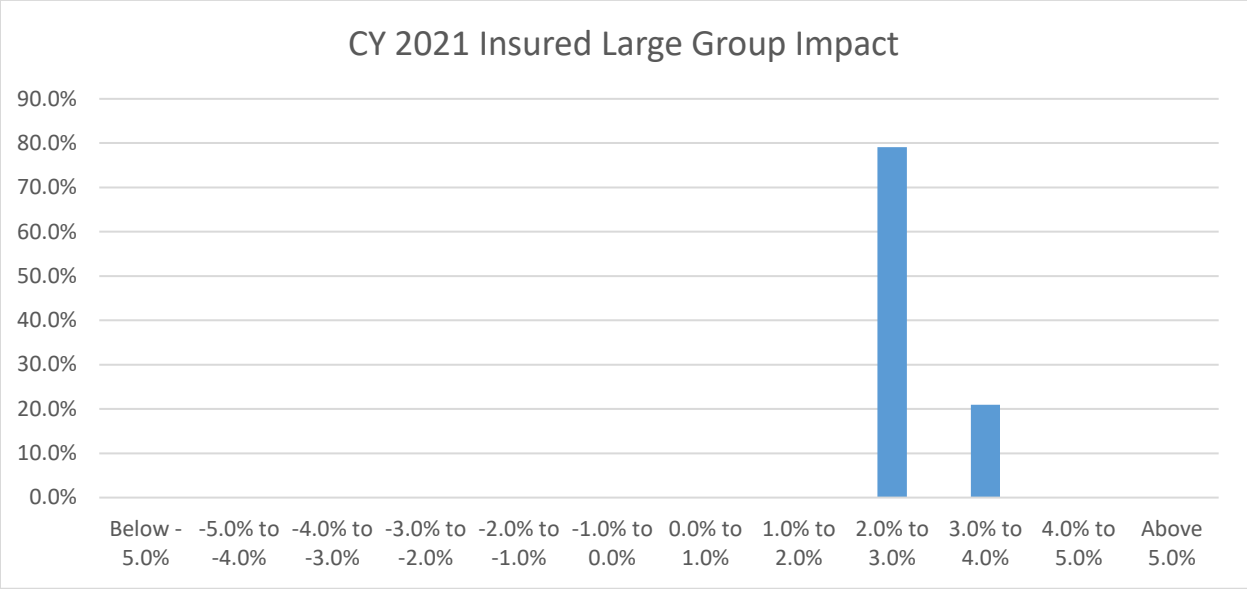
ACA Markets	CY 2020	CY 2021	CY 2022
Median	($5,824,454)	$7,023,868	$4,218,610
Baseline	$264,452,301	$260,088,975	$278,725,720
Change from Baseline	-2.2%	2.7%	1.5%

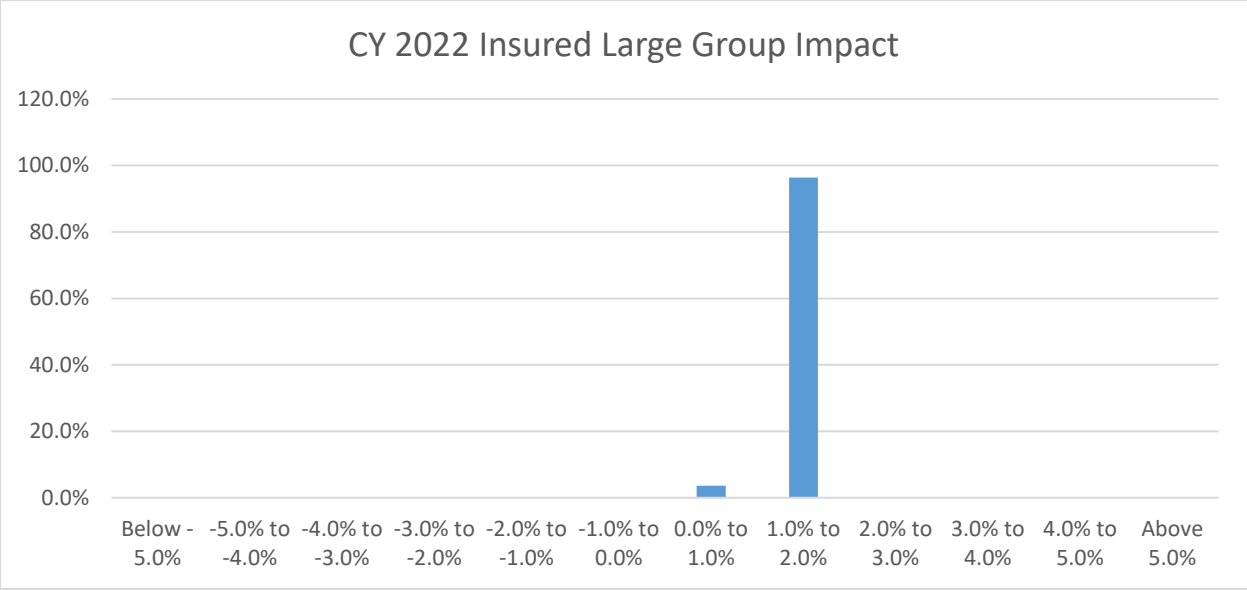




Appendix B: Insured Large Group Results

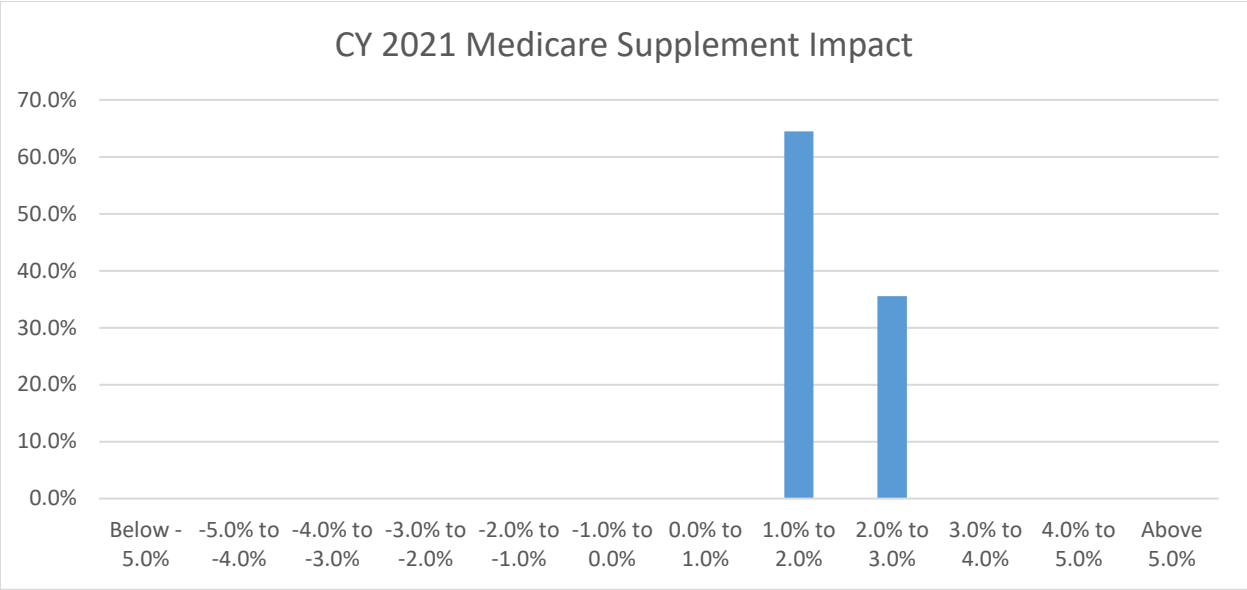
Insured Large Group	CY 2020	CY 2021	CY 2022
Median	($1,572,624)	$1,237,494	$560,725
Baseline	$55,520,093	$43,167,113	$44,578,808
Change from Baseline	-2.8%	2.9%	1.3%

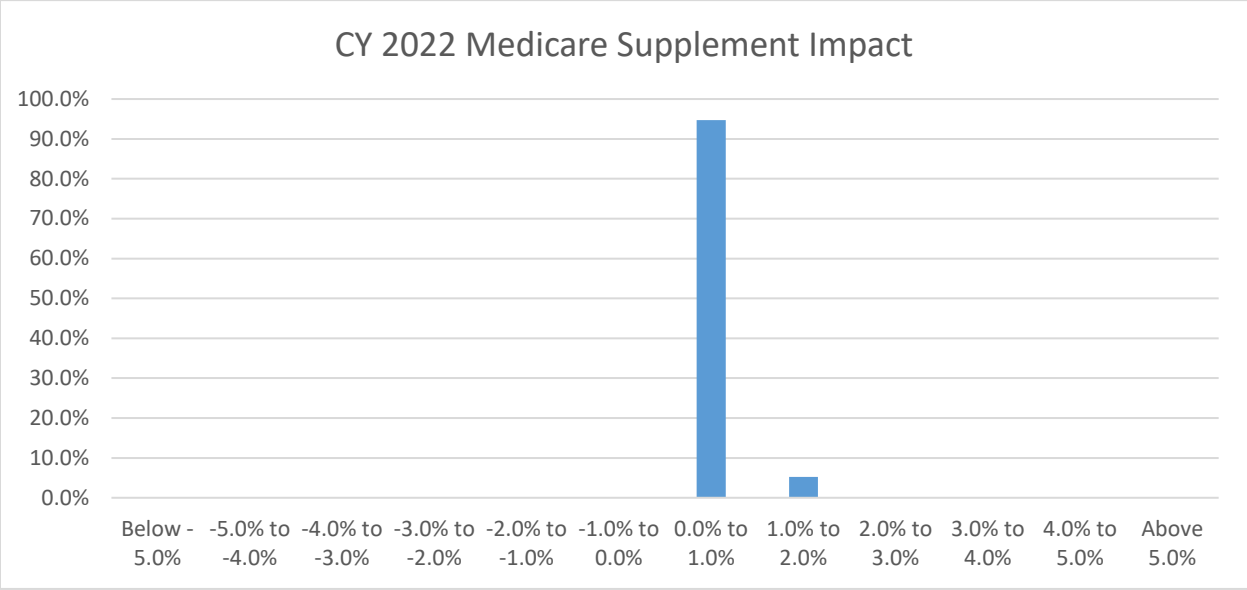




Appendix C: Medicare Supplement Results

Medicare Supplement	CY 2020	CY 2021	CY 2022
Total	($1,107,724)	$466,489	$160,735
Baseline	$23,128,146	$24,114,694	$25,087,895
Change from Baseline	-4.8%	1.9%	0.6%





Appendix D: Derivation of the Estimated Percentage of Returning Deferred Services

ACA Markets and Insured Large Group			
Type of Service	**Benchmark PMPM**	**Slowdown PMPM**	**Percent Rescheduled Services**
Surgery - Respiratory (non Influenza/Pneumonia)	$5.18	$2.96	30%
Evaluation and Management - Chronic	$13.86	$2.46	30%
Surgery - Cardiac	$15.30	$4.09	100%
Surgery - Other	$13.32	$1.65	100%
Surgery - Renal/Pancreas/Integumentary	$15.67	$5.01	100%
Surgery (knee/hip/shoulder + other bones)	$39.29	$17.07	100%
Surgery - Eye	$3.09	$1.33	100%
Surgery - GI	$19.55	$7.90	100%
Surgery - Colonoscopy	$10.38	$7.17	100%
Laboratory - Chronic	$10.02	$3.13	60%
Surgery - Neuro	$9.25	$2.52	100%
Radiology - Chronic	$13.18	$4.10	60%
Surgery - Reproductive System/Genital	$10.02	$4.15	100%
Immunizations	$1.57	$0.98	100%
Oncology Treatment	$8.76	$0.00	100%
IP - Diseases and Disorders	$12.89	$0.82	5%
Cardiology/EKG/ECG/EEG	$9.82	$4.74	30%
PT & Chiropractic	$17.77	$8.84	40%
Ophthalmology Services	$2.45	$1.42	75%
Other Inpatient	$12.64	$3.22	5%
Other Professional	$5.10	$2.01	30%
Dialysis	$1.70	$0.00	100%
Other Outpatient	$20.46	$9.12	30%
Influenza/Pneumonia	$2.47	$0.86	0%
Evaluation and Management - Other	$24.66	$9.20	0%
DME	$2.10	$0.22	0%
Ambulance	$3.11	$1.25	0%
Emergency and Urgent Care	$36.83	$9.37	0%
Laboratory - Other	$15.49	$6.86	0%
Radiology - Other	$31.63	$15.13	0%
Mental Health (Inpatient)	$5.34	$1.21	0%
Home Health & Hospice	$9.65	$0.00	0%
Pregnancy/Newborn	$21.89	$0.82	0%
Medical-Rx - Other	$3.74	$0.62	0%
Mental Health (Other)	$14.83	$0.00	0%
Medical-Rx - Chronic	$39.91	$0.00	0%
Total			**48.1%**

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Medicare Supplement			
Type of Service	**Benchmark PMPM**	**Slowdown PMPM**	**Percent Rescheduled Services**
Surgery - Respiratory (non Influenza/Pneumonia)	$0.77	$0.00	30%
Evaluation and Management - Chronic	$7.74	$2.56	30%
Surgery - Cardiac	$2.83	$0.64	100%
Surgery - Other	$2.37	$0.31	100%
Surgery - Renal/Pancreas/Integumentary	$6.00	$2.53	100%
Surgery (knee/hip/shoulder + other bones)	$9.47	$3.77	100%
Surgery - Eye	$3.24	$1.47	100%
Surgery - GI	$3.28	$0.88	100%
Surgery - Colonoscopy	$1.78	$1.30	100%
Laboratory - Chronic	$0.40	$0.19	60%
Surgery - Neuro	$2.13	$0.34	100%
Radiology - Chronic	$3.35	$1.33	60%
Surgery - Reproductive System/Genital	$1.18	$0.69	100%
Immunizations	$0.00	$0.00	100%
Oncology Treatment	$2.92	$0.34	100%
IP - Diseases and Disorders	$6.25	$1.91	5%
Cardiology/EKG/ECG/EEG	$3.22	$1.18	30%
PT & Chiropractic	$7.75	$4.22	40%
Ophthalmology Services	$2.86	$1.67	75%
Other Inpatient	$8.68	$2.47	5%
Other Professional	$3.45	$1.15	30%
Dialysis	$3.32	$0.06	100%
Other Outpatient	$15.28	$8.23	30%
Influenza/Pneumonia	$1.32	$0.12	0%
Evaluation and Management - Other	$6.47	$2.67	0%
DME	$1.31	$0.15	0%
Ambulance	$1.78	$0.37	0%
Emergency and Urgent Care	$10.18	$2.56	0%
Laboratory - Other	$0.70	$0.29	0%
Radiology - Other	$4.74	$1.78	0%
Mental Health (Inpatient)	$0.42	$0.27	0%
Home Health & Hospice	$3.68	$0.39	0%
Pregnancy/Newborn	$0.00	$0.00	0%
Medical-Rx - Other	$0.90	$0.34	0%
Mental Health (Other)	$2.10	$0.20	0%
Medical-Rx - Chronic	$13.18	$1.12	0%
Total			**42.8%**

Appendix E: Sample Deferred and Returning Care Factor

Sample Deferred and Returning Care Factors										
	Example 1	*Example 2*	*Example 3*	*Example 4*	*Example 5*	*Example 6*	*Example 7*	*Example 8*	*Example 9*	*Example 10*
202104	103.4%	103.5%	103.8%	103.6%	103.1%	103.0%	103.1%	103.0%	103.4%	103.7%
202105	100.5%	100.3%	100.5%	100.0%	101.1%	100.8%	101.0%	100.6%	100.2%	100.6%
202106	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202107	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202108	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202109	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202110	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202111	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202112	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202201	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202202	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202203	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202204	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202205	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202206	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202207	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202208	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202209	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202210	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202211	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
202212	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Appendix F: Sample Diagnostic Testing Rate

Sample Testing Rate (PMPM)										
	Example 1	*Example 2*	*Example 3*	*Example 4*	*Example 5*	*Example 6*	*Example 7*	*Example 8*	*Example 9*	*Example 10*
202101	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085	0.085
202102	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057
202103	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046
202104	0.050	0.060	0.055	0.056	0.049	0.049	0.048	0.050	0.052	0.058
202105	0.032	0.039	0.036	0.036	0.031	0.032	0.031	0.033	0.034	0.038
202106	0.019	0.022	0.020	0.021	0.018	0.018	0.018	0.019	0.019	0.022
202107	0.013	0.015	0.014	0.014	0.012	0.012	0.012	0.013	0.013	0.015
202108	0.013	0.015	0.014	0.015	0.013	0.013	0.012	0.013	0.013	0.015
202109	0.016	0.020	0.018	0.018	0.016	0.016	0.016	0.017	0.017	0.019
202110	0.022	0.026	0.024	0.024	0.021	0.021	0.021	0.022	0.022	0.025
202111	0.028	0.033	0.031	0.031	0.027	0.027	0.027	0.028	0.029	0.033
202112	0.033	0.040	0.037	0.038	0.032	0.033	0.032	0.034	0.035	0.039
202201	0.036	0.043	0.040	0.041	0.035	0.036	0.035	0.036	0.038	0.042
202202	0.036	0.043	0.040	0.041	0.035	0.036	0.035	0.036	0.038	0.042
202203	0.033	0.039	0.036	0.037	0.032	0.032	0.031	0.033	0.034	0.038
202204	0.027	0.033	0.030	0.031	0.027	0.027	0.026	0.028	0.028	0.032
202205	0.021	0.025	0.023	0.023	0.020	0.020	0.020	0.021	0.022	0.024
202206	0.015	0.018	0.017	0.017	0.015	0.015	0.015	0.015	0.016	0.018
202207	0.013	0.015	0.014	0.014	0.012	0.012	0.012	0.013	0.013	0.015
202208	0.013	0.015	0.014	0.015	0.013	0.013	0.012	0.013	0.013	0.015
202209	0.016	0.020	0.018	0.018	0.016	0.016	0.016	0.017	0.017	0.019
202210	0.022	0.026	0.024	0.024	0.021	0.021	0.021	0.022	0.022	0.025
202211	0.028	0.033	0.031	0.031	0.027	0.027	0.027	0.028	0.029	0.033
202212	0.033	0.040	0.037	0.038	0.032	0.033	0.032	0.034	0.035	0.039

Appendix G: Stochastic Modeling Summary Statistics

Baseline Claims – Total BCBSVT/TVHP		
Component	**Year**	**Value**
Baseline Claims	CY 2020	$343,100,540
	CY 2021	$327,370,781
	CY 2022	$348,392,423

Stochastic Modeling Summary Statistics - Total BCBSVT/TVHP					
Component	**Year**	**Mean**	**Min**	**Max**	**Median**
Diagnostic Testing	CY 2020	$2,280,120	$2,280,120	$2,280,120	$2,280,120
	CY 2021	$1,885,792	$1,402,001	$2,596,931	$1,880,017
	CY 2022	$1,360,294	$731,206	$2,285,007	$1,352,784
Vaccine Administration	CY 2020	$8,680	$8,680	$8,680	$8,680
	CY 2021	$1,312,334	$1,207,227	$1,400,512	$1,317,778
	CY 2022	$1,225,804	$845,861	$1,328,617	$1,243,402
Morbidity Impact Deferred Care	CY 2020	$0	$0	$0	$0
	CY 2021	$701,514	$0	$1,405,257	$703,275
	CY 2022	$868,679	$0	$1,739,072	$870,981
Changes in Demand	CY 2020	$0	$0	$0	$0
	CY 2021	$453,457	$453,457	$453,457	$453,457
	CY 2022	$1,321,810	$1,321,810	$1,321,810	$1,321,810
Treatment	CY 2020	$3,181,031	$3,181,031	$3,181,031	$3,181,031
	CY 2021	$1,618,528	$1,520,903	$2,053,516	$1,599,113
	CY 2022	$136,317	$4,695	$656,178	$106,357
Delayed Care	CY 2020	-$20,347,952	-$20,347,952	-$20,347,952	-$20,347,952
	CY 2021	$0	$0	$0	$0
	CY 2022	$0	$0	$0	$0
Returning Care	CY 2020	$6,348,167	$6,348,167	$6,348,167	$6,348,167
	CY 2021	$2,768,984	$2,461,529	$3,050,823	$2,769,380
	CY 2022	$47,363	$0	$191,336	$44,765

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Baseline Claims – ACA Markets		
Component	**Year**	**Value**
Baseline Claims	CY 2020	$264,452,301
	CY 2021	$260,088,975
	CY 2022	$278,725,720

Stochastic Modeling Summary Statistics – ACA Markets					
Component	**Year**	**Mean**	**Min**	**Max**	**Median**
Diagnostic Testing	CY 2020	$1,898,835	$1,898,835	$1,898,835	$1,898,835
	CY 2021	$1,638,924	$1,228,332	$2,242,504	$1,634,011
	CY 2022	$1,154,111	$620,207	$1,938,963	$1,147,722
Vaccine Administration	CY 2020	$6,875	$6,875	$6,875	$6,875
	CY 2021	$1,108,874	$1,020,463	$1,183,045	$1,113,453
	CY 2022	$1,197,745	$826,498	$1,298,204	$1,214,940
Morbidity Impact Deferred Care	CY 2020	$0	$0	$0	$0
	CY 2021	$560,153	$0	$1,121,998	$561,528
	CY 2022	$694,878	$0	$1,390,841	$696,814
Changes in Demand	CY 2020	$0	$0	$0	$0
	CY 2021	$373,620	$373,620	$373,620	$373,620
	CY 2022	$1,069,923	$1,069,923	$1,069,923	$1,069,923
Treatment	CY 2020	$2,289,020	$2,289,020	$2,289,020	$2,289,020
	CY 2021	$1,438,769	$1,356,850	$1,803,773	$1,422,477
	CY 2022	$114,341	$3,938	$550,395	$89,211
Delayed Care	CY 2020	-$15,272,200	-$15,272,200	-$15,272,200	-$15,272,200
	CY 2021	$0	$0	$0	$0
	CY 2022	$0	$0	$0	$0
Returning Care	CY 2020	$5,231,188	$5,231,188	$5,231,188	$5,231,188
	CY 2021	$1,913,639	$1,696,771	$2,143,618	$1,913,814
	CY 2022	$0	$0	$0	$0

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Baseline Claims – Insured Large Group		
Component	**Year**	**Value**
Baseline Claims	CY 2020	$55,520,093
	CY 2021	$43,167,113
	CY 2022	$44,578,808

Stochastic Modeling Summary Statistics - Insured Large Group					
Component	**Year**	**Mean**	**Min**	**Max**	**Median**
Diagnostic Testing	CY 2020	$366,299	$366,299	$366,299	$366,299
	CY 2021	$242,047	$169,785	$348,273	$241,182
	CY 2022	$203,116	$109,152	$341,244	$201,991
Vaccine Administration	CY 2020	$1,785	$1,785	$1,785	$1,785
	CY 2021	$199,040	$182,345	$213,047	$199,905
	CY 2022	$28,060	$19,362	$30,413	$28,462
Morbidity Impact Deferred Care	CY 2020	$0	$0	$0	$0
	CY 2021	$92,717	$0	$185,712	$92,946
	CY 2022	$111,137	$0	$222,448	$111,447
Changes in Demand	CY 2020	$0	$0	$0	$0
	CY 2021	$83,156	$83,156	$83,156	$83,156
	CY 2022	$204,770	$204,770	$204,770	$204,770
Treatment	CY 2020	$604,506	$604,506	$604,506	$604,506
	CY 2021	$114,372	$101,466	$171,873	$111,805
	CY 2022	$18,013	$620	$86,708	$14,054
Delayed Care	CY 2020	-$3,296,649	-$3,296,649	-$3,296,649	-$3,296,649
	CY 2021	$0	$0	$0	$0
	CY 2022	$0	$0	$0	$0
Returning Care	CY 2020	$748,112	$748,112	$748,112	$748,112
	CY 2021	$508,103	$473,000	$545,327	$508,131
	CY 2022	$0	$0	$0	$0

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Baseline Claims – Medicare Supplement		
Component	**Year**	**Value**
Baseline Claims	CY 2020	$23,128,146
	CY 2021	$24,114,694
	CY 2022	$25,087,895

Stochastic Modeling Summary Statistics - Medicare Supplement					
Component	**Year**	**Mean**	**Min**	**Max**	**Median**
Diagnostic Testing	CY 2020	$14,986	$14,986	$14,986	$14,986
	CY 2021	$4,821	$3,496	$6,722	$4,795
	CY 2022	$3,067	$1,343	$5,538	$3,032
Vaccine Administration	CY 2020	$20	$20	$20	$20
	CY 2021	$4,419	$4,419	$4,419	$4,419
	CY 2022	$0	$0	$0	$0
Morbidity Impact Deferred Care	CY 2020	$0	$0	$0	$0
	CY 2021	$48,644	$0	$97,721	$48,713
	CY 2022	$62,664	$0	$125,782	$62,729
Changes in Demand	CY 2020	$0	$0	$0	$0
	CY 2021	-$3,319	-$3,319	-$3,319	-$3,319
	CY 2022	$47,117	$47,117	$47,117	$47,117
Treatment	CY 2020	$287,505	$287,505	$287,505	$287,505
	CY 2021	$65,388	$62,587	$77,870	$64,831
	CY 2022	$3,963	$136	$19,076	$3,092
Delayed Care	CY 2020	-$1,779,103	-$1,779,103	-$1,779,103	-$1,779,103
	CY 2021	$0	$0	$0	$0
	CY 2022	$0	$0	$0	$0
Returning Care	CY 2020	$368,868	$368,868	$368,868	$368,868
	CY 2021	$347,242	$261,345	$454,449	$347,050
	CY 2022	$47,363	$0	$191,336	$44,765

Appendix H: Breakout of Claims by Calendar Year

Median Claims by Calendar Year – Total BCBSVT/TVHP			
	CY 2020	CY 2021	CY 2022
Direct Costs	$5,486,303	$3,484,465	$1,459,141
Vaccination Costs	$8,680	$1,317,778	$1,243,402
Delayed Claims	($20,347,952)	$0	$0
Returning Claims	$6,348,167	$2,769,380	$44,765
Morbidity Impact Deferred Care	$0	$703,275	$870,981
Changes in Demand	$0	$453,457	$1,321,810
Net Impact by Year	**($8,504,802)**	**$8,728,354**	**$4,940,099**
Baseline	$343,100,540	$327,370,781	$348,392,423
Change from Baseline	-2.5%	2.7%	1.4%

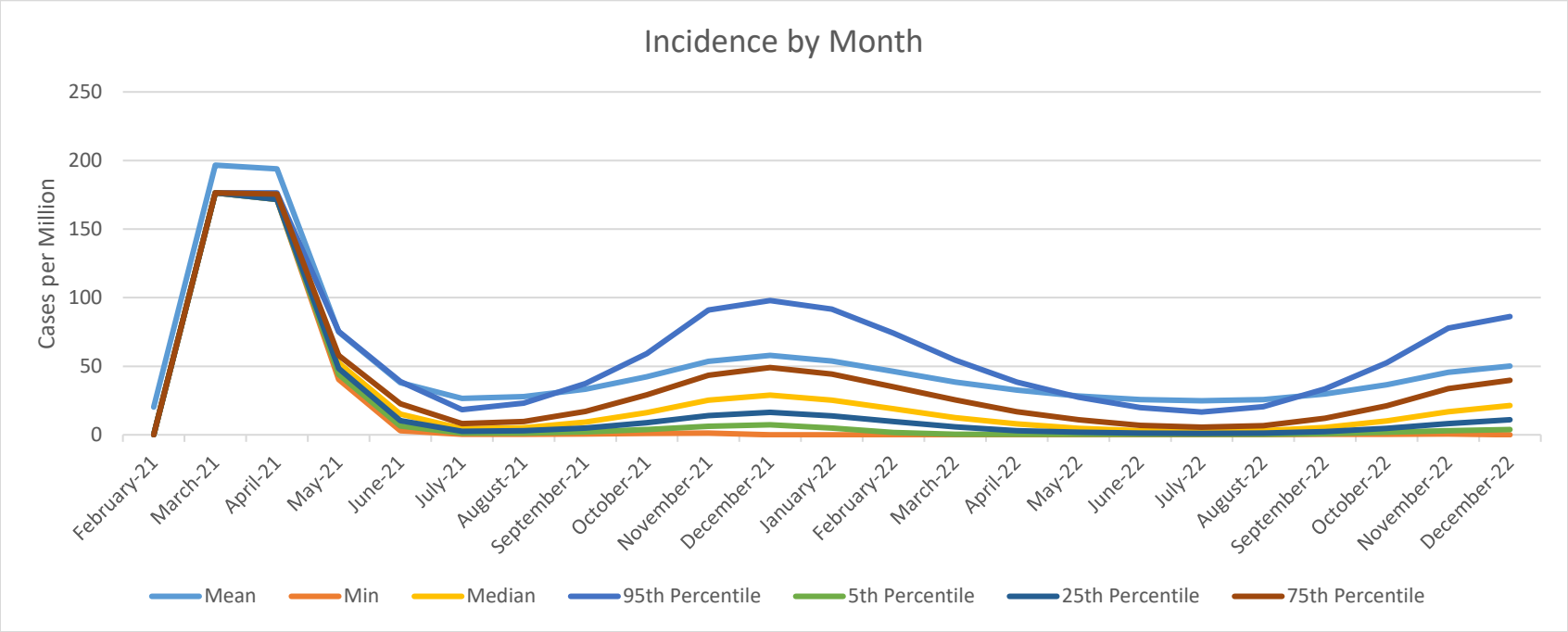
Median Claims by Calendar Year – ACA Markets			
	CY 2020	CY 2021	CY 2022
Direct Costs	$4,209,684	$3,061,453	$1,236,933
Vaccination Costs	$6,875	$1,113,453	$1,214,940
Delayed Claims	($15,272,200)	$0	$0
Returning Claims	$5,231,188	$1,913,814	$0
Morbidity Impact Deferred Care	$0	$561,528	$696,814
Changes in Demand	$0	$373,620	$1,069,923
Net Impact by Year	($5,824,454)	$7,023,868	$4,218,610
Baseline	$264,452,301	$260,088,975	$278,725,720
Change from Baseline	-2.2%	2.7%	1.5%

Median Claims by Calendar Year – Insured Large Group			
	CY 2020	CY 2021	CY 2022
Direct Costs	$974,129	$353,356	$216,045
Vaccination Costs	$1,785	$199,905	$28,462
Delayed Claims	($3,296,649)	$0	$0
Returning Claims	$748,112	$508,131	$0
Morbidity Impact Deferred Care	$0	$92,946	$111,447
Changes in Demand	$0	$83,156	$204,770
Net Impact by Year	($1,572,624)	$1,237,494	$560,725
Baseline	$55,520,093	$43,167,113	$44,578,808
Change from Baseline	-2.8%	2.9%	1.3%

Blue Cross and Blue Shield of Vermont
COVID-19 Modeling

Median Claims by Calendar Year – Medicare Supplement			
	CY 2020	CY 2021	CY 2022
Direct Costs	$302,491	$69,626	$6,124
Vaccination Costs	$20	$4,419	$0
Delayed Claims	($1,779,103)	$0	$0
Returning Claims	$368,868	$347,050	$44,765
Morbidity Impact Deferred Care	$0	$48,713	$62,729
Changes in Demand	$0	-$3,319	$47,117
Net Impact by Year	($1,107,724)	$466,489	$160,735
Baseline	$23,128,146	$24,114,694	$25,087,895
Change from Baseline	-4.8%	1.9%	0.6%

Appendix I: Incidence Summary by Month



Appendix J: Disclosures and Limitations

Information Date: The analysis provided in the report is based on information as known on June 1, 2021.

Scope: This result is intended to communicate the effect of possible scenarios related to the COVID-19 pandemic in 2020, 2021, and 2022 on BCBSVT's risk-based capital position. This modeling is not intended to predict the likelihood of any specific scenario or set of scenarios.

Uncertainty or Risk: Future events will affect the results presented in the report. The level of testing, treatment, infection, vaccine availability, vaccine efficacy, infection rates, future federal and state legislation, and additional factors related to the COVID-19 pandemic are unknown. Actual results may vary from the results presented herein, potentially to a significant degree.

Reliance on Other Sources for Data and Other Information: This report relies upon data from the BCBSVT data warehouse. I have reviewed the data for reasonableness, but no audit was performed. We also rely on knowledge provided by BCBSVT medical directors to develop the deferred care anticipated to return and longer-lasting changes to the care delivery system that will result from the pandemic. Lastly, this report relies upon several sources of information, which are cited as footnotes at their respective references. If any of the sources we have relied upon are incorrect or inaccurate, it may affect the accuracy of the results presented in the report.

Subsequent Events: New information related to the COVID-19 pandemic continues to emerge on a regular basis. Subsequent events may affect the results presented herein. The degree to which future events may materially change the results is unknown.

Intended Users: This material has been prepared for support of our individual and small group filings. Distribution of this report to any third party must be made in its entirety. The report should be evaluated only by qualified users. Any parties receiving this report should retain actuarial expertise in interpreting results.

BlueCross BlueShield of Vermont
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June 25, 2021

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 06/19/2021 Questions re:
Blue Cross and Blue Shield of Vermont
2022 Vermont ACA Market - Individual and Small Group Rate Filings
(SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

Dear Mr. Ruggeberg:

In response to your requests on behalf of the Office of the Health Care Advocate dated June 19, 2021, here are *your questions* and our answers:

1. *Provide the 2020 and projected 2021 claims data requested by the Office of the Health Care Advocate in question #1 of the proposed questions it submitted to the Board on June 7, 2021 and explain how these data compare to the projections BCBSVT provided the Board in connection with last year's individual and small group rate filing. In responding to this question, BCBSVT need not reproduce Appendix D of its COVID-19 Modeling Addendum.*

   For completeness of the record, the HCA request is repeated here:

   "Please update the tables in Appendix D: Breakout of Claims by Year of the COVID-19 Modeling Addendum submitted in connection with the 2021 VT Health Connect Rate Filing using 2020 actual data and 2021 projected data based on known or partially known data. In responding to the above question, please make sure to include the following:
   - Substitute, in the Projected Claims Table, the projected paid claims for 2020 of $339,991,579 with the actual paid claims for 2020;
   - Substitute, in the Projected Claims Table, the 2021 projected paid claims with the amount of claims BCBSVT currently projects for 2021, broken out by (1) actual paid claims for the months of 2021 for which such data are currently available, and (2) projected paid claims for the remainder of 2021."

   The response to L&E's inquiries dated June 21, 2021 provides an update to the COVID modeling performed as part of last year's individual and small group rate filing. Appendix H provides an update to the information presented as Appendix D of the July 14, 2020 modeling.

   The baseline claims have been updated in the June 1, 2021 modeling to include information underlying recent rate filings and to reflect current membership information. Notably, we used the 2022 ACA filing to project both 2020 and 2021 claims in the most recent modeling. A significant population shift observed in 2020 had not been anticipated by the 2021 filing, which had served as the baseline in previous modeling.

As a preliminary matter, we note that the modeling presented last summer in conjunction with the 2021 VISG rate filing defined a number of "second wave" scenarios wherein a wave was defined not by a prevalence of infection but by "the deferral of all non-[emergent] medical procedures." There was never a second deferral of non-emergent services in Vermont due to COVID-19. Therefore, even though the infection rate in Vermont peaked at the level of incidence underlying the "Boston Severity" scenario[1], the correct basis of comparison to actual results is the "No Second Wave" scenario.

The June 1, 2021 modeling incorporates more current data and was released after the widespread availability of vaccines. These updates have narrowed the range of possible future outcomes, which reduces the variance within the modeling results. In total, results remain consistent with the July 14, 2020 results, which showed a majority of results with a neutral to unfavorable two-year impact.

Specific costs are remarkably consistent from the midyear 2020 modeling to actual 2020 results and the updated 2021 modeling. Delayed claims in 2020 are somewhat higher than anticipated and returning care somewhat lower, both of which are attributable to the late October cyberattack at UVMHN. The cyberattack also had the effect of increasing returning care in 2021. Through March 2021 we estimate that approximately $1.0 million of care returning in 2021 is a result of the rescheduling of care deferred as a result of the UVMHN cyberattack.

Our updated 2021 projection includes a lower figure for direct costs and vaccine administration, the latter driven by vaccine administration at sites that are not submitting claims to Blue Cross. These are offset by an increase in "changes in demand," reflecting the observation that emergency room utilization has returned to historical norms contrary to our assumption in last summer's modeling that patients would continue to seek alternative sites of care after eschewing the emergency room during the lockdown. In the aggregate, the projected 2021 change from baseline of 2.7 percent is quite consistent with the 2.1 percent projected last summer. The observed 2020 result of a 2.5 percent decrease from baseline is extremely close to the 2.2 percent decrease projected last summer.

The table below provides a split view of 2021 modeling results for the ACA markets. First quarter direct cost and vaccination costs are actual claims.

Appendix H – ACA Markets 2021 Split			
	January – March	**April - December**	**2021 Total**
Direct Costs	$1,979,861	$1,081,592	$3,061,453
Vaccination Costs	$147,897	$965,556	$1,113,453
Delayed Claims	$0	$0	$0
Returning Claims	$1,311,788	$602,026	$1,913,814
Morbidity Impact Deferred Care	$56,278	$505,250	$561,528
Changes in Demand	-$39,546	$413,166	$373,620
Total	**$3,456,278**	**$3,567,590**	**$7,023,868**

[1] The average case rate per 100,000 in Vermont in January 2021 was 23.54. The average case rate per 100,000 for the Boston Hospital Referral Region (HRR) from March 22, 2020 through May 17, 2020 was 23.19. The case rate in the Burlington, VT HRR, which served as the basis of the Vermont scenarios, was 2.69 over the same period.

2. *Quantify the impact of BCBSVT's actual 2020 experience and current projection of 2021 experience on BCBSVT's RBC position and demonstrate how these actual and projected RBC impacts compare to the modeling that BCBSVT provided the Board in connection with last year's individual and small group rate filing on page 13 of its COVID Modeling Addendum.*

   As noted above, it is most appropriate to compare the current modeling to the "No Second Wave" scenario of the 2020 modeling. The actual 2020 and current projection of 2021 based on the June 1, 2021 modeling is provided in the table below. The below table excludes Medicare Supplement since that line of business was not included in the July 14, 2020 modeling.

Modeled Average RBC Impact as of December 31,			
	2020	**2021**	**2020-2021 Total**
July 14, 2020	+35	-37	-2
June 1, 2021	+35	-39	-4

   As shown above, the July 14, 2020 modeling very accurately projected 2020 results. The projection of 2021 results has changed only very slightly based on our latest modeling that includes actual data through March 2021.

3. *What was BCBSVT's total written premium in the Vermont individual and small group market (ACA Market) for 2020?*

   Total written premium for the Vermont ACA market in 2020 was $318,920,553.

4. *On BCBSVT's total surplus, how much investment income did BCBSVT earn in 2020?*

   In 2020, Blue Cross earned $3,160,477 in investment income.

5. *Quantify the proportion of BCBSVT's 2020 investment income allocable to ACA business in the same manner that BCBSVT used to calculate the target contribution to reserve described in Attachment C of the filings. Describe the allocation methodology used.*

   The target contribution to reserve (CTR) is calculated using investment income allocated on the basis of capital requirements; that is, the contribution of each line of business toward the enterprise Authorized Control Level (ACL). The ACA market represents 55.76 percent of the capital requirements. Accordingly, $1,762,282 of the 2020 investment income would be allocable to ACA business on the basis of this methodology.

6. *Provide the numbers and percentages of cases of COVID-19 that BCBSVT has had to date and the costs of these cases for the plans covered by these filings.*

   From February 2020 through June 22, 2021, 27 Blue Cross members enrolled in an ACA market plan had received inpatient treatment with a diagnosis of COVID-19, with allowed charges totaling $932,606. Additionally, 7,058 Blue Cross members enrolled in an ACA market plan had claims incurred in an outpatient setting related to a screening for COVID-19, with allowed charges totaling $3,269,372. Lastly, 22,076 Blue Cross members enrolled in an ACA market plan had claims for COVID-19 testing,

with allowed charges totaling $2,596,643 for 27,253 tests. Note that due to provider lag in reporting claims, the reported number of cases and treatment costs will likely increase as time passes.

7. *In BCBSVT's 2022 VT Health Connect Actuarial Memorandum at page 6, BCBSVT provides a table that lists its 2020 actual contribution to reserve as 5.2%. Explain how this 5.2% was calculated.*

The calculation of the 5.2% uses premium, claims and administrative expenses from our internal financial reporting, which is produced consistently with generally accepted accounting principles (GAAP). We adjust the raw totals for events that were incurred in other years in order to present an unpolluted view of actual 2020 results relative to expectations at the time of filing.

The 2020 reported premium of $317.7 million was adjusted for two items: (1) 2015 and 2016 risk corridor settlements were reported in 2020 in the amount of $10.1M; and (2) final 2019 risk adjustment was $2.4 million favorable relative to the estimate booked in December 31, 2019 financials. The adjusted 2020 premium is $305.2 million.

The 2020 reported claims of $250.7 million were adjusted for claims incurred in 2021 that were originally scheduled in 2020 but deferred due to the COVID-19 pandemic and UVMHN cyberattack. We adjusted the reported claims by the observed to date amount of $2.6 million for an adjusted total of $253.3 million.

No adjustments were made to the $36.0 million reported administrative expenses. The adjusted 2020 operating gain is $15.9 million, or 5.2 percent of adjusted premium.

8. *The table referenced in the preceding question also sets forth 2020 operating gains of $15,912,962 for the Vermont ACA market. What contribution to reserve would have produced an operating gain of $5 million? Of $3 million? Of $1 million?*

Performance for BCBSVT Vermont ACA Market for 2020 - Scenarios				
Scenario	**Filed Contribution to Reserve**	**Approved Contribution to Reserve[2]**	**Actual Contribution to Reserve**	**Operating gains/(losses) in millions**
Actual	1.5%	1.5%	5.2%	$15.9
$5M Gains	1.5%	-2.1%	1.7%	$5.0
$3M Gains	1.5%	-2.8%	1.0%	$3.0
$1M Gains	1.5%	-3.6%	0.3%	$1.0

[2] For the scenarios, these figures represent the CTR that would have been needed to produce the different requested operating gains scenarios.

9. *Provide the cost accounting exercise that BCBSVT references at page 47 of its actuarial memorandum.*

Blue Cross administrative expenses are tracked at a cost center level. Cost centers are assigned by department, division, or external fees, such as claims processing fees and federal or state fees. The Blue Cross actuarial and accounting teams determined a type of expense for each cost center: fully fixed, fully variable, or partially variable.

Fully fixed cost centers are expenses that do not vary based on the membership base. These services, such as legal services, provider relations and network management, facilities, some business technology expenses and some financial services (actuarial and underwriting for example), are needed regardless of whether membership grows or decline.

Fully variable cost centers are directly tied to enrollment or claims volume. These services, such as claims processing fees and customer service, are directly proportional to the number of members enrolled.

Finally, partially variable cost centers will fluctuate with enrollment changes but not directly proportionally to membership. For example, with membership growth, new employees are needed for variable cost centers. Those employees will increase some business technology expenses (e.g. desktop hardware, application licenses), but by a factor less than the membership increases since other costs (e.g. computer network infrastructure) are fixed. Other partially variable cost centers are dependent on the type of membership changes. For example, one new large self-funded group with 10,000 members will require new account management, benefit configuration, and reporting but only one new invoice, while 10,000 new ACA members will require additional invoicing but no new benefit configuration.

Total Enterprise Expenses for Year-to-Date November 2020 by Category (in millions)		
Fully Fixed	Core Business Technology	$15.41
	Corporate Infrastructure	$13.25
	Provider Services	$6.89
	External Affairs	$2.95
	Financial Risk Management	$2.06
	Federal and State Fees	$10.92
	FULLY FIXED	**$51.48**
Fully Variable	Claims Processing	$9.38
	Member Services	$7.52
	Vendor and Distribution Services	$6.65
	FULLY VARIABLE	**$23.55**
	SUBTOTAL (fully fixed and fully variable)	**$75.03**
	Fully Variable percentage of subtotal	**31.4%**
Partially Variable	Business Operations Technology	$13.26
	Financial Services	$6.47
	Client Services	$4.30
	PARTIALLY VARIABLE	**$24.03**
	GRAND TOTAL	**$99.06**

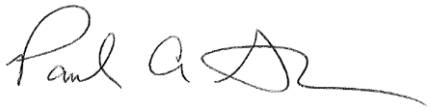
As shown in the table below, fully variable costs are 31.4 percent of the total of fully fixed and fully variable expenses. If the partially variable cost centers are split proportionally between fixed and variable, total variable costs would be 31.4 percent of the total.

To solidify our assumption, we looked at two examples of additional membership and quantified the specific impacts on the partially variable cost center. The first scenario, adding a large self-funded group with 10,000 members, results in variable expenses of 29.6 percent of the total. The second scenario, adding 10,000 new ACA market members, results in variable expenses of 25.3 percent of the total.

These results are all grouped around 30 percent. Because this value comports with observed staffing changes that have taken place with the addition of certain jumbo accounts in recent years, we conclude that 30 percent is the most appropriate estimate for the portion of total Blue Cross administrative expenses that vary directly with membership changes.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



_____
Paul Schultz, F.S.A., M.A.A.A.
Chief Actuary

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross Blue Shield Vermont 2022 Vermont ACA Market – Individual Market Rate Filing	))))	GMCB-005-21rr SERF No. BCVT-132829271
In re: Blue Cross Blue Shield Vermont 2022 Vermont ACA Market – Small Group Market Rate Filing	))))	GMCB-006-21rr SERF No. BCVT-132829562

RESPONSE OF BLUE CROSS TO
JUNE 7, 2021 BOARD QUESTIONS

Blue Cross and Blue Shield of Vermont provides the following responses to the Board's June 7, 2021 questions:

Question 1

For each filing, specify the percentage of the proposed premium (not premium increase) and the projected PMPM claims expenditures associated with spending at hospitals under the budget review jurisdiction of the Green Mountain Care Board, broken down by inpatient, outpatient, and physician services.

Response

The table below shows the proportion of total premium and PMPM for hospitals under the budget review jurisdiction of the GMCB. Note that the table shows the percentages and PMPM as filed and does not reflect changes discussed during the review process.

Claims Category	Individual Market		Small Group Market	
	Percent of Premium	PMPM	Percent of Premium	PMPM
Inpatient Facility	8.4%	$59.28	10.2%	$61.17
Outpatient Facility	21.9%	$155.28	20.8%	$124.97
Medical Pharmaceuticals	9.3%	$66.21	8.0%	$48.01
Professional Services	5.5%	$39.16	5.7%	$34.40
Total for hospitals under the budget review jurisdiction of the GMCB	**45.2%**	**$319.92**	**44.7%**	**$268.56**

Question 2

Explain how BCBSVT expects the Transparency in Coverage final rule and the Hospital Price Transparency final rule to impact insurer/provider contracting, if at all.

Response

The transparency in coverage rule does not require public data reporting to begin until 2022 and thus will not affect insurer/provider contracting in a manner relevant to the proposed 2022 rates. *See* Transparency in Coverage, 85 FR 72158-01, 72176 (Nov. 12, 2020). It remains to be seen whether the rule will have an impact on insurer/provider contracting, but it couldn't possibly affect contracts prior to 2023.

The hospital price transparency rule (45 CFR § 180.10 *et seq*.) requires hospitals to provide publicly both a comprehensive machine-readable file with standard charges for all items and services and a display of shoppable services in a consumer-friendly format by January 1, 2021. *See* 45 C.F.R. § 180.40.

Question 3

For the most recent year for which data are available, specify the percentages of payments made by BCBSVT under each APM category below across its individual and small group plans. The categories below are described in more detail in the Health Care Payment Learning & Action Network's Alternative Payment Model Framework Final White Paper dated January 12, 2016, available at https://hcp-lan.org/workproducts/apm-whitepaper.pdf and are the subject of issuer reporting in the QIS Implementation Plan and Progress Report Form, OMB 0938-1286.

Category 1 – Fee for Service – No Link to Quality & Value _____%
Category 2 – Fee for Service – Link to Quality & Value _____%
Category 3 – APMs Built on Fee for Service Architecture
- **APMs with Upside Gainsharing _____%**
- **APMs with Upside Gainsharing/Downside Risk _____%**

Category 4 – Population-based Payment

- **Condition-Specific Population-Based Payment _____%**
- **Comprehensive Population-Based Payment _____%**

Response

The table below shows the percentages of claims for the ACA market (individual and small group) for calendar year 2020 by the APM Framework categories:

Category	Percentage
1. Fee for Service – no link to Quality % Value	50.2%
2A. Fee for Service – Link to Quality & Value – Foundational Payments for Infrastructure & Operations	0.1%
2B. Fee for Service – Link to Quality & Value – Pay for Reporting	0%
2C. Fee for Service – Link to Quality & Value – Rewards for Performance	0%
3A. APMs Built on Fee-for-Service Architecture – APMs with Upside Gainsharing	0%
3B. APMs Built on Fee-for-Service Architecture – APMs with Upside Gainsharing/Downside Risk	49.8%
4A. Population-Based Payment – Condition-Specific Population-Based Payment	0.0%
4B. Population-Based Payment – Comprehensive Population-Based Payment	0.0%

Question 4

Describe in detail BCBSVT's efforts and plans to increase the use of higher-value payment approaches and its efforts and plans to implement fixed prospective payments within its ACO program in Vermont.

Response

Blue Cross has worked to engage providers across its network in value-based reimbursement but has been met with significant caution from providers who have expressed concern about re-engineering financial workflows, challenges with their electronic medical record systems, and the disruptions of the pandemic. Our efforts have focused on working with our hospital partners, since most provide both professional and hospital-based services. This offers the opportunity for holistic

approaches to reimbursement. Our value-based contracting work is informed by the goals of the Triple AIM:

- Improving the patient experience of care (including quality and satisfaction);
- Improving the health of populations; and
- Reducing the per capita cost of health care.

While providers support the three tenets, there is an unwillingness to be paid less money – reducing the per capita cost of care – even in the context of value-based reimbursement. Additionally, value-based reimbursement has an associated level of risk that providers are reluctant to assume. We have or had some programs in place, with varying degrees of success with provider engagement and overall programmatic results.

As part of its participation in the ACO, Southwestern Vermont Medical Center has agreed to accept fixed payments. No other hospital has been willing, thus far, to follow suit.

Despite the significant uncertainty brought on by the pandemic and the reluctance of many providers to adopt the fixed payments, we made significant progress in 2021, adding 11 professional practices to the OneCare Vermont fixed payment program. In addition, to ensure that we continue to advance toward fulfilment of the APM goals, several Blue Cross senior leaders have joined the fixed prospective payments workgroup convened by the Agency of Human Services to help devise strategies to speed the transition to a fixed payment system that meets the needs of providers and our rate payers. We also continue to work directly with OneCare on strategies to advance fixed payments.

Question 5

Explain how BCBSVT defines and measures low value care and whether has [sic] it has estimated the amount of low value care provided in Vermont.

Response

Blue Cross defines low value care using the University of Michigan Center for Value-Based Insurance Design definition: "Services that provide little or no benefit to patients, have potential to cause harm, incur unnecessary cost to patients, or waste limited healthcare resources." We address low value care through medical policies, payment policies, and utilization management.

Although we work to assist providers and patients in reducing low value care, the critical moment for identifying low value care is typically at the time of treatment. That's because what is "low value" in one setting with one patient can be high value in another setting with a different patient. As a result, much of the low value care in the system needs to be addressed by providers when working with their patients.

We do not specifically estimate the total amount of low value care provided to Blue Cross members because a global low value care definition has not yet been fully standardized and accepted. *See* Eline F. de Vries et al., *Are low-value care measures up to the task? A systematic review of the literature*, BMC Health Serv. Res. 16, 405 (Aug. 2016), available here. To minimize low value care, Blue Cross focuses on policies and procedures that protect patient safety, prevent overtreatment, and support high quality, cost effective care. We also target specific areas where we have concerns for either persisting issues of low value care, or safety, such as the use of benzodiazepines in the elderly. Because low value care often can only be determined at the point of care, there is a balance between limiting low value care and interfering in the patient-provider relationship.

For the Board's reference, the two studies cited below address regional variations in low value care. Both indicate that the prevalence of low value care in Vermont is not as high as other parts of the country.

Research Consortium for Health Care Value Assessment, *Estimating State-Level Prevalence of Low-Value Care Services Among the Privately Insured, 2015* (January 2020), available here.

Allison H. Oakes et al., *Systemic overuse of health care in a commercially insured US population, 2010–2015*, BCM Health Services Research (May 2019), available here.

Question 6

Provide an update on CivicaRX and the timing of its introduction of generic drugs into the market. Explain whether the filing contains any assumptions related to CivicaRX.

Response

The precise timing of CivicaScript's introduction of generic drugs into this market is currently unknown. At its most recent board meeting, the leadership of CivicaScript gave an update on the construction of the new manufacturing facility in Petersburg, Virginia. Work has begun on the foundation of the building, and the vertical build is expected to begin this month. In addition to the production capacity of this facility, CivicaScript is contracting with existing generic drug manufacturers to have them use some of their excess capacity to produce drugs on behalf of CivicaScript. That contracting process has been ongoing. There have also

been negotiations with various retail pharmacies for distribution of the CivicaScript versions of these drugs. That distribution network will be bolstered by OptumRx's mail order pharmacy. In total, about 15 to 20 percent of our total volume is represented in those pharmacies. While the manufacturing capacity and distribution network are being finalized, there is not a specific launch date yet for the targeted drugs.

The filing does not contain assumptions related to the impact of CivicaScript. We will build the impact of CivicaScript into future projections once a launch date becomes clear.

Question 7

Explain whether the filing contains any assumptions related to the impact of ambulatory surgery centers and, if it does, describe in detail what those assumptions are and how they were calculated.

Response

Yes, the filing reflects the impact of the ambulatory surgery centers in both the experience period and the outpatient trend selection.

The Green Mountain Surgery Center (GMSC) opened in July 2019. Through April 2021, the GMSC has saved approximately $5 million in health care cost to Blue Cross members[1] by offering surgery at approximately half the cost of other facilities in the region. Of this total, approximately 20 percent, or $1.3 million, are for members in ACA products.

For the ACA markets, in 2020, Blue Cross achieved 52 percent savings for the surgeries performed at the GMSC. These savings, totaling $554,000, are included in our experience and reduce starting allowed charges by 0.2 percent.

These lower cost services are also reflected in the outpatient trend calculation and selection. The selected outpatient trend of 0.3 percent would have been 0.2 percent higher without the savings generated by the GMSC. This would in turn have generated a combined average rate increase 0.1 percent higher than filed.

[1] Including members insured with the Federal Employees Program and other Blue Cross plans.

Overall, GMSC lowered premiums by 0.3 percent, or approximately $0.8 million, for the ACA market in 2022.

It is important to note that there is an inherent cap to the savings generated by the GMSC given the limited scope of services they have been approved to provide.

Question 8

Specify the number of members directly enrolled in BCBSVT plans and describe in detail the efforts BCBSVT has made to date and will make prior to open enrollment to inform these individuals of the subsidies that may be available to them if they purchase a qualified health plan through Vermont Health Connect.

a. At the hearing, please be prepared to explain how many directly enrolled members have enrolled through Vermont Health Connect for the 2021 plan year.

Response

As of May 31, 2021, Blue Cross had 4,682 members (2,707 subscribers) directly enrolled in its plans.

Plan	Subscribers	Members
Catastrophic	108	110
Standard Bronze	92	150
Standard Bronze CDHP	99	164
Standard Bronze Integrated	55	87
Standard Gold	228	413
Standard Platinum	397	691
Standard Silver - Reflective	568	1005
Standard Silver CDHP - Reflective	148	268
Vermont Preferred Bronze	77	133
Vermont Preferred Gold	86	145
Vermont Preferred Silver - Reflective	165	283
Vermont Select Bronze CDHP	238	421
Vermont Select Gold CDHP	318	568
Vermont Select Silver CDHP - Reflective	128	244
Total	2,707	4,682

As of June 18, 2021, 226 subscribers had made the switch from directly enrolled to VHC enrolled.[2]

In March 2021, with the passage of the American Rescue Plan, we began collaborating with the Department of Vermont Health Access to ensure that Vermonters have access to current and timely information and decision-making tools.

At the time, we immediately recognized the importance of connecting Vermonters to this information and what it meant for their monthly expenses or for their tax rebates come spring of 2022.

We worked diligently to enable the Vermonters enrolled directly with us to transition to Vermont Health Connect and take full advantage of the premium tax credits available to them.

We communicated these changes in early April and last week through letters targeted at our direct enroll population. Both letters were reviewed and approved by DVHA.

In addition to the letters, we have developed a web resource[3] center to help find important answers and tools. On the site we provide answers to frequently asked questions as well as a self-serve tool designed to help people calculate their subsidies. We will also update our website as Vermont Health Connect's site is updated.

In addition to the targeted mailings, our team also made outbound phone calls to members to ensure that these communications were clear and appropriate. To further strengthen communications, we are also using search engine optimization to help consumers find information about subsidy eligibility. Furthermore, our in-house service and sales team is fully trained and ready to assist any consumer who calls into our call-center with information about how to research their eligibility for subsidies and guidance on how to enroll through Vermont Health Connect. As we work on open enrollment communications and advertising, we will continue to include information about subsidy eligibility.

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[2] Per weekly report provided by DVHA.

[3] https://www.bcbsvt.com/individual-and-family-health-insurance-plans/the-american-rescue-plan.

Once Vermont Health Connect is able to display the new subsidy values, we will continue to evolve our message about the importance of the American Rescue Plan and how Vermonters can take advantage of this savings. The channels we are considering at this time are social media, email marketing, and direct mail.

The number of transfers to-date has been low, but the expectation is that this will increase when Vermont Health Connect is fully operational.

Question 9

Provide support for BCBSVT's assumption that approximately 13.2% of households enrolled through Vermont Health Connect paid their premium by credit or debit card and explain whether the information BCBSVT received from Vermont Health Connect was broken down by carrier.

Response

On March 25, 2020, the Department of Vermont Health Access provided Blue Cross with the monthly counts of Blue Cross subscribers who had paid their premiums by credit or debit card in 2020. Blue Cross compared those counts to our total enrollment in the individual market to calculate the 13.2 percent figure.

Question 10

Explain whether there are any national benchmarks relating to recoveries from carrier fraud, waste, and abuse programs and how BCBSVT monitors or evaluates the effectiveness of its fraud, waste, and abuse program.

Response

Health insurers do not have national benchmarks for fraud, waste, and abuse (FWA) activities, as the degree of FWA varies substantially from state to state. For example, in the 2015 report to Congress from CMS, Vermont had the lowest Medicare overpayment to beneficiaries of all 50 states. *See* http://medicareintegrity.org/wp-content/uploads/2015/02/StateWastePerBeneficiaryFinal.docx.pdf

A commonly cited study in the Journal of the American Medical Association looking at waste in the US health care system found that waste accounts for

approximately 25 percent of the dollars spent within the health care system. It is crucial to understand that the definition of "waste" considered by this and other published studies is far broader than the "waste" that can or could be addressed within an insurance carrier's FWA program. Specifically, the JAMA study includes such categories as "administrative complexity" and "pricing failure" that are clearly well beyond the scope of an FWA program as contemplated by this question. Narrowing the definition of "waste" to include only the FWA domains specific to a commercial carrier's FWA programming yields a result of roughly 3 percent waste. *See* William H. Shrank, MD et al., *Waste in the US Health Care System: Estimated Costs and Potential for Savings*, JAMA 2019; 322(15):1501-1509 (October 2019), available here.

Blue Cross follows the National Healthcare Anti-Fraud Association (NHCAA) recommended processes for ensuring a strong FWA program that contains the following components:

- Our anti-fraud plan, which includes all of the detection methods and controls we have in place to deter and identify FWA.
- Strong clear corporate commitment.
- Detection methods with strong data mining capabilities.
- Communication with regulatory and Medicare and Medicaid agencies.
- Documentation of recoveries, savings, avoided costs.
- Detailed policies and procedures.
- Ongoing training for FWA staff and annual training in FWA for all employees.
- Confidential fraud hotline and email available to members, providers, and employees.
- Ongoing monitoring and auditing.
- Provider termination policy.

The Blue Cross and Blue Shield Association provides support and guidance to the Blues plans nationally for best practices and standards for FWA detection and prevention. We also work closely with our state Medicaid program to share information about FWA activity in our marketplace.

Along with our in-house programs, we use a variety of vendors to evaluate and audit providers. These vendors employ sophisticated data analytics to discover FWA in claims data. These vendors often pay for their fees by retaining a portion of savings. Because the vendors work on a paid commission based on the savings for claims we agree should be adjusted, they are incentivized to find errors. Before

we take a recommendation from a vendor and take any action against a provider, we review each claim to make sure that the vendor's recommendation is in line with our medical policies, our clinical guidelines, and our provider and member contracts, and that the claim has reached final adjudication.

Our vendors use proprietary software that identifies specific outlier claims to audit. Our payment integrity division looks for trends in their findings and has performed more extensive audits to investigate and identify additional claims to perform recoveries and evaluate internal controls that may be needed to identify the FWA found, such as creating a new payment policy. Our payment integrity division is also developing new benchmarking and metrics.

We monitor the financial impact and savings of our vendors and these savings are reflected in our rate filings. Normally previous FWA activity flows naturally through the experience underlying our rate development, but because of the disruption over the past two calendar years—including the rollback of FWA activities in 2020 due to the pandemic and the cyberattack on UVMHN—we are making the aggressively optimistic assumption that FWA savings will return to 2018 levels, the peak of historical program savings.

Once a set of practitioners is audited, information about the audit, suggested best practices from us, and sanctions (if any) spread to other practitioners. These additional "audit aware" practitioners make an extra effort to ensure that billings are accurate and in compliance with BCBSVT payment policies. This lateral spread of best practices helps to keep the amount of FWA within Vermont lower that it might otherwise be.

While we continually enhance our programs through the use of data analytics, we also recognize the challenges inherent in aggressively pursuing additional fraud recoveries. New programs are often difficult to implement due to provider pushback.

Question 11

Page 50 of the actuarial memorandum contains a reconciliation of SHCE and GAAP accounting for 2020. Please provide the same information for 2018 and 2019.

Response

The Supplemental Health Care Exhibit (SHCE) is on a statutory accounting basis (as promulgated by the NAIC), while the administrative charges in this filing were developed based on GAAP accounting.

In the SHCE, administrative expenses are included in lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4. Line 1.5 also includes an allocation of federal income taxes that are not part of administrative expenses. Those must be excluded to reconcile to statutory basis administrative expenses. Statutory and GAAP accounting treat some expenses differently, mainly related to network fees and pension costs. The following chart demonstrates a reconciliation of the SCHE to GAAP base period administrative charges:

Individual and Small Group		**CY 2018**	**CY 2019**
SCHE lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4.	A	$37,401,260	$26,846,448
Less taxes in SCHE 1.5 that are not admin [4]	B	($2,759,515)	($1,138,520)
Total administrative charges - STAT basis	C = A – B	$40,160,775	$27,984,968
Differences in STAT and GAAP treatment	D	($2,236,734)	($2,102,889)
Total administrative charges - GAAP basis	E = C + D	$37,924,041	$25,882,079

Question 12

In Section 2.1 of the actuarial memorandum, BCBSVT notes that its provider network includes "over 96 percent of the providers in Vermont." Describe what characterizes the 4% of providers not included in BCBSVT's provider network.

Response

The table below shows the top four provider specialties included in the 4 percent of providers not included in Blue Cross's EPO network

[4] Note that Blue Cross had an income tax benefit, or negative income tax expense, for 2018 and 2019.

Specialty	Percentage
General Practice Dentistry	1.0%
Ambulance Services	0.9%
Oral Surgery Dentist	0.6%
Psychologist	0.3%
All other specialties (less than 0.1% each)	1.1%
Total Non-Participating Providers	**3.9%**

Question 13

The Board is working to better understand the variability in reimbursements paid to hospitals. How long would it take BCBSVT to calculate the following and does it have any alternative approaches that could be done sooner?

For each Vermont general/community hospital and for Dartmouth-Hitchcock, the ratio of BCBSVT's inpatient reimbursement to Medicare's inpatient reimbursement, standardized by MS-DRG relative weights, and the ratio of BCBSVT's outpatient reimbursement to Medicare's outpatient reimbursement, standardized by APC relative weights.

Blue Cross responded to the above inquiry on June 11, 2021, and respectfully refers the Board to that response. Below, Blue Cross responds to the following question provided by the Board after the June 11 response:

The Green Mountain Care Board requests that when Blue Cross and Blue Shield of Vermont (BCBVT) responds to the Board's June 7 questions, it provide the information described in its June 11 response to question 13.

Response

Blue Cross can provide a comparison of Vermont hospitals and Mary Hitchcock Memorial Hospital in New Hampshire, looking at the relative costs between hospitals. This information is used to inform our contracting activities. As a reminder, there are significant limitations with the data, which do not show how a hospital's reimbursement compares to Medicare reimbursements. Looking at inpatient, outpatient, and professional services separately and in isolation could lead to incomplete or inaccurate conclusions.

Challenges to using the data in a meaningful way include:

1. The relative comparisons do not account fully for the differences in the severity and scope of inpatient services provided at each hospital. There are material differences in what each hospital offers to its community. For example, while there are eight Critical Access Hospitals (CAH) in Vermont, they do not provide identical services and they offer services that are based, in part, on community needs. Further, as a tertiary academic medical center, UVMMC attracts a broader range of patients, including those with higher risks, that other hospitals in the state do not or cannot treat. Looking at one number does not allow for that nuanced view.

2. The relative comparisons do not account fully for the differences in the outpatient service mix at each hospital. While it is safe to assume that most hospitals offer many of the same outpatient services, e.g., radiology, laboratory/pathology, PT/OT, and surgical services, the weighting of those services varies materially by hospital. For example, one hospital's outpatient dollars may be derived almost exclusively from radiology and laboratory/pathology services, while another's top category may be surgical services. Again, one number does not fully capture these important differences.

3. The relative cost charts below do not incorporate professional costs. Professional costs will vary by facility particularly at the academic medical centers which have proprietary fee schedules. [redacted]

[redacted]

[redacted]

Dated: June 25, 2021

Respectfully submitted,

Stris & Maher LLP

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Counsel for Blue Cross Blue Shield of Vermont

CERTIFICATE OF SERVICE

I certify that I have served the above Response on Michael Barber, Laura Beliveau, Thomas Crompton, and Christina McLaughlin of the Green Mountain Care Board; and Jay Angoff, Kaili Kuiper, and Eric Schultheis, counsel for the Office of the Health Care Advocate, by electronic mail, return receipt requested, on June 25, 2021.

/s/ Bridget Asay
Bridget Asay
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BlueCross BlueShield of Vermont
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July 15, 2021

Kevin Ruggeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.

Subject: Your 07/14/2021 Questions re:
Blue Cross and Blue Shield of Vermont
2022 Vermont ACA Market - Individual and Small Group Rate Filings
(SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

Dear Mr. Ruggeberg:

In response to your requests dated July 14, 2021, here is *your question* and our answer:

1. *Using the FY2022 budget submission narratives posted on the GMCB website (https://gmcboard.vermont.gov/hospital_budget_individual_information_FY2022), please disclose the impact to the rates if the unit cost trend was set equal to the budget increases submitted and provide quantitative support for the impact.*

For each hospital subject to GMCB budget review, we incorporated the commercial rate increases included in Table 1 of Appendix 1 of their budget submissions. The information is summarized below:

Hospital Commercial Rate Increases	Total Average	Inpatient	Outpatient	Professional
University of Vermont Medical Center	7.05%	7.05%	7.05%	7.05%
Brattleboro Memorial Hospital	5.1%	6.2%	5.8%	0%
Central Vermont Medical Center	7.41%	7.41%	7.41%	7.41%
Copley Hospital	5%	5%	5%	5%
Gifford Medical Center	3.5%	3.5%	3.5%	3.5%
Grace Cottage	5%	5%	5%	%
Mt. Ascutney Hospital and Health Center	2.2%	2.2%	2.2%	2.2%
North Country Hospital	4.9%	5.6%	5.6%	0%
Northeastern Vermont Regional Hospital	3.0%	3.4%	3.4%	0%
Northwestern Medical Center	3.00%	3.59%	3.59%	0.00%
Porter Medical Center	5.86%	5.86%	5.86%	5.86%
Rutland Regional Medical Center	3.6%	4.0%	4.2%	-0.3%
Southwestern VT Medical Center	4.8%	4.8%	4.8%	0%
Springfield Hospital	8.3%	-2.2%	11.0%	0%

For hospitals with October fiscal years, we assume that the October 2022 increase is the same as that submitted for October 2021.

[redacted]

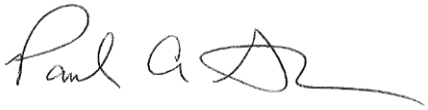
Please find attached a version of Exhibit 3A reflecting the submitted hospital budgets.

The impact of the submitted hospital budgets on the filed rates is +0.8 percent for Individual and +0.7 percent for Small Group.

Market	Rate Change after L&E Recommendations	Rate Changes after L&E Recommendations and with submitted hospital budget information
Individual	+5.0%	+5.8%
Small Group	-6.4%	-5.7%

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul Schultz, F.S.A., M.A.A.A.
Chief Actuary

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL COST TREND DEVELOPMENT - TOTAL TREND

	Inpatient	[redacted]	Total
2020	Year 0	[redacted]	63,563,820
2021	Year 1	[redacted]	66,140,613
2022	Year 2	[redacted]	69,333,548
	Trend Y1/Y0	[redacted]	4.1%
	Trend Y2/Y1	[redacted]	4.8%
	Annual Cost Trend	[redacted]	4.4%

	Outpatient	[redacted]	Total
2020	Year 0	[redacted]	126,844,574
2021	Year 1	[redacted]	134,315,237
2022	Year 2	[redacted]	141,780,763
	Trend Y1/Y0	[redacted]	5.9%
	Trend Y2/Y1	[redacted]	5.6%
	Annual Cost Trend	[redacted]	5.7%

	Pharmaceuticals	[redacted]	Total
2020	Year 0	[redacted]	34,762,784
2021	Year 1	[redacted]	36,798,294
2022	Year 2	[redacted]	38,836,220
	Trend Y1/Y0	[redacted]	5.9%
	Trend Y2/Y1	[redacted]	5.5%
	Annual Cost Trend	[redacted]	5.7%

	Professional	[redacted]	Total
2020	Year 0	[redacted]	86,603,558
2021	Year 1	[redacted]	89,656,677
2022	Year 2	[redacted]	92,878,236
	Trend Y1/Y0	[redacted]	3.5%
	Trend Y2/Y1	[redacted]	3.6%
	Annual Cost Trend	[redacted]	3.6%

	Total	[redacted]	Total
2020	Year 0	[redacted]	311,774,736
2021	Year 1	[redacted]	326,910,822
2022	Year 2	[redacted]	342,828,766
	Trend Y1/Y0	[redacted]	4.9%
	Trend Y2/Y1	[redacted]	4.9%
	Annual Cost Trend	[redacted]	4.9%

2022 Rates Table Template v11.0

*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*

If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.

If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.

If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.

To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.

HIOS Issuer ID*	13627
Rate Effective Date*	1/1/2022
Rate Expiration Date*	12/31/2022
Rating Method*	Family-Tier Rates

			Family Tier						
Plan ID*	**Rating Area ID***	**Individual Rate***	**Couple***	**Primary Subscriber and One Dependent***	**Primary Subscriber and Two Dependents***	**Primary Subscriber and Three or More Dependents***	**Couple and One Dependent***	**Couple and Two Dependents***	**Couple and Three or More Dependents***
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan	**Required:** Enter the rate of a couple based on the pairing of a primary enrollee and a secondary subscriber (e.g. husband and spouse)	**Required:** Enter the rate of a family based on a single parent with one dependent	**Required:** Enter the rate of a family based on a single parent with two dependents	**Required:** Enter the rate of a family based on a single parent with three or more dependents	**Required:** Enter the rate of a family based on a couple with one dependent	**Required:** Enter the rate of a family based on a couple with two dependents	**Required:** Enter the rate of a family based on a couple with three or more dependents
13627VT0320001	Rating Area 1	882.05	1764.10	1702.36	1702.36	1702.36	2478.56	2478.56	2478.56
13627VT0320002	Rating Area 1	741.08	1482.16	1430.28	1430.28	1430.28	2082.43	2082.43	2082.43
13627VT0320003	Rating Area 1	611.36	1222.72	1179.92	1179.92	1179.92	1717.92	1717.92	1717.92
13627VT0320006	Rating Area 1	611.47	1222.94	1180.14	1180.14	1180.14	1718.23	1718.23	1718.23
13627VT0320004	Rating Area 1	516.08	1032.16	996.03	996.03	996.03	1450.18	1450.18	1450.18
13627VT0320005	Rating Area 1	523.08	1046.16	1009.54	1009.54	1009.54	1469.85	1469.85	1469.85
13627VT0330001	Rating Area 1	637.01	1274.02	1229.43	1229.43	1229.43	1790.00	1790.00	1790.00
13627VT0330003	Rating Area 1	637.05	1274.10	1229.51	1229.51	1229.51	1790.11	1790.11	1790.11
13627VT0330002	Rating Area 1	530.38	1060.76	1023.63	1023.63	1023.63	1490.37	1490.37	1490.37
13627VT0360005	Rating Area 1	686.61	1373.22	1325.16	1325.16	1325.16	1929.37	1929.37	1929.37
13627VT0360006	Rating Area 1	590.11	1180.22	1138.91	1138.91	1138.91	1658.21	1658.21	1658.21
13627VT0360008	Rating Area 1	590.43	1180.86	1139.53	1139.53	1139.53	1659.11	1659.11	1659.11
13627VT0360007	Rating Area 1	522.54	1045.08	1008.50	1008.50	1008.50	1468.34	1468.34	1468.34
13627VT0370001	Rating Area 1	723.92	1447.84	1397.17	1397.17	1397.17	2034.22	2034.22	2034.22
13627VT0370002	Rating Area 1	604.39	1208.78	1166.47	1166.47	1166.47	1698.34	1698.34	1698.34
13627VT0370004	Rating Area 1	603.66	1207.32	1165.06	1165.06	1165.06	1696.28	1696.28	1696.28
13627VT0370003	Rating Area 1	516.99	1033.98	997.79	997.79	997.79	1452.74	1452.74	1452.74

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

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August 13, 2021

Tom Crompton
Health Systems Finance Associate Director
Green Mountain Care Board
144 State Street
Montpelier, Vermont 05620

Subject: Blue Cross and Blue Shield of Vermont – NAIC # 53295
2022 Vermont ACA Market - Individual and Small Group Rate Filings – Amended per GMCB Order (SERFF Tracking #: BCVT-132829562 and BCVT-132829271)

Dear Mr. Crompton:

Enclosed are amended exhibits for the Blue Cross and Blue Shield of Vermont 2022 Individual and Small Group rate filings. These rates have been developed in response to the Green Mountain Care Board order dated August 5, 2021. The rates were modified as ordered, resulting in a reduction of the Individual projected average rate change to 4.7 percent and a reduction of the Small Group projected average rate change to -6.7 percent.

To help with your review, we step through each component of the order below:

1. *Reflect the impact of ARPA on claims, resulting in a change to the population morbidity adjustment of +0.7%.*

   We included a factor in the Index Rate (Line $1+b_3$ of Exhibit 5 – IND) of 0.99819, which reduces the overall rate increase by 0.2 percent. This aligns with an overall reduction of the population morbidity adjustment of 0.1 percent.

2. *Reflect updated risk adjustment transfers*

   We recalculated the projected 2022 risk adjustment transfer to reflect the final 2020 numbers. This is reflected on amended Exhibit 4 – IND and amended Exhibit 4 – SMG.

3. *Reflect the IRS-required changes implemented by DVHA to the Standard Bronze HDHP*

   We updated the paid to allowed ratio for EHB portion for the Standard Bronze CDHP (amended Exhibit 6C – IND and amended Exhibit 6C – SMG) to reflect the changes implemented by DVHA.

4. *Reflect updates to allowed medical cost trend based on a 1.0% reduction from submitted 2022 rates for facilities and providers affected by the Board's hospital budget review process and reported updates to negotiations with other facilities*

The unit cost trend on amended exhibit 3J reflects an average increase of 5.1 percent from 2021 to 2022 for hospitals under GMCB review. This is 1 percent below the submitted 2022 hospital budgets.

Annual Reimbursement Changes due to Budget Increases and Contracting Season	Percent of Total Allowed Medical Claims in Experience[1]	Cost Trend from 2020 to 2021	Cost Trend from 2021 to 2022	Total Annual Cost Trend
Vermont facilities and providers impacted by GMCB's Hospital Budget Review	54.4%	5.8%	5.1%	5.5%
Other facilities and providers	45.6%	3.5%	3.4%	3.4%
Total	100.0%	4.8%	4.3%	4.5%

This is reflected on amended exhibit 3A and amended Exhibit 3J – IND and amended Exhibit 3J – SMG.

5. *Lower its base CTR assumption from 1.5% to 1.0%.*

We reduced the contribution to member reserves from 1.5 percent to 1.0 percent.

Enclosed are amended Exhibit 3A, Exhibits 3J – IND through 9B – IND, Exhibits 3J – SMG through 9B – SMG, the amended Unified Rate Review Templates and the amended Rate Data templates. The enclosed amended exhibits contain confidential information, which is highlighted where it appears. That information is simply an updated version of information in the original filing that the Board has already deemed confidential[2]. Therefore, Blue Cross requests that the highlighted information in the enclosed amended exhibits also be deemed confidential. If the Board requires a formal confidentiality request for the highlighted information in the amended exhibits, please let us know.

The purpose of this amended filing is to provide the rates and a description of the modifications ordered by the Green Mountain Care Board to the rate development for the Vermont Individual and Small Group plans that Blue Cross and Blue Shield of Vermont proposes to offer for the 2022 benefit year. These calculations are not intended to be used for any other purpose.

[1] While the calculation of the cost trend uses calendar year 2019 as the base, the trends are applied to calendar year 2020. The table shows the estimated calendar year 2020 percentages.

[2] Confidentiality was granted for Exhibits 3A and 4 in the May 13, 2021 letter from Laura Beliveau, staff attorney for the Green Mountain Care Board.

This amendment was prepared in accordance with the provisions of the Green Mountain Care Board order dated August 5, 2021. Specifically, the changes in medical unit cost trends, the expected impact of the ARPA subsidies on the morbidity, the impact of risk adjustment, the changes to the Standard Bronze plans, and the reductions to contribution to member reserves, were prescribed by the aforementioned GMCB order.

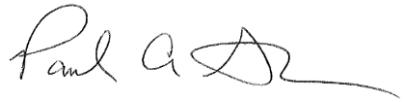
I, Paul A. Schultz, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, meet the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work described herein.

In my opinion, the final premium rates are in compliance with the GMCB order of August 5, 2021. The calculations and results are appropriate for the purpose intended.

In submitting this amendment, Blue Cross does not waive any potential recourse and reserves all legal rights with respect to the aforementioned GMCB order, including the right to pursue the remedies noted in the order.

Please let us know if you have any questions, or if we can provide additional clarity on any of the items above.

Sincerely,



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Paul A. Schultz, F.S.A., M.A.A.A.
Chief Actuary
Blue Cross and Blue Shield of Vermont

MEDICAL COST TREND DEVELOPMENT - INPATIENT

EXHIBIT REDACTED

MEDICAL TREND DEVELOPMENT - OUTPATIENT

EXHIBIT REDACTED

MEDICAL COST TREND DEVELOPMENT - PROFESSIONAL

EXHIBIT REDACTED

MEDICAL COST TREND DEVELOPMENT - PHARMACEUTICALS

EXHIBIT REDACTED

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - INDIVIDUAL AND SMALL GROUP RATE FILINGS

MEDICAL COST TREND DEVELOPMENT - TOTAL TREND

	Inpatient	[redacted]	Total
2020	Year 0	[redacted]	63,563,820
2021	Year 1	[redacted]	66,078,956
2022	Year 2	[redacted]	68,857,691
	Trend Y1/Y0	[redacted]	4.0%
	Trend Y2/Y1	[redacted]	4.2%
	Annual Cost Trend	[redacted]	4.1%

	Outpatient	[redacted]	Total
2020	Year 0	[redacted]	126,844,574
2021	Year 1	[redacted]	134,173,955
2022	Year 2	[redacted]	140,726,196
	Trend Y1/Y0	[redacted]	5.8%
	Trend Y2/Y1	[redacted]	4.9%
	Annual Cost Trend	[redacted]	5.3%

	Pharmaceuticals	[redacted]	Total
2020	Year 0	[redacted]	34,762,784
2021	Year 1	[redacted]	36,762,443
2022	Year 2	[redacted]	38,566,099
	Trend Y1/Y0	[redacted]	5.8%
	Trend Y2/Y1	[redacted]	4.9%
	Annual Cost Trend	[redacted]	5.3%

	Professional	[redacted]	Total
2020	Year 0	[redacted]	86,603,558
2021	Year 1	[redacted]	89,614,565
2022	Year 2	[redacted]	92,580,682
	Trend Y1/Y0	[redacted]	3.5%
	Trend Y2/Y1	[redacted]	3.3%
	Annual Cost Trend	[redacted]	3.4%

	Total	[redacted]	Total
2020	Year 0	[redacted]	311,774,736
2021	Year 1	[redacted]	326,629,920
2022	Year 2	[redacted]	340,730,669
	Trend Y1/Y0	[redacted]	4.8%
	Trend Y2/Y1	[redacted]	4.3%
	Annual Cost Trend	[redacted]	4.5%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

EXHIBIT 3J - SMG
AMENDED PER GMCB ORDER

TREND DEVELOPMENT
PROJECTION FACTOR FOR INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
From Exhibit 5	Total Experience Allowed Claims	a1	$104.96	$179.11	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.11
	Experience Period Allowed Claims for Non-EHB	a2	$0.00	$0.10	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.10
	Exclusion for High Claimant	a3	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Experience Period Allowed Claims for EHB	**A**	**$104.96**	**$179.00**	**$65.16**	**$127.73**	**$62.47**	**$72.19**	**$0.10**	**$1.39**	**$613.01**
	Index Rate Projection Factors - Morbidity and Others	b and c	1.069	1.069	1.069	1.069	1.008	1.008	1.008	1.286	
	Uncapped Adjusted Experience Period Allowed Claims for EHB		**$112.23**	**$191.40**	**$69.68**	**$136.57**	**$62.97**	**$72.77**	**$0.10**	**$1.79**	**$647.51**
	Selected Utilization Trend for Year 1		1.0150	1.0030	1.0668	1.0180	1.0300	1.170	1.000	1.0000	
	Selected Utilization Trend for Year 2		1.0150	1.0030	1.0668	1.0180	1.0300	1.170	1.000	1.000	
	Projected Period Allowed Claims - Utilization Only		$115.62	$192.55	$79.30	$141.54	$66.81	$99.61	$0.10	$1.79	$697.32
	Cost Trend for Year 1 - Including Rx Contract Change		1.0396	1.0578	1.0575	1.0348	0.998	1.005	1.000	1.0000	
	Cost Trend for Year 2 - Including Rx Contract Change		1.0421	1.0488	1.0491	1.0331	0.998	1.005	1.000	1.000	
	Projected Period Allowed Claims		$125.25	$213.62	$87.98	$151.30	$66.58	$100.64	$0.10	$1.79	$747.26
	Impact of FWA		0.9910	0.9910	0.9910	0.9910					
	Projected Period Allowed Claims		$124.13	$211.71	$87.19	$149.95	$66.58	$100.64	$0.10	$1.79	$742.07
	Index Rate - d2 - Utilization Trend		1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.0769
	Index Rate - d1 - Cost Trend (including FWA/Rx Contract)		1.0833	1.1094	1.1094	1.0690	0.9966	1.0103	1.0000	1.0000	1.0642
	Total Trend		1.0517	1.0517	1.1186	1.0478	1.0282	1.1760	1.0000	1.0000	1.0705

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 4 - SMG
AMENDED PER GMCB ORDER

RISK ADJUSTMENT CALCULATION

Table 1	Average Premium	
	Merged	
Scenario	**BCBSVT**	**MVP**
Estimated Premium PMPM 2021 if market was split	$616.91	$543.47
Adjust to billable member months	0.919	0.919
Premium adjustment factor	0.86	0.86
Projected 2022 Rate Increase	0.988	1.065
Projected Statewide Average Premium 2022	**$555.19**	

Table 2	Plan Liability Risk Score		
	Merged		
Scenario	BCBSVT	MVP	Ratio
Estimated Final 2020	**1.231**	**1.059**	**1.1621**
Impact of 2022 Model Coefficients	[redacted]	[redacted]	
Impact of Member Movement	[redacted]	[redacted]	
Impact of New Members	[redacted]	[redacted]	
Impact of 2022 Plan mix	[redacted]	[redacted]	
Projected Final 2022	**1.290**	**1.141**	**1.1306**

Table 3	**Other Risk Adjustment Factors***					
Factor -->	**AV**		**IDF**		**ARF**	
	Small Group					
Scenario	BCBSVT	MVP	BCBSVT	MVP	BCBSVT	MVP
Estimated Final 2020	0.769	0.756	1.072	1.064	0.9769	0.9792
Projected Final 2022	0.762	0.759	1.068	1.066	0.9769	0.9793

Table 4	**Risk Adjustment Transfer**		
	Merged		**Total**
Estimated Final 2020 if the market was unmerged	-$8,750,057		-$8,750,057
Projected Final 2022	-$7,521,952		-$7,521,952

Summary	
Projected Risk Adjustment Transfer - Before HCRP	-$7,521,952
High Cost Risk Pool Recoveries	$0
Total Risk Adjustment Transfer	-$7,521,952
Member Months	225,060
Net Projected Risk Adjustment PMPM	-$33.42
Estimated Cost of High Risk Pool program	$3.03
Paid to Allowed Ratio (from Exh 6C)	76.72%

Market Wide Adjustment for the Risk Adjustment Program	**-$39.62**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 5 - SMG
AMENDED PER GMCB ORDER

INDEX RATE CALCULATION

			Medical Inpatient	Medical Outpatient	Medical Pharma	Medical Professional	Phamacy Non-specialty	Pharmacy Specialty	Vision	Dental	Total
Experience	Total Experience Period Allowed Claims PMPM	a_1	$104.96	$179.11	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.11
	Experience Period Allowed Claims PMPM for Non-EHB	a_2	$0.00	$0.10	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.10
	Exclude High Cost Claimant	a_3	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Index Rate : Experience Period Allowed Claims for EHB	A	$104.96	$179.00	$65.16	$127.73	$62.47	$72.19	$0.10	$1.39	$613.01
	Capping experience claims	a4	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993	0.9993
	Capped Experience Period Allowed Claims for EHB	B = A x a_3	$104.89	$178.89	$65.12	$127.64	$62.43	$72.14	$0.10	$1.39	$612.61
Morbidity	Impact of Market Mix	$1+b_3$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Impact of the ACO Experience Settlement	$1+b_4$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Impact of Projected ACO Savings	$1+b_6$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in pool morbidity	$1+b_9$	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085	1.0085
Other	Impact of different benefit plans (in experience vs projection)	$1+c_1$	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977	0.9977
	Changes in provider networks	$1+c_2$	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	Changes in demographics (age, gender, region, etc.)	$1+c_3$	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045
	Impact of leap year	$1+c_4$	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973	0.9973
	Adjustment to Experience Period for one-time events	$1+c_5$	1.0608	1.0608	1.0608	1.0608	1.0000	1.0000	1.0000	1.2756	1.0479
	Adjusted Experience Period Allowed Claims for EHB	**C**	**$112.16**	**$191.28**	**$69.63**	**$136.49**	**$62.93**	**$72.72**	**$0.10**	**$1.79**	**$647.09**
Trend	Cost Trend	$1+d_1$	1.0833	1.1094	1.1094	1.0690	0.9966	1.0103	1.0000	1.0000	1.074
	Utilization Trend	$1+d_2$	1.0210	0.9970	1.1279	1.0270	1.0609	1.3689	1.0000	1.0000	1.067
	Projected Period Allowed Claims for Experience EHB	**D**	**$124.04**	**$211.57**	**$87.13**	**$149.85**	**$66.53**	**$100.57**	**$0.10**	**$1.79**	**$741.59**
Non-System Claims	Projected Pharmacy Rebates	e_1									-$52.24
	Projected Blue Print Payments	e_2									$4.07
	Projected ITS Fees	e_3									$2.70
	Projected Vaccine Payments	e_4									$2.44
	Contractual Fees	e_5, e_7 and e_8									$2.37
	OneCare Care Coordination Fee	e_6									$1.56
	Projected Index Rate : Projected Period Expected Allowed Claims for EHB	**F = D + ∑ei**									**$702.49**
Market Wide Adjustments	Risk Adjustment Payments and Fees	g_1									-$39.62
	Transitional Reinsurance Payments and Recoveries	g_2									$0.00
	Vermont Exchange Fees	g_3									$0.00
	Market Adjusted Index Rate	**H = F + g_1 + g_2 + g_3**									**$662.88**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6A - SMG
AMENDED PER GMCB ORDER

PLAN LEVEL ADJUSTMENT SUMMARY

			Market Adjusted Index Rate	Benefit Richness Adjustment	Paid to Allowed Ratio	Plan Benefits in addition to EHB	For Catastrophic Only - Impact of Eligibility	Expected Claims Cost	Administrative Charges Plan Level Adjustment	Taxes and Fees Plan Level Adjustment	Contribution to Reserve Plan Level Adjustment	Plan Level Adjusted Index Rate	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$662.88	0.9910	82.74%	1.0002	1.0000	**$543.59**	1.0747	1.0159	1.0101	**$599.50**	599
	GOLD	Vermont Select	$662.88	1.0075	86.14%	1.0002	1.0000	**$575.35**	1.0709	1.0156	1.0101	**$632.08**	3,036
	SILVER	Vermont Preferred	$662.88	0.9523	73.09%	1.0002	1.0000	**$461.49**	1.0870	1.0169	1.0101	**$515.25**	0
	SILVER	Vermont Select	$662.88	0.9575	74.61%	1.0002	1.0000	**$473.68**	1.0848	1.0167	1.0101	**$527.71**	0
	BRONZE	Vermont Preferred	$662.88	0.9303	65.45%	1.0003	1.0000	**$403.73**	1.0992	1.0178	1.0101	**$456.25**	191
	BRONZE	Vermont Select	$662.88	0.9287	64.78%	1.0003	1.0000	**$398.88**	1.1007	1.0179	1.0101	**$451.40**	906
STANDARD PLANS	PLATINUM	Deductible	$662.88	1.0832	98.95%	1.0002	1.0000	**$710.64**	1.0575	1.0146	1.0101	**$770.15**	4,153
	GOLD	Deductible	$662.88	1.0155	87.68%	1.0002	1.0000	**$590.33**	1.0686	1.0155	1.0101	**$647.06**	2,506
	SILVER	Deductible	$662.88	0.9602	75.34%	1.0002	1.0000	**$479.63**	1.0838	1.0166	1.0101	**$533.80**	0
	SILVER	CDHP	$662.88	0.9703	77.96%	1.0002	1.0000	**$501.53**	1.0802	1.0164	1.0101	**$556.19**	0
	BRONZE	Deductible	$662.88	0.9285	64.68%	1.0003	1.0000	**$398.19**	1.1006	1.0179	1.0101	**$450.61**	803
	BRONZE	CDHP	$662.88	0.9325	66.38%	1.0003	1.0000	**$410.42**	1.0977	1.0177	1.0101	**$463.10**	815
	BRONZE	Integrated	$662.88	0.9304	65.52%	1.0003	1.0000	**$404.21**	1.0991	1.0178	1.0101	**$456.72**	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$662.88	0.9523	73.09%	1.0002	1.0000	**$461.48**	1.0876	1.0169	1.0101	**$515.53**	483
	SILVER	Vermont Select	$662.88	0.9572	74.50%	1.0002	1.0000	**$472.84**	1.0854	1.0167	1.0101	**$527.08**	769
	SILVER	Deductible	$662.88	0.9602	75.34%	1.0002	1.0000	**$479.62**	1.0840	1.0166	1.0101	**$533.89**	2,992
	SILVER	CDHP	$662.88	0.9703	77.96%	1.0002	1.0000	**$501.50**	1.0804	1.0164	1.0101	**$556.23**	1,340
		Total	$662.88					**$552.11**				**$608.08**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6B - SMG
AMENDED PER GMCB ORDER

PLAN LEVEL ADJUSTMENT
BENEFIT RICHNESS ADJUSTMENT FACTOR

			Base Paid to Allowed Ratio before Silver Load	Benefit Richness Adjustment for EHB	Normalized Benefit Richness Adjustment for EHB	For Catastrophic Only - Impact of Eligibility	Projected Period Paid Claims for Experience EHB	Benefit Richness Adjustment for EHB	Non-System Claims	Market Wide Adjustments	Total Paid Claims with Benefit Richness Adjustment	Overall Benefit Richness Adjustment	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	76.70%	1.0613	0.9920	1.000	$617.93	0.9920	-$39.10	-$30.39	$543.48	0.9910	599
	GOLD	Vermont Select	79.50%	1.0770	1.0067	1.000	$640.46	1.0067	-$39.10	-$30.39	$575.24	1.0075	3,036
	SILVER	Vermont Preferred	68.77%	1.0252	0.9582	1.000	$553.99	0.9582	-$39.10	-$30.39	$461.37	0.9523	0
	SILVER	Vermont Select	70.02%	1.0301	0.9628	1.000	$564.05	0.9628	-$39.10	-$30.39	$473.56	0.9575	0
	BRONZE	Vermont Preferred	62.48%	1.0056	0.9399	1.000	$503.36	0.9399	-$39.10	-$30.39	$403.61	0.9303	191
	BRONZE	Vermont Select	61.93%	1.0042	0.9386	1.000	$498.88	0.9386	-$39.10	-$30.39	$398.77	0.9287	906
STANDARD PLANS	PLATINUM	Deductible	90.05%	1.1504	1.0752	1.000	$725.44	1.0752	-$39.10	-$30.39	$710.52	1.0832	4,153
	GOLD	Deductible	80.77%	1.0847	1.0138	1.000	$650.70	1.0138	-$39.10	-$30.39	$590.21	1.0155	2,506
	SILVER	Deductible	70.62%	1.0325	0.9650	1.000	$568.89	0.9650	-$39.10	-$30.39	$479.52	0.9602	0
	SILVER	CDHP	72.77%	1.0419	0.9738	1.000	$586.27	0.9738	-$39.10	-$30.39	$501.42	0.9703	0
	BRONZE	Deductible	61.85%	1.0040	0.9384	1.000	$498.23	0.9384	-$39.10	-$30.39	$398.07	0.9285	803
	BRONZE	CDHP	63.24%	1.0075	0.9417	1.000	$509.49	0.9417	-$39.10	-$30.39	$410.31	0.9325	815
	BRONZE	Integrated	62.54%	1.0057	0.9400	1.000	$503.80	0.9400	-$39.10	-$30.39	$404.09	0.9304	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	68.77%	1.0252	0.9582	1.000	$553.99	0.9582	-$39.10	-$30.39	$461.37	0.9523	483
	SILVER	Vermont Select	69.93%	1.0297	0.9625	1.000	$563.36	0.9625	-$39.10	-$30.39	$472.72	0.9572	769
	SILVER	Deductible	70.61%	1.0325	0.9650	1.000	$568.88	0.9650	-$39.10	-$30.39	$479.51	0.9602	2,992
	SILVER	CDHP	72.77%	1.0418	0.9738	1.000	$586.24	0.9738	-$39.10	-$30.39	$501.38	0.9703	1,340
		Total		**1.0699**				**1.0000**				**0.9992**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6C - SMG
AMENDED PER GMCB ORDER

PLAN LEVEL ADJUSTMENT
PAID TO ALLOWED RATIOS

			Projected Period Allowed Claims for Experience EHB	Paid to Allowed Ratio for EHB Portion	Impact of silver loading	Impact of selection	Projected Period Paid Claims for Experience EHB	Non-System Claims	Market Wide Adjustments (Paid)	Market Wide Adjustments (Allowed)	Market Adjusted Index Rate	Total Paid Claims	Paid to Allowed Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$741.59	76.70%	100.00%	108.63%	$617.93	-$39.10	-$30.39	-$39.62	$662.88	$548.44	82.74%	599
	GOLD	Vermont Select	$741.59	79.50%	100.00%	108.63%	$640.46	-$39.10	-$30.39	-$39.62	$662.88	$570.97	86.14%	3,036
	SILVER	Vermont Preferred	$741.59	68.77%	100.00%	108.63%	$553.99	-$39.10	-$30.39	-$39.62	$662.88	$484.50	73.09%	0
	SILVER	Vermont Select	$741.59	70.02%	100.00%	108.63%	$564.05	-$39.10	-$30.39	-$39.62	$662.88	$494.56	74.61%	0
	BRONZE	Vermont Preferred	$741.59	62.48%	100.00%	108.63%	$503.36	-$39.10	-$30.39	-$39.62	$662.88	$433.87	65.45%	191
	BRONZE	Vermont Select	$741.59	61.93%	100.00%	108.63%	$498.88	-$39.10	-$30.39	-$39.62	$662.88	$429.39	64.78%	906
STANDARD PLANS	PLATINUM	Deductible	$741.59	90.05%	100.00%	108.63%	$725.44	-$39.10	-$30.39	-$39.62	$662.88	$655.95	98.95%	4,153
	GOLD	Deductible	$741.59	80.77%	100.00%	108.63%	$650.70	-$39.10	-$30.39	-$39.62	$662.88	$581.22	87.68%	2,506
	SILVER	Deductible	$741.59	70.62%	100.00%	108.63%	$568.89	-$39.10	-$30.39	-$39.62	$662.88	$499.40	75.34%	0
	SILVER	CDHP	$741.59	72.77%	100.00%	108.63%	$586.27	-$39.10	-$30.39	-$39.62	$662.88	$516.78	77.96%	0
	BRONZE	Deductible	$741.59	61.85%	100.00%	108.63%	$498.23	-$39.10	-$30.39	-$39.62	$662.88	$428.74	64.68%	803
	BRONZE	CDHP	$741.59	63.24%	100.00%	108.63%	$509.49	-$39.10	-$30.39	-$39.62	$662.88	$440.00	66.38%	815
	BRONZE	Integrated	$741.59	62.54%	100.00%	108.63%	$503.80	-$39.10	-$30.39	-$39.62	$662.88	$434.32	65.52%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$741.59	68.77%	100.00%	108.63%	$553.99	-$39.10	-$30.39	-$39.62	$662.88	$484.50	73.09%	483
	SILVER	Vermont Select	$741.59	69.93%	100.00%	108.63%	$563.36	-$39.10	-$30.39	-$39.62	$662.88	$493.88	74.50%	769
	SILVER	Deductible	$741.59	70.61%	100.00%	108.63%	$568.88	-$39.10	-$30.39	-$39.62	$662.88	$499.39	75.34%	2,992
	SILVER	CDHP	$741.59	72.77%	100.00%	108.63%	$586.24	-$39.10	-$30.39	-$39.62	$662.88	$516.75	77.96%	1,340
		Total	**$741.59**	**76.72%**	**100.00%**	**108.63%**	**$618.05**	**-$39.10**	**-$30.39**	**-$39.62**	**$662.88**	**$548.56**	**82.75%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 6E - SMG
AMENDED PER GMCB ORDER

IMPACT OF SELECTION

			Projected Paid Claims - Using HHS Induced Utilization Factor					Projected Paid Claims - Using BCBSVT Induced Utilization Factor				
	Small Group Market		Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from Standard Population	For Catastrophic Plan only - Impact of the specific eligibility	Projected Paid Claims	Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Actuarial Value from BCBSVT Population	Projected Paid Claims	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$741.59	0.9920	76.70%	1.0000	$564.25	$741.59	1.0096	84.70%	$634.18	599
	GOLD	Vermont Select	$741.59	1.0067	79.50%	1.0000	$593.49	$741.59	1.2483	87.64%	$811.32	3,036
	SILVER	Vermont Preferred	$741.59	0.9582	68.77%	1.0000	$488.67	$741.59	1.0232	77.69%	$589.51	0
	SILVER	Vermont Select	$741.59	0.9628	70.02%	1.0000	$499.89	$741.59	1.0232	76.67%	$581.76	0
	BRONZE	Vermont Preferred	$741.59	0.9399	62.48%	1.0000	$435.50	$741.59	0.6927	70.06%	$359.89	191
	BRONZE	Vermont Select	$741.59	0.9386	61.93%	1.0000	$431.04	$741.59	0.6927	68.72%	$353.04	906
STANDARD PLANS	PLATINUM	Deductible	$741.59	1.0752	90.05%	1.0000	$718.02	$741.59	1.2972	94.11%	$905.31	4,153
	GOLD	Deductible	$741.59	1.0138	80.77%	1.0000	$607.27	$741.59	1.0096	84.68%	$634.01	2,506
	SILVER	Deductible	$741.59	0.9650	70.62%	1.0000	$505.37	$741.59	1.0232	76.90%	$583.52	0
	SILVER	CDHP	$741.59	0.9738	72.77%	1.0000	$525.53	$741.59	1.0232	78.83%	$598.17	0
	BRONZE	Deductible	$741.59	0.9384	61.85%	1.0000	$430.40	$741.59	0.6927	68.56%	$352.20	803
	BRONZE	CDHP	$741.59	0.9417	63.24%	1.0000	$441.66	$741.59	0.6927	69.67%	$357.90	815
	BRONZE	Integrated	$741.59	0.9400	62.54%	1.0000	$435.94	$741.59	0.6927	70.36%	$361.45	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$741.59	0.9582	68.77%	1.0000	$488.66	$741.59	0.7969	73.99%	$437.27	483
	SILVER	Vermont Select	$741.59	0.9625	69.93%	1.0000	$499.12	$741.59	0.7969	72.38%	$427.76	769
	SILVER	Deductible	$741.59	0.9650	70.61%	1.0000	$505.37	$741.59	0.7969	73.68%	$435.45	2,992
	SILVER	CDHP	$741.59	0.9738	72.77%	1.0000	$525.50	$741.59	0.7969	75.71%	$447.43	1,340
		Total					**$572.09**				**$621.48**	**18,755**

Impact of Selection = $621.48 / $572.09 = **1.0863**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 7A - SMG
AMENDED PER GMCB ORDER

DETAILS OF ADMINISTRATIVE CHARGES

			BCBSVT Base Administrative Charges	Administrative Charges for Outside Vendors	VHC Billing	Credit Card Fees	Total Administrative Charges PMPM	Administrative Charges Plan Level Adjustment	Administrative Charges as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$38.65	$0.63	$0.00	$1.35	$40.63	1.0747	6.78%	599
	GOLD	Vermont Select	$38.65	$0.73	$0.00	$1.42	$40.80	1.0709	6.45%	3,036
	SILVER	Vermont Preferred	$38.65	$0.33	$0.00	$1.16	$40.14	1.0870	7.79%	0
	SILVER	Vermont Select	$38.65	$0.33	$0.00	$1.19	$40.17	1.0848	7.61%	0
	BRONZE	Vermont Preferred	$38.65	$0.39	$0.00	$1.03	$40.06	1.0992	8.78%	191
	BRONZE	Vermont Select	$38.65	$0.50	$0.00	$1.02	$40.16	1.1007	8.90%	906
STANDARD PLANS	PLATINUM	Deductible	$38.65	$0.47	$0.00	$1.73	$40.85	1.0575	5.30%	4,153
	GOLD	Deductible	$38.65	$0.40	$0.00	$1.46	$40.51	1.0686	6.26%	2,506
	SILVER	Deductible	$38.65	$0.33	$0.00	$1.20	$40.18	1.0838	7.53%	0
	SILVER	CDHP	$38.65	$0.33	$0.00	$1.25	$40.23	1.0802	7.23%	0
	BRONZE	Deductible	$38.65	$0.42	$0.00	$1.01	$40.08	1.1006	8.89%	803
	BRONZE	CDHP	$38.65	$0.40	$0.00	$1.04	$40.09	1.0977	8.66%	815
	BRONZE	Integrated	$38.65	$0.37	$0.00	$1.03	$40.04	1.0991	8.77%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$38.65	$0.62	$0.00	$1.16	$40.42	1.0876	7.84%	483
	SILVER	Vermont Select	$38.65	$0.56	$0.00	$1.19	$40.39	1.0854	7.66%	769
	SILVER	Deductible	$38.65	$0.43	$0.00	$1.20	$40.28	1.0840	7.54%	2,992
	SILVER	CDHP	$38.65	$0.40	$0.00	$1.25	$40.30	1.0804	7.25%	1,340
		Total	**$38.65**	**$0.50**	**$0.00**	**$1.37**	**$40.51**	**1.0734**	**6.66%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 7B - SMG
AMENDED PER GMCB ORDER

DETAILS OF CONTRIBUTION TO RESERVE

			BCBSVT Contribution to Reserve	Risk Margin for Bad Debt	Total Contribution to Reserve PMPM	Contribution to Reserve and Risk Margin Plan Level Adjustment	Contribution to Reserve as a percent of Premium	Risk Margin Bad Debt as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$6.00	$0.00	$6.00	1.0101	1.00%	0.00%	599
	GOLD	Vermont Select	$6.32	$0.00	$6.32	1.0101	1.00%	0.00%	3,036
	SILVER	Vermont Preferred	$5.15	$0.00	$5.15	1.0101	1.00%	0.00%	0
	SILVER	Vermont Select	$5.28	$0.00	$5.28	1.0101	1.00%	0.00%	0
	BRONZE	Vermont Preferred	$4.56	$0.00	$4.56	1.0101	1.00%	0.00%	191
	BRONZE	Vermont Select	$4.51	$0.00	$4.51	1.0101	1.00%	0.00%	906
STANDARD PLANS	PLATINUM	Deductible	$7.70	$0.00	$7.70	1.0101	1.00%	0.00%	4,153
	GOLD	Deductible	$6.47	$0.00	$6.47	1.0101	1.00%	0.00%	2,506
	SILVER	Deductible	$5.34	$0.00	$5.34	1.0101	1.00%	0.00%	0
	SILVER	CDHP	$5.56	$0.00	$5.56	1.0101	1.00%	0.00%	0
	BRONZE	Deductible	$4.51	$0.00	$4.51	1.0101	1.00%	0.00%	803
	BRONZE	CDHP	$4.63	$0.00	$4.63	1.0101	1.00%	0.00%	815
	BRONZE	Integrated	$4.57	$0.00	$4.57	1.0101	1.00%	0.00%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$5.16	$0.00	$5.16	1.0101	1.00%	0.00%	483
	SILVER	Vermont Select	$5.27	$0.00	$5.27	1.0101	1.00%	0.00%	769
	SILVER	Deductible	$5.34	$0.00	$5.34	1.0101	1.00%	0.00%	2,992
	SILVER	CDHP	$5.56	$0.00	$5.56	1.0101	1.00%	0.00%	1,340
		Total	**$6.08**	**$0.00**	**$6.08**	**1.0101**	**1.00%**	**0.00%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 7C - SMG
AMENDED PER GMCB ORDER

DETAILS OF TAXES AND FEES

			0.800%	0.199%								
			State Assessment - HCCA	State Tax - VITL	GMCB Billbacks	Federal Assessment - PCORI	Federal Insurer Fee	Risk Adjustment User Fee	Total Taxes and Fees PMPM	Taxes and Fees Plan Level Adjustment	Taxes and Fees as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$4.93	$1.23	$2.65	$0.24	$0.00	$0.25	$9.29	1.0159	1.55%	599
	GOLD	Vermont Select	$5.18	$1.29	$2.65	$0.24	$0.00	$0.25	$9.61	1.0156	1.52%	3,036
	SILVER	Vermont Preferred	$4.27	$1.06	$2.65	$0.24	$0.00	$0.25	$8.47	1.0169	1.64%	0
	SILVER	Vermont Select	$4.37	$1.09	$2.65	$0.24	$0.00	$0.25	$8.59	1.0167	1.63%	0
	BRONZE	Vermont Preferred	$3.81	$0.95	$2.65	$0.24	$0.00	$0.25	$7.89	1.0178	1.73%	191
	BRONZE	Vermont Select	$3.77	$0.94	$2.65	$0.24	$0.00	$0.25	$7.84	1.0179	1.74%	906
STANDARD PLANS	PLATINUM	Deductible	$6.26	$1.56	$2.65	$0.24	$0.00	$0.25	$10.96	1.0146	1.42%	4,153
	GOLD	Deductible	$5.30	$1.32	$2.65	$0.24	$0.00	$0.25	$9.76	1.0155	1.51%	2,506
	SILVER	Deductible	$4.41	$1.10	$2.65	$0.24	$0.00	$0.25	$8.65	1.0166	1.62%	0
	SILVER	CDHP	$4.59	$1.14	$2.65	$0.24	$0.00	$0.25	$8.87	1.0164	1.59%	0
	BRONZE	Deductible	$3.76	$0.94	$2.65	$0.24	$0.00	$0.25	$7.84	1.0179	1.74%	803
	BRONZE	CDHP	$3.86	$0.96	$2.65	$0.24	$0.00	$0.25	$7.96	1.0177	1.72%	815
	BRONZE	Integrated	$3.81	$0.95	$2.65	$0.24	$0.00	$0.25	$7.90	1.0178	1.73%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$4.27	$1.06	$2.65	$0.24	$0.00	$0.25	$8.47	1.0169	1.64%	483
	SILVER	Vermont Select	$4.36	$1.08	$2.65	$0.24	$0.00	$0.25	$8.58	1.0167	1.63%	769
	SILVER	Deductible	$4.41	$1.10	$2.65	$0.24	$0.00	$0.25	$8.65	1.0166	1.62%	2,992
	SILVER	CDHP	$4.59	$1.14	$2.65	$0.24	$0.00	$0.25	$8.87	1.0164	1.59%	1,340
		Total	**$4.99**	**$1.24**	**$2.65**	**$0.24**	**$0.00**	**$0.25**	**$9.37**	**1.0158**	**1.54%**	**18,755**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 8 - SMG
AMENDED PER GMCB ORDER

FEDERAL MINIMUM LOSS RATIO for SMALL GROUP MARKET
(PROJECTION)

			Expected Direct Claims PMPM	Risk Adjustment Transfer Payments PMPM	Adjustments for Health Care Quality PMPM*	MLR Claims	Premium PMPM	Taxes & Fees PMPM	MLR Premium	Expected Loss Ratio	Projected Membership
NON-STANDARD PLANS	GOLD	Vermont Preferred	$574.98	-$30.39	$1.62	$546.21	$599.50	-$4.36	$595.14	91.8%	599
	GOLD	Vermont Select	$606.99	-$30.39	$1.63	$578.23	$632.08	-$4.43	$627.65	92.1%	3,036
	SILVER	Vermont Preferred	$492.22	-$30.39	$1.61	$463.44	$515.25	-$4.20	$511.04	90.7%	0
	SILVER	Vermont Select	$504.51	-$30.39	$1.61	$475.73	$527.71	-$4.22	$523.49	90.9%	0
	BRONZE	Vermont Preferred	$434.00	-$30.39	$1.61	$405.22	$456.25	-$4.09	$452.16	89.6%	191
	BRONZE	Vermont Select	$429.11	-$30.39	$1.62	$400.34	$451.40	-$4.08	$447.33	89.5%	906
STANDARD PLANS	PLATINUM	Deductible	$743.36	-$30.39	$1.62	$714.59	$770.15	-$4.70	$765.45	93.4%	4,153
	GOLD	Deductible	$622.09	-$30.39	$1.61	$593.31	$647.06	-$4.46	$642.60	92.3%	2,506
	SILVER	Deductible	$510.51	-$30.39	$1.61	$481.73	$533.80	-$4.24	$529.56	91.0%	0
	SILVER	CDHP	$532.59	-$30.39	$1.61	$503.80	$556.19	-$4.28	$551.91	91.3%	0
	BRONZE	Deductible	$428.41	-$30.39	$1.61	$399.64	$450.61	-$4.07	$446.53	89.5%	803
	BRONZE	CDHP	$440.74	-$30.39	$1.61	$411.96	$463.10	-$4.10	$459.00	89.8%	815
	BRONZE	Integrated	$434.48	-$30.39	$1.61	$405.70	$456.72	-$4.09	$452.63	89.6%	162
REFLECTIVE PLANS	SILVER	Vermont Preferred	$492.21	-$30.39	$1.62	$463.44	$515.53	-$4.20	$511.33	90.6%	483
	SILVER	Vermont Select	$503.66	-$30.39	$1.62	$474.89	$527.08	-$4.22	$522.85	90.8%	769
	SILVER	Deductible	$510.50	-$30.39	$1.61	$481.72	$533.89	-$4.24	$529.66	91.0%	2,992
	SILVER	CDHP	$532.55	-$30.39	$1.61	$503.77	$556.23	-$4.28	$551.95	91.3%	1,340
		Total	**$583.56**	**-$30.39**	**$1.62**	**$554.79**	**$608.08**	**-$4.38**	**$603.70**	**91.9%**	**18,755**

*Approximately 4.13% of current BCBSVT Administrative Charges are for health care quality plus

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

Exhibit 9A - SMG
AMENDED PER GMCB ORDER

CONTRACT CONVERSION FACTOR

								Preliminary Rates				Projected Contracts			
			Projected Membership	**Plan Level Adjusted Index Rate**	Average Members per Subcribers	Average Tier Factor	Ratio of Members per Subcribers to Tier Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	599	$599.50	1.7396	1.5214	1.1435	$685.53	$1,371.06	$1,323.07	$1,926.34	234	40	14	65
	GOLD	Vermont Select	3,036	$632.08	1.7396	1.5214	1.1435	$722.78	$1,445.56	$1,394.97	$2,031.01	715	305	96	369
	SILVER	Vermont Preferred	0	$515.25	1.7396	1.5214	1.1435	$589.18	$1,178.36	$1,137.12	$1,655.60	0	0	0	0
	SILVER	Vermont Select	0	$527.71	1.7396	1.5214	1.1435	$603.44	$1,206.88	$1,164.64	$1,695.67	0	0	0	0
	BRONZE	Vermont Preferred	191	$456.25	1.7396	1.5214	1.1435	$521.72	$1,043.44	$1,006.92	$1,466.03	91	16	6	14
	BRONZE	Vermont Select	906	$451.40	1.7396	1.5214	1.1435	$516.18	$1,032.36	$996.23	$1,450.47	346	76	23	90
STANDARD PLANS	PLATINUM	Deductible	4,153	$770.15	1.7396	1.5214	1.1435	$880.66	$1,761.32	$1,699.67	$2,474.65	1,295	417	142	428
	GOLD	Deductible	2,506	$647.06	1.7396	1.5214	1.1435	$739.91	$1,479.82	$1,428.03	$2,079.15	1,006	226	71	223
	SILVER	Deductible	0	$533.80	1.7396	1.5214	1.1435	$610.40	$1,220.80	$1,178.07	$1,715.22	0	0	0	0
	SILVER	CDHP	0	$556.19	1.7396	1.5214	1.1435	$636.01	$1,272.02	$1,227.50	$1,787.19	0	0	0	0
	BRONZE	Deductible	803	$450.61	1.7396	1.5214	1.1435	$515.27	$1,030.54	$994.47	$1,447.91	343	66	23	71
	BRONZE	CDHP	815	$463.10	1.7396	1.5214	1.1435	$529.55	$1,059.10	$1,022.03	$1,488.04	265	80	18	91
	BRONZE	Integrated	162	$456.72	1.7396	1.5214	1.1435	$522.25	$1,044.50	$1,007.94	$1,467.52	70	8	2	19
REFLECTIVE PLANS	SILVER	Vermont Preferred	483	$515.53	1.7396	1.5214	1.1435	$589.50	$1,179.00	$1,137.74	$1,656.50	231	42	11	34
	SILVER	Vermont Select	769	$527.08	1.7396	1.5214	1.1435	$602.71	$1,205.42	$1,163.23	$1,693.62	214	77	17	90
	SILVER	Deductible	2,992	$533.89	1.7396	1.5214	1.1435	$610.51	$1,221.02	$1,178.28	$1,715.53	1,340	286	69	233
	SILVER	CDHP	1,340	$556.23	1.7396	1.5214	1.1435	$636.04	$1,272.08	$1,227.56	$1,787.27	484	117	34	138
		Total	18,755	$608.08							$607.12				

Additional Factor for Contract Conversion Factor	100.16%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

CONSUMER ADJUSTED PREMIUM RATES

					2022 Proposed Rates				2021 Approved Rates				2022 Proposed Rate Increases			
			Plan Level Adjusted Index Rate	PMPM to Single Contract Conversion Factor	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	$599.50	1.1453	$686.61	$1,373.22	$1,325.16	$1,929.37	$731.76	$1,463.52	$1,412.30	$2,056.25	-6.2%	-6.2%	-6.2%	-6.2%
	GOLD	Vermont Select	$632.08	1.1453	$723.92	$1,447.84	$1,397.17	$2,034.22	$770.70	$1,541.40	$1,487.45	$2,165.67	-6.1%	-6.1%	-6.1%	-6.1%
	SILVER	Vermont Preferred	$515.25	1.1453	$590.11	$1,180.22	$1,138.91	$1,658.21	$725.41	$1,450.82	$1,400.04	$2,038.40	-18.7%	-18.7%	-18.7%	-18.7%
	SILVER	Vermont Select	$527.71	1.1453	$604.39	$1,208.78	$1,166.47	$1,698.34	$730.67	$1,461.34	$1,410.19	$2,053.18	-17.3%	-17.3%	-17.3%	-17.3%
	BRONZE	Vermont Preferred	$456.25	1.1453	$522.54	$1,045.08	$1,008.50	$1,468.34	$562.56	$1,125.12	$1,085.74	$1,580.79	-7.1%	-7.1%	-7.1%	-7.1%
	BRONZE	Vermont Select	$451.40	1.1453	$516.99	$1,033.98	$997.79	$1,452.74	$557.06	$1,114.12	$1,075.13	$1,565.34	-7.2%	-7.2%	-7.2%	-7.2%
STANDARD PLANS	PLATINUM	Deductible	$770.15	1.1453	$882.05	$1,764.10	$1,702.36	$2,478.56	$939.97	$1,879.94	$1,814.14	$2,641.32	-6.2%	-6.2%	-6.2%	-6.2%
	GOLD	Deductible	$647.06	1.1453	$741.08	$1,482.16	$1,430.28	$2,082.43	$796.44	$1,592.88	$1,537.13	$2,238.00	-7.0%	-7.0%	-7.0%	-7.0%
	SILVER	Deductible	$533.80	1.1453	$611.36	$1,222.72	$1,179.92	$1,717.92	$742.80	$1,485.60	$1,433.60	$2,087.27	-17.7%	-17.7%	-17.7%	-17.7%
	SILVER	CDHP	$556.19	1.1453	$637.01	$1,274.02	$1,229.43	$1,790.00	$756.05	$1,512.10	$1,459.18	$2,124.50	-15.7%	-15.7%	-15.7%	-15.7%
	BRONZE	Deductible	$450.61	1.1453	$516.08	$1,032.16	$996.03	$1,450.18	$560.45	$1,120.90	$1,081.67	$1,574.86	-7.9%	-7.9%	-7.9%	-7.9%
	BRONZE	CDHP	$463.10	1.1453	$530.38	$1,060.76	$1,023.63	$1,490.37	$573.62	$1,147.24	$1,107.09	$1,611.87	-7.5%	-7.5%	-7.5%	-7.5%
	BRONZE	Integrated	$456.72	1.1453	$523.08	$1,046.16	$1,009.54	$1,469.85	$568.00	$1,136.00	$1,096.24	$1,596.08	-7.9%	-7.9%	-7.9%	-7.9%
REFLECTIVE PLANS	SILVER	Vermont Preferred	$515.53	1.1453	$590.43	$1,180.86	$1,139.53	$1,659.11	$632.21	$1,264.42	$1,220.17	$1,776.51	-6.6%	-6.6%	-6.6%	-6.6%
	SILVER	Vermont Select	$527.08	1.1453	$603.66	$1,207.32	$1,165.06	$1,696.28	$649.74	$1,299.48	$1,254.00	$1,825.77	-7.1%	-7.1%	-7.1%	-7.1%
	SILVER	Deductible	$533.89	1.1453	$611.47	$1,222.94	$1,180.14	$1,718.23	$659.14	$1,318.28	$1,272.14	$1,852.18	-7.2%	-7.2%	-7.2%	-7.2%
	SILVER	CDHP	$556.23	1.1453	$637.05	$1,274.10	$1,229.51	$1,790.11	$686.16	$1,372.32	$1,324.29	$1,928.11	-7.2%	-7.2%	-7.2%	-7.2%
		Total						**$136,854,126**				**$146,659,671**				**-6.69%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2022 VERMONT ACA MARKET - SMALL GROUP RATE FILING

CONSUMER ADJUSTED PREMIUM RATES

			Inforce Contracts				Projected Contracts			
			Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate	Single Rate	Couple Rate	Adult and Child(ren) Rate	Family Rate
NON-STANDARD PLANS	GOLD	Vermont Preferred	234	40	14	65	234	40	14	65
	GOLD	Vermont Select	715	305	96	369	715	305	96	369
	SILVER	Vermont Preferred	0	0	0	0	0	0	0	0
	SILVER	Vermont Select	0	0	0	0	0	0	0	0
	BRONZE	Vermont Preferred	91	16	6	14	91	16	6	14
	BRONZE	Vermont Select	346	76	23	90	346	76	23	90
STANDARD PLANS	PLATINUM	Deductible	1,319	420	142	428	1,295	417	142	428
	GOLD	Deductible	1,006	226	71	223	1,006	226	71	223
	SILVER	Deductible	0	0	0	0	0	0	0	0
	SILVER	CDHP	0	0	0	0	0	0	0	0
	BRONZE	Deductible	343	66	23	71	343	66	23	71
	BRONZE	CDHP	265	80	18	91	265	80	18	91
	BRONZE	Integrated	70	8	2	19	70	8	2	19
REFLECTIVE PLANS	SILVER	Vermont Preferred	231	42	11	34	231	42	11	34
	SILVER	Vermont Select	214	77	17	90	214	77	17	90
	SILVER	Deductible	1,340	286	69	233	1,340	286	69	233
	SILVER	CDHP	484	117	34	138	484	117	34	138
		Total				**10,808**				**10,781**

Unified Rate Review v5.3

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.

To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.

To validate, select the Validate button or Ctrl + Shift + I.

To finalize, select the Finalize button or Ctrl + Shift + F.

Company Legal Name:	Blue Cross And Blue Shield of Vermont	State:	VT
HIOS Issuer ID:	13627	Market:	Small Group
Effective Date of Rate Change(s):	1/1/2022		

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period: 1/1/2020 to 12/31/2020

	Total	PMPM
Allowed Claims	$150,044,489.23	$602.21
Reinsurance	$0.00	$0.00
Incurred Claims in Experience Period	$126,081,043.19	$506.03
Risk Adjustment	$11,761,406.86	$47.20
Experience Period Premium	$157,930,488.32	$633.86
Experience Period Member Months	249,156	

Section II: Projections

Benefit Category	Experience Period Index Rate PMPM	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
		Cost	Utilization	Cost	Utilization	
Inpatient Hospital	$105.48	1.035	1.015	1.037	1.015	$116.63
Outpatient Hospital	$234.33	1.053	1.020	1.044	1.021	$268.28
Professional	$73.19	1.030	1.018	1.028	1.018	$80.31
Other Medical	$63.46	1.029	1.018	1.027	1.018	$69.50
Capitation	$9.54	1.030	1.018	1.028	1.018	$10.47
Prescription Drug	$116.10	1.028	1.105	1.028	1.109	$150.35
Total	$602.10					**$695.54**

Morbidity Adjustment		1.009
Demographic Shift		1.004
Plan Design Changes		0.998
Other		0.999
Adjusted Trended EHB Allowed Claims PMPM for	**1/1/2022**	**$702.50**

Manual EHB Allowed Claims PMPM	$0.00
Applied Credibility %	100.00%

			Projected Period Totals
Projected Index Rate for	**1/1/2022**	**$702.50**	$158,104,650.00
Reinsurance		$0.00	$0.00
Risk Adjustment Payment/Charge		$39.62	$8,916,877.20
Exchange User Fees		0.00%	$0.00
Market Adjusted Index Rate		**$662.88**	**$149,187,772.80**

Projected Member Months	**225,060**

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Product-Plan Data Collection

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.
To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.
To remove a product, navigate to the corresponding Product Name/Product ID field and select the Remove Product button or Ctrl + Shift + Q.
To remove a plan, navigate to the corresponding Plan Name/Plan ID field and select the Remove Plan button or Ctrl + Shift + A.

Company Legal Name:	**Blue Cross And Blue Shield of Vermont**	State:	**VT**
HIOS Issuer ID:	**13627**	Market:	**Small Group**
Effective Date of Rate Change(s):	**1/1/2022**		

Product/Plan Level Calculations

Field #	**Section I: General Product and Plan Information**																								
1.1	Product Name		BCBSVT EPO (Small Group)						BCBSVT EPO CDHP (Small Group)			BCBSVT EPO Vermont Preferred (Small Group)								BCBSVT EPO Vermont Select CDHP (Small Group)			
1.2	Product ID		13627VT032						13627VT033			13627VT036								13627VT037			
1.3	Plan Name		Standard Platinum	Standard Gold	Standard Silver	Standard Silver -	Standard Bronze	Standard Bronze	Standard Silver	Standard Silver	Standard Bronze	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Vermont	Vermont	Vermont	Vermont	Vermont Select	Vermont Select	Vermont Select	Vermont Select
1.4	Plan ID (Standard Component ID)		13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
1.5	Metal		Platinum	Gold	Silver	Silver	Bronze	Bronze	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze	Gold	Silver	Silver	Bronze
1.6	AV Metal Value		0.894	0.815	0.711	0.711	0.637	0.643	0.707	0.707	0.632	0.789	0.695	0.695	0.644	0.789	0.695	0.695	0.644	0.820	0.716	0.716	0.649
1.7	Plan Category		Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Terminated	Terminated	Terminated	Terminated	New	New	New	New	Renewing	Renewing	Renewing	Renewing
1.8	Plan Type		EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO	EPO
1.9	Exchange Plan?		Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes
1.10	Effective Date of Proposed Rates		1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022	1/1/2022
1.11	Cumulative Rate Change % (over 12 mos prior)		-6.16%	-6.95%	-17.70%	-7.23%	-7.92%	-7.91%	-15.74%	-7.16%	-7.54%	0.00%	0.00%	0.00%	0.00%	-6.17%	-18.65%	-6.61%	-7.11%	-6.07%	-17.28%	-7.09%	-7.19%
1.12	Product Rate Increase %		-6.71%						-7.29%			0.00%								-6.40%			
1.13	Submission Level Rate Increase %		-6.69%																				

Worksheet 1 Totals	**Section II: Experience Period and Current Plan Level Information**																							
	2.1 Plan ID (Standard Component ID)	Total	13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
$150,044,489	2.2 Allowed Claims	$150,044,489	$47,001,360	$21,440,432	$0	$17,590,455	$4,349,201	$696,012	$0	$8,167,858	$3,197,963	$5,584,438	$0	$1,942,044	$477,609	$0	$0	$0	$0	$32,072,707	$0	$1,691,538	$5,832,872
$0	2.3 Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	2.4 Member Cost Sharing	$23,963,446	$3,063,816	$3,063,644	$0	$4,491,563	$1,275,054	$241,513	$0	$1,861,284	$849,896	$609,538	$0	$498,684	$153,859	$0	$0	$0	$0	$5,499,516	$0	$613,206	$1,741,873
	2.5 Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$126,081,043	2.6 Incurred Claims	$126,081,043	$43,937,544	$18,376,788	$0	$13,098,892	$3,074,148	$454,500	$0	$6,306,574	$2,348,067	$4,974,899	$0	$1,443,359	$323,750	$0	$0	$0	$0	$26,573,190	$0	$1,078,333	$4,090,998
$11,761,407	2.7 Risk Adjustment Transfer Amount	$11,761,407	$11,992,549	$1,614,109	$0	-$2,852,384	-$1,273,400	-$185,455	$0	-$1,942,450	-$1,055,136	-$227,147	$0	-$777,495	-$423,368	$0	$0	$0	$0	$8,087,833	$0	-$747,304	-$448,946
$157,930,488	2.8 Premium	$157,930,488	$48,867,411	$23,089,367	$0	$23,466,684	$5,090,404	$1,067,823	$0	$10,676,917	$3,933,300	$4,215,088	$0	$2,577,240	$1,048,907	$0	$0	$0	$0	$25,123,405	$0	$2,788,099	$5,985,843
249,156	2.9 Experience Period Member Months	249,156	61,987	33,498	0	40,189	10,166	2,162	0	18,484	7,896	6,746	0	4,730	2,030	0	0	0	0	43,278	0	5,250	12,740
	2.10 Current Enrollment	18,785	4,183	2,506	0	2,992	803	162	0	1,340	815	599	0	483	191	0	0	0	0	3,036	0	769	906
	2.11 Current Premium PMPM	$669.21	$842.57	$713.91	$665.83	$590.84	$502.37	$509.14	$677.71	$615.06	$514.18	$655.93	$650.24	$566.70	$504.27	$0.00	$0.00	$0.00	$0.00	$690.84	$654.96	$582.41	$499.34
	2.12 Loss Ratio	74.30%	72.19%	74.39%	#DIV/0!	63.54%	80.54%	51.51%	#DIV/0!	72.20%	81.58%	124.75%	#DIV/0!	80.20%	51.76%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	80.01%	#DIV/0!	52.84%	73.89%
	Per Member Per Month																						
	2.13 Allowed Claims	$602.21	$758.25	$640.05	#DIV/0!	$437.69	$427.82	$321.93	#DIV/0!	$441.89	$405.01	$827.81	#DIV/0!	$410.58	$235.28	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$741.09	#DIV/0!	$322.20	$457.84
	2.14 Reinsurance	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00
	2.15 Member Cost Sharing	$96.18	$49.43	$91.46	#DIV/0!	$111.76	$125.42	$111.71	#DIV/0!	$100.70	$107.64	$90.36	#DIV/0!	$105.43	$75.79	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$127.07	#DIV/0!	$116.80	$136.72
	2.16 Cost Sharing Reduction	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00
	2.17 Incurred Claims	$506.03	$708.82	$548.59	#DIV/0!	$325.93	$302.39	$210.22	#DIV/0!	$341.19	$297.37	$737.46	#DIV/0!	$305.15	$159.48	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$614.01	#DIV/0!	$205.40	$321.11
	2.18 Risk Adjustment Transfer Amount	$47.20	$193.47	$48.19	#DIV/0!	-$70.97	-$125.26	-$85.78	#DIV/0!	-$105.09	-$133.63	-$33.67	#DIV/0!	-$164.38	-$208.56	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$186.88	#DIV/0!	-$142.34	-$35.24
	2.19 Premium	$633.86	$788.35	$689.28	#DIV/0!	$583.91	$500.73	$493.91	#DIV/0!	$577.63	$498.14	$624.83	#DIV/0!	$544.87	$516.70	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$580.51	#DIV/0!	$531.07	$469.85

	Section III: Plan Adjustment Factors																						
	3.1 Plan ID (Standard Component ID)		13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
	3.2 Market Adjusted Index Rate		$662.88																				
	3.3 AV and Cost Sharing Design of Plan		1.0719	0.8904	0.7234	0.7234	0.6005	0.6096	0.7564	0.7564	0.6190	0.0000	0.0000	0.0000	0.0000	0.8199	0.6960	0.6960	0.6089	0.8678	0.7144	0.7131	0.6016
	3.4 Provider Network Adjustment		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	3.5 Benefits in Addition to EHB		1.0002	1.0002	1.0002	1.0002	1.0003	1.0003	1.0002	1.0002	1.0003	0.0000	0.0000	0.0000	0.0000	1.0002	1.0002	1.0002	1.0003	1.0002	1.0002	1.0002	1.0003
	Administrative Costs																						
	3.6 Administrative Expense		5.30%	6.26%	7.53%	7.54%	8.89%	8.77%	7.23%	7.25%	8.66%	0.00%	0.00%	0.00%	0.00%	6.78%	7.79%	7.84%	8.78%	6.45%	7.61%	7.66%	8.90%
	3.7 Taxes and Fees		1.42%	1.51%	1.62%	1.62%	1.74%	1.73%	1.59%	1.59%	1.72%	0.00%	0.00%	0.00%	0.00%	1.55%	1.64%	1.64%	1.73%	1.52%	1.63%	1.63%	1.74%
	3.8 Profit & Risk Load		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	3.9 Catastrophic Adjustment		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	3.10 **Plan Adjusted Index Rate**		$770.14	$647.10	$533.80	$533.86	$450.58	$456.74	$556.11	$556.24	$463.15	$0.00	$0.00	$0.00	$0.00	$599.54	$515.19	$515.48	$456.26	$632.06	$527.69	$527.03	$451.46

3.11	Age Calibration Factor	1.0000	1.0000																				
3.12	Geographic Calibration Factor	1.0000	1.0000																				
3.13	Tobacco Calibration Factor	1.0000	1.0000																				
3.14	**Calibrated Plan Adjusted Index Rate**		$770.14	$647.10	$533.80	$533.86	$450.58	$456.74	$556.11	$556.24	$463.15	$0.00	$0.00	$0.00	$0.00	$599.54	$515.19	$515.48	$456.26	$632.06	$527.69	$527.03	$451.46

	Section IV: Projected Plan Level Information																							
4.1	Plan ID (Standard Component ID)	Total	13627VT0320001	13627VT0320002	13627VT0320003	13627VT0320006	13627VT0320004	13627VT0320005	13627VT0330001	13627VT0330003	13627VT0330002	13627VT0360001	13627VT0360002	13627VT0360004	13627VT0360003	13627VT0360005	13627VT0360006	13627VT0360008	13627VT0360007	13627VT0370001	13627VT0370002	13627VT0370004	13627VT0370003
4.2	Allowed Claims	$149,186,840	$33,035,081	$19,934,003	$0	$23,799,895	$6,387,472	$1,288,631	$0	$10,659,044	$6,482,926	$0	$0	$0	$0	$4,764,752	$0	$3,842,028	$1,519,311	$24,149,893	$0	$6,117,018	$7,206,786
4.3	Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
4.4	Member Cost Sharing	$8,684,913	$1,993,228	$1,199,963	$0	$1,429,030	$382,681	$77,217	$0	$640,353	$388,537	$0	$0	$0	$0	$0	$0	$230,582	$91,038	$1,453,282	$0	$367,224	$431,776
4.5	Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
4.6	Incurred Claims	$140,501,927	$31,041,853	$18,734,040	$0	$22,370,864	$6,004,790	$1,211,414	$0	$10,018,690	$6,094,389	$0	$0	$0	$0	$4,764,752	$0	$3,611,447	$1,428,273	$22,696,611	$0	$5,749,794	$6,775,010
4.7	Risk Adjustment Transfer Amount	$9,764,893	$10,105,582	$1,677,533	$0	-$2,190,834	-$1,097,347	-$153,289	$0	-$1,568,715	-$1,211,298	$0	$0	$0	$0	-$169,318	$0	-$883,986	-$428,655	$7,286,266	$0	-$1,280,509	-$320,537
4.8	Premium	$136,853,561	$38,381,021	$19,458,331	$0	$19,168,901	$4,342,034	$887,855	$0	$8,944,118	$4,529,082	$0	$0	$0	$0	$4,309,211	$0	$2,987,988	$1,045,722	$23,027,805	$0	$4,863,858	$4,907,636
4.9	Projected Member Months	225,060	49,836	30,072	0	35,904	9,636	1,944	0	16,080	9,780	0	0	0	0	7,188	0	5,796	2,292	36,432	0	9,228	10,872
4.10	Loss Ratio	95.83%	64.02%	88.64%	#DIV/0!	131.76%	185.07%	164.92%	#DIV/0!	135.84%	183.69%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	115.09%	#DIV/0!	171.65%	231.46%	74.87%	#DIV/0!	160.46%	147.70%
	Per Member Per Month																						
4.11	Allowed Claims	$662.88	$662.88	$662.88	#DIV/0!	$662.88	$662.88	$662.88	#DIV/0!	$662.88	$662.88	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$662.88	#DIV/0!	$662.88	$662.88	$662.88	#DIV/0!	$662.88	$662.88
4.12	Reinsurance	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
4.13	Member Cost Sharing	$38.59	$40.00	$39.90	#DIV/0!	$39.80	$39.71	$39.72	#DIV/0!	$39.82	$39.73	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$39.78	$39.72	$39.89	#DIV/0!	$39.79	$39.71
4.14	Cost Sharing Reduction	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
4.15	Incurred Claims	$624.29	$622.88	$622.97	#DIV/0!	$623.07	$623.16	$623.16	#DIV/0!	$623.05	$623.15	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$662.88	#DIV/0!	$623.09	$623.16	$622.99	#DIV/0!	$623.08	$623.16
4.16	Risk Adjustment Transfer Amount	$43.39	$202.78	$55.78	#DIV/0!	-$61.02	-$113.88	-$78.85	#DIV/0!	-$97.56	-$123.85	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-$23.56	#DIV/0!	-$152.52	-$187.02	$200.00	#DIV/0!	-$138.76	-$29.48
4.17	Premium	$608.08	$770.15	$647.06	#DIV/0!	$533.89	$450.61	$456.72	#DIV/0!	$556.23	$463.10	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	$599.50	#DIV/0!	$515.53	$456.25	$632.08	#DIV/0!	$527.08	$451.40

Rating Area Data Collection

Rating Area	Rating Factor
Rating Area 1	1.0000