

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: The Vermont Health Plan Fourth)	
Quarter 2014 through Third Quarter 2015)	GMCB-015-14-rr
Administrative Charges and Contribution to)	
Reserve Filing)	
)	
<u>SERFF No. BCBSVT-129486804</u>)	

In re: BCBSVT Fourth Quarter 2014 through)	
Third Quarter 2015 Administrative)	GMCB-016-14-rr
Charges and Contribution to Reserve Filing)	
)	
<u>SERFF No. BCBSVT-129486744</u>)	

DECISION & ORDER ON MOTION FOR RECONSIDERATION

On July 1, 2014, the Green Mountain Care Board issued its decisions in the above-captioned rate review proceedings. On July 11, 2014, Blue Cross and Blue Shield of Vermont and The Vermont Health Plan, LLC (collectively, BCBSVT) filed a motion for reconsideration. The Office of the Health Care Advocate (HCA) filed a response to the motion on July 16, 2014.

BCBSVT's motion seeks reconsideration of the Board's decision to reduce the companies' proposed 2.0% contributions to surplus for insured large groups and 0.5% for cost-plus groups to 0.5% and 0.25%, respectively. BCBSVT asks that the Board revise its decisions and approve the contributions to surplus as proposed. Despite initially supporting a reduction of the large group reserves from 2.0% to 1.0%, the HCA now opposes BCBSVT's motion and asks that the Board sustain its initial decision.

Having reviewed the motion and the response, the Board now grants the motion in part and approves a 1.0% contribution to surplus for insured large groups and 0.25% for the cost plus groups. By making this change, we conform our decision to the opinion and recommendation of our actuary, Lewis & Ellis, who reviewed the filing and based its recommendation on the lack of adequate support for the full 2.0% requested. This result is firmly supported by the record and continues to strike an appropriate balance between providing an adequate buffer for the companies' solvency and creating rates that are affordable for the consumer.

ORDER

For the reasons discussed above, the Board revises its order of July 1, 2014 in the two above-captioned dockets by approving a contribution to surplus of 1.0% for insured large groups, and 0.25% for cost plus groups. The Board's July 1, 2014 decision stands in all other respects.

So ordered.

Dated: July 28, 2014 at Montpelier, Vermont.

s/ <u>Alfred Gobeille</u>)	GREEN MOUNTAIN CARE BOARD OF VERMONT
)	
s/ <u>Karen Hein</u>)	
)	
s/ <u>Betty Rambur</u>)	
)	
s/ <u>Allan Ramsay</u>)	

Note: Board member Cornelius Hogan did not participate in the review of this rate filing.

Filed: July 28, 2014

Attest: s/ Janet Richard
Green Mountain Care Board, Administrative Services Coordinator

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Board (by e-mail, telephone, or in writing) of any apparent errors, so that any necessary corrections may be made. (E-mail address: Janet.Richard@state.vt.us). Appeal of this decision to the Supreme Court of Vermont must be filed with the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.