Filing at a Glance

Company:	BCBSVT
Product Name:	2020 Vermont Individual and Small Group Rate Filing
State:	VermontGMCB
TOI:	H16G Group Health - Major Medical
Sub-TOI:	H16G.001C Any Size Group - Other
Filing Type:	GMCB Rate
Date Submitted:	05/10/2019
SERFF Tr Num:	BCVT-131936226
SERFF Status:	Pending Industry Response
State Tr Num:	
State Status:	
Co Tr Num:	
Implementation Date Requested:	On Approval
Author(s):	Jude Daye, Martine Brisson-Lemieux
Reviewer(s):	Thomas Crompton (primary), David Dillon, Jacqueline Lee, Christina McLaughlin, Amerin Aborjaily, Michael Barber
Disposition Date:	
Disposition Status:	
Implementation Date:	

State Filing Description:

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.001C Any Size Group - Other*
Product Name: *2020 Vermont Individual and Small Group Rate Filing*
Project Name/Number: */*

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer, Other
Overall Rate Impact:

Deemer Date:
Submitted By: Jude Daye

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Group
Group Market Size: Small
Explanation for Other Group Market Type: Individual
Filing Status Changed: 05/14/2019
State Status Changed:
Created By: Jude Daye
Corresponding Filing Tracking Number:

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null
Include Exchange Intentions: No

Filing Description:
May 10, 2019

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

Subject:Blue Cross and Blue Shield of Vermont - NAIC # 53295
2020 Vermont Individual and 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 2020 Vermont Individual and Small Group Rate Filing.

The average increase is 15.6 percent.

Increases for specific plans range from 9.1 percent to 18.5 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
Amerin Aborjaily/GMCB

State: *VermontGMCB* **Filing Company:** *BCBSVT*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.001C Any Size Group - Other*
Product Name: *2020 Vermont Individual and Small Group Rate Filing*
Project Name/Number: */*

Paul Schultz/BCBSVT
Martine Lemieux/BCBSVT
Michael Donofrio/Stris&Maher

Company and Contact

Filing Contact Information

Jude Daye, Executive Assistant
445 Industrial Lane
Montpelier, VT 05601

dayej@bcbsvt.com
802-371-3244 [Phone]

Filing Company Information

BCBSVT
PO BOX 186
Montpelier, VT 05601
(802) 371-3450 ext. [Phone]

CoCode: 53295
Group Code:
Group Name:
FEIN Number: 03-0277307

State of Domicile: Vermont
Company Type: Hospital Service Corp
State ID Number:

Filing 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.001C Any Size Group - Other*
Product Name: *2020 Vermont Individual and Small Group Rate Filing*
Project Name/Number: */*

Correspondence Summary

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Attachments A, B, C	Martine Brisson-Lemieux	05/14/2019	05/15/2019

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: 2020 Vermont Individual and Small Group Rate Filing
Project Name/Number: /

Amendment Letter

Submitted Date: 05/15/2019

Comments:

Tom,

We replaced Attachment C with the correct version from Wakely dated May 9, 2019

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Attachments A, B, C
Comments:	
Attachment(s):	Attachment B - Blue Rewards AV Certification 2020.pdf Attachment C - Memorandum from Senior Management for CTR.pdf Attachment A - Standard Plans AV Certification - 2020 - Updated Version.pdf
Previous Version	
Satisfied - Item:	*Attachments A, B, C*
Comments:	
Attachment(s):	*Attachment A - Standard Plans AV Certification - 2020.pdf* *Attachment B - Blue Rewards AV Certification 2020.pdf* *Attachment C - Memorandum from Senior Management for CTR.pdf*

State: VermontGMCB **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: 2020 Vermont Individual and Small Group Rate Filing
Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method:	Experienced Rated
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	5.780%
Effective Date of Last Rate Revision:	01/01/2019
Filing Method of Last Filing:	Experienced Rated
SERFF Tracking Number of Last Filing:	BCVT-131497882

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	Increase	15.600%	15.600%	$47,134,181	26,981	$302,145,995	18.471%	9.125%

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 (Individual)	13627VT034		11980
BCBSVT EPO (Small Group)	13627VT032		15601
BCBSVT EPO Blue Rewards (Individual)	13627VT038		2532
BCBSVT EPO Blue Rewards (Small Group)	13627VT036		1063
BCBSVT EPO Blue Rewards CDHP (Individual)	13627VT039		2645
BCBSVT EPO Blue Rewards CDHP (Small Group)	13627VT037		4805
BCBSVT EPO CDHP (Individual)	13627VT035		2274
BCBSVT EPO CDHP (Small Group)	13627VT033		3039

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: 629,988
Benefit Change: Increase
Percent Change Requested: Min: 9.125 Max: 18.471 Avg: 15.6

PRIOR RATE:

Total Earned Premium: 302,145,995.00
Total Incurred Claims: 271,666,045.00
Annual $: Min: 244.04 Max: 702.74 Avg: 573.04

REQUESTED RATE:

Projected Earned Premium: 349,280,176.00
Projected Incurred Claims: 0.00
Annual $: Min: 277.33 Max: 826.12 Avg: 662.42

Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	BCBSVT 2020 Vermont Individual and Small Group Rate Filing - Actuarial Memorandum.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:	

Satisfied - Item:	Consumer Disclosure Form
Comments:	
Attachment(s):	BCBSVT 2020 VISG Rate Filing - Plain Language Summary.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Filing Compliance Certification
Comments:	
Attachment(s):	Filing Compliance 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.001C Any Size Group - Other
Product Name: 2020 Vermont Individual and Small Group Rate Filing
Project Name/Number: /

Satisfied - Item:	Unified Rate Review Template
Comments:	
Attachment(s):	Unified_Rate_Review_Template_BCBSVT_13627_2020.xlsm Unified_Rate_Review_Template_BCBSVT_13627_2020.pdf UnifiedRateReviewSubmission_BCBSVT_2020_20190510135253.xml
Item Status:	
Status Date:	

Satisfied - Item:	Exhibits
Comments:	
Attachment(s):	BCBSVT 2020 VISG Rate Filing - Exhibits.pdf BCBSVT 2020 VISG Rate Filing - Exhibits.xlsx
Item Status:	
Status Date:	

Satisfied - Item:	Attachments A, B, C
Comments:	
Attachment(s):	Attachment B - Blue Rewards AV Certification 2020.pdf Attachment C - Memorandum from Senior Management for CTR.pdf Attachment A - Standard Plans AV Certification - 2020 - Updated Version.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Rate Data Templates
Comments:	
Attachment(s):	RateData_Template_BCBSVT_2020.pdf RateData_Template_BCBSVT_2020.xls RateData_Template_BCBSVT_2020.xml
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Data Set
Comments:	
Attachment(s):	Actuarial Memo Dataset (2020 issues).pdf Actuarial Memo Dataset (2020 issues).xlsx
Item Status:	
Status Date:	

Attachment Unified_Rate_Review_Template_BCBSVT_13627_2020.xlsm is not a PDF document and cannot be reproduced here.

Attachment UnifiedRateReviewSubmission_BCBSVT_2020_20190510135253.xml is not a PDF document and cannot be reproduced here.

Attachment BCBSVT 2020 VISG Rate Filing - Exhibits.xlsx is not a PDF document and cannot be reproduced here.

Attachment RateData_Template_BCBSVT_2020.xls is not a PDF document and cannot be reproduced here.

Attachment RateData_Template_BCBSVT_2020.xml is not a PDF document and cannot be reproduced here.

Attachment Actuarial Memo Dataset (2020 issues).xlsx is not a PDF document and cannot be reproduced here.

BLUE CROSS BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING
ACTUARIAL MEMORANDUM

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All of the renewing benefits are in compliance with 45 CFR §147.106. Specifically, all renewing 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 2019. 12

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BLUE CROSS BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING
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, 2020

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 merged market that Blue Cross and Blue Shield of Vermont (BCBSVT) proposes to offer for the 2020 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 Increase(s)

The average increase is 15.6 percent. Increases for specific plans range from 9.1 percent to 18.5 percent. The range of increases is due to changes to the actuarial values and plan designs.

1.5. Reason for Rate Increase(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 2018 experience. Claims experience for 2018 was considerably less favorable than the expectation embedded within the 2019 filing, offset partially by a favorable risk adjustment result. The net impact to 2020 rates of rebasing to the correct 2018 base experience was a 2.5 percent rate increase.

Medical and pharmacy trend had by far the largest impact on rates. The 2019 approved rates included assumptions for trend from 2018 to 2019, including a one percent reduction for affordability that was not supported by Lewis and Ellis's or BCBSVT's actuarial opinions. Because this 2020 filing is based on updated actuarial assumptions that reflect current data, those assumptions must be re-examined. Therefore, in this filing, we restated the expected trend from 2018 to 2019, which had a 2.2 percent impact on rates:

2018 to 2019 Trend Component	Approved 2019	Filed 2020	2020 Rate Impact of Restating Trend
Medical Utilization	2.0%	4.1%	1.6%
Medical Unit Cost	2.7%	2.6%	-0.3%
Pharmacy	13.3%	13.0%	-0.1%
Dental	7.2%	1.9%	0.0%
Vision	0.0%	0.0%	0.0%
Affordability	-1.0%	0.0%	1.0%
Total			**2.2%**

The largest impacts is the increase in medical utilization trend to 4.1 percent. That increase is necessary given current data on medical utilization. See section 3.4.7 for a detailed discussion of trend assumptions.

Population changes from 2018 to 2019 have a minor offsetting effect to the above impacts (see below for more detail on the impact of population changes). Several other items impacting 2019 provide a further very small offset. With these minor offsets considered, the comparison of actual to expected experience and trend shows that 2019 rates were underfunded by 4.0 percent. Put another way, if BCBSVT were calculating 2019 rates now based on actual 2018 experience, the 2019 rates would be 4 percent higher than the approved rates to cover the actual cost of claims. To calculate an adequate, actuarially sound 2020 rate, BCBSVT must rebase its rate calculations to this starting point.

An additional year of projected trend applies from 2019 to 2020. The overall anticipated increase in rates due to the additional year of projection is 8.0 percent:

2019 to 2020 Trend Component	Filed 2020	2020 Rate Impact
Medical Utilization	4.1%	3.1%
Medical Unit Cost	2.6%	2.2%
Pharmacy	13.0%	2.4%
Dental	1.9%	0.0%
Vision	0.0%	0.0%
Total		**8.0%**

Population changes have the effect of very slightly increasing rates by 0.3 percent. The impact of the individual mandate was smaller than anticipated in 2019, offsetting the aging of the population, with various other membership shifts having a smaller effect. Notably, the assumed continuation of the Vermont AHP market adds one percent to rates.

Benefit changes made by the Department of Vermont Health Access for standard plans and by BCBSVT for non-standard plans almost exactly offset the impacts of benefit leverage. Altogether, factors related to plan design, actuarial value, silver loading and induced utilization marginally increased rates by 0.3 percent.

BCBSVT administrative charges increase premiums by 1.0 percent, but nonetheless continue to be less than seven percent of the total premium.

Federal and state taxes and fees are expected to increase substantially in 2020. Driven primarily by the reintroduction of the federal insurer fee (also known as the Health Insurer Tax) after a one-year hiatus, taxes and fees increase premiums by 3.2 percent.

The Tax Reform legislation passed in late 2017 eliminated federal income tax requirement for the BCBSVT legal entity starting with the 2018 tax year, and also resulted in the expected return of certain tax credits to BCBSVT over the next four years. These savings have been fully passed through to customers via a reduction in premium rates. In the absence of these tax savings, rates would have been significantly higher. Because the tax benefits have been fully used for the benefit of policyholders, there is no net impact to the 2020 rate increase relative to 2019 rates.

BCBSVT has embarked on numerous efforts to mitigate premium increases. In addition to passing 100 percent of federal income tax savings to consumers, BCBSVT has continued to work closely with its pharmacy benefit manager to improve network pricing and maximize rebates. These pharmacy initiatives total a 0.9 percent decrease in premium. Additionally, BCBSVT continues to be a driver of health care reform efforts. Our work in conjunction with OneCare Vermont has further reduced the requested rate increase by 0.4 percent. Finally, BCBSVT has implemented additional cost-saving initiatives, including system enhancements and establishing a contract with a lab benefit manager, that save a further 1.2 percent of premium. Altogether, these rate mitigation measures result in a reduction of 2.5 percent, or a projected $8.3 million.

1.6. Historical Financial Results

BCBSVT has been offering QHP products since the start of the program in 2014. Prior to offering QHPs, BCBSVT offered Individual and Small Group products. All Vermonters that were previously purchasing Individual and Small Group products were required to move to a QHP 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 QHP experience in 2014.

Year	Member Months	Filed Contribution to Reserve	Approved Contribution to Reserve*	Actual Contribution to Reserve
2014	638,492	1.0%	-0.1%	1.0%
2015	768,293	1.0%	1.0%	-1.4%
2016	835,541	2.0%	0.8%	-3.2%
2017	820,156	2.0%	1.0%	-0.4%
2018	630,163	1.5%	-3.8%	-4.1%
Cumulative	3,692,645	1.6%	-0.2%	-1.8%

*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.

Since inception, BCBSVT has lost over $30 million on this line of business, leading to a reduction of approximately 137 percentage points of Risk-Based Capital (RBC).

1.7. Health Care Reform

All Payer Model

The All Payer Model agreement between the State and CMS officially began Performance Year 1 on January 1, 2018. The first year of the program included scale target and performance requirements for an Accountable Care Organization ("ACO") centric value based care arrangement. For the first time Medicare, Medicaid and BCBSVT held risk based contracts with OneCare Vermont, LLC ("OneCare"). ACO performance for the All Payer Model is assessed comparing per capita medical expense growth as compared to the 2017 benchmarks. Under this new model, Medicare, Medicaid, and Commercial payers all enter into risk sharing agreements with the ACO, focusing on transitioning to value based reimbursement methodologies. All beneficiaries keep their current benefit and provider choice — there are no network or benefit restrictions. BCBSVT remains the sole commercial health plan participating in Vermont's All Payer Model.

Through deployment of new care models, the All Payer Model requires that the ACO 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 and morbidity of chronic disease. BCBSVT's agreement with OneCare aligns with the All Payer Model, including

quality metrics, member engagement programs and collaboration efforts focusing on underlying programs supporting success in this program.

Continuation of the BCBSVT and OneCare Agreement is yet another step forward in BCSBVT's leadership and support of health care payment reform and the goals of the All Payer Model. With the first year of risk contracting BCBSVT will receive payment from OneCare due to exceeding the target medical spend, which was established on the basis of 2018 GMCB-approved VISG rates. Alignment between premiums paid by BCSBVT and the medical expense target is necessary to demonstrate OneCare's impact on health plan rates.

While shared accountability of total cost of care with providers is an important step, BCBSVT continues to evaluate areas to achieve savings and improve the health and experience of BCBSVT members. Applying experience and knowledge gained from the first year of the shared risk agreement, BCBSVT is working with OneCare on targeted approaches to improve access to primary care and close gaps in care. These efforts are necessary to move OneCare to the shared savings realm rather than payment of a risk payment.

BCBSVT's agreement with OneCare is an annual agreement with three additional one-year option years. In expectation of a 2020 program, BCBSVT continues collaboration with OneCare to expand the size of the provider network and commit to a reduction in total cost of care spend. Savings across the entire single risk pool for this initiative have been reflected in this filing (see section 3.4.6.).

Cost Share Reduction Funding and the Vermont Silver Solution

As part of the Affordable Care Act, the federal Cost Share Reductions (CSR) program is available to benefit low income Vermonters. The CSRs reduce out-of-pocket expenses through lower deductibles, copayments and out-of-pocket maximums if the member enrolls in a Silver Level Plan. These plans, which must meet specific metal actuarial values (AVs), have historically been available at the same premium as the non-CSR Silver plans. The federal government administered the program directly through the carrier, rather than the beneficiary, and used monthly advance payments with an annual reconciliation process to reimburse issuers for the difference between claims incurred by enrollees and the estimated payments.

On October 12, 2017, the federal government stopped funding plans for the claims incurred within the CSR program. Vermont carriers were not permitted to resubmit rates to recoup the CSR benefits expected to be utilized by members for 2018.

In preparation for the ongoing lack of federal CSR funding, Vermont passed Act 88[1], an act allowing silver-level nonqualified health benefit plans to be offered outside the Vermont Health Benefit Exchange (sometimes referred to as the "Silver Solution"). This Act allows issuers to "load" Silver plans by including the estimated CSR cost into the premium for Silver Level Exchange Plans and offer non-loaded off exchange "Reflective Silver Plans."

BCBSVT auto-enrolled all small groups in reflective plans in order to avoid collecting a windfall at the expense of policyholders. We also worked hard in conjunction with the Agency of Human Services to encourage non-subsidized individuals to enroll in the right plan for them. We believe that silver loading had a positive impact on the market, both by avoiding subsidization of the

[1] https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT088/ACT088%20As%20Enacted.pdf

federal government by policyholders and by allowing subsidized members more freedom of choice through higher federal premium subsidies.

Vermont State Legislature

The rates submitted reflect current law coverage, benefits and cost sharing amounts in place for 2020. The Vermont legislature is currently in session, and there are a number of bills being considered that could impact the 2020 rates described in this filing. If any of these bills pass and become effective for the 2020 plan year, BCBSVT expressly reserves the right to amend these submitted rates to reflect any changes required by new law.

Other Marketplace Issues

The federal government has taken steps to introduce alternatives to ACA-compliant plans into the individual and small group markets. These alternatives, most notably Association Health Plans (AHPs) could continue to have an impact on the single risk pool.

While the significant legal, legislative and regulatory activity surrounding AHPs renders their future is uncertain, one potential outcome is the continued existence of the current AHP market. This filing assumes that AHPs will continue to be available for additional enrollment in 2020.

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 Department of Financial Regulation's "analysis and opinion on the impact of the proposed rate on the insurer's solvency and reserves." 8 V.S.A. § 4062(a)(2)(B).

The purpose of this actuarial memorandum is to provide the actuarial basis for the proposed rate. In the past, parties to the proceeding have suggested that this document should address the factors in § 4062(a)(3). Although the statutory factors are not technically actuarial in nature, this section briefly explains how BCBSVT's actuarial calculations relate to the factors, with the understanding that (consistent with Board practice) these issues will be more fully developed during the rate review process.

While the Board must consider each statutory factor, the review process necessarily requires balancing of competing interests. The statutory criteria in some cases are in tension. This tension reveals itself most clearly in the interplay among promoting "access to health care," "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 access to quality care for insured.

Here, 10.9 percent of BCBSVT's proposed 15.6 percent increase is fueled by projected increases in health care costs. Nearly all of this 10.9 percent increase is driven by two items:

- Spending on specialty pharmaceuticals, through both the retail pharmacy and the medical benefit, is driving 7.9 percent of the total rate increase.
- An increase in the percentage of members utilizing at least one preventive service has led to increases in utilization of primary care, diagnostic services, and treatment of conditions. This increased spend on medical services leads to a premium increase of 1.9 percent.

Specialty pharmaceuticals. 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, in the absence of federal or state legislation mitigating the very high cost of these drugs, and given the need to provide access to this care, BCBSVT must include those costs in the rate development. The additional cost of providing these life-altering therapies is expected to lead to greater affordability in the long term.

Preventive care. All BCBSVT VISG plans offer preventive care with zero cost sharing for the member. In Vermont, the focus on primary care access and utilization was directly considered during the development of the All Payer Model. The Administration, Green Mountain Care Board, and Medicare focused on this issue, making it one of the three population health metrics on which the state would be evaluated. Medicaid and BCBSVT agreements with OneCare require focus on primary care access and utilization.

The increased costs associated with promoting preventive care must be balanced with the objectives of quality care and increased access. Promoting preventive care supports healthy lives and proper maintenance for chronic conditions, instead of reacting to complex and unmaintained health conditions. This in turn directly furthers the objections of promoting quality care and access to care. Further, over time, promoting preventive care will decrease overall costs by decreasing the incidence and severity of chronic conditions. BCBSVT expects the long term benefits to outweigh the initial increase in cost but such will take several years to realize. To support the effort BCBSVT will continue to partner with OneCare Vermont focusing not only on increased access to primary care but appropriate follow up addressing gaps and transition in care. The long term value will promote health in the population yet the immediate cost for these programs must be considered in terms of investment in our future.

There has been debate in the literature over the years as to whether preventive services actually save money. When assessing specific evidence based services recommended by either the U.S. Preventive Services Task Force or the Advisory Committee on Immunization Practices, a study published in Health Affairs using a national data set showed that "greater use of proven clinical preventive services in the United States could avert the loss of more than two million life-years annually."[2] Other studies continue to demonstrate that cost savings have yet to result from increasing access and utilization of primary care.[3] However, what those studies do not

[2] https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2008.0701

[3] Glass, D. P., Kanter, M. H., Jacobsen, S. J., & Minardi, P. M. (2017). The impact of improving access to primary care. *Journal of evaluation in clinical practice*, *23*(6), 1451–1458. doi:10.1111/jep.12821

contemplate is whether the access to quality care prevented unrecognized conditions from developing that could result in exponentially higher expenses if not properly treated.

In the case of preventive care, BCBSVT is aligned with the State in valuing improved access to care and improved quality of care over short-term improvements in affordability. The current rate filing reflects the increased cost of preventive care, but the long-term impact of improved quality will lead to improved affordability in the future.

Unlike quality care and access to care, "protection of insurer solvency" is demonstrably not in conflict with affordability. The Vermont Department of Financial Regulation considers insurer solvency to be the most fundamental aspect of consumer protection[4]. Insurer solvency is necessary to promote affordability. Reductions of rates to inadequate levels threaten access to care and quality care by threatening insurer solvency. Furthermore, such rate reductions do not promote long-term affordability because they simply shift costs from current policyholders to future policyholders. The full funding of adequate rates is thereby critical to both insurer solvency and affordability[5].

The federal rate review criteria of "not excessive" and "not inadequate" are tested by actuarial analysis. Actuarial Standard of Practice No. 8[6] provides guidance to actuaries preparing regulatory filings for health insurance premium rate increases. 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. 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. Neither are the rates contrary to Vermont law.

Finally, the rates strike the best balance available among affordability, access to care and quality care by providing coverage for necessary medical services that improve the quality of life of Vermonters at a cost that is far lower than that allowed by federal and State medical loss ratio requirements.

[4] See, for instance, DFR solvency opinion in filing BCVT-131497882.
[5] While it is true that "affordability" is in conflict with "insurer profitability," the latter quantity is not among Vermont rate review criteria.
[6] http://www.actuarialstandardsboard.org/wp-content/uploads/2014/07/asop008_100.pdf

2. PROPOSED BENEFITS

2.1. Description of Benefits

BCBSVT will be offering two types (Standard and Non-Standard) of plans to the Individual and Small Group market in 2020. 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 94 percent 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-131884699.

BCBSVT Blue Rewards (Non-Standard) Plans: BCBSVT is providing rates for two health and wellness-based non-standard products that we have named Blue Rewards and Blue Rewards CDHP. Please see Exhibit 1B – "Blue Rewards (Non-Standard) Plan Designs" for details on the benefit structure. The form filing for these products can be found under BCVT-131884702. BCBSVT Blue Rewards offers access and support for self-directed health and wellness activities through a robust web portal as well as providing unique and customized support from our local in-house clinical experts for any medical and/or behavioral conditions or concerns.

Reflective Silver Plans
As described in section 1.7, pursuant to Act 88, BCBSVT will be offering silver plans off-exchange only for the 2020 plan year. These plans will be "reflective" of the on-Exchange plans and only have a $5 copayment, 5% coinsurance or $25 deductible difference from the on-Exchange plan.

Uniform Compliance
All of the renewing benefits are in compliance with 45 CFR §147.106. Specifically, all renewing 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 2019.

2.2. AV Metal Values

Standard plans are designed by the State of Vermont and offered by all issuers in the VISG market. Please see *Attachment A - Standard Plans AV Certification - 2020* for the certification provided by the State.

Blue Rewards (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 - Blue Rewards (Non-Standard) Plans AV Certification - 2020*, 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

The experience period used is 2018 experience of Blue Cross and Blue Shield of Vermont (BCBSVT) Individual and Small Group markets. This population will be referred to as the Single Risk Pool.

We used claims incurred January 1, 2018 through December 31, 2018 and paid through February 28, 2019. Both the paid claims and the allowed charges were completed using BCBSVT's monthly reserving models that underlie 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, Pharmacy, Medicare Supplement, etc.). Completion factors are calculated separately for each category. We also included an estimate of IBNR for the outstanding pharmacy rebates.

The paid claims and allowed charges come 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.

	Incurred Claims	Allowed Claims
Claims incurred through December 31, 2018 and paid through February 28, 2019	$331,647,580	$393,703,238
Estimate of IBNR as of February 28, 2019 for Claims	$81,266	$92,133
Estimate of IBNR as of February 28, 2019 for Pharmacy Rebates	($5,328,311)	($5,541,818)
Total Completed Experience Period Claims	$326,400,534	$388,253,553
Member Months	629,988	629,988
Total Per Member Per Month (PMPM)	$518.11	$616.29

The experience period total allowed charges PMPM are $616.29.

In the experience period, the earned premium was $316,391,342. BCBSVT will not be required to pay Minimum Loss Ratio (MLR) rebates for the 2018 calendar year. Vermont does not currently have a 1332 waiver for a Reinsurance program. The estimated 2018 risk adjustment receivable, based on the information from the Interim Report, is $13,016,547.

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). Facility claims are then divided 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.

The prescription drug benefit category was populated for claims processed through our pharmacy benefit manager.

The capitation benefit category was populated 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 total allowed charges per member per month in the experience is $616.29. 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.

	PMPM
Allowed Claims in section 1 of worksheet 1 of URRT	$616.29
Allowed Claims for Non-EHB	$0.06
Experience Index Rate in section 2 of worksheet 1 of URRT	$616.23

The experience index rate for 2017 is $616.23.

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 will be 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. Since capitated payments are routinely adjusted to target 100 percent of FFS claims, using the FFS equivalent represents the expected payment better than does the capitation.

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

	Total Dollars	PMPM
Allowed Claims in section 1 of worksheet 1 of URRT	$388,253,553	$616.29
Remove BlueCard Fees	($1,606,474)	($2.55)
Remove Pharmacy Rebates	$13,623,577	$21.63
Remove Payments to Blueprint Program	($2,511,496)	($3.99)
Replace Capitation with FFS equivalent	$264,901	$0.42
Line A of Exhibit 5	**$398,024,061**	**$631.80**

3.4. Projection Factors

3.4.1. Change in the Definition of Small Group

As of the first renewal date on or after January 1, 2016, the Vermont definition of Small Group changed to include groups with 51-100 employees. All small groups in the experience period were already part of the single risk pool, therefore the factor ($1+b_1$ on Exhibit 5) to adjust for the change in the definition of Small Group is 1.000.

3.4.2. Membership Projections

As of March 2019, BCBSVT had 43,939 members enrolled in the single risk pool, 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 2020 enrollment and the distribution by plan.

While the significant legal, legislative and regulatory activity surrounding Association Health Plans (AHPs) renders their future is uncertain, one potential outcome is the continued existence of the current AHP market. We are therefore including an assumption for additional movement to the AHPs in 2020. The projected membership movement is based on discussions with the two new AHPs operating in the Vermont market in 2019. We assume that 2,000 additional small group members from employers that do not offer only a platinum plan would join an AHP. This additional membership movement mostly impacts the projected index rate and the risk adjustment transfer.

An adjustment was made to the starting point enrollment for the expected membership losses due to the elimination of the individual mandate. We assumed that all members that receive a premium subsidy as well as all members that are enrolled through their small group employer will remain in the market. That leaves the individual members that do not receive a premium subsidy as the population that could consider dropping their insurance due to the elimination of the mandate. We believe within this population the policyholders who do not use their benefit or only have preventive care services will leave the market. Over the last four calendar years we observed an average of 4.9 percent of member months in this sub-population (or 0.8 percent of the overall population) fall into the category of policyholders using no benefits or preventive care only benefits. We observed that about 30 percent of the expected 0.8 percent total actually left the market in 2019 and therefore expect that there are about 0.5 percent of the

overall population still expected to leave the market by 2020. Applying this factor to our 2020 starting point results in an expected loss of 255 members, or a 2020 projected enrollment of 41,684.

We assessed the impact of individual subsidized members moving to different benefit plans but found that it was immaterial. We are not making a further adjustment for additional movement in 2020. Based on these factors, our best estimate for the 2020 BCBSVT Individual and Small Group population by plan and market can be found on Exhibit 2A.

The total member months expected to be covered by this filing is 500,208.

This projected membership was also used to adjust our Index Rate for demographics, morbidity, benefit changes, and other allowable adjustments described below.

3.4.3. Changes in the Morbidity of the Population Insured

Impact of the Associations Health Plans ($1+b_5$)
Starting in 2019, Association Health Plans (AHP) became available to Small Employers. As stated above, there is much uncertainty around these plans. We are assuming that this market, will continue to exist through 2020. We are therefore adjusting our projected index rate for both the groups that joined in 2019 and the groups expected to join in 2020.

To adjust for this change in the market, we first compared the experience period allowed charges for the whole single risk pool to the total without the experience of groups previously in the BCBSVT single risk pool that elected to join an AHP in 2019.

Single Risk Pool Allowed Charge PMPM	$631.80
Allowed Charges PMPM excluding groups that enrolled in an AHP in 2019	$638.03
Impact of AHP – Part 1	= $638.03 / $631.80 = 1.0099

As noted in the previous section, we anticipate that an additional 2,000 small group members will join an AHP from the BCBSVT single risk pool in 2020. The associations expect to offer a limited variety of plan designs, all of which are expected to be significantly less rich than the Platinum plan. BCBSVT has observed that a large number of groups have membership that is exclusively enrolled in the Platinum plan. This is consistent with the actions of many small groups who prior to 2014 offered very rich benefits coupled with HRA or HSA funding. Our assumption is that AHPs will not be attractive to such groups, as they are seeking a rich benefit design that is reflective of both their pre-Exchange and current Platinum plans. To calculate the impact of this additional membership migration on the index rate, we split the experience period allowed charges between groups that only offered the Platinum plan and other small groups.

Group Type	Member Months	PMPM
Platinum Groups	45,714	$678.60
Other Small Groups	268,931	$575.62
Total Small Group	314,645	$590.65
Groups expected to join AHP	24,000	$575.62
Remaining Small Groups	290,645	= (314,645 x $590.65) – (24,000 x $575.62) / 290,645 = $591.89
Individual Members	266,091	$694.06
Total Projected Market	556,736	= (290,645 x $591.89) + (266,091 x $694.06) / 556,736 = $640.72
Impact of AHP – Part 2		= $640.72 / $638.03 = 1.0042
Total Impact of AHP (Line 1+b_5 of Exhibit 5)		= 1.0099 x 1.0042 = 1.0141

Note that there is a partially offsetting impact through the projected risk adjustment receivable, as described in section 3.7.1.

Changes in pool morbidity (1+b_9)

Our experience period is based on calendar year 2018. Using March 2019 enrollment, we grouped members into broad categories of Active and Canceled. Canceled members can be further divided into two categories: voluntary cancelation and cancelation due to death. Voluntary cancelations can be further broken down by aging out, cancellations from normal group turnover, and individual cancellations. Individuals aging out are captured in our demographic adjustment (see section 3.4.5). In past filings, we assumed that group turnover leads to the hiring of similarly-situated individuals; therefore, we only adjusted for the impact of individual cancellations. In 2018 and 2019, we experienced far larger than typical cancelations in the Small Group segment. To reflect this, we are also adjusting for Small Group members leaving BCBSVT. If all members in a group canceled, we are excluding them under the assumption that the entire group moved to a different carrier. If members that canceled were part of a group that is still with BCBSVT, we assumed that group turnover will lead to the hiring of similarly-situated individuals; therefore, an adjustment is not needed for such members.

We split the experience claims costs based on these categories in order to compare the different populations. We adjusted 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 2018.

To avoid double counting, we excluded the groups that elected to join an AHP from this calculation as we have already adjusted for that movement in the AHP factor described above.

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

	Voluntary Cancelation in the Individual Market	Members in Groups that are no longer with BCBSVT	All Other Members (excluding groups that joined an AHP)	Total
Experience Period Allowed	$31,963,835	$9,553,059	$329,012,002	$370,528,896
Member Months	51,979	17,761	510,996	580,736
PMPM	$614.94	$537.87	$643.86	$638.03
Experience Period Average Induced Utilization	0.946	1.006	1.005	1.000
PMPM after normalization for induced utilization	$650.36	$534.89	$640.36	$638.03

The factor ($1+b_9$ on Exhibit 5) to adjust for the change in pool morbidity is $640.36/$638.03 = 1.0037.

Impact of the Health Status of the Newly Insured ($1+b_3$)

Newly insured impact the projected claims cost in two ways. First, they change the average age of the single risk pool. Second, based on which subline of business they join, we expect them to have different allowed charges than the overall age-adjusted average. To estimate the impact of the newly insured on the average age of BCBSVT single risk pool, we used the age-gender factors from the SOA's report Health Care Cost – From Birth to Death[7] to calculate the average age-gender factor for all inforce members and compared it to the average age-gender factor for the inforce members excluding new members.

	Member Count	Average Age-Gender factor
All Inforce Members	43,939	1.3057
New Members	3,937	1.1671
Inforce Members except new members	40,002	1.3194
Impact of the Newly Insured – Part 1		= 1.3057 / 1.3194 = 0.9897

This factor must be squared in the rate development in order to reflect two years of new member growth.

We assumed that these members would have claims levels similar relatively to members enrolled the same line of business in 2018. Individual and Small Groups have very different expected cost. To adjust for this, we compared the experience PMPM to the PMPM assuming new members have the same relative PMPM as the line of business they joined.

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

Coverage Category in the Experience	Continuing Membership	New Membership	Total Projected Membership	Experience Allowed PMPM
Individual Non-Subsidized Directly Enrolled with BCBSVT	5,082	375	5,457	$721.94
Individual Non-Subsidized Enrolled through VHC	2,488	293	2,781	$640.32
Individual Subsidized Enrolled through VHC	9,692	1,501	11,193	$698.47
Small Group With 50 or less employees	19,489	1,545	21,034	$581.21
Small Group With 51-100 employees	3,251	223	3,474	$650.15
Total	40,002	3,937	43,939	
Weighted Average PMPM	$636.78		$637.75	
Impact of the Newly Insured – Part 2		= $637.75 / $636.75 = 1.0015		

Total Impact of Newly Insured (Line 1+b_3 of Exhibit 5)	= 0.9897^2 x 1.0015 = 0.9809

Impact of the elimination of the individual mandate penalty (1+b_7)
The claims impact of eliminating the individual mandate penalty (1+b_7 on Exhibit 5) represents the increase in the allowed charge PMPM when the expected low cost individual policyholders leave the market. As discussed in section 3.4.2, approximately 0.8 percent of member months came from policyholders that had no claims or had preventive care only claims within the individual market not receiving premium assistance. We observed approximately 30 percent of this population left the market in 2019. The policyholders representing the remaining member months are expected to exit the market by 2020. This leaves the BCBSVT pool with 0.5 percent less member volume with very nearly the same expected total claims. Therefore an adjustment of 1.005 has been used as the claims impact of eliminating the individual mandate.

3.4.4. Changes in Benefits

Impact of the 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. To calculate this factor, we first calculated the PMPM allowed charges by metal level. To ensure that high claims were not skewing the relationship between metals, we removed claims above $500,000 and replaced these by the average PMPM for claims above that threshold. We then compared the PMPM by metal to the average to get allowed charge relativities. Using the experience member months and the projected membership by metal, we calculated an average allowed charge relativity for each and compared the two averages to calculate the impact of changes in benefits. The impact of the movement among benefit plans is 1.0065, as shown on Exhibit 2B.

3.4.5. Changes in Demographics

Impact of the changes in demographics ($1+c_3$)
To develop the change in demographic factor (factor $1+c_3$ on Exhibit 5), we used the age-gender factors from the SOA's report Health Care Cost – From Birth to Death[8] to calculate the average age-gender factor for the experience membership, excluding the groups that subsequently joined an AHP, to the inforce membership excluding new members (analyzed separately above).

	Average Age-Gender Factor
Experience Period, excluding groups that subsequently joined an AHP	1.2969
Inforce, excluding new members	1.3194
Demographic Adjustment	= 1.3194 / 1.2969 = 1.0173

The demographic adjustment ($1+c_3$ on Exhibit 5) is 1.0350, which reflects two years of aging from the experience period to the projection period of the continuing population.

3.4.6. Other Adjustments

The buildup of the Projected Index Rate also includes a factor to reflect new pharmacy contracts, a factor to reflect the impact of selection on allowed costs, a factor to reflect the impact of the elimination of the individual mandate, a factor to reflect the impact of the ACO programs, an adjustment for leap year, a factor reflecting the impact of enforcement of our policy for Medicare Part B eligible members, and adjustments for non-system claims[9].

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

Changes in Pharmacy Contracts ($1+c_5$)
BCBSVT established a new contract with its pharmacy benefit manager, ESI, with discount improvements effective January 1, 2018 and beyond, that will impact the projected pharmacy allowed charges. To calculate this factor, we applied the contracted discounts and dispensing fees for each type of drug (Generic, Brand and Specialty) to calendar year 2018 claims for both the experience period and the projected period contract provisions. The contract adjustment factor for each type of drug, calculated by taking the ratio of the projected pharmacy claims under each contract, was applied to the projected pharmacy claims (see Exhibit 3G for details). The adjusted projected pharmacy claims were then added to the projected medical claims to calculate the overall impact of the contract changes, as shown on Exhibit 3H. The total impact of the change in pharmacy contracts is 0.9962, as shown on line $1+c_5$ of Exhibit 5.

Impact of Selection ($1+c_6$)
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

[8] https://www.soa.org/Research/Research-Projects/Health/research-health-care-birth-death.aspx
[9] Non-system claims are payments that are not processed through the claims adjudication system.

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 2D). This is due to the plan share of allowed costs being greater for richer plan designs, which demonstrably experience antiselection in excess of benefit richness adjustments. The top section of Exhibit 2D shows the build-up of paid claims from allowed charges using actual plan-level adjustments described in Section 3.8 of this Memorandum. The bottom section of the same exhibit demonstrates the impact on total paid claims of using benefit richness adjustments that instead reflect actual 2018 single risk pool 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. The total impact of selection is 1.0707, as shown in Exhibit 2C. While using a similar method, BCBSVT changed the underlying actuarial values (see section 3.8.1.) to reflect a normalized population. BCBSVTs single risk pool appears to have higher morbidity than the aggregate Vermont single risk pool. This led BCBSVT's modeled actuarial values to be skewed such that the relationship between carriers in the market at each metal level may have been leading to market disruptions. To adjust for this, BCBSVTs is using normalized actuarial values in the plan level adjustments but reflecting the modeled actuarial values in this factor. The change in method is worth approximately three quarters of the total factor. The offset to this factor is implicit in the plan level adjustments; therefore, the net impact on rates is zero.

Impact of VHC Adjustments ($1+b_8$)

VHC has made significant strides in improving the accuracy of their membership data. The observed impact on 2018 data for retro cancellations and 2018 data for claims without membership is immaterial, and we do not expect further improvements. The total factor on line $1+b_8$ of Exhibit 5 is therefore 1.000.

Impact of the ACO program ($1+b_4$ and $1+b_6$)

In 2018, BCBSVT and OneCare VT had a shared-risk/shared-savings agreement covering approximately 20,000 lives within the VISG market. The agreement provides for 50/50 sharing of savings or risk up to 6 percent above or below the expected medical spend, which is derived from final approved GMCB rate order for the VISG market. Medical spend for the lives attributed to OneCare exceeded the expected medical spend target, therefore OneCare will pay back BCBSVT 50 percent of the excess spend. This transfer is applied to the experience claims and reduces the experience claims PMPM. The impact of this settlement ($1+b_4$ on Exhibit 5) is 0.9977.

BCBSVT extended the shared risk/shared-savings agreement with OneCare in 2019 and expects to continue the program in 2020. In 2019 the population attributed to OneCare remains at approximately 20,000 lives within the VISG population. The continued program reflects the same financial parameters with a 50/50 sharing of savings or excess spend up to 6 percent of target. The target continues to be based on approved VISG rates, but was modified to add a normalization factor for risk adjustment and corridors related to BCBSVT financial performance.

In continuing the agreement, BCBSVT and OneCare are increasing collaboration to plan and improve programs to improve the quality of care and access to care by increasing engagement with both providers and members. We expect that this renewed collaboration along with enhanced data capabilities for our shared care management programs will reduced the medical claims by 0.4 percent for OneCare attributed members. We expect the OneCare commercial

network in 2020 to include all hospitals and FQHCs in the 2019 Medicaid network. This increase in participating providers will increase the proportion of members attributed to OneCare to 64.6 percent. Medical claims are 78.4 percent of the total projected claims. A reduction of 0.4 percent of medical claims for members attributed to OneCare reduces the total projected claims by 0.2 percent (0.784 x 0.646 x 0.004 = 0.0020). The impact of these savings ($1+b_6$ on Exhibit 5) is 0.9980.

Impact of the enforcement of the Medicare Part B requirement ($1+b_2$)
Due to system limitations, BCBSVT was previously unable to enforce the requirement that members who are eligible for Medicare Part B should be enrolled in Part B such that their BCBSVT insurance is secondary to Medicare. With the upgrade to our operating system, BCBSVT can now administer this policy. In the experience period, there were 2,169 member months for members were eligible for Part B but did not enrolled. For these members, Medicare was primary on Part A claims but BCBSVT was primary for Part B expenses. To estimate the impact of this change, we calculated the difference in total medical claims if BCBSVT had only been liable for 20 percent of the Part B claims (broadly, Medicare pays for 80 percent of Part B services).

	Medical Allowed Charges
Part B claims where BCBSVT was primary	$3,062,310
Part B claims if BCBSVT had been primary	= 20% x $3,062,310 = $612,462
Reduction for adjusting Part B claims	$2,449,848
Member Months	580,736
PMPM, after adjusting Part B claims	$4.22

Allowed Charges PMPM excluding groups that enrolled in an AHP in 2019	$638.03
Allowed Charges PMPM, excluding groups that enrolled in an AHP in 2019, after adjusting for Part B Claims	= $638.03 - $4.22 = $633.81
Impact of enforcement of the Medicare Part B requirement (Line $1+b_2$ on Exhibit 5)	= $633.81 / $638.03 = 0.9934

Impact of Leap Year ($1+c_4$)
Calendar year 2020 is a leap year and members will have an extra day to incur services compared to the experience period. To account for this, we have included a factor of 366 divided by 365, or 1.0027, in our projection of the 2020 allowed claims.

Non-System Claims (e_1 – e_7)
Other costs were added in the buildup of the Projected Index Rate to account for non-system claims (Items e_1-e_5 on Exhibit 5). As previous explained in section 3.3, these non-system claims are claims that are independent from the benefits.

- Pharmacy Rebates (e_1):
  The experience period pharmacy rebates are estimated to be $21.63 PMPM. This number is a combination of actual rebates and estimates using our contractual rebate guarantee since we have not yet received the details underlying the rebate payment for part of the 2018 calendar year. Pharmacy rebates are expected to trend at the same rate as Brand Drugs. As shown on Exhibit 3G, the projected cost trend for Brand drugs is 10.6 percent, which brings projected pharmacy rebates to $26.46 PMPM.

- Blueprint Payments (e_2):
  BCBSVT participates in the Vermont Blueprint for Health[10] program. The Vermont Blueprint for Health Manual, effective January 1, 2016, details the funding for both portions of the program: Community Health Teams (CHT) and Patient Centered Medical Homes (PCMH). We do not expect the funding for either CHT or PCMH to change in 2020. Therefore, we assumed that the experienced PMPM of $3.99 would continue to 2020.

- 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 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 cost containment strategy, of 4.1 percent; therefore, these fees are assumed to increase at 4.1 percent annually. The experience period fees ($2.55 PMPM) are projected to grow to $2.76 PMPM in 2020.

- Vermont Vaccine Purchasing Program Payments (e_4):
  The Vermont Vaccine Purchasing Program[11] offers health care providers state-supplied vaccines at no charge by collecting payments from health plans, insurers and other payers. This assessment is based on a PMPM charge. On May 1, 2019, the VVPP released the monthly rates[12] for the SFY2020. In its notice, they included an estimate for the SFY2021 rates. Using the experience average quarterly enrollment for children and adults, we calculate a projected period PMPM of $1.83 PMPM.

Age Category	Rate for Q1 2020 (SFY2020)	Rate for Q2-Q4 2020 (SFY 2021)	Weight
Child	$4.54	$10.07	11.9%
Adult	$0.56	$1.02	88.1%

[10] http://blueprintforhealth.vermont.gov/
[11] http://www.vtvaccine.org/
[12] https://www.vtvaccine.org/vtvaccine.nsf/documents/ApprovalofFY2020AssessmentRateNoticeandLetterfromCommissioner.html/$File/2019-04-25%20Assessment%20Rate%20Notice%20and%20Letter%20from%20Commissioner%20SFY2020.pdf

- Net Cost of Reinsurance (e_5):
  BCBSVT uses reinsurance to protect itself against very high claims. Included in the Projected Index Rate is the net cost (reinsurance premium less expected reinsurance claims) of reinsurance. This PMPM cost of $0.45 was estimated using quotes BCBSVT received for reinsurance for calendar year 2019.

- 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 2020, we expect that the commercial ACO network will include all hospitals and FQHC included in the Medicaid ACO network. As of March 2019, 64.6 percent of the Single Risk Pool was attributed to the expected 2020 OneCare network. The projected PMPM is therefore $2.10 = $3.25 x 0.646.

- ESI Additional Administration Fees (e_7):
  ESI 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 ESI's RationalMed℠ program, which protects patients against potentially harmful drug interactions. The total PMPM in the experience period was $0.65 PMPM for these services, and is projected to be the same in 2020 since the contractual rates will remain the same.

3.4.7. Trend Factors (cost/utilization):

The source of the data is BCBSVT's data warehouse, except where noted below. To ensure accuracy of claims information, the data used has been reconciled against internal reserving, enrollment, and other financial reports. We used claims incurred between January 1, 2015 and December 31, 2018, completed through February 28, 2019, in the analysis. Completion factors, based on best estimates from financial reporting before margin for conservatism, were applied to estimate the ultimate incurred claims for each period shown in the exhibits.

The data includes claims from the Single Risk Pool and the non-VISG experience for groups with 51-100 employees that joined the Single Risk Pool in 2016, when Vermont changed the definition of Small Group to include groups with 51-100 employees. 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 and 2019. These membership losses were primarily small groups. Due to significant changes in membership, we excluded all membership and claims from groups that left BCBSVT in 2018 or joined an AHP in 2019 in this trend analysis.

3.4.7.1. Medical Trend Development

Using the historical contracted reimbursement schedules, we calculated network factors that represent the various contracts. Using these factors, we can modify the claims to reflect only one 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. Historical experience is normalized for contract changes and then analyzed to derive a utilization trend in the absence of unit cost changes. Future unit cost trends are developed 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.

In previous filings, we separated the medical claims between inpatient facility, outpatient facility, and professional and ancillary claims. In 2018, BCBSVT experienced a very large increase in the allowed charges for drugs dispensed in a facility or in office. There drugs are trending very differently from other medical costs and are examined separately.

Unit Cost

Unit cost trends were largely derived from observations of recent contracting and provider budgetary changes. During calendar year 2018, about 51 percent of total medical claims dollars occurred at Vermont facilities and providers impacted by the hospital budget review process of the GMCB. The starting point of our calculation assumes that the GMCB will approve hospital budgets for October 1, 2019 and October 1, 2020 that support identical commercial increases as those approved for October 1, 2018. We also included the mid-year rate increases recently approved by the GMCB for three hospitals[13]. Based upon those assumptions, the provider contracting and actuarial departments worked together to assess the impact such an increase would have on contract negotiations specific to the EPO network used for the VISG market.

Similarly, we assumed for other providers within the BCBSVT service area that overall 2019 and 2020 budget increases would be identical to those implemented during calendar 2018, with the exception that if we have learned more recent information from our early negotiations with providers, the more recent information is reflected. Again, the provider contracting and actuarial departments worked closely together to assess the impact these increases would have on contract negotiations specific to the EPO network used for the VISG market.

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

[13] One hospital appears to have withdrawn its request very close to the rate filing deadline. We will continue to monitor the situation as it develops, but the impact to rates of reflecting this change would be immaterial.

Finally, unit cost increases for providers outside the BCBSVT service area were derived from the Fall 2018 Blue Trend Survey, which is a proprietary and confidential dissemination of the Blue Cross and Blue Shield Association.

The results of the analysis are summarized in the below chart:

Annual Reimbursement Changes due to Budget Increases and Contracting Season	Percent of Total Allowed Medical Claims in Experience	Cost Trend from 2018 to 2019	Cost Trend from 2019 to 2020	Total Annual Cost Trend
Vermont facilities and providers impacted by GMCB's Hospital Budget Review	51.1%	2.7%	2.8%	2.7%
Other facilities and providers	48.9%	1.9%	3.0%	2.0%
Total	100.0%	2.3%	2.9%	2.6%

Utilization & Intensity

Historical utilization trend patterns were examined by first normalizing for unit cost increases. Contract changes for the entirety of the experience period were measured explicitly for each facility within our service area, as well as the three largest physician groups.

Increases were measured for fee schedules and other chargemasters by applying each schedule to a market basket of services. The market basket was defined 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, total allowed costs for the selected combinations of CPT and CPT modifier were compared 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.

This accounted for about 85 percent of allowed claims dollars during the experience period. Costs for other claims are primarily for out-of-area services. Contracting changes for these claims were derived from the Fall 2018 Blue Trend Survey, which is a proprietary and confidential dissemination of the Blue Cross and Blue Shield Association.

Claims were normalized to the December 2018 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 2018. The derived trend for other claims was assumed to be continuous. Please see Exhibit 3A for an illustration of this approach.

To ensure that random high claims did not skew the trend calculation, we removed all claims from members who exceeded $500,000 in allowed medical claims in a calendar year. As the

utilization component includes intensity, an increase in high cost claimants can disproportionately impact the year-over-over and regression calculations. Shown on pages 1 and 2 of Exhibit 3B is the resulting array of allowed PMPM claims costs, before and after normalization for contract changes.

Utilization is influenced by the richness of a product and the utilization will increase when benefits become richer over time. To adjust for this phenomenon, we calculated the average induced utilization factor based on the actuarial values of the plans in the experience and adjusted each month to reflect the benefits in place in December 2018.

Utilization is also influenced by age. Using SOA's report Health Care Cost – From Birth to Death factors, we calculated the average age-gender factors for the members included in the development. We adjusted each month in to reflect the age-gender factor evident in December 2018.

Since early 2014, BCBSVT implemented many new programs to combat fraud, waste and abuse (FWA). As shown in the table below, the return of FWA programs has increased rapidly from 2015 to 2017 before returning to an expected level in 2018.

Calendar Year	Percent of claims recovered as part of FWA programs
2015	0.81%
2016	1.05%
2017	1.09%
2018	0.96%

This historical increase in recoveries could skew the trend calculation. We have therefore adjusted the claims to reflect 2018 recovery rates. We expect that the percentage of claims recovered through these programs will remain at approximately one percent of total allowed claims through 2020. We have accordingly not adjusted the trend for future improvements in FWA efforts.

The number of working days in a month can drastically impact the level of claims incurred in a month. Calendar year 2018 had 0.2 average additional working days per month, which alone can contribute to almost an additional 1.0 percent of utilization trend. We normalized the claims cost such that each month reflects the average number of working days per month in 2018.

Using the array of PMPM claims costs net of high claimants and adjusted for contract, benefits, aging, 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[14], are not included, as these are inappropriate for use in trend development and/or for the data available.

[14] 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 already assume a slowdown of trend. The

We have selected the following utilization trends:

Category	Annual Selected Utilization Trend
Inpatient	0.0%
Outpatient	2.5%
Professional	5.0%
Medical Drugs	15.0%

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 impact the claims cost historically and in the projection period. We analyzed each claim category separately and weighted the selected trend using experience period PMPM to get an overall trend.

Inpatient
For inpatient claims, we select a 0.0 percent utilization trend.

The year over year increases, after all the adjustments described above, are 1.5 percent, 0.1 percent and -1.3 percent, from 2016 to 2018 respectively. Regressions using 36 months and 24 months calculate 0.1 percent and 0.4 percent trends. The three time series that are appropriate to use give a wide range of projected trends (-4.1 percent to -0.1 percent).

Method	Inpatient Trend
Year over Year	-1.3%
36-month regression	0.1%
36-month Holt-Winters Multiplicative	-0.1%
36-month Holt-Winters Additive	-0.1%
36-month Double Exponential Smoothing	-2.5%
24-month regression	0.4%
24-month Holt-Winters Multiplicative	-0.7%
24-month Holt-Winters Additive	-0.7%
24-month Double Exponential Smoothing	-4.1%

To narrow down the range of reasonable answers, we compared the projected 2018 claims using the same three time series to the actual 2018 claims. The Holt-Winters time series estimates of the 2018 experience are closer to the actuals than the projections using the double exponential time series or the regressions.

double moving average method requires three times the amount of historical data as projection periods, and therefore should not be used for this analysis.

Method	CY2018 Projection
Actuals	100.98
36-month regression	102.95
36-month Holt-Winters Multiplicative	102.31
36-month Holt-Winters Additive	102.30
36-month Double Exponential Smoothing	103.83
24-month regression	104.49
24-month Holt-Winters Multiplicative	102.31
24-month Holt-Winters Additive	102.31
24-month Double Exponential Smoothing	102.67

With all the results oscillating around 0.0 percent, we select a 0.0 percent trend for inpatient claims.

Outpatient
For outpatient claims, we select a 2.5 percent utilization trend.

The year over year increases, after all the adjustments described above, are -1.5 percent, 2.0 percent and 2.8 percent, from 2016 through 2018 respectively. Regressions using 36 months and 24 months calculate 2.8 percent and 4.2 percent trends. The time series that are appropriate to use again give a wide range of trends (0.6 percent to 5.2 percent). Once again, the Holt-Winters time series were best at predicting the 2018 calendar year but the results going forward, from 0.6 percent to 0.9 percent, are much lower than the previous two actual increases.

We decided to separate the outpatient claims between outpatient surgeries and other outpatient services and procedures. Studies have shown that improvement in the economy result in increases in elective procedures. For example, one meta-study reviewed many studies that suggest that an economic downturn leads to a direct reduction in the number of elective surgical procedures.[15]. This can be observed in the increase in outpatient surgery related claims compared to other outpatient services.

	Surgery		Other Outpatient	
Year	PMPM after adjustments	Increase	PMPM after adjustments	Increase
2015	$47.82		$148.87	
2016	$47.95	0.3%	$145.78	-2.1%
2017	$47.70	-0.5%	$149.92	2.8%
2018	$49.93	4.7%	$153.23	2.2%

Because of the wide differences in historical trend for these two categories, we select a 4.0 percent trend for outpatient surgery and 2.0 percent trend for other outpatient. Using the 2018 PMPM as weights, this gives us a total selected trend for outpatient utilization of 2.5 percent.

[15] https://www.sciencedirect.com/science/article/pii/S1743919117304971?via%3Dihub

To select the trends above, we calculate regressions and time series projected on the two sets of historical PMPMs. The regressions and time series again give a wide range of answers for outpatient surgery.

Method	Outpatient Surgery Trend
Year over Year	4.7%
36-month regression	3.4%
36-month Holt-Winters Multiplicative	7.7%
36-month Holt-Winters Additive	0.6%
36-month Double Exponential Smoothing	10.7%
24-month regression	7.7%
24-month Holt-Winters Multiplicative	1.5%
24-month Holt-Winters Additive	1.5%
24-month Double Exponential Smoothing	9.9%

The only method that was able to predict 2018 using historical data within one percent of the actual result was the 24 months regression, but the projected 7.7 percent trend from this method is much higher than the actual year over year.

Method	CY2018 Projection
Actuals	$49.93
36-month regression	$49.04
36-month Holt-Winters Multiplicative	$47.78
36-month Holt-Winters Additive	$47.78
36-month Double Exponential Smoothing	$55.98
24-month regression	$50.11
24-month Holt-Winters Multiplicative	$47.72
24-month Holt-Winters Additive	$47.72
24-month Double Exponential Smoothing	$56.25

The 24 month regression using 2016 and 2017 data calculates a 3.7 percent trend and the 24 months regression using rolling 12 months PMPM calculates a 3.2 percent trend. Weighting these two regressions with the actual most recent year over year calculates a 3.9 percent trend. We believe that the most recent year over year is more indicative of the expected trend to 2020 (note that the US and Vermont showed strong economic growth indicators starting in 2018, which correlates to the high increase in surgical procedures) and select a 4.0 percent trend for outpatient surgery.

For the other outpatient claims, the range of results for the regressions and time series is 0.1 percent to 3.2 percent.

Method	Other Outpatient Trend
Year over Year	2.2%
36-month regression	2.6%
36-month Holt-Winters Multiplicative	0.8%
36-month Holt-Winters Additive	0.9%
36-month Double Exponential Smoothing	3.2%
24-month regression	3.1%
24-month Holt-Winters Multiplicative	0.8%
24-month Holt-Winters Additive	0.1%
24-month Double Exponential Smoothing	0.7%

The Holt-Winters time series using 36 months predicted 2018 calendar PMPM within $0.10. While much lower than the actual year over year increase, we believe that it should be considered.

Method	CY2018 Projection
Actuals	153.23
36-month regression	150.13
36-month Holt-Winters Multiplicative	152.87
36-month Holt-Winters Additive	153.18
36-month Double Exponential Smoothing	157.60
24-month regression	154.54
24-month Holt-Winters Multiplicative	154.01
24-month Holt-Winters Additive	154.42
24-month Double Exponential Smoothing	160.20

We considered the actual year over year trend, the 36 months regression and the Holt-Winters additive on 36-month time series in selecting our trend assumption of 2.0 percent for non-surgery outpatient claims. The weighted average total trend for outpatient is 2.5 percent.

Professional and Ancillary

Professional claims utilization has been ramping up over the last year. This is expected as care continues to be shifted to more appropriate settings. For example, we observed a 7.1 percent increase in professional mental health services, much of which is likely replacing inpatient and ER visits. We also observed an increase in preventive office visits, other preventive services, and diagnostic services. These increases, while having an upward impact on trend, provide a higher quality of life for our members. More frequent preventive visits and diagnostic services will detect diseases in earlier stages, resulting in most up-front cost, but preventing more expensive treatments in the longer term.

Once again, the regressions and time series calculate a wide range of projections, from -0.6 percent to 5.8 percent. With the previous three year-over-year actual increases falling at 2.2

percent, 6.4 percent and 4.7 percent, it would be unreasonable to give credence to the time series results. The regressions appear to produce reasonable trends.

Method	Professional Trend
Year over Year	4.7%
36-month regression	5.8%
36-month Holt-Winters Multiplicative	-0.6%
36-month Holt-Winters Additive	0.6%
36-month Double Exponential Smoothing	2.3%
24-month regression	5.5%
24-month Holt-Winters Multiplicative	0.0%
24-month Holt-Winters Additive	0.3%
24-month Double Exponential Smoothing	1.9%

To corroborate these results, we split the professional claims by categories and calculated a variety of regressions and average trends. As shown on page 5 of Exhibit 3B, the selected 5.0 percent trend for utilization is toward the lower end of the range of regression results. While included in the table, the Holt-Winters time series does not product reasonable results.

Medical drugs

As shown on page 1 of Exhibit 3B, the year-over-year trend experienced in 2018 increased drastically from historical levels. The 35.6 percent annual increase on unadjusted allowed PMPM was mostly driven by eleven drugs that represented 53 percent of the 2018 claims. Some of these drugs are expected to continue trending at very high rates while others were either a new blockbuster in 2018 with an expected projected growth at the much lower, while still high, rate or very expensive orphan drugs that are skewing the trend analysis.

With the help of the clinical staff at BCBSVT, we projected the expected cost and utilization increase for eleven drugs separately (see page 6 of Exhibit 3B).

Based on the assumptions shown on page 6 of Exhibit 3B, we project that annual total increases for drugs dispensed in a facility or office will be 18.7 percent. Using the average projected cost increase of 3.0 percent, we calculate a projected annual utilization increase of 15.2 percent. We therefore select a 15.0 percent utilization trend for medical drugs.

Overall Medical Utilization Trend

Using the 2018 PMPM after adjustments for the members that joined an AHP in 2019 and the enforcement of the Medicare Part B requirement, we calculate a 4.1 percent overall medical utilization trend:

Category	Allowed Charge PMPM for Single Risk Pool	Selected Utilization Trend
Inpatient	$105.21	0.0%
Outpatient	$199.76	2.5%
Medical drugs	$55.47	15.0%
Professional	$148.88	5.0%
Total	**$509.30**	**4.1%**

Cost Containment Strategy

BCBSVT is working closely with our network providers and OneCare Vermont to maximize our collaborative clinical reach focusing on reducing overall medical costs. We have the same two specific goals for 2019 as we did in last year's filing. We target reducing overall inpatient admissions by four percent by reducing readmissions, and we also target reducing emergency room visits by five percent. This will be achieved through enhanced collaborative care coordination support to our members with a goal of redirecting care to primary care providers when appropriate.

Using calendar year 2018 data, we estimated that 78 inpatient admissions with an average cost of $31,500 would be replaced by office visits, outpatient labs, and non-specialty scripts. The average replacement cost for all these services is $3,400, with $2,200 of that for medical claims. The additional expected scripts are added to the projected total days supply on Exhibit 3G (see section 3.4.7.2 for details). We estimate that 557 emergency visits with an average cost of $1,810 would be replaced by a PCP visit with an average cost of $105, for a total savings of $0.95 million. The total projected savings of $3.23 million creates a reduction in medical claims of 1.1 percent.

For 2020, we will initiate two new programs. First, we are entering in a shared savings arrangement with a lab benefit manager. By combining a new fee schedule, a tighter contract governing the use of out of network laboratories by network providers, and a shared savings program, we expect this new relationship to save $1.4 million in 2020. Second, we expect the Convenient Care program, which offers qualified patients the opportunity to have their infusion therapies done in the comfort of their homes by trained nurses, to reduce claims by $150,000 and improve outcomes by reducing the risk of facility-borne infections. These programs collectively are expected to further reduce medical claims by about 0.5 percent. Please see Exhibit 3C for details.

3.4.7.2. 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 analyzed 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. The overall pharmacy trend is then calculated by combining the separate projections.

Non-Specialty Drug Utilization

Exhibit 3D 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. The number of days supply, rather than the number of scripts, is used 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 have combined the data for generic and brand drugs for the purpose of analyzing utilization patterns.

As described above, utilization trends should be adjusted for changes in benefits and aging. We adjusted each month to reflect benefit and aging adjustments. Using the array of PMPM after adjustments, we performed 24-month and 36-month regressions as well as time series with appropriate underlying assumptions for trend and seasonality.

The regression results are higher than the most recent year over year results. We believe that they are skewed due to the significant seasonal increase in pharmacy utilization in the fourth quarter of each year. The time series with seasonal adjustments provide results closer to experienced trends. We select 1.2 percent, the average of the 24 month regression, both 24 month Holt-Winters time series and the most recent year over year results, as the non-specialty drugs utilization trend.

As in the previous filing, instead of projecting a generic dispensing rate, we separated the drugs into seven categories:

- Generics: Drugs that have been generic since at least January 2016
- New Generics: Generic drugs that have been in the market for less than 36 months (January 2016 to December 2018)
- 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
- All other Brands

As shown on Exhibit 3G, each category's days supply is trended forward at the same rate of 2.1 percent.

As discussed in the previous section, BCBSVT is working closely with our network providers and OneCare Vermont towards reducing inpatient admissions. It is expected that avoided admissions

would be replaced by office visits, labs and prescription drugs. We added the additional generic and brand days supply expected to result from this initiative to the experience days supply, then applied trend to the projection period.

Generic Cost Trend

To ensure that the generic cost trend is not skewed by the arrival of new generic drugs, we performed a 24-month regression on monthly Average Wholesale Price (AWP) per days supply on non-new generics only.

Brands that are going generic will be subject to the 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 adjusted the price to reflect the different experienced effective discounts between brands and generics.

Exhibit 3E, page 1, shows monthly cost per days supply and the 24 and 36-months regressions. We select the 24-month regression result of 0.7 percent for the generic cost trend.

Brand Cost Trend

To ensure that the brand cost trend is not skewed by brands going generic, vaccines, over the counter, and compound drugs AWPs, we performed a 24-month regression on monthly AWP cost per days supply on the all other brand category only.

Over the counter drugs are not expected to follow the overall Brand cost trend. Based on historical data, we selected a 0.0 percent cost trend for OTC drugs.

Exhibit 3E, page 2, shows monthly cost per days supply and the 24 and 36-months regressions. We select the 24-month regression result of 10.6 percent for the brand cost trend.

Specialty Drugs

In previous filings, we excluded new specialty drugs since the high cost and variable utilization of the drugs would skew the specialty trend. The majority of the new specialty drugs are now administered in a facility or in office and are included in the medical benefit. For retail specialty drugs, we can now use all the information and only adjust for contract changes and demographic changes, as specific adjustments for newer medications would be immaterial to the result.

In January 2018, we renewed our contract with our pharmacy benefit manager ESI and our discount off AWP for specialty drugs increased. We adjusted months prior to January 2018 to reflect the new contract.

For the same reasons stated in the medical trend section, we adjusted each month to reflect aging. 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 PMPM claims costs after adjustments, we performed 24-month and 36-month regressions as well as two time series. Specialty drug utilization is not seasonal; therefore, we used the double exponential smoothing method. We also believe that the trend is dampening and included the damped trend non-seasonal method.

Exhibit 3F, Page 2 contains the results of the regressions and time series. The average of these methods, including the year over year increase is 19.4 percent. The 24 month damped trend

non-seasonal result of 3.7 percent is an outlier. The average after excluding this outlier is 22.0 percent. Based on all of these data points, we select a 20.0 percent total specialty trend.

Overall Pharmacy Trend
Exhibit 3G summarizes the trends calculates our total allowed pharmacy trend as 13.0 percent. Note that changes in pharmacy contracts are discussed separately in section 3.4.6.

3.4.7.3. Vision and Dental Trend Development

Dental Trend
The pediatric dental benefit was a new benefit provided by BCBSVT in 2014 as part of the Essential Health Benefits (EHB). The allowed PMPM trend is decreasing but the utilization trend has been increasing at a steady rate for two years.

Calendar Year	PMPM	Trend	Visits per 1,000 members	Trend
2015	1.61		4.19	
2016	1.82	13.1%	4.97	18.6%
2017	1.93	6.5%	5.22	4.9%
2018	1.85	-4.5%	5.45	4.6%

We blended the 2018, 2017 and 2016 PMPM increases with a 3:2:1 ratio. The total projected trend is therefore 1.9 percent. While we have not performed a detailed study, the high rate of trend in early years is suggestive of pent-up demand for orthodontia, while the negative trend from 2017 to 2018 may indicate movement toward a steady state. We believe that a small positive trend, reflective of an ongoing increase in visits, is appropriate. For the purpose of the index rate build-up, we included the total dental trend as utilization trend.

Vision Trend
The pediatric vision benefit was also introduced in 2014 as part of the EHB. Some groups had previous vision coverage but members previously in an individual product did not get vision benefits through BCBSVT. The allowed PMPMs have been very consistent since 2015 and we believe that they will continue to be consistent in the future. The total projected trend for pediatric vision is 0.0 percent.

Calendar Year	PMPM
2015	$0.10
2016	$0.09
2017	$0.10
2018	$0.10

3.4.7.4. Overall Total Trend

To adjust the Experience Period Index Rate for the trend factors described above, we started with the experience period claims and applied cost and utilization to Medical, Pharmacy, Dental and Vision claims. The resulting factors ($1+d_1$ and $1+d_2$ on Exhibit 5) are calculated on Exhibit 3H.

3.5. Credibility of Experience

BCBSVT's experience period had 629,988 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 $747.78. This is calculated by adjusting the Projected Index Rate (line F of Exhibit 5, $789.49) for allowable market-wide modifiers described below.

3.7.1. Projected Risk Adjustment Transfer PMPM:

On March 25, 2019, CMS published an Interim Summary Report on Risk Adjustment for the 2018 benefit year[16]. The BCBSVT data included in the report represents claims incurred in 2018 and paid through December 31, 2018.We made the assumption that MVP's 2018 interim submission includes the same incurred and paid data as BCBSVT, consistent with previous year's interim submissions. The final 2018 report will include supplemental diagnosis files and will also include the impact of claims runout. The impact of claims runout and supplemental diagnoses for BCBSVT and MVP was estimated based on the relationship of the plan liability risk score (PLRS) in the 2017 Final Summary Report relative to the 2017 Interim Summary Report.

The 2020 risk adjustment calculation starts with the estimated final 2018 risk adjustment and projects to 2019 based on observed premium and membership figures, then projects to 2020 based on projected membership changes, market-wide premium increases, and PLRS adjustments. The 2019 market-wide premium PMPM was calculated by taking the weighted average of BCBSVT's observed billed premium as of March 31, 2019 and MVP's imputed premium PMPM from their 2019 URRT exhibit. The membership weights represent BCBSVT in force membership as of March 31, 2019 and MVP's reported January 2019 enrollment[17]. The PLRS was

[16] https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Interim-RA-Report-BY2018.pd f
[17] https://gmcboard.vermont.gov/sites/gmcb/files/2018%202019%20Plan%20Selection%20for%20GMCB.pdf

adjusted for the impact of small group members joining the Association Health Plan (AHP) market, demographics, new members, changes in pool morbidity and continued utilization trend. We made the assumption that these PLRS adjustments would impact both BCBSVT and MVP proportionally.

The projection to 2020 assumed a decrease in total membership due to the individual mandate and additional losses to the AHP market. We assumed the additional losses would be 2,255 BCBSVT and 780 MVP members. The losses due to AHP migration were assumed to be 2,000 for BCBS. We estimated MVP's 2020 AHP loss to be 606 members, which was derived from the ratio of observed 2019 AHP migrations to the total small group market. The individual mandate adjustment assumed there would be 255 BCBSVT members from the individual market not receiving a subsidy expected to drop coverage. This assumption represents 3.1 percent of the 2019 individual non subsidized market. We used the same estimate of 3.1 percent to project 174 MVP non subsidized individuals expected to leave the market.

Further, we estimated that the AHP losses for BCBSVT would be more likely to come from groups that had Gold, Silver or Bronze plans and less likely to come from groups with Platinum plans. The individual mandate losses assumed a plan distribution comparable to the observed individual 2019 members believed to have canceled due to the individual mandate. This distribution assumes that Silver and Bronze members are more likely to leave the market than Platinum and Gold members. We assumed that membership migration from MVP would be proportional across all metal levels. While this is likely a somewhat aggressive assumption (that is, having the effect of lowering the required rate increase), we have no better information upon which to base our calculations.

The impact of applying disproportionate losses and retaining richer, higher risk-score members results in a widening of the PLRS relationship between BCBSVT and MVP. The 2020 projection assumes a market-wide premium PMPM increase of 1.156 Therefore, the 2020 risk adjustment transfer is projected to be $17.6M or $35.24 PMPM.

The transfer amount is partially offset by the charges and payments for the High Risk Pool program. This program was new in 2018 and no data exists to estimate the net cost of the program. To estimate the 2020 impact, we are using the estimate in the 2018 Notice of Benefits and Payment Parameter (81 FR 94058) of 0.5 percent of premium, or $3.32 PMPM.

Since the Market Adjusted Index Rate is on an allowed claims basis, we adjusted 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 -$41.64 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 2020.

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 2020 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 is able to reproduce the experience paid-to-allowed ratio to within 0.1 percent. The benefit richness adjustment is based on the adjusted federal AVC. As described in section 3.4.6, BCBSVT is changing the method to calculate the paid-to-allowed ratio to reflect a standardized population instead of BCBSVT's higher than average risk population. The AVC, while not developed as a pricing tool, is used here to set the relativities between the plans. The adjustment described in section 3.4.6 ensures that the total premium collected is appropriately based on BCBSVT's re-adjudication model 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 3.4.4. This factor represents the different projected utilization for each plan based solely on benefit design.

For this factor, we summarized the data described above by subscribers within each metal level and re-adjudicated the claims for each plan to calculate a subscriber level paid–to-allowed ratio. We then applied the HHS Induced Utilization formula ($IU=AV^2-AV+1.24$) to the base paid-to-allowed ratio.

These factors were normalized using the projected membership to ensure that the total adjustment was 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 utilizes 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 and 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, 2019 CSR membership. The total impact of the silver loading is $5.9M. 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:

As of January 1, 2017, BCBSVT removed an exclusion for routine circumcision. Based on recent information from the American Academy of Pediatrics, there is new evidence that "the health benefits of newborn male circumcision outweigh the risks, but the benefits are not great enough to recommend universal newborn circumcision."[18] On the basis of this evidence, our Medical Directors have recommended that we add coverage for this procedure. Based on the experience period claims and expected trend, we estimate the additional cost to be $0.07 PMPM of allowed charges. Applying the same paid-to-allowed ratio to this benefit as to the EHB benefit, we calculate an adjustment of 1.0001, 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 of these adjustments are based on the eligible population. The eligible population includes Vermont residents that are under age 30 and residents age 30 and over who are granted a hardship exemption by Vermont Health Connect. We used our current enrollment in the catastrophic plan as a proxy for eligibility and adjusted the projected members that would qualify under the hardship rule to account for the increase in premiums. We project that 98.0 percent of the population eligible for this product will be under age 30.

To adjust for the eligible population, we first calculated 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. This was calculated by splitting the experience used to calculate the

[18] https://www.aap.org/en-us/about-the-aap/aap-press-room/pages/newborn-male-circumcision.aspx

pricing actuarial value into two populations (Under and Over 30) and re-adjudicating for the catastrophic benefit. Using the projected eligible members as weights, we calculated that the overall expected allowed charges are 0.5332 of the total allowed charges. We then adjusted the paid-to-allowed ratio based on the weighted average paid-to-allowed ratio from both populations. This factor is 0.9265.

These factors were 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 calculated the Expected Claims cost and backed into the plan level adjustment for the impact of eligibility.

The total adjustment for the specific eligibility categories for the catastrophic plan is 0.4452. See Exhibit 6D for details.

3.8.6. Adjustment for distribution of the administrative costs

3.8.6.1. Administrative Expense Load:

BCBSVT Administrative Expense load was not initially calculated as a percent of premium adjustment. This adjustment is the sum of the following fees:

<u>BCBSVT Base Administrative Charges</u>

To develop the Base Administrative Expenses PMPM, we used calendar year 2018 data from both individual and small group members. The starting PMPM for the base administrative charges is $44.96 PMPM. The single risk pool 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 experience period base administrative expenses for individuals was $49.82 PMPM compared to $41.40 PMPM for members in small groups.

We removed expenses incurred due to one-time, non-recurring events, as these fees are not expected to continue into the projection period. These primarily consist of transitional costs associated with the conversion to a new technology platform. The transition will be complete by the end of 2019, so we have reflected transitional savings of $1.06 PMPM in 2020 for the VISG line of business.

The remaining charges ($43.90 PMPM) are projected to 2020 using a 2.5 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 budgeted wage increase for 2019, over the projection period. Other operating costs are assumed to remain flat. We have calculated that 83.4 percent of our administrative costs are for salaries and benefits. We are therefore increasing our projected administrative expenses by the weighted average of 2.5 percent per annum.

Administrative trend calculation		BCBSVT Totals	Percent of Total
Employee costs:	$A = a_1 + a_2$	$45,371,735	56.9%
Salaries and taxes	a_1	$33,364,461	
Benefits	a_2	$12,007,274	
Purchased services	B	$25,282,469	31.7%
Other operating costs	C	$9,058,562	11.4%
Total Administrative Expenses	D = A + B + C	**$79,712,766**	**100.0%**
BCBSVT Personnel Cost	E = A /(A + C)		83.4%
Projected Personnel Cost Increase	F		3.0%
Projected Administrative Cost Increase	G = (E x (1+F) + (1-E)) -1		2.5%

While the VISG segment of BCBSVT membership decreased significantly in 2019, the overall enterprise membership remained stable. We expect the book of business to remain consistent through 2020. There is therefore no need to adjust the administrative cost for projected membership variations.

To calculate the projected base administrative charges, we multiplied the experience PMPM, net of non-recurring expenses, by 2.5 percent for two years for trend.

Projected Administrative Charges Calculation		PMPM
Experience Base Administrative Charges	A	$44.96
Exclusion of non-recurring expenses	B	($1.06)
Trend Projection (2 years)	C	1.0506
Impact of Membership changes	D	1.0000
Projected Base Administrative Charges (Exhibit 7A)	E = (A-B) x C x D	$46.12

The projected base administrative charges PMPM of $46.12 is 6.9 percent of premium.

Charges for Outside Vendors

- CBA Dental and VSP Vision

Dental and vision benefits are being administered by third party administrators. The administrative fees are charged for eligible members only. The ratio of eligible members to total members, based on the projected single risk pool split between adults and children, was applied to get the per member per month charge.

- Health Equity

All single risk pool members are eligible for HRA and/or HSA Integration service. For plans with an HSA-compatible benefit design, we offer a service to integrate with the mechanics of depositing monies into and paying for claims out of Health Savings Accounts (HSA). All plans are also eligible for this service with Health Reimbursement Accounts (HRA). To calculate these fees, we used the experience of members that are already enrolled in this program and compared it to all members enrolled in the single risk pool in the first quarter of 2019.

The total of all administrative charges outlined in this section is 6.96 percent of premium. The details of the administrative charges are on Exhibit 7A.

3.8.6.2. 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 30-day grace periods, it is necessary to include a risk margin for bad debt. We have added a margin of 0.10 percent, which is both the 3-year average and the actual amount of uncollected premium due to the grace periods in each of the previous three years.

	Unpaid 30-day Grace Period Premium	Total Billed Premium	Percent of Billed Premium
2016	$207,098	$386,247,850	0.01%
2017	$415,186	$408,055,901	0.1%
2018	$276,549	$342,711,239	0.1%
Total	$898,834	$1,137,008,114	0.1%

Every year since the inception of VHC, BCBSVT has been left with outstanding account receivables for premiums expected from VHC for members enrolled through their system, excluding the 30-day grace amounts. Through 2016, these accounts receivable were paid by VHC through a settlement process. BCBSVT has incurred losses in 2017 and 2018 totaling $1.2 million for these unpaid premiums.

	Uncollected Premium	Total Billed Premium	Percent of Billed Premium
2017	$582,126	$408,055,901	0.1%
2018	$585,831	$342,711,239	0.2%
Total	$1,167,957	$750,747,067	0.2%

Based on these results, it would be appropriate to include an additional 0.2 percent risk charge in the 2020 rating. However, BCBSVT will continue to work closely with VHC to identify and resolve the operational causes of these outstanding balances such that there will be no increase to 2020 premium. Therefore, the total risk charge for bad debt is 0.1 percent, which includes only the 30-day grace premium.

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

3.8.6.3. Taxes and Fees:

The proposed rates include on average 3.5 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 2018, $931,862 was allocated to the VISG market. The portion of the assessment for nonprofit hospital and medical service corporations is increasing from 24 percent to 29.6 percent[19]. Accordingly, we apply a factor to reflect the increase in allocation. This increase brings the projected 2020 billback allocated to BCBSVT VISG products to $1,149,297, or $2.30 PMPM.

[19] https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Ways%20and%20Means/GMCB/W~Jean%20Stetter~Green%20Mountain%20Care%20Board%20Presentation~2-8-2019.pdf

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. Given this fee has twice been extended close to its sunset date and noting that a two-year extension is currently being considered by the Vermont legislature, we continue to include it in the calculation.

Patient-Centered Outcomes Research Institute Fee

This fee is part of the Affordable Care Act and applies to all plan years ended after September 30, 2012 and before October 1, 2019. Therefore, the fee does not apply to this filing.

Federal Insurer Fee

The Federal Insurer Fee (also known as the Health Insurer Tax, or HIT) is intended to help fund some provisions of the Affordable Care Act. H.R.195 temporarily suspended this fee for 2019 only. For 2020, we project the fee to be 2.2 percent of premium.

The IRS Annual Fee on Health Insurance Providers for 2018 Invoice, dated August 29, 2018, calculated the BCBSVT portion of the total assessment as:

$$\frac{\text{Net premiums taken into account for BCBSVT}}{\text{Net premiums taken into account for all covered entities}} = \frac{\$554{,}571{,}682.00}{\$712{,}963{,}700{,}661.11} = 0.078\%$$

The numerator of the calculation reflects premiums collected in 2017. BCBSVT experienced losses in membership in 2018, which will reduce the amount of premium collected by BCBSVT proportionate to the net premium for all covered entities. Accordingly, we apply an adjustment to the BCBSVT portion of the total assessment by applying the following factor:

$$\frac{\text{2019 projected net premiums taken into account for BCBSVT}}{\text{2018 invoice net premiums taken into account for BCBSVT}} = \frac{\$481{,}458{,}818}{\$554{,}571{,}682} = 0.868$$

The calculation of the fee is provided below, which uses the estimated 2019 industry assessment prior to the suspension of the fee.

Federal Insurer Fee Calculation			
		2018 Actual	2019 Projected
Projected Fully Insured Premium subject to the Federal Insurer Fee	a	$554,571,682	$481,458,818
Total Industry Assessment for Federal Insurer Fee	b	$14,300,000,000	$15,600,000,000
BCBSVT and TVHP Portion of Total Assessment (based on 2018 information)	c	0.078%	0.078%
Premium Adjustment	d	1.000	0.868
Projected BCBSVT and TVHP Federal Insurer Fee	e = b x c x d	$11,123,112	$10,534,558
Estimated Required Charge as a percent of Total Premium	f = e / a	2.0%	2.2%

As of the time of this filing, we do not have the projected 2020 total industry assessment for the Federal Insurer Fee. We estimate that the proportion of the total assessment for BCBSVT will remain the same as the 2019 projection and that the impact on premium will be 2.3 percent for 2020.

Risk Adjustment User Fees

Per the 2020 Notice of Benefits and Payment Parameters (84 FR 17454), the risk adjustment user fee is $2.16 per billable member per year, or $0.18 per billable member per month. Using the projected relationship of 0.9298 billable months per member month from the risk adjustment transfer calculation, we included $0.17 PMPM for the risk adjustment user fees.

Details of the Taxes and Fees by product are on Exhibit 7C.

3.8.7. Calibration

Age, Tobacco, and Geographic factors are not allowed in Vermont. Therefore no calibration is required.

3.8.8. Projected Loss Ratio

The MLR calculation will be performed at the combined 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 91.8 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. 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, 2020 according to the combined market rules. BCBSVT will not file small group rates for Q2-Q4 2020.

4. ADDITIONAL INFORMATION

4.1. Terminated Products

BCBSVT will not be terminating any product prior to January 1, 2020.

4.2. Plan Type

The plan type is EPO.

4.3. Act 193 Information

The table below shows the year-over-year increase in plan spending and the percentage of the 2020 proposed PMPM premium for generic, brand, and specialty drugs. The percent of premium rate was calculated by adjusting the PMPM from line Q of Exhibit 3G, adjusted for non-trend factor in the Projected Index Rate and adjusted for the plan level adjustment. We are assuming that the plan level adjustment apply to each category equally.

Drugs Processed Under the Pharmacy Benefit	
Type	Percent of premium
Generic	2.7%
Brand	6.8%
Specialty	10.5%

The table below show the allowed charge PMPM change from calendar year 2017 to calendar year 2018 and the annualized projected increase to 2020, including the impact of contract changes.

Drugs Processed Under the Pharmacy Benefit		
Type	CY 2017 to CY 2018	CY 2018 to CY 2020, Annualized
Generic	-1.6%	1.7%
Brand	15.2%	7.8%
Specialty	9.4%	18.5%

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

Premium Increases	
Component	Increase
Rx Claims	25.0%
Medical Claims	13.1%
Non-Claims Components	21.0%

The 21.2 percent increase on non-claims components includes the return of the Federal Insurer Fee in 2020. Without this fee, the non-claims components decreases by 28 percent.

Information about BCBSVTs National Preferred Formulary is located on our website, http://www.bcbsvt.com/pharmacy/drug-lists/national-preferred-formulary. BCBSVT's benefits do not have a specialty tier. All brand drugs, specialty or not, are included in the preferred brand or non-preferred brand tiers.

Drugs administered in an outpatient setting and covered by the medical benefit represent 9.9 percent of the projected 2020 premium PMPM.

BCBSVT's pharmacy benefits are administered by Express Scripts (ESI). ESI 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, 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 market in 2020. 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 2020, 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 Blue Rewards (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 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.

Paul A. Schultz, F.S.A., M.A.A.A.
Chief Actuary
Blue Cross and Blue Shield of Vermont
May 10, 2019

BLUE CROSS BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING
PLAIN LANGUAGE SUMMARY

Blue Cross and Blue Shield of Vermont (BCBSVT) is committed to the improving the health of Vermonters, providing outstanding member experiences, and responsibly managing healthcare costs for all of the people whose lives we touch. By pooling the populations covered by our products, we protect individuals from the unaffordable and potentially ruinous costs associated with significant illnesses or injuries. We actively promote preventive care, health maintenance, and health improvement. Those commitments, together with our strong care management programs, support members in their medical care needs and assure that they have access to high-value care while avoiding unnecessary costs.

BCBSVT also works with providers to contain costs through reimbursement strategies that include incentives to both provide and properly manage care. BCBSVT's vision is a transformed health care system in which every Vermonter has health care coverage, and receives timely, effective, affordable care. None of this work is possible unless BCBSVT remains financially strong, and that requires that we be allowed to charge rates that cover the cost of the health care of the populations we serve.

The purpose of this rate filing is to provide the rates and a description of the rate development for Vermont individual and small group plans that Blue Cross and Blue Shield of Vermont (BCBSVT) is proposing to offer effective January 1, 2020.

There are 26,981 contracts (43,939 members) currently enrolled in a BCBSVT Individual or Small Group plan impacted by this filing.

The average increase requested in this rate filing is 15.6 percent.

Increases for specific plans range from 9.1 percent to 18.5 percent.

The cost of medical and pharmacy benefits continues to be the largest driver of premium increases. Specifically, our 2018 experience reflects substantial increases in specialty medications (7.8 percent) and increased utilization of preventive care (1.9 percent). Increased use of these goods and services are improving the health outcomes and quality of life for Vermonters, but the cost increase of just these two categories accounts for greater than half of the requested premium increase. Altogether, projected increases in spending on health care services account for a rate increase of 13.8 percent.

Federal and state taxes and fees are expected to increase substantially in 2020, driven largely by the return of the federal insurer fee after a one-year hiatus. These increased fees and taxes increase premiums by 3.2 percent.

BCBSVT always strives to mitigate premium increases to the greatest extent possible. As reflected in this year's filing, BCBSVT has continued to work closely with its pharmacy benefit manager to improve network pricing and maximize rebates. These pharmacy initiatives total a 0.9 percent decrease in premium. Additionally, BCBSVT continues to be a driver of health care reform efforts. Our work in conjunction with OneCare Vermont has further reduced the requested rate increase by 0.4 percent. Finally, BCBSVT has implemented additional cost-saving initiatives, including system enhancements and establishing a contract with a lab benefit manager, that save a further 1.2 percent of premium. Altogether, these rate

mitigation measures result in a reduction of 2.5 percent, or a projected $8.3 million. Increases in administrative charges needed to fund these efforts increase the premium by 1.0 percent.

The Tax Reform legislation passed in late 2017 eliminated the federal income tax requirement for the BCBSVT legal entity starting with the 2018 tax year, and also resulted in the expected return of certain tax credits to BCBSVT over the next four years. These savings have been fully passed through to customers via a reduction in premium rates. In other words, BCBSVT has used the entirety of these tax savings to "buy down" this rate increase. In the absence of these tax savings, rates would have been significantly higher. Because the tax benefits have been fully used for the benefit of policyholders, there is no net impact to the 2020 rate increase relative to 2019 rates.

In sum, the average rate increase of 15.6 percent would have been well over 20 percent without BCBSVT's above-described mitigation efforts.

BCBSVT started selling plans in the Vermont Individual and Small Group Merged Market in January 2014. In its first five years, higher-than-expected costs have led to a cumulative loss of over $30 million on this line of business. BCBSVT has not included any additional contribution to member reserves to offset this loss.

BCBSVT understands the importance of adequately funding our health care system to keep it strong and accessible. Since the factors driving this rate increase are largely driven by the cost and utilization of health care in Vermont, we believe that there is no way to further reduce these rates without underfunding the health care coverage on which Vermonters rely.

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
Vice President, Treasurer & CFO

05/10/2019
Date

Unified Rate Review v5.0

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:	Combined
Effective Date of Rate Change(s):	1/1/2020		

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period: 1/1/2018 to 12/31/2018

	Total	PMPM
Allowed Claims	$388,253,552.55	$616.29
Reinsurance	$0.00	$0.00
Incurred Claims in Experience Period	$326,400,534.41	$518.11
Risk Adjustment	$13,016,547.37	$20.66
Experience Period Premium	$342,711,238.59	$544.00
Experience Period Member Months	629,988	

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	$104.55	1.023	1.029	1.029	1.035	$117.21
Outpatient Hospital	$244.43	1.023	1.029	1.029	1.035	$274.03
Professional	$130.67	1.023	1.029	1.029	1.035	$146.49
Other Medical	$28.12	1.021	1.029	1.027	1.034	$31.37
Capitation	$8.08	1.023	1.029	1.029	1.035	$9.06
Prescription Drug	$100.37	1.116	1.012	1.116	1.012	$128.02
Total	$616.22					**$706.19**

Morbidity Adjustment		1.074
Demographic Shift		1.035
Plan Design Changes		1.006
Other		0.999
Adjusted Trended EHB Allowed Claims PMPM for	**1/1/2020**	**$788.92**

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

			Projected Period Totals
Projected Index Rate for	**1/1/2020**	**$788.92**	$394,624,095.36
Reinsurance		$0.00	$0.00
Risk Adjustment Payment/Charge		$41.64	$20,828,661.12
Exchange User Fees		0.00%	$0.00
Market Adjusted Index Rate		**$747.28**	**$373,795,434.24**

Projected Member Months	**500,208**

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

Company Legal Name: **Blue Cross and Blue Shield of Vermont**
HIOS Issuer ID: **13627**
Effective Date of Rate Change(s): **1/1/2020**

State: **VT**
Market: **Combined**

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.

Product/Plan Level Calculations

Field **9: Section I: General Product and Plan Information**

| | | |

Rating Area Data Collection

Specify the total number of Rating Areas in your State by selecting the Create Rating Areas button or Ctrl + Shift + R.
Select only the Rating Areas you are offering plans within and add a factor for each area.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.

Rating Area	Rating Factor
Rating Area 1	1.0000

Exhibit 1A

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

STATE OF VERMONT STANDARD PLAN DESIGNS

	PLATINUM	GOLD	SILVER	SILVER	BRONZE	BRONZE	BRONZE	SILVER REFLECTIVE	SILVER REFLECTIVE
	Standard	Standard	Standard	Standard	Standard	Standard	Standard	Standard	Standard
Deductible/OOP Max	**Deductible**	**Deductible**	**Deductible**	**CDHP**	**Deductible**	**CDHP**	**Integrated**	**Deductible**	**CDHP**
Medical Ded	$350	$900	$3,200	$1,700	$6,000	$5,500	$7,900	$3,200	$1,700
Rx Ded	$0	$100	$350	Combined	$1,000	Combined	Combined	$350	Combined
Integrated Ded	No	No	No	Yes	No	Yes	Yes	No	Yes
Medical OOPM	$1,350	$5,000	$7,900	$6,750	$8,150	$6,750	$7,900	$7,900	$6,750
Rx OOPM	$1,350	$1,350	$1,350	$1,400	$1,350	$1,400	Combined	$1,350	$1,400
Integrated OOPM	No	No	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 $8,150	Stacked, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Stacked, 2x Family	Stacked, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,150
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
Drug Deductible waived for:	N/A	Generic Scripts	Generic Scripts	Wellness Scripts	N/A	Wellness Scripts	Generic Scripts	Generic Scripts	Wellness Scripts
Service Category									
Preventive	$0	$0	$0	0%	$0	0%	0%	$0	0%
PCP Office Visit	$15	$20	$35	10%	$35	50%	$40	$35	10%
MH/SA Office Visit	$15	$20	$35	10%	$35	50%	$40	$35	10%
Chiropractic and Physical Therapy Office Visit	$20	$30	$45	30%	$45	50%	$50	$45	30%
Specialist Office Visit	$40	$50	$80	30%	$90	50%	$100	$80	30%
Urgent Care	$50	$60	$90	30%	$100	50%	0%	$90	30%
Ambulance	$60	$70	$100	30%	$100	50%	0%	$105	35%
DME	10%	30%	50%	30%	50%	50%	0%	50%	30%
ER	$100	$150	$250	30%	50%	50%	0%	$250	30%
Radiology (MRI, CT, PET)	10%	30%	50%	30%	50%	50%	0%	50%	30%
Outpatient	10%	30%	50%	30%	50%	50%	0%	50%	30%
Inpatient	10%	30%	50%	30%	50%	50%	0%	50%	30%
Rx Generic	$10	$10	$15	$10	$20	$12	$25	$15	$10
Rx Preferred Brand	$50	$50	$60	$40	$85	40%	0%	$60	$40
Rx Non-Preferred Brand	50%	50%	50%	50%	60%	60%	0%	50%	50%
Pediatric Vision (Exam and Materials)	$40	$50	$80	30%	$90	50%	$0	$80	30%
Pediatric Dental Class I	0%	0%	0%	0%	0%	0%	0%	0%	0%
Pediatric Dental Class II	30%	30%	30%	30%	30%	30%	0%	30%	30%
Pediatric Dental Class III	50%	50%	50%	50%	50%	50%	0%	50%	50%

Exhibit 1B

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

BLUE REWARDS (NON-STANDARD) PLAN DESIGNS

	GOLD	GOLD	SILVER	SILVER	BRONZE	BRONZE	CATASTROPHIC	SILVER REFLECTIVE	SILVER REFLECTIVE
	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards	Blue Rewards
Deductible/OOP Max	**3-6-9**	**CDHP**	**3-6-9**	**CDHP**	**3-6-9**	**CDHP**	**Deductible**	**3-6-9**	**CDHP**
Medical Ded	$1,550	$3,250	$3,000	$4,425	$7,900	$6,750	$8,180	$3,000	$4,450
Rx Ded	Combined	Combined	Combined	Combined	Combined	Combined	Combined	Combined	Combined
Integrated Ded	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Medical OOPM	$5,150	$3,250	$8,150	$4,425	$7,900	$6,750	$8,150	$8,150	$4,450
Rx OOPM	$1,400	$1,400	$1,400	$1,400	Combined	Combined	$1,350	$1,400	$1,400
Integrated OOPM	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care	Preventive Care, 3 PCP/MH Office Visits	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care
Drug Deductible waived for:	N/A	Wellness Scripts	N/A	Wellness Scripts	N/A	Wellness Scripts	N/A	N/A	Wellness Scripts
Service Category									
Preventive	$0	$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 0% coinsurance	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%	$45	0%	$0	0%	0%	$45	0%
Specialist Office Visit	$40	0%	$50	0%	$0	0%	0%	$50	0%
Urgent Care	$40	0%	$50	0%	$0	0%	0%	$50	0%
Ambulance	$40	0%	$50	0%	$0	0%	0%	$55	0%
DME	$40	0%	$50	0%	$0	0%	0%	$50	0%
ER	$250	0%	$450	0%	$0	0%	0%	$450	0%
Radiology (MRI, CT, PET)	$750	0%	$1,750	0%	$0	0%	0%	$1,750	0%
Outpatient	$750	0%	$1,750	0%	$0	0%	0%	$1,750	0%
Inpatient	$750	0%	$1,750	0%	$0	0%	0%	$1,750	0%
Rx Generic	$5	$5	$5	$15	$0	$25	0%	$5	$15
Rx Preferred Brand	40%	40%	40%	40%	0%	40%	0%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%	0%	60%	0%	60%	60%
Pediatric Vision (Exam and Materials)	$40	0%	$50	0%	$0	0%	0%	$50	0%
Pediatric Dental Class I	0%	0%	0%	0%	0%	0%	0%	0%	0%
Pediatric Dental Class II	30%	0%	30%	0%	30%	0%	0%	30%	0%
Pediatric Dental Class III	50%	0%	50%	0%	50%	0%	0%	50%	0%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 2A

MEMBERSHIP BY PLAN AND MARKET

Inforce Membership by Plan	Individual Market	Small Group Market	TOTAL
Blue Rewards Gold	489	438	927
Blue Rewards Gold CDHP	1,398	3,781	5,179
Blue Rewards Silver	1,526	0	1,526
Blue Rewards Silver CDHP	115	0	115
Blue Rewards Bronze	272	161	433
Blue Rewards Bronze CDHP	922	861	1,783
Standard Platinum	2,410	6,639	9,049
Standard Gold	2,301	3,675	5,976
Standard Silver	4,647	0	4,647
Standard Silver CDHP	1,135	0	1,135
Standard Bronze	997	932	1,929
Standard Bronze CDHP	750	768	1,518
Standard Bronze Integrated	197	90	287
Catastrophic	293	0	293
Blue Rewards Silver - Reflective	245	464	709
Blue Rewards Silver CDHP - Reflective	210	163	373
Standard Silver - Reflective	1,135	4,265	5,400
Standard Silver CDHP - Reflective	389	2,271	2,660
Total	**19,431**	**24,508**	**43,939**

Projected Membership by Plan	Individual Market	Small Group Market	TOTAL
Blue Rewards Gold	486	397	883
Blue Rewards Gold CDHP	1,388	3,423	4,811
Blue Rewards Silver	1,523	0	1,523
Blue Rewards Silver CDHP	115	0	115
Blue Rewards Bronze	263	145	408
Blue Rewards Bronze CDHP	887	775	1,662
Standard Platinum	2,384	6,348	8,732
Standard Gold	2,288	3,327	5,615
Standard Silver	4,634	0	4,634
Standard Silver CDHP	1,130	0	1,130
Standard Bronze	972	839	1,811
Standard Bronze CDHP	721	691	1,412
Standard Bronze Integrated	193	81	274
Catastrophic	293	0	293
Blue Rewards Silver - Reflective	235	420	655
Blue Rewards Silver CDHP - Reflective	201	148	349
Standard Silver - Reflective	1,090	3,858	4,948
Standard Silver CDHP - Reflective	373	2,056	2,429
Total	**19,176**	**22,508**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDIAL AND SMALL GROUP RATE FILING

Exhibit 2B

IMPACT OF BENEFIT CHANGES

Metal	Allowed Charge PMPM	PMPM for Claims in Excess of $500,000	Capped Allowed Charges PMPM	Allowed Charged PMPM with Average PMPM for Claims in Excess of $500,000
Platinum	$914.67	$3.54	$911.13	$914.04
Gold	$694.45	$0.37	$694.08	$697.00
Silver	$649.89	$4.95	$644.94	$647.86
Reflective	$442.93	$5.12	$437.81	$440.72
Bronze	$357.26	$0.56	$356.70	$359.61
Catastrophic	$129.60	$0.00	$129.60	$132.52
Total	$631.79	$2.91	$628.88	$631.79

Metal	Allowed Charges Relativity	Experience Period Member Months	March 2018 Membership	2019 Projected Membership
Platinum	1.4467	122,535	9,049	8,732
Gold	1.1032	167,318	12,082	11,309
Silver	1.0254	121,839	7,423	7,402
Reflective	0.6976	135,405	9,142	8,381
Bronze	0.5692	79,737	5,950	5,567
Catastrophic	0.2097	3,154	293	293
Total		**629,988**	**43,939**	**41,684**
Weighted Average Allowed Charge Relativity		0.9957	0.9981	1.0022
Benefit Adjustment (1+c1 on Exhibit 5) = 1.0022/0.9957 =				**1.0065**

Exhibit 2D

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

IMPACT OF SELECTION

			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	Pricing Actuarial Value	For Catastrophic Plan only - Impact of the specific eligibility	Projected Paid Claims	Projected FFS Allowed Charges - Without Selection	Benefit Richness Adjustment	Pricing Actuarial Value	Projected Paid Claims	Projected Membership
NON-STANDARD PLANS	GOLD	Blue Rewards	$751.07	0.9920	76.49%	1.0000	$569.89	$751.07	1.1008	84.01%	$694.57	883
	GOLD	Blue Rewards CDHP	$751.07	0.9902	76.12%	1.0000	$566.13	$751.07	1.1008	81.25%	$671.76	4,811
	SILVER	Blue Rewards	$751.07	0.9595	68.82%	1.0000	$495.93	$751.07	1.0232	75.05%	$576.77	1,523
	SILVER	Blue Rewards CDHP	$751.07	0.9672	70.88%	1.0000	$514.87	$751.07	1.0232	74.74%	$574.38	115
	BRONZE	Blue Rewards	$751.07	0.9422	63.01%	1.0000	$445.87	$751.07	0.5679	67.79%	$289.17	408
	BRONZE	Blue Rewards CDHP	$751.07	0.9422	62.99%	1.0000	$445.76	$751.07	0.5679	67.11%	$286.27	1,662
STANDARD PLANS	PLATINUM	Deductible	$751.07	1.0791	90.40%	1.0000	$732.72	$751.07	1.4436	93.63%	$1,015.16	8,732
	GOLD	Deductible	$751.07	1.0244	82.36%	1.0000	$633.67	$751.07	1.1008	84.90%	$701.93	5,615
	SILVER	Deductible	$751.07	0.9720	72.08%	1.0000	$526.24	$751.07	1.0232	75.12%	$577.30	4,634
	SILVER	CDHP	$751.07	0.9789	73.69%	1.0000	$541.77	$751.07	1.0232	77.37%	$594.60	1,130
	BRONZE	Deductible	$751.07	0.9432	63.40%	1.0000	$449.08	$751.07	0.5679	66.48%	$283.59	1,811
	BRONZE	CDHP	$751.07	0.9456	64.35%	1.0000	$457.01	$751.07	0.5679	67.90%	$289.64	1,412
	BRONZE	Integrated	$751.07	0.9460	64.47%	1.0000	$458.04	$751.07	0.5679	69.40%	$296.05	274
	Catastrophic	Blue Rewards	$751.07	0.9591	68.72%	0.4940	$244.55	$751.07	0.2093	68.72%	$108.01	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$751.07	0.9595	68.82%	1.0000	$495.92	$751.07	0.6960	71.59%	$374.25	655
	SILVER	Blue Rewards CDHP	$751.07	0.9668	70.80%	1.0000	$514.11	$751.07	0.6960	70.60%	$369.06	349
	SILVER	Deductible	$751.07	0.9720	72.08%	1.0000	$526.23	$751.07	0.6960	71.92%	$375.99	4,948
	SILVER	CDHP	$751.07	0.9789	73.69%	1.0000	$541.73	$751.07	0.6960	74.44%	$389.16	2,429
		Total					**$576.98**				**$617.77**	**41,684**

line 1+c6 on Exhibit 5 = $617.77 / $576.98 **1.0707**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

MEDICAL TREND DEVELOPMENT
ILLUSTRATION OF CONTRACT NORMALIZATION

Month	Contract Increase	Normalization Factor	Experience Claims	Normalized Claims
Jan-16		1.1249	$1,000,000	$1,124,864
Feb-16		1.1249	$1,000,000	$1,124,864
Mar-16		1.1249	$1,000,000	$1,124,864
Apr-16		1.1249	$1,000,000	$1,124,864
May-16		1.1249	$1,000,000	$1,124,864
Jun-16		1.1249	$1,000,000	$1,124,864
Jul-16		1.1249	$1,000,000	$1,124,864
Aug-16		1.1249	$1,000,000	$1,124,864
Sep-16		1.1249	$1,000,000	$1,124,864
Oct-16	1.0400	1.0816	$1,000,000	$1,081,600
Nov-16		1.0816	$1,000,000	$1,081,600
Dec-16		1.0816	$1,000,000	$1,081,600
Jan-17		1.0816	$1,000,000	$1,081,600
Feb-17		1.0816	$1,000,000	$1,081,600
Mar-17		1.0816	$1,000,000	$1,081,600
Apr-17		1.0816	$1,000,000	$1,081,600
May-17		1.0816	$1,000,000	$1,081,600
Jun-17		1.0816	$1,000,000	$1,081,600
Jul-17		1.0816	$1,000,000	$1,081,600
Aug-17		1.0816	$1,000,000	$1,081,600
Sep-17		1.0816	$1,000,000	$1,081,600
Oct-17	1.0400	1.0400	$1,000,000	$1,040,000
Nov-17		1.0400	$1,000,000	$1,040,000
Dec-17		1.0400	$1,000,000	$1,040,000
Jan-18		1.0400	$1,000,000	$1,040,000
Feb-18		1.0400	$1,000,000	$1,040,000
Mar-18		1.0400	$1,000,000	$1,040,000
Apr-18		1.0400	$1,000,000	$1,040,000
May-18		1.0400	$1,000,000	$1,040,000
Jun-18		1.0400	$1,000,000	$1,040,000
Jul-18		1.0400	$1,000,000	$1,040,000
Aug-18		1.0400	$1,000,000	$1,040,000
Sep-18		1.0400	$1,000,000	$1,040,000
Oct-18	1.0400	1.0000	$1,000,000	$1,000,000
Nov-18		1.0000	$1,000,000	$1,000,000
Dec-18		1.0000	$1,000,000	$1,000,000

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

		Original Claims - Removing claimants in excess of $500,000 and excluding groups that left BCBSVT in 2018 or joined an AHP in 2019									
Month	Membership	Inpatient	Outpatient	Medical Pharmacy	Professional	Total	Inpatient PMPM	Outpatient PMPM	Medical Pharmacy PMPM	Profesional PMPM	Total PMPM
Jan-15	59,869	$5,941,989	$9,425,033	$1,539,121	$7,672,749	$24,578,893	$99.25	$157.43	$25.71	$128.16	$410.54
Feb-15	60,244	$4,199,046	$9,489,589	$1,688,799	$6,942,977	$22,320,412	$69.70	$157.52	$28.03	$115.25	$370.50
Mar-15	61,542	$4,858,604	$10,416,557	$1,899,365	$8,218,439	$25,392,964	$78.95	$169.26	$30.86	$133.54	$412.61
Apr-15	61,697	$5,519,398	$10,717,054	$1,945,062	$8,153,193	$26,334,707	$89.46	$173.70	$31.53	$132.15	$426.84
May-15	61,086	$5,121,816	$9,659,725	$1,847,800	$7,754,453	$24,383,794	$83.85	$158.13	$30.25	$126.94	$399.17
Jun-15	61,096	$5,674,066	$10,499,470	$2,134,006	$8,056,527	$26,364,069	$92.87	$171.85	$34.93	$131.87	$431.52
Jul-15	60,499	$5,409,775	$10,194,192	$1,929,442	$7,920,179	$25,453,589	$89.42	$168.50	$31.89	$130.91	$420.73
Aug-15	59,971	$4,969,546	$9,112,560	$1,669,000	$7,159,455	$22,910,562	$82.87	$151.95	$27.83	$119.38	$382.03
Sep-15	59,685	$5,854,408	$10,318,171	$1,739,044	$7,864,337	$25,775,960	$98.09	$172.88	$29.14	$131.76	$431.87
Oct-15	59,559	$5,471,525	$10,408,850	$2,081,430	$8,144,702	$26,106,507	$91.87	$174.77	$34.95	$136.75	$438.33
Nov-15	59,215	$5,252,399	$9,760,120	$1,973,227	$7,694,251	$24,679,997	$88.70	$164.83	$33.32	$129.94	$416.79
Dec-15	59,166	$4,272,341	$11,331,390	$2,346,982	$8,195,354	$26,146,068	$72.21	$191.52	$39.67	$138.51	$441.91
Jan-16	58,035	$5,492,671	$10,257,238	$1,697,381	$7,503,743	$24,951,033	$94.64	$176.74	$29.25	$129.30	$429.93
Feb-16	58,508	$4,975,885	$9,932,862	$1,885,778	$7,494,464	$24,288,990	$85.05	$169.77	$32.23	$128.09	$415.14
Mar-16	58,994	$5,548,301	$10,856,886	$2,170,314	$8,509,166	$27,084,667	$94.05	$184.03	$36.79	$144.24	$459.11
Apr-16	58,880	$4,758,230	$9,869,322	$1,999,335	$7,423,406	$24,050,293	$80.81	$167.62	$33.96	$126.08	$408.46
May-16	58,902	$4,564,176	$10,071,858	$2,057,019	$7,812,604	$24,505,657	$77.49	$170.99	$34.92	$132.64	$416.04
Jun-16	58,974	$5,628,803	$10,024,494	$2,452,036	$8,009,424	$26,114,756	$95.45	$169.98	$41.58	$135.81	$442.82
Jul-16	59,109	$6,593,392	$8,937,525	$1,910,168	$7,287,733	$24,728,818	$111.55	$151.20	$32.32	$123.29	$418.36
Aug-16	59,225	$5,181,245	$10,230,732	$2,331,836	$8,005,536	$25,749,349	$87.48	$172.74	$39.37	$135.17	$434.77
Sep-16	59,361	$5,331,451	$9,992,127	$2,295,719	$7,957,804	$25,577,101	$89.81	$168.33	$38.67	$134.06	$430.87
Oct-16	59,486	$4,749,501	$10,436,217	$2,183,555	$8,165,861	$25,535,134	$79.84	$175.44	$36.71	$137.27	$429.26
Nov-16	59,533	$5,922,499	$10,667,391	$2,534,719	$8,464,619	$27,589,228	$99.48	$179.18	$42.58	$142.18	$463.43
Dec-16	59,399	$5,953,559	$11,133,209	$2,250,085	$8,609,704	$27,946,557	$100.23	$187.43	$37.88	$144.95	$470.49
Jan-17	57,089	$5,615,164	$10,264,446	$1,915,677	$8,263,664	$26,058,952	$98.36	$179.80	$33.56	$144.75	$456.46
Feb-17	57,367	$5,240,688	$9,442,373	$2,064,170	$7,405,290	$24,152,522	$91.35	$164.60	$35.98	$129.09	$421.02
Mar-17	57,015	$4,983,009	$11,047,569	$2,291,175	$8,403,224	$26,724,977	$87.40	$193.77	$40.19	$147.39	$468.74
Apr-17	56,631	$4,792,692	$9,466,184	$1,886,197	$7,392,737	$23,537,809	$84.63	$167.16	$33.31	$130.54	$415.63
May-17	56,158	$4,554,787	$11,029,503	$2,499,350	$8,454,509	$26,538,149	$81.11	$196.40	$44.51	$150.55	$472.56
Jun-17	55,814	$5,332,778	$10,132,094	$2,555,684	$7,988,532	$26,009,088	$95.55	$181.53	$45.79	$143.13	$466.00
Jul-17	55,401	$6,592,852	$9,160,304	$2,056,275	$7,342,697	$25,152,128	$119.00	$165.35	$37.12	$132.54	$454.00
Aug-17	54,974	$5,181,584	$10,060,327	$2,383,960	$7,839,532	$25,465,403	$94.26	$183.00	$43.37	$142.60	$463.23
Sep-17	54,581	$4,578,602	$9,955,695	$2,282,343	$7,577,121	$24,393,761	$83.89	$182.40	$41.82	$138.82	$446.93
Oct-17	54,204	$6,367,758	$10,666,218	$2,606,129	$8,490,550	$28,130,654	$117.48	$196.78	$48.08	$156.64	$518.98
Nov-17	53,797	$4,757,349	$10,642,964	$2,476,122	$8,262,018	$26,138,453	$88.43	$197.84	$46.03	$153.58	$485.87
Dec-17	53,132	$5,313,512	$10,453,441	$2,247,539	$7,624,749	$25,639,241	$100.01	$196.74	$42.30	$143.51	$482.56
Jan-18	50,618	$4,699,949	$10,037,336	$2,746,919	$7,598,727	$25,082,931	$92.85	$198.30	$54.27	$150.12	$495.53
Feb-18	49,821	$5,364,909	$9,554,696	$2,442,489	$7,135,629	$24,497,723	$107.68	$191.78	$49.03	$143.23	$491.71
Mar-18	49,344	$4,815,732	$10,435,569	$3,069,502	$7,496,054	$25,816,857	$97.60	$211.49	$62.21	$151.91	$523.20
Apr-18	48,937	$5,272,180	$10,054,710	$2,408,802	$7,160,261	$24,895,954	$107.73	$205.46	$49.22	$146.32	$508.73
May-18	48,701	$4,791,913	$9,740,013	$3,180,458	$7,730,092	$25,442,476	$98.39	$200.00	$65.31	$158.73	$522.42
Jun-18	48,477	$4,403,097	$9,289,560	$2,470,157	$7,125,680	$23,288,494	$90.83	$191.63	$50.96	$146.99	$480.40
Jul-18	48,238	$4,605,166	$8,769,691	$2,790,452	$6,814,416	$22,979,726	$95.47	$181.80	$57.85	$141.27	$476.38
Aug-18	47,854	$4,882,157	$9,167,087	$2,533,807	$7,343,738	$23,926,790	$102.02	$191.56	$52.95	$153.46	$500.00
Sep-18	47,557	$4,936,535	$8,592,209	$2,474,461	$6,631,543	$22,634,749	$103.80	$180.67	$52.03	$139.44	$475.95
Oct-18	47,375	$4,811,558	$10,613,803	$2,807,629	$7,934,047	$26,167,036	$101.56	$224.04	$59.26	$167.47	$552.34
Nov-18	47,093	$4,890,111	$9,396,578	$2,972,280	$6,904,992	$24,163,961	$103.84	$199.53	$63.12	$146.62	$513.11
Dec-18	46,721	$4,019,355	$10,091,406	$2,327,987	$7,065,606	$23,504,355	$86.03	$215.99	$49.83	$151.23	$503.08
CY 2015	723,629	$62,544,913	$121,332,712	$22,793,278	$93,776,617	$300,447,520	$86.43	$167.67	$31.50	$129.59	$415.20
CY 2016	708,406	$64,699,714	$122,409,860	$25,767,946	$95,244,063	$308,121,583	$91.33	$172.80	$36.37	$134.45	$434.95
CY 2017	666,163	$63,310,775	$122,321,116	$27,264,622	$95,044,623	$307,941,136	$95.04	$183.62	$40.93	$142.67	$462.26
CY 2018	580,736	$57,492,664	$115,742,658	$32,224,943	$86,940,786	$292,401,051	$99.00	$199.30	$55.49	$149.71	$503.50
	CY2016 / CY 2015 Annual Increase						**5.7%**	**3.1%**	**15.5%**	**3.7%**	**4.8%**
	CY2017 / CY 2016 Annual Increase						**4.1%**	**6.3%**	**12.5%**	**6.1%**	**6.3%**
	CY2018 / CY 2017 Annual Increase						**4.2%**	**8.5%**	**35.6%**	**4.9%**	**8.9%**

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

		Adjusted Claims - Normalized for Contract Changes									
Month	Membership	Inpatient	Outpatient	Medical Pharmacy	Professional	Total	Inpatient PMPM	Outpatient PMPM	Medical Pharmacy PMPM	Profesional PMPM	Total PMPM
Jan-15	59,869	$6,679,820	$10,744,121	$1,743,972	$7,598,362	$26,766,275	$111.57	$179.46	$29.13	$126.92	$447.08
Feb-15	60,244	$4,796,598	$10,816,768	$1,903,183	$6,879,987	$24,396,536	$79.62	$179.55	$31.59	$114.20	$404.96
Mar-15	61,542	$5,517,962	$11,864,558	$2,136,506	$8,156,938	$27,675,965	$89.66	$192.79	$34.72	$132.54	$449.71
Apr-15	61,697	$6,209,173	$12,229,221	$2,195,879	$8,114,057	$28,748,330	$100.64	$198.21	$35.59	$131.51	$465.96
May-15	61,086	$5,784,006	$10,962,010	$2,100,971	$7,695,334	$26,542,320	$94.69	$179.45	$34.39	$125.98	$434.51
Jun-15	61,096	$6,457,129	$11,974,121	$2,416,221	$7,979,851	$28,827,322	$105.69	$195.99	$39.55	$130.61	$471.84
Jul-15	60,499	$6,053,349	$11,556,114	$2,187,091	$7,846,160	$27,642,714	$100.06	$191.01	$36.15	$129.69	$456.91
Aug-15	59,971	$5,559,212	$10,331,185	$1,878,010	$7,085,153	$24,853,560	$92.70	$172.27	$31.32	$118.14	$414.43
Sep-15	59,685	$6,552,183	$11,730,200	$1,958,601	$7,781,890	$28,022,875	$109.78	$196.54	$32.82	$130.38	$469.51
Oct-15	59,559	$6,131,093	$11,679,266	$2,330,042	$8,073,295	$28,213,696	$102.94	$196.10	$39.12	$135.55	$473.71
Nov-15	59,215	$5,881,919	$10,943,369	$2,184,749	$7,607,587	$26,617,624	$99.33	$184.81	$36.90	$128.47	$449.51
Dec-15	59,166	$4,749,337	$12,703,350	$2,609,368	$8,082,045	$28,144,100	$80.27	$214.71	$44.10	$136.60	$475.68
Jan-16	58,035	$5,962,043	$11,208,832	$1,837,233	$7,414,868	$26,422,976	$102.73	$193.14	$31.66	$127.77	$455.29
Feb-16	58,508	$5,420,467	$10,849,791	$2,041,411	$7,359,096	$25,670,765	$92.64	$185.44	$34.89	$125.78	$438.76
Mar-16	58,994	$6,062,066	$11,848,319	$2,340,489	$8,349,786	$28,600,660	$102.76	$200.84	$39.67	$141.54	$484.81
Apr-16	58,880	$5,191,267	$10,768,904	$2,148,471	$7,301,839	$25,410,481	$88.17	$182.90	$36.49	$124.01	$431.56
May-16	58,902	$4,957,504	$11,015,230	$2,228,296	$7,671,684	$25,872,714	$84.17	$187.01	$37.83	$130.24	$439.25
Jun-16	58,974	$6,123,665	$10,966,883	$2,671,254	$7,874,824	$27,636,626	$103.84	$185.96	$45.30	$133.53	$468.62
Jul-16	59,109	$7,170,610	$9,773,318	$2,072,866	$7,133,487	$26,150,282	$121.31	$165.34	$35.07	$120.68	$442.41
Aug-16	59,225	$5,595,531	$11,176,340	$2,524,670	$7,859,951	$27,156,492	$94.48	$188.71	$42.63	$132.71	$458.53
Sep-16	59,361	$5,784,165	$10,900,850	$2,474,487	$7,815,065	$26,974,567	$97.44	$183.64	$41.69	$131.65	$454.42
Oct-16	59,486	$5,128,732	$11,289,593	$2,347,035	$8,020,134	$26,785,494	$86.22	$189.79	$39.46	$134.82	$450.28
Nov-16	59,533	$6,409,843	$11,518,065	$2,721,658	$8,290,742	$28,940,307	$107.67	$193.47	$45.72	$139.26	$486.12
Dec-16	59,399	$6,426,808	$12,034,505	$2,414,665	$8,418,225	$29,294,203	$108.20	$202.60	$40.65	$141.72	$493.18
Jan-17	57,089	$5,949,974	$10,866,062	$2,012,248	$8,258,371	$27,086,655	$104.22	$190.34	$35.25	$144.66	$474.46
Feb-17	57,367	$5,541,129	$10,020,546	$2,176,561	$7,344,671	$25,082,906	$96.59	$174.67	$37.94	$128.03	$437.24
Mar-17	57,015	$5,271,154	$11,694,885	$2,407,245	$8,337,605	$27,710,889	$92.45	$205.12	$42.22	$146.24	$486.03
Apr-17	56,631	$5,066,952	$10,026,422	$1,981,433	$7,331,958	$24,406,764	$89.47	$177.05	$34.99	$129.47	$430.98
May-17	56,158	$4,813,252	$11,685,822	$2,630,605	$8,381,747	$27,511,425	$85.71	$208.09	$46.84	$149.25	$489.89
Jun-17	55,814	$5,610,957	$10,743,823	$2,692,932	$7,913,610	$26,961,321	$100.53	$192.49	$48.25	$141.79	$483.06
Jul-17	55,401	$6,881,965	$9,665,320	$2,148,801	$7,251,270	$25,947,356	$124.22	$174.46	$38.79	$130.89	$468.36
Aug-17	54,974	$5,441,615	$10,614,666	$2,485,064	$7,716,176	$26,257,521	$98.99	$193.09	$45.20	$140.36	$477.64
Sep-17	54,581	$4,788,355	$10,494,615	$2,385,624	$7,481,885	$25,150,479	$87.73	$192.28	$43.71	$137.08	$460.79
Oct-17	54,204	$6,603,660	$11,040,730	$2,686,703	$8,372,375	$28,703,468	$121.83	$203.69	$49.57	$154.46	$529.55
Nov-17	53,797	$4,927,487	$11,024,644	$2,551,961	$8,142,361	$26,646,452	$91.59	$204.93	$47.44	$151.35	$495.31
Dec-17	53,132	$5,492,278	$10,821,402	$2,314,235	$7,527,104	$26,155,018	$103.37	$203.67	$43.56	$141.67	$492.26
Jan-18	50,618	$4,802,882	$10,247,128	$2,782,645	$7,668,731	$25,501,386	$94.88	$202.44	$54.97	$151.50	$503.80
Feb-18	49,821	$5,467,908	$9,748,581	$2,475,153	$7,201,811	$24,893,453	$109.75	$195.67	$49.68	$144.55	$499.66
Mar-18	49,344	$4,910,648	$10,642,715	$3,109,674	$7,550,482	$26,213,518	$99.52	$215.68	$63.02	$153.02	$531.24
Apr-18	48,937	$5,365,321	$10,242,699	$2,443,023	$7,210,019	$25,261,062	$109.64	$209.30	$49.92	$147.33	$516.20
May-18	48,701	$4,867,093	$9,907,251	$3,221,664	$7,777,691	$25,773,699	$99.94	$203.43	$66.15	$159.70	$529.22
Jun-18	48,477	$4,468,674	$9,461,926	$2,508,114	$7,170,945	$23,609,658	$92.18	$195.18	$51.74	$147.92	$487.03
Jul-18	48,238	$4,651,670	$8,879,768	$2,808,092	$6,829,688	$23,169,217	$96.43	$184.08	$58.21	$141.58	$480.31
Aug-18	47,854	$4,932,221	$9,303,708	$2,555,804	$7,361,091	$24,152,824	$103.07	$194.42	$53.41	$153.82	$504.72
Sep-18	47,557	$4,976,078	$8,707,199	$2,492,532	$6,662,443	$22,838,251	$104.63	$183.09	$52.41	$140.09	$480.23
Oct-18	47,375	$4,816,011	$10,621,193	$2,807,629	$7,937,500	$26,182,332	$101.66	$224.19	$59.26	$167.55	$552.66
Nov-18	47,093	$4,893,074	$9,400,521	$2,972,280	$6,906,703	$24,172,578	$103.90	$199.62	$63.12	$146.66	$513.29
Dec-18	46,721	$4,019,355	$10,091,406	$2,327,987	$7,065,606	$23,504,355	$86.03	$215.99	$49.83	$151.23	$503.08
CY 2015	723,629	$70,371,783	$137,534,282	$25,644,593	$92,900,659	$326,451,316	$97.25	$190.06	$35.44	$128.38	$451.13
CY 2016	708,406	$70,232,701	$133,350,629	$27,822,535	$93,509,701	$324,915,567	$99.14	$188.24	$39.27	$132.00	$458.66
CY 2017	666,163	$66,388,779	$128,698,935	$28,473,412	$94,059,131	$317,620,257	$99.66	$193.19	$42.74	$141.20	$476.79
CY 2018	580,736	$58,170,935	$117,254,095	$32,504,596	$87,342,709	$295,272,334	$100.17	$201.91	$55.97	$150.40	$508.45

CY2016 / CY 2015 Annual Increase	**1.9%**	**-1.0%**	**10.8%**	**2.8%**	**1.7%**
CY2017 / CY 2016 Annual Increase	**0.5%**	**2.6%**	**8.8%**	**7.0%**	**4.0%**
CY2018 / CY 2017 Annual Increase	**0.5%**	**4.5%**	**31.0%**	**6.5%**	**6.6%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

		Adjustments for Benefits, Aging, Fraud Waste and Abuse Programs and working days														
Month	Membership	Paid to Allowed Ratio	Induced Utilization	Normalized Induced Utilization	Average Age/Gender Factor	Normalized Age/Gender Factor	FWA Factor	Normalized FWA Factor	Working Days	Nomalized Working Days	Total Normalized Factor	Inpatient PMPM	Outpatient PMPM	Medical Pharmacy PMPM	Profesional PMPM	Total PMPM
Jan-15	59,869	82.8%	1.098	1.005	1.260	1.033	1.0015	0.999	21	0.992	1.045	$116.64	$187.60	$30.45	$132.67	$467.36
Feb-15	60,244	82.9%	1.098	1.005	1.260	1.034	1.001	0.999	19	0.898	1.156	$92.01	$207.48	$36.51	$131.97	$467.97
Mar-15	61,542	82.9%	1.098	1.005	1.259	1.034	1.001	0.999	22	1.039	0.998	$89.52	$192.48	$34.66	$132.33	$449.00
Apr-15	61,697	83.0%	1.099	1.004	1.261	1.033	1.001	0.999	22	1.039	0.996	$100.26	$197.47	$35.46	$131.02	$464.22
May-15	61,086	83.1%	1.100	1.003	1.264	1.031	1.001	0.999	20	0.945	1.093	$103.47	$196.09	$37.58	$137.66	$474.80
Jun-15	61,096	83.2%	1.100	1.003	1.265	1.029	1.001	0.999	22	1.039	0.992	$104.82	$194.37	$39.22	$129.54	$467.95
Jul-15	60,499	83.4%	1.101	1.002	1.267	1.028	1.001	0.999	22	1.039	0.989	$98.98	$188.95	$35.76	$128.29	$451.97
Aug-15	59,971	83.4%	1.102	1.002	1.268	1.027	1.001	0.999	21	0.992	1.036	$96.00	$178.40	$32.43	$122.35	$429.18
Sep-15	59,685	83.5%	1.103	1.001	1.271	1.025	1.001	0.999	21	0.992	1.032	$113.33	$202.90	$33.88	$134.60	$484.71
Oct-15	59,559	83.5%	1.102	1.001	1.272	1.024	1.001	0.999	22	1.039	0.985	$101.39	$193.13	$38.53	$133.50	$466.55
Nov-15	59,215	83.5%	1.102	1.001	1.273	1.023	1.001	0.999	19	0.898	1.140	$113.21	$210.63	$42.05	$146.43	$512.32
Dec-15	59,166	83.4%	1.101	1.002	1.274	1.022	1.001	0.999	22	1.039	0.984	$78.99	$211.27	$43.40	$134.42	$468.07
Jan-16	58,035	83.3%	1.101	1.002	1.273	1.023	0.999	1.001	20	0.945	1.086	$111.61	$209.84	$34.39	$138.81	$494.66
Feb-16	58,508	83.3%	1.101	1.002	1.272	1.024	0.999	1.001	20	0.945	1.087	$100.72	$201.61	$37.93	$136.75	$477.01
Mar-16	58,994	83.3%	1.101	1.002	1.271	1.025	0.999	1.001	23	1.087	0.946	$97.22	$190.02	$37.54	$133.91	$458.69
Apr-16	58,880	83.3%	1.101	1.002	1.271	1.025	0.999	1.001	21	0.992	1.036	$91.35	$189.49	$37.80	$128.48	$447.13
May-16	58,902	83.3%	1.101	1.003	1.272	1.024	0.999	1.001	21	0.992	1.035	$87.14	$193.63	$39.17	$134.86	$454.80
Jun-16	58,974	83.2%	1.100	1.003	1.276	1.021	0.999	1.001	22	1.039	0.986	$102.36	$183.31	$44.65	$131.63	$461.94
Jul-16	59,109	83.3%	1.101	1.003	1.278	1.019	0.999	1.001	20	0.945	1.082	$131.25	$178.89	$37.94	$130.57	$478.66
Aug-16	59,225	83.3%	1.101	1.002	1.279	1.018	0.999	1.001	23	1.087	0.940	$88.83	$177.42	$40.08	$124.78	$431.11
Sep-16	59,361	83.3%	1.101	1.002	1.279	1.018	0.999	1.001	21	0.992	1.029	$100.28	$188.98	$42.90	$135.49	$467.65
Oct-16	59,486	83.3%	1.101	1.002	1.280	1.018	0.999	1.001	21	0.992	1.029	$88.69	$195.22	$40.59	$138.69	$463.18
Nov-16	59,533	83.4%	1.102	1.002	1.281	1.017	0.999	1.001	20	0.945	1.079	$116.17	$208.75	$49.33	$150.26	$524.50
Dec-16	59,399	83.5%	1.102	1.001	1.283	1.015	0.999	1.001	21	0.992	1.025	$110.96	$207.77	$41.69	$145.34	$505.75
Jan-17	57,089	83.3%	1.101	1.002	1.286	1.013	0.999	1.001	21	0.992	1.025	$106.79	$195.03	$36.12	$148.22	$486.16
Feb-17	57,367	83.3%	1.101	1.002	1.286	1.013	0.999	1.001	20	0.945	1.076	$103.93	$187.94	$40.82	$137.75	$470.44
Mar-17	57,015	83.3%	1.101	1.002	1.286	1.013	0.999	1.001	23	1.087	0.936	$86.50	$191.91	$39.50	$136.82	$454.72
Apr-17	56,631	83.3%	1.101	1.002	1.286	1.013	0.999	1.001	20	0.945	1.076	$96.25	$190.45	$37.64	$139.27	$463.60
May-17	56,158	83.3%	1.101	1.002	1.288	1.011	0.999	1.001	22	1.039	0.976	$83.66	$203.12	$45.72	$145.69	$478.20
Jun-17	55,814	83.4%	1.101	1.002	1.290	1.010	0.999	1.001	22	1.039	0.975	$97.97	$187.59	$47.02	$138.18	$470.76
Jul-17	55,401	83.5%	1.102	1.001	1.290	1.010	0.999	1.001	19	0.898	1.128	$140.08	$196.74	$43.74	$147.60	$528.16
Aug-17	54,974	83.5%	1.102	1.001	1.290	1.010	0.999	1.001	23	1.087	0.931	$92.20	$179.86	$42.11	$130.74	$444.91
Sep-17	54,581	83.4%	1.102	1.002	1.290	1.009	0.999	1.001	20	0.945	1.071	$93.98	$205.98	$46.82	$146.85	$493.63
Oct-17	54,204	83.5%	1.102	1.001	1.291	1.009	0.999	1.001	22	1.039	0.973	$118.53	$198.17	$48.22	$150.27	$515.19
Nov-17	53,797	83.5%	1.102	1.001	1.292	1.008	0.999	1.001	20	0.945	1.070	$97.97	$219.19	$50.74	$161.89	$529.79
Dec-17	53,132	83.5%	1.102	1.001	1.293	1.007	0.999	1.001	20	0.945	1.069	$110.46	$217.63	$46.54	$151.38	$526.01
Jan-18	50,618	83.5%	1.102	1.001	1.290	1.010	1.000	1.000	22	1.039	0.973	$92.28	$196.88	$53.46	$147.34	$489.97
Feb-18	49,821	83.5%	1.102	1.001	1.292	1.008	1.000	1.000	20	0.945	1.068	$117.24	$209.03	$53.07	$154.42	$533.77
Mar-18	49,344	83.6%	1.103	1.001	1.293	1.007	1.000	1.000	22	1.039	0.970	$96.49	$209.12	$61.10	$148.36	$515.07
Apr-18	48,937	83.6%	1.103	1.000	1.295	1.006	1.000	1.000	21	0.992	1.014	$111.20	$212.28	$50.63	$149.43	$523.54
May-18	48,701	83.7%	1.103	1.000	1.296	1.005	1.000	1.000	22	1.039	0.967	$96.65	$196.73	$63.97	$154.44	$511.80
Jun-18	48,477	83.6%	1.103	1.001	1.297	1.004	1.000	1.000	21	0.992	1.013	$93.37	$197.70	$52.41	$149.83	$493.31
Jul-18	48,238	83.5%	1.102	1.001	1.297	1.004	1.000	1.000	21	0.992	1.013	$97.70	$186.51	$58.98	$143.45	$486.65
Aug-18	47,854	83.6%	1.103	1.001	1.299	1.003	1.000	1.000	23	1.087	0.924	$95.20	$179.57	$49.33	$142.08	$466.17
Sep-18	47,557	83.7%	1.103	1.000	1.300	1.002	1.000	1.000	19	0.898	1.116	$116.79	$204.37	$58.50	$156.37	$536.03
Oct-18	47,375	83.7%	1.103	1.000	1.301	1.001	1.000	1.000	23	1.087	0.921	$93.67	$206.58	$54.61	$154.38	$509.23
Nov-18	47,093	83.7%	1.104	1.000	1.302	1.001	1.000	1.000	20	0.945	1.059	$110.03	$211.38	$66.84	$155.31	$543.55
Dec-18	46,721	83.7%	1.104	1.000	1.302	1.000	1.000	1.000	20	0.945	1.058	$91.05	$228.59	$52.73	$160.05	$532.43
CY 2015	708,173											$100.70	$196.69	$36.65	$132.87	$466.91
CY 2016	672,430											$102.21	$193.73	$40.35	$135.81	$472.10
CY 2016	666,163											$102.27	$197.62	$43.67	$144.44	$488.00
CY 2018	580,736											$100.98	$203.16	$56.28	$151.24	$511.67

CY2016 / CY 2015 Annual Increase	**1.5%**	**-1.5%**	**10.1%**	**2.2%**	**1.1%**
CY2017 / CY 2016 Annual Increase	**0.1%**	**2.0%**	**8.2%**	**6.4%**	**3.4%**
CY2018 / CY 2017 Annual Increase	**-1.3%**	**2.8%**	**28.9%**	**4.7%**	**4.8%**

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

		Outpatient Details	
Month	Membership	Surgery	Other
Jan-15	59,869	$43.62	$143.99
Feb-15	60,244	$53.15	$154.34
Mar-15	61,542	$47.72	$144.76
Apr-15	61,697	$49.40	$148.07
May-15	61,086	$43.76	$152.33
Jun-15	61,096	$42.82	$151.56
Jul-15	60,499	$47.08	$141.87
Aug-15	59,971	$39.26	$139.14
Sep-15	59,685	$47.70	$155.20
Oct-15	59,559	$47.88	$145.25
Nov-15	59,215	$54.35	$156.28
Dec-15	59,166	$57.38	$153.89
Jan-16	58,035	$47.39	$162.45
Feb-16	58,508	$49.64	$151.97
Mar-16	58,994	$45.96	$144.06
Apr-16	58,880	$49.10	$140.39
May-16	58,902	$48.66	$144.97
Jun-16	58,974	$46.31	$137.00
Jul-16	59,109	$38.96	$139.93
Aug-16	59,225	$41.61	$135.81
Sep-16	59,361	$45.67	$143.32
Oct-16	59,486	$51.65	$143.58
Nov-16	59,533	$55.57	$153.18
Dec-16	59,399	$54.79	$152.98
Jan-17	57,089	$46.23	$148.79
Feb-17	57,367	$45.82	$142.12
Mar-17	57,015	$48.19	$143.72
Apr-17	56,631	$43.29	$147.16
May-17	56,158	$47.47	$155.65
Jun-17	55,814	$44.02	$143.58
Jul-17	55,401	$45.28	$151.46
Aug-17	54,974	$40.26	$139.59
Sep-17	54,581	$49.03	$156.94
Oct-17	54,204	$49.57	$148.60
Nov-17	53,797	$58.02	$161.17
Dec-17	53,132	$56.08	$161.55
Jan-18	50,618	$45.14	$151.74
Feb-18	49,821	$49.96	$159.07
Mar-18	49,344	$53.57	$155.55
Apr-18	48,937	$52.50	$159.79
May-18	48,701	$46.13	$150.60
Jun-18	48,477	$50.45	$147.25
Jul-18	48,238	$43.61	$142.90
Aug-18	47,854	$40.50	$139.07
Sep-18	47,557	$46.67	$157.70
Oct-18	47,375	$54.27	$152.31
Nov-18	47,093	$55.88	$155.50
Dec-18	46,721	$61.10	$167.49
CY 2015	708,173	$47.82	$148.87
CY 2016	672,430	$47.95	$145.78
CY 2016	666,163	$47.70	$149.92
CY 2018	580,736	$49.93	$153.23
CY2016 / CY 2015 Annual Increase		**0.3%**	**-2.1%**
CY2017 / CY 2016 Annual Increase		**-0.5%**	**2.8%**
CY2018 / CY 2017 Annual Increase		**4.7%**	**2.2%**

		Professional Details											
Month	Membership	Chiropractic and Physical Therapy	DME and Supplies	ER and Ambulance	Facility Services	Labs and Imaging	Mental Health Visit	PCP Visit	Preventive Office Visit	Preventive Service	Specialist Visit	Office Surgery	Other
Jan-15	59,869	$9.90	$3.19	$7.05	$30.08	$15.41	$11.19	$15.75	$6.46	$6.33	$19.61	$6.51	$1.19
Feb-15	60,244	$9.78	$3.46	$7.52	$28.14	$16.27	$11.41	$15.79	$6.48	$5.91	$19.53	$6.70	$0.99
Mar-15	61,542	$10.05	$3.64	$6.91	$26.14	$16.27	$11.95	$15.77	$7.09	$6.71	$20.30	$6.51	$1.01
Apr-15	61,697	$9.73	$3.74	$7.48	$27.86	$15.13	$11.89	$14.93	$6.54	$6.69	$18.98	$6.75	$1.30
May-15	61,086	$10.13	$4.24	$7.67	$30.21	$15.86	$12.28	$15.33	$7.17	$6.71	$19.97	$6.95	$1.14
Jun-15	61,096	$9.45	$3.83	$6.82	$26.86	$14.96	$11.61	$14.06	$7.41	$6.91	$20.00	$6.67	$0.95
Jul-15	60,499	$8.92	$4.42	$8.05	$28.10	$14.41	$11.02	$13.40	$7.10	$6.21	$19.15	$6.53	$0.99
Aug-15	59,971	$8.91	$4.11	$7.82	$24.00	$14.42	$10.50	$13.52	$7.00	$6.35	$18.28	$6.45	$0.99
Sep-15	59,685	$9.01	$4.21	$9.83	$28.91	$15.38	$12.14	$14.09	$7.00	$6.85	$19.42	$6.68	$1.09
Oct-15	59,559	$9.16	$4.44	$7.69	$26.52	$14.74	$11.80	$14.42	$7.16	$9.36	$20.10	$6.97	$1.15
Nov-15	59,215	$10.11	$5.03	$9.18	$30.56	$15.96	$12.23	$15.41	$7.99	$9.70	$21.18	$7.67	$1.39
Dec-15	59,166	$9.59	$5.09	$7.37	$27.49	$15.71	$11.52	$13.99	$6.97	$8.42	$19.84	$7.25	$1.18
Jan-16	58,035	$10.21	$3.30	$10.10	$27.96	$15.87	$12.49	$14.74	$7.10	$7.45	$21.09	$7.20	$1.31
Feb-16	58,508	$10.14	$4.48	$8.18	$29.36	$15.94	$11.95	$15.28	$6.80	$7.14	$19.53	$6.63	$1.30
Mar-16	58,994	$10.13	$4.25	$8.25	$26.81	$15.33	$12.36	$15.35	$7.06	$6.73	$19.24	$7.19	$1.21
Apr-16	58,880	$9.70	$3.86	$7.69	$25.91	$14.66	$11.90	$14.72	$6.68	$7.16	$18.81	$6.30	$1.11
May-16	58,902	$9.98	$4.47	$7.04	$27.17	$14.98	$13.14	$14.29	$7.64	$7.35	$20.53	$7.09	$1.18
Jun-16	58,974	$9.67	$4.39	$7.53	$27.86	$14.83	$12.32	$13.61	$7.50	$6.84	$19.36	$6.56	$1.17
Jul-16	59,109	$9.20	$3.51	$9.15	$29.98	$15.82	$11.49	$13.23	$6.75	$6.33	$17.99	$5.96	$1.16
Aug-16	59,225	$8.90	$4.01	$7.19	$24.86	$15.35	$11.35	$13.18	$7.25	$6.72	$18.85	$6.03	$1.09
Sep-16	59,361	$9.27	$4.03	$7.86	$27.13	$15.51	$12.86	$14.70	$7.26	$8.38	$20.41	$6.86	$1.21
Oct-16	59,486	$9.15	$4.49	$7.36	$26.34	$16.02	$12.98	$14.83	$7.52	$10.07	$21.69	$7.12	$1.13
Nov-16	59,533	$9.81	$4.71	$7.52	$31.36	$17.73	$13.92	$15.65	$8.13	$9.45	$22.77	$7.86	$1.34
Dec-16	59,399	$8.81	$6.89	$8.80	$31.36	$17.49	$12.26	$14.87	$7.72	$8.84	$19.80	$7.14	$1.36
Jan-17	57,089	$10.28	$3.66	$8.55	$31.01	$18.68	$14.17	$16.99	$7.82	$8.48	$20.73	$6.59	$1.27
Feb-17	57,367	$9.65	$3.69	$7.93	$28.81	$17.55	$13.33	$15.90	$7.25	$7.55	$18.64	$6.09	$1.36
Mar-17	57,015	$9.88	$3.69	$7.66	$28.29	$16.46	$13.21	$15.93	$7.29	$7.23	$19.50	$6.27	$1.41
Apr-17	56,631	$9.82	$4.52	$7.73	$27.39	$17.36	$14.49	$15.63	$7.55	$7.52	$19.86	$6.15	$1.26
May-17	56,158	$10.23	$4.59	$9.83	$27.14	$17.95	$15.17	$16.09	$8.32	$7.91	$20.34	$6.89	$1.23
Jun-17	55,814	$9.54	$4.22	$8.77	$27.00	$16.57	$14.10	$15.24	$7.67	$8.00	$19.29	$6.72	$1.06
Jul-17	55,401	$9.14	$4.46	$10.98	$32.74	$18.78	$14.00	$15.14	$7.78	$7.26	$19.36	$6.65	$1.31
Aug-17	54,974	$8.78	$3.53	$8.49	$25.19	$16.39	$12.77	$13.86	$7.58	$7.66	$19.18	$6.11	$1.19
Sep-17	54,581	$9.80	$3.91	$8.27	$30.32	$19.52	$14.11	$15.28	$8.23	$8.22	$20.96	$7.02	$1.20
Oct-17	54,204	$9.81	$4.41	$7.95	$30.98	$18.71	$14.25	$15.69	$7.99	$9.74	$22.43	$7.10	$1.24
Nov-17	53,797	$10.14	$4.55	$9.97	$33.69	$18.55	$15.39	$16.82	$8.68	$10.57	$24.09	$8.18	$1.27
Dec-17	53,132	$9.46	$6.00	$8.06	$31.79	$19.35	$12.60	$15.37	$8.27	$9.84	$22.36	$7.22	$1.08
Jan-18	50,618	$10.16	$4.16	$9.97	$27.37	$19.85	$14.79	$16.69	$7.52	$7.76	$21.13	$6.49	$1.46
Feb-18	49,821	$9.79	$3.97	$10.03	$33.04	$21.58	$14.63	$16.74	$7.27	$8.17	$20.63	$7.32	$1.25
Mar-18	49,344	$10.36	$4.09	$8.17	$31.46	$20.30	$14.79	$15.44	$7.41	$7.97	$20.15	$6.89	$1.34
Apr-18	48,937	$10.25	$4.45	$8.55	$31.88	$21.05	$15.04	$15.36	$7.50	$8.09	$19.18	$6.68	$1.40
May-18	48,701	$10.60	$5.34	$9.22	$30.70	$21.70	$16.08	$15.76	$8.15	$7.56	$20.84	$7.14	$1.36
Jun-18	48,477	$9.95	$5.58	$8.71	$30.33	$21.06	$14.78	$14.59	$8.44	$8.99	$19.48	$6.67	$1.27
Jul-18	48,238	$9.93	$4.74	$10.14	$27.67	$19.97	$13.80	$14.08	$7.95	$7.90	$19.49	$6.59	$1.19
Aug-18	47,854	$9.69	$5.80	$9.60	$26.87	$19.61	$13.69	$13.14	$8.08	$7.50	$21.00	$5.91	$1.19
Sep-18	47,557	$10.34	$4.62	$9.70	$33.01	$21.29	$15.44	$14.53	$8.43	$8.80	$21.52	$7.28	$1.42
Oct-18	47,375	$10.13	$5.62	$7.54	$31.11	$19.70	$15.88	$15.16	$8.38	$10.53	$22.45	$6.47	$1.41
Nov-18	47,093	$10.29	$5.27	$8.15	$31.99	$17.38	$16.08	$15.19	$8.69	$10.96	$22.05	$7.48	$1.78
Dec-18	46,721	$9.90	$7.14	$9.81	$36.00	$19.66	$14.55	$14.75	$8.69	$9.58	$20.64	$7.48	$1.84
CY 2015	708,173	$9.56	$4.11	$7.78	$27.90	$15.38	$11.63	$14.71	$7.03	$7.17	$19.69	$6.80	$1.11
CY 2016	672,430	$9.58	$4.37	$8.05	$28.01	$15.80	$12.42	$14.54	$7.28	$7.71	$20.00	$6.83	$1.21
CY 2016	666,163	$9.71	$4.26	$8.68	$29.50	$17.98	$13.96	$15.67	$7.86	$8.31	$20.53	$6.74	$1.24
CY 2018	580,736	$10.12	$5.05	$9.14	$30.93	$20.27	$14.96	$15.13	$8.03	$8.63	$20.70	$6.86	$1.41
CY2016 / CY 2015 Annual Increase		**0.2%**	**6.3%**	**3.5%**	**0.4%**	**2.7%**	**6.8%**	**-1.2%**	**3.6%**	**7.5%**	**1.5%**	**0.4%**	**9.1%**
CY2017 / CY 2016 Annual Increase		**1.4%**	**-2.5%**	**7.8%**	**5.3%**	**13.8%**	**12.5%**	**7.8%**	**7.9%**	**7.9%**	**2.7%**	**-1.3%**	**2.1%**
CY2018 / CY 2017 Annual Increase		**4.1%**	**18.6%**	**5.3%**	**4.8%**	**12.8%**	**7.1%**	**-3.4%**	**2.2%**	**3.9%**	**0.8%**	**1.9%**	**13.4%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

	Results for Regressions and Holt Winters Multiplicative by Category										
Components of Professional Claims	**CY 2018 Adjusted PMPM**	**Year over Year Trend**	**Projected CY 2020 PMPM**	**24-month regression**	**Projected CY 2020 PMPM**	**36-month regression**	**Projected CY 2020 PMPM**	**48-month regression**	**Projected CY 2020 PMPM**	**Holt Winters Multiplicative 36 months**	**Projected CY 2020 PMPM**
Chiropractic and Physical Therapy	$10.12	4.1%	$10.97	2.5%	$10.63	1.8%	$10.48	1.4%	$10.39	1.5%	$10.43
DME and Supplies	$5.05	18.6%	$7.11	24.6%	$7.84	11.4%	$6.27	8.3%	$5.92	3.1%	$5.37
ER and Ambulance	$9.14	5.3%	$10.13	4.0%	$9.89	5.4%	$10.14	5.5%	$10.17	1.9%	$9.49
Facility Services	$30.93	4.8%	$34.00	6.4%	$35.04	5.6%	$34.51	3.8%	$33.36	7.0%	$35.38
Labs and Imaging	$20.27	12.8%	$25.79	9.2%	$24.16	12.1%	$25.49	9.5%	$24.30	-5.5%	$18.12
Mental Health Visit	$14.96	7.1%	$17.17	5.7%	$16.71	9.0%	$17.77	8.7%	$17.67	1.1%	$15.29
PCP Visit	$15.13	-3.4%	$14.12	-4.9%	$13.68	1.0%	$15.44	1.0%	$15.43	-2.0%	$14.53
Preventive Office Visit	$8.03	2.2%	$8.38	5.7%	$8.98	6.2%	$9.07	5.5%	$8.95	2.4%	$8.41
Preventive Service	$8.63	3.9%	$9.32	10.8%	$10.60	9.0%	$10.27	8.6%	$10.17	4.2%	$9.38
Specialist Visit	$20.70	0.8%	$21.05	3.8%	$22.33	2.8%	$21.88	2.2%	$21.63	-0.2%	$20.64
Office Surgery	$6.86	1.9%	$7.12	4.6%	$7.51	1.4%	$7.06	0.8%	$6.97	-1.0%	$6.73
Other	$1.41	13.4%	$1.81	10.9%	$1.73	6.9%	$1.61	7.3%	$1.62	16.2%	$1.90
Total	**$151.24**	**5.1%**	**$166.96**	**5.7%**	**$169.11**	**6.0%**	**$169.98**	**4.9%**	**$166.58**	**1.4%**	**$155.65**

MEDICAL TREND DEVELOPMENT
UTILIZATION TREND CALCULATION

	Details of Medical Drug Experience								
	Unadjusted CY 2017 PMPM	Unit Cost Trend	Utilization Trend	Total Trend	CY 2018 PMPM	Total Trend	CY 2019 PMPM	Total Trend	CY 2020 PMPM
COLLAGENASE	$0.10	-8.5%	573.3%	515.9%	$0.61	0.0%	$0.61	0.0%	$0.61
DARATUMUMAB	$0.17	-19.3%	733.2%	572.8%	$1.11	0.0%	$1.11	0.0%	$1.11
INFLIXIMAB	$5.14	18.4%	28.9%	52.5%	$7.84	26.8%	$9.94	26.8%	$12.61
IPILIMUMAB	$0.36	-38.2%	245.9%	113.7%	$0.77	0.0%	$0.77	0.0%	$0.77
NIVOLUMAB	$2.11	41.9%	9.0%	54.7%	$3.27	50.0%	$4.90	50.0%	$7.35
OCRELIZUMAB	$0.11	87.4%	1895.1%	3638.9%	$4.04	34.6%	$5.44	25.7%	$6.83
PANITUMUMAB	$0.13	-13.2%	361.8%	300.9%	$0.51	0.0%	$0.51	0.0%	$0.51
PEGFILGRASTIM	$2.71	-10.0%	39.5%	25.5%	$3.40	6.3%	$3.61	6.3%	$3.84
PEMBROLIZUMAB	$1.51	-24.4%	132.8%	76.1%	$2.66	57.3%	$4.18	57.3%	$6.58
RITUXIMAB	$2.76	-16.4%	62.7%	36.1%	$3.76	0.0%	$3.76	0.0%	$3.76
VEDOLIZUMAB	$0.91	7.8%	51.5%	63.4%	$1.48	63.4%	$2.42	63.4%	$3.95
Other	$24.93	-3.0%	7.7%	4.5%	$26.05	7.7%	$28.05	7.7%	$30.20
Total	**$40.93**	**24.9%**	**8.5%**	**35.6%**	**$55.49**	**17.7%**	**$65.30**	**19.6%**	**$78.12**

Total Annual Trend **18.7%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

MEDICAL TREND DEVELOPMENT
COST CONTAINMENT STRATEGY

Cost Containment Program - 2019

Inpatient Admissions

Goal: Reduce total non-maternity inpatient admissions by 4%

Experience Period Non-Maternity Inpatient Admissions

Total Allowed Charges	$61,577,622
Total Admissions	1,954
Average Cost per Admissions	$31,514

Claims incurred in the 90 days after discharge when not a readmission

Type of Claim	Count	Average Cost
Office Visit	9.12	$134.74
Labs Services	4.29	$236.10
Brand Drugs Days Supply	112.17	$9.93
Generic Drug Days Supply	66.34	$0.74

Savings Calculation

Total Avoided Admissions	78
Average Cost	$31,514
Total Avoided Inpatient Cost	$2,458,063
Inpatient Admissions Replaced by:	
Office Visits	$95,817
Labs Services	$78,993
Total Medical Replacement Cost	$174,809
Net Avoided Medical Cost	**$2,283,254**

Emergency Room Visits

Goal: Replace 5% of Emergency Room visits by Primary Care Provider visits

Experience Period

Type of Claim	Count	Average Cost
Emergency Room visit	11,135	$1,809.97
Primary Care Provider office visit	164,097	$104.56

Savings Calculation

Total Avoided ER visits	556.75
Average Cost	$1,810
Total Avoided Emergency Room Cost	$1,007,698
Emergency Room Replaced by:	
Primary Care Provider office visit	$58,213
Total Medical Replacement Cost	$58,213
Net Avoided Medical Cost	**$949,485**

Impact of Cost Containment Strategy on Medical Utilization Trend

CY 2018 Total Medical Allowed Charges $292,401,051

Savings from Inpatient Admissions Reduction	-$2,283,254
Savings from Emergency Room Visits Reduction	-$949,485
Total Savings from Cost Containment Strategy	-$3,232,738

Cost Containment Adjustment for 2019 Program 0.9889

Cost Containment Program - 2020

Reduction due to known contract changes	Reductions
Network changes and Shared Savings program with AVALON	-$1,391,394
Conveinient Care Program for Home Infusion	-$150,000
Total	-$1,541,394

Cost Containment Adjustment for 2020 Program 0.9947

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

PHARMACY TREND DEVELOPMENT
NON-SPECIALTY UTILIZATION TREND CALCULATION

		Monthly Completed Days Supply								Days Supply per Members	
Month	Membership	Generic	New Generics	Brands Going Generic	Brand	Compound	OTC	Vaccines	Total Days Supply	Monthly	Annual
Jan-16	58,035	1,436,552	7,870	33,762	131,862	1,826	33,955	733	1,646,560	28.37	28.37
Feb-16	58,508	1,434,003	14,411	32,157	137,321	1,640	35,500	446	1,655,478	28.29	28.33
Mar-16	58,994	1,578,653	22,251	39,737	159,003	1,861	42,213	318	1,844,036	31.26	29.32
Apr-16	58,880	1,444,468	28,710	32,789	135,524	1,467	37,560	270	1,680,789	28.55	29.12
May-16	58,902	1,485,680	48,110	27,005	150,168	1,917	40,598	317	1,753,795	29.77	29.25
Jun-16	58,974	1,491,226	58,486	24,825	148,252	1,860	40,817	389	1,765,854	29.94	29.37
Jul-16	59,109	1,443,570	74,591	22,571	144,974	2,361	41,453	269	1,729,790	29.26	29.35
Aug-16	59,225	1,498,334	104,662	25,241	155,223	1,584	41,533	426	1,827,003	30.85	29.54
Sep-16	59,361	1,430,466	131,081	24,468	158,395	2,054	42,569	1,610	1,790,644	30.17	29.61
Oct-16	59,486	1,450,220	167,369	23,430	157,801	2,135	46,777	2,928	1,850,659	31.11	29.76
Nov-16	59,533	1,409,266	189,361	21,441	164,648	1,869	46,356	1,883	1,834,824	30.82	29.86
Dec-16	59,399	1,486,101	230,481	22,291	183,345	2,126	48,273	939	1,973,555	33.23	30.14
Jan-17	57,089	1,325,110	234,726	13,744	146,080	1,943	36,170	911	1,758,685	30.81	30.34
Feb-17	57,367	1,209,609	219,713	13,233	135,822	1,909	33,591	520	1,614,398	28.14	30.33
Mar-17	57,015	1,359,283	250,301	15,263	161,577	1,901	40,606	470	1,829,401	32.09	30.40
Apr-17	56,631	1,224,621	243,950	12,540	139,371	1,844	36,927	182	1,659,437	29.30	30.46
May-17	56,158	1,319,926	291,879	16,169	157,149	2,104	44,417	258	1,831,903	32.62	30.69
Jun-17	55,814	1,234,848	300,043	13,165	150,490	2,187	38,636	199	1,739,569	31.17	30.80
Jul-17	55,401	1,194,818	298,279	11,588	148,762	2,111	41,325	132	1,697,016	30.63	30.91
Aug-17	54,974	1,232,754	339,189	12,532	154,702	2,163	43,088	552	1,784,981	32.47	31.04
Sep-17	54,581	1,127,378	314,724	11,215	147,272	2,625	40,885	1,288	1,645,387	30.15	31.05
Oct-17	54,204	1,209,846	355,507	13,306	167,480	2,206	45,039	3,232	1,796,616	33.15	31.21
Nov-17	53,797	1,173,684	354,193	11,785	163,584	2,107	46,349	2,110	1,753,812	32.60	31.36
Dec-17	53,132	1,163,293	365,978	15,168	178,044	2,446	50,033	1,195	1,776,156	33.43	31.35
Jan-18	50,618	1,067,451	358,802	8,423	130,833	2,287	33,854	1,170	1,602,820	31.67	31.43
Feb-18	49,821	938,734	342,850	8,372	125,152	1,874	31,366	676	1,449,024	29.08	31.54
Mar-18	49,344	992,287	405,152	8,517	140,665	2,245	35,234	369	1,584,469	32.11	31.53
Apr-18	48,937	960,237	404,412	8,521	135,330	1,989	35,198	471	1,546,160	31.59	31.73
May-18	48,701	1,012,879	433,453	9,068	141,158	2,122	40,923	463	1,640,067	33.68	31.81
Jun-18	48,477	923,466	422,437	7,815	142,247	1,349	37,441	334	1,535,091	31.67	31.85
Jul-18	48,238	943,675	424,624	8,352	134,305	1,835	37,865	202	1,550,858	32.15	31.99
Aug-18	47,854	968,447	455,371	8,891	150,230	2,261	39,103	445	1,624,748	33.95	32.10
Sep-18	47,557	846,203	423,028	7,734	134,468	2,087	35,657	1,657	1,450,833	30.51	32.15
Oct-18	47,375	962,708	468,132	8,822	152,117	2,146	36,172	4,151	1,634,248	34.50	32.24
Nov-18	47,093	905,373	462,195	7,298	152,085	2,116	38,268	2,375	1,569,710	33.33	32.30
Dec-18	46,721	928,153	490,635	8,244	168,696	2,170	43,309	1,095	1,642,302	35.15	32.42

CY2017 / CY 2016 Annual Increase	**4.0%**
CY2018 / CY 2017 Annual Increase	**3.4%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

PHARMACY TREND DEVELOPMENT
NON-SPECIALTY UTILIZATION TREND CALCULATION

		Adjustments for Benefits. Aging and Working Days									
Month	Membership	Paid to Allowed Ratio	Induced Utilization	Normalized Induced Utilization	Average Age/Gender Factor	Normalized Age/Gender Factor	Working Days	Nomalized Working Days	Total Normalized Factor	Monthly	Annual
Jan-16	58,035	79.4%	1.076	1.023	1.273	1.023	20	0.945	1.108	31.43	
Feb-16	58,508	79.3%	1.076	1.023	1.272	1.024	20	0.945	1.108	31.36	
Mar-16	58,994	79.4%	1.076	1.023	1.271	1.025	23	1.087	0.965	30.15	
Apr-16	58,880	79.3%	1.076	1.023	1.271	1.025	21	0.992	1.057	30.17	
May-16	58,902	79.2%	1.075	1.024	1.272	1.024	21	0.992	1.056	31.45	
Jun-16	58,974	79.3%	1.076	1.023	1.276	1.021	22	1.039	1.005	30.09	
Jul-16	59,109	79.3%	1.076	1.023	1.278	1.019	20	0.945	1.103	32.29	
Aug-16	59,225	79.3%	1.076	1.023	1.279	1.018	23	1.087	0.959	29.58	
Sep-16	59,361	79.4%	1.076	1.023	1.279	1.018	21	0.992	1.049	31.65	
Oct-16	59,486	79.5%	1.077	1.022	1.280	1.018	21	0.992	1.048	32.61	
Nov-16	59,533	79.6%	1.077	1.022	1.281	1.017	20	0.945	1.100	33.89	
Dec-16	59,399	79.7%	1.078	1.021	1.283	1.015	21	0.992	1.045	34.72	31.62
Jan-17	57,089	79.5%	1.077	1.022	1.286	1.013	21	0.992	1.044	32.15	31.68
Feb-17	57,367	79.7%	1.078	1.021	1.286	1.013	20	0.945	1.095	30.81	31.64
Mar-17	57,015	79.8%	1.079	1.021	1.286	1.013	23	1.087	0.951	30.53	31.67
Apr-17	56,631	80.0%	1.080	1.019	1.286	1.013	20	0.945	1.092	32.01	31.82
May-17	56,158	80.2%	1.081	1.018	1.288	1.011	22	1.039	0.990	32.30	31.89
Jun-17	55,814	80.4%	1.082	1.017	1.290	1.010	22	1.039	0.988	30.80	31.96
Jul-17	55,401	80.6%	1.084	1.016	1.290	1.010	19	0.898	1.143	35.00	32.17
Aug-17	54,974	80.8%	1.085	1.015	1.290	1.010	23	1.087	0.943	30.61	32.27
Sep-17	54,581	81.0%	1.086	1.013	1.290	1.009	20	0.945	1.082	32.63	32.35
Oct-17	54,204	81.2%	1.088	1.012	1.291	1.009	22	1.039	0.982	32.56	32.35
Nov-17	53,797	81.5%	1.089	1.011	1.292	1.008	20	0.945	1.079	35.16	32.44
Dec-17	53,132	81.6%	1.090	1.010	1.293	1.007	20	0.945	1.077	36.00	32.52
Jan-18	50,618	82.0%	1.092	1.008	1.290	1.010	22	1.039	0.979	31.00	32.43
Feb-18	49,821	82.2%	1.094	1.007	1.292	1.008	20	0.945	1.074	31.24	32.48
Mar-18	49,344	82.5%	1.096	1.005	1.293	1.007	22	1.039	0.973	31.26	32.56
Apr-18	48,937	82.7%	1.097	1.003	1.295	1.006	21	0.992	1.017	32.14	32.58
May-18	48,701	82.9%	1.098	1.002	1.296	1.005	22	1.039	0.969	32.64	32.61
Jun-18	48,477	83.2%	1.100	1.001	1.297	1.004	21	0.992	1.013	32.08	32.73
Jul-18	48,238	83.2%	1.100	1.001	1.297	1.004	21	0.992	1.013	32.55	32.51
Aug-18	47,854	83.3%	1.101	1.000	1.299	1.003	23	1.087	0.923	31.33	32.59
Sep-18	47,557	83.3%	1.101	1.000	1.300	1.002	19	0.898	1.116	34.04	32.70
Oct-18	47,375	83.3%	1.101	1.000	1.301	1.001	23	1.087	0.921	31.78	32.64
Nov-18	47,093	83.2%	1.101	1.000	1.302	1.001	20	0.945	1.059	35.31	32.62
Dec-18	46,721	83.3%	1.101	1.000	1.302	1.000	20	0.945	1.058	37.20	32.68

CY2017 / CY 2016 Annual Increase	**2.8%**
CY2018 / CY 2017 Annual Increase	**0.5%**

PHARMACY TREND DEVELOPMENT
NON-SPECIALTY UTILIZATION TREND CALCULATION

Month	Regression on Adjusted Days Supply - 36 Months	Regression on Adjusted Day Supply - 24 Months
Jan-16	30.93	30.30
Feb-16	31.00	30.40
Mar-16	31.07	30.49
Apr-16	31.15	30.58
May-16	31.22	30.68
Jun-16	31.30	30.77
Jul-16	31.37	30.87
Aug-16	31.45	30.96
Sep-16	31.52	31.06
Oct-16	31.60	31.16
Nov-16	31.68	31.25
Dec-16	31.75	31.35
Jan-17	31.83	31.45
Feb-17	31.90	31.55
Mar-17	31.97	31.64
Apr-17	32.05	31.74
May-17	32.13	31.83
Jun-17	32.21	31.93
Jul-17	32.28	32.03
Aug-17	32.36	32.13
Sep-17	32.44	32.23
Oct-17	32.52	32.33
Nov-17	32.60	32.43
Dec-17	32.67	32.53
Jan-18	32.75	32.64
Feb-18	32.83	32.74
Mar-18	32.90	32.83
Apr-18	32.98	32.93
May-18	33.06	33.04
Jun-18	33.14	33.14
Jul-18	33.22	33.24
Aug-18	33.30	33.35
Sep-18	33.38	33.45
Oct-18	33.46	33.55
Nov-18	33.54	33.66
Dec-18	33.62	33.76
	2.9%	**3.8%**

	Regression on Adjusted Days Supply - 36 Months	Regression on Adjusted Day Supply - 24 Months	
1.000	1.113	1.000	0.411
0.000	1.114	0.000	2.171
0.212	0.049	0.156	0.052
9.134	34.000	4.058	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-16	58,035	$31.43												
Feb-16	58,508	$31.36												
Mar-16	58,994	$30.15												
Apr-16	58,880	$30.17												
May-16	58,902	$31.45												
Jun-16	58,974	$30.09												
Jul-16	59,109	$32.29												
Aug-16	59,225	$29.58												
Sep-16	59,361	$31.65												
Oct-16	59,486	$32.61												
Nov-16	59,533	$33.89												
Dec-16	59,399	$34.72												
Jan-17	57,089	$32.15	$31.43		$31.43		$31.28							
Feb-17	57,367	$30.81	$31.44		$31.43		$31.35							
Mar-17	57,015	$30.53	$30.17		$30.17		$31.39							
Apr-17	56,631	$32.01	$30.22		$30.22		$31.42							
May-17	56,158	$32.30	$31.69		$31.67		$31.47							
Jun-17	55,814	$30.80	$30.40		$30.40		$31.54							
Jul-17	55,401	$35.00	$32.69		$32.66		$31.58							
Aug-17	54,974	$30.61	$30.18		$30.21		$31.72							
Sep-17	54,581	$32.63	$32.39		$32.37		$31.78							
Oct-17	54,204	$32.56	$33.45		$33.41		$31.87							
Nov-17	53,797	$35.16	$34.72		$34.66		$31.98							
Dec-17	53,132	$36.00	$35.66	$32.00	$35.59	$31.99	$32.16	$31.62						
Jan-18	50,618	$31.00	$32.56	$32.10	$32.57	$32.08	$32.39	$31.71	$32.15		$32.15		$32.19	
Feb-18	49,821	$31.24	$32.01	$32.15	$32.07	$32.13	$32.52	$31.80	$30.81		$30.81		$32.29	
Mar-18	49,344	$31.26	$31.00	$32.23	$31.07	$32.23	$32.64	$31.90	$30.52		$30.53		$32.38	
Apr-18	48,937	$32.14	$31.47	$32.35	$31.49	$32.35	$32.74	$32.01	$32.01		$32.01		$32.44	
May-18	48,701	$32.64	$32.55	$32.43	$32.58	$32.43	$32.85	$32.13	$32.30		$32.30		$32.51	
Jun-18	48,477	$32.08	$31.15	$32.51	$31.22	$32.52	$32.96	$32.24	$30.80		$30.80		$32.59	
Jul-18	48,238	$32.55	$34.08	$32.62	$34.03	$32.62	$33.05	$32.37	$35.00		$35.00		$32.65	
Aug-18	47,854	$31.33	$30.66	$32.68	$30.74	$32.69	$33.14	$32.49	$30.61		$30.61		$32.72	
Sep-18	47,557	$34.04	$32.86	$32.73	$32.87	$32.73	$33.19	$32.61	$32.63		$32.63		$32.73	
Oct-18	47,375	$31.78	$33.71	$32.74	$33.71	$32.75	$33.30	$32.73	$32.57		$32.56		$32.82	
Nov-18	47,093	$35.31	$35.25	$32.76	$35.19	$32.77	$33.34	$32.85	$35.17		$35.16		$32.84	
Dec-18	46,721	$37.20	$36.13	$32.76	$36.05	$32.78	$33.47	$32.96	$36.00	$32.52	$36.00	$32.52	$32.99	$32.59
Jan-19	46,721		$32.53	$32.76	$32.59	$32.78	$33.67	$33.07	$31.07	$32.44	$31.00	$32.43	$33.26	$32.68
Feb-19	46,721		$32.34	$32.79	$32.42	$32.81	$33.80	$33.17	$31.24	$32.48	$31.25	$32.48	$33.45	$32.78
Mar-19	46,721		$31.68	$32.86	$31.76	$32.88	$33.94	$33.28	$31.23	$32.55	$31.26	$32.54	$33.63	$32.88
Apr-19	46,721		$32.25	$32.93	$32.29	$32.95	$34.08	$33.39	$32.15	$32.56	$32.14	$32.56	$33.82	$33.00
May-19	46,721		$33.14	$32.98	$33.18	$33.00	$34.21	$33.51	$32.64	$32.59	$32.64	$32.59	$34.00	$33.12
Jun-19	46,721		$31.93	$33.05	$32.02	$33.07	$34.35	$33.62	$32.03	$32.70	$32.08	$32.70	$34.19	$33.25
Jul-19	46,721		$34.14	$33.05	$34.16	$33.08	$34.49	$33.75	$32.70	$32.50	$32.56	$32.49	$34.37	$33.40
Aug-19	46,721		$31.41	$33.12	$31.53	$33.15	$34.62	$33.87	$31.32	$32.56	$31.33	$32.55	$34.56	$33.55
Sep-19	46,721		$33.72	$33.19	$33.76	$33.22	$34.76	$34.00	$33.99	$32.68	$34.04	$32.67	$34.74	$33.72
Oct-19	46,721		$33.62	$33.18	$33.72	$33.22	$34.89	$34.13	$31.85	$32.62	$31.78	$32.61	$34.93	$33.90
Nov-19	46,721		$35.92	$33.23	$35.89	$33.28	$35.03	$34.28	$35.33	$32.63	$35.31	$32.62	$35.11	$34.09
Dec-19	46,721		$37.09	$33.31	$37.01	$33.36	$35.17	$34.42	$37.17	$32.73	$37.20	$32.72	$35.30	$34.28
Jan-20	46,721		$33.05	$33.36	$33.16	$33.41	$35.30	$34.55	$31.09	$32.73	$31.00	$32.72	$35.48	$34.47
Feb-20	46,721		$32.85	$33.40	$32.99	$33.46	$35.44	$34.69	$31.26	$32.73	$31.25	$32.72	$35.66	$34.65
Mar-20	46,721		$32.18	$33.44	$32.32	$33.50	$35.58	$34.83	$31.26	$32.73	$31.26	$32.72	$35.85	$34.83
Apr-20	46,721		$32.76	$33.48	$32.86	$33.55	$35.71	$34.96	$32.17	$32.73	$32.14	$32.72	$36.03	$35.02
May-20	46,721		$33.66	$33.53	$33.75	$33.60	$35.85	$35.10	$32.67	$32.74	$32.64	$32.72	$36.22	$35.20
Jun-20	46,721		$32.43	$33.57	$32.58	$33.64	$35.98	$35.24	$32.06	$32.74	$32.08	$32.72	$36.40	$35.39
Jul-20	46,721		$34.68	$33.61	$34.73	$33.69	$36.12	$35.37	$32.73	$32.74	$32.56	$32.72	$36.59	$35.57
Aug-20	46,721		$31.90	$33.66	$32.10	$33.74	$36.26	$35.51	$31.34	$32.74	$31.33	$32.72	$36.77	$35.76
Sep-20	46,721		$34.25	$33.70	$34.33	$33.79	$36.39	$35.64	$34.02	$32.75	$34.04	$32.72	$36.96	$35.94
Oct-20	46,721		$34.14	$33.74	$34.29	$33.83	$36.53	$35.78	$31.87	$32.75	$31.78	$32.72	$37.14	$36.13
Nov-20	46,721		$36.48	$33.79	$36.46	$33.88	$36.67	$35.92	$35.36	$32.75	$35.31	$32.72	$37.33	$36.31
Dec-20	46,721		$37.67	$33.84	$37.57	$33.93	$36.80	$36.05	$37.20	$32.75	$37.20	$32.72	$37.51	$36.50
		Annual Trend		**1.6%**		**1.7%**		**4.6%**		**0.4%**		**0.3%**		**5.8%**
		RMSE		1.02		1.02		1.73		1.1		1.1		1.85
		Theils U		0.47		0.47		0.85		0.5227		0.5227		0.84

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

PHARMACY TREND DEVELOPMENT

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	Cost per Days Supply
Jan-16	1,436,552	$5,243,309	$3.65	7,870	$60,585	$7.70	1,444,422	$5,303,894	$3.67
Feb-16	1,434,003	$5,271,103	$3.68	14,411	$77,294	$5.36	1,448,414	5,348,397	$3.69
Mar-16	1,578,653	$5,888,424	$3.73	22,251	$139,085	$6.25	1,600,905	6,027,509	$3.77
Apr-16	1,444,468	$5,303,571	$3.67	28,710	$170,990	$5.96	1,473,178	5,474,560	$3.72
May-16	1,485,680	$5,506,654	$3.71	48,110	$315,142	$6.55	1,533,790	5,821,796	$3.80
Jun-16	1,491,226	$5,432,088	$3.64	58,486	$365,404	$6.25	1,549,711	5,797,492	$3.74
Jul-16	1,443,570	$5,272,607	$3.65	74,591	$417,330	$5.59	1,518,161	5,689,937	$3.75
Aug-16	1,498,334	$5,582,856	$3.73	104,662	$515,446	$4.92	1,602,995	6,098,302	$3.80
Sep-16	1,430,466	$5,315,314	$3.72	131,081	$601,646	$4.59	1,561,547	5,916,960	$3.79
Oct-16	1,450,220	$5,430,535	$3.74	167,369	$839,898	$5.02	1,617,589	6,270,433	$3.88
Nov-16	1,409,266	$5,258,568	$3.73	189,361	$892,455	$4.71	1,598,627	6,151,023	$3.85
Dec-16	1,486,101	$5,582,933	$3.76	230,481	$1,090,636	$4.73	1,716,581	6,673,569	$3.89
Jan-17	1,325,110	$4,861,035	$3.67	234,726	$1,116,175	$4.76	1,559,836	5,977,210	$3.83
Feb-17	1,209,609	$4,528,180	$3.74	219,713	$1,033,007	$4.70	1,429,323	5,561,187	$3.89
Mar-17	1,359,283	$5,062,526	$3.72	250,301	$1,212,496	$4.84	1,609,584	6,275,021	$3.90
Apr-17	1,224,621	$4,515,623	$3.69	243,950	$1,185,654	$4.86	1,468,572	5,701,278	$3.88
May-17	1,319,926	$4,934,892	$3.74	291,879	$1,438,870	$4.93	1,611,805	6,373,761	$3.95
Jun-17	1,234,848	$4,609,072	$3.73	300,043	$1,411,822	$4.71	1,534,891	6,020,894	$3.92
Jul-17	1,194,818	$4,449,135	$3.72	298,279	$1,492,556	$5.00	1,493,098	5,941,691	$3.98
Aug-17	1,232,754	$4,661,183	$3.78	339,189	$1,635,305	$4.82	1,571,943	6,296,488	$4.01
Sep-17	1,127,378	$4,280,800	$3.80	314,724	$1,535,881	$4.88	1,442,103	5,816,681	$4.03
Oct-17	1,209,846	$4,592,471	$3.80	355,507	$1,803,852	$5.07	1,565,353	6,396,323	$4.09
Nov-17	1,173,684	$4,450,491	$3.79	354,193	$1,778,822	$5.02	1,527,877	6,229,313	$4.08
Dec-17	1,163,293	$4,501,234	$3.87	365,978	$1,814,504	$4.96	1,529,270	6,315,737	$4.13
Jan-18	1,067,451	$4,042,349	$3.79	358,802	$1,742,444	$4.86	1,426,253	5,784,793	$4.06
Feb-18	938,734	$3,569,267	$3.80	342,850	$1,632,554	$4.76	1,281,584	5,201,821	$4.06
Mar-18	992,287	$3,776,058	$3.81	405,152	$1,897,783	$4.68	1,397,440	5,673,840	$4.06
Apr-18	960,237	$3,643,132	$3.79	404,412	$1,883,152	$4.66	1,364,650	5,526,284	$4.05
May-18	1,012,879	$3,791,730	$3.74	433,453	$2,022,760	$4.67	1,446,332	5,814,490	$4.02
Jun-18	923,466	$3,473,502	$3.76	422,437	$1,974,375	$4.67	1,345,903	5,447,877	$4.05
Jul-18	943,675	$3,530,223	$3.74	424,624	$1,975,769	$4.65	1,368,298	5,505,992	$4.02
Aug-18	968,447	$3,627,636	$3.75	455,371	$2,191,282	$4.81	1,423,817	5,818,919	$4.09
Sep-18	846,203	$3,198,553	$3.78	423,028	$2,021,253	$4.78	1,269,230	5,219,806	$4.11
Oct-18	962,708	$3,623,657	$3.76	468,132	$2,201,792	$4.70	1,430,840	5,825,449	$4.07
Nov-18	905,373	$3,378,793	$3.73	462,195	$2,111,184	$4.57	1,367,568	5,489,977	$4.01
Dec-18	928,153	$3,516,243	$3.79	490,635	$2,300,972	$4.69	1,418,788	5,817,215	$4.10
CY2017 / CY 2016 Annual Increase			**1.4%**			**-3.1%**			**5.1%**
CY2018 / CY 2017 Annual Increase			**0.5%**			**-3.8%**			**2.1%**

	Regression on Cost per Days Supply on "Old" Generics	
Month	36 Months	24 Months
Jan-16	$3.69	$3.71
Feb-16	$3.69	$3.71
Mar-16	$3.69	$3.71
Apr-16	$3.69	$3.72
May-16	$3.70	$3.72
Jun-16	$3.70	$3.72
Jul-16	$3.70	$3.72
Aug-16	$3.71	$3.73
Sep-16	$3.71	$3.73
Oct-16	$3.71	$3.73
Nov-16	$3.72	$3.73
Dec-16	$3.72	$3.73
Jan-17	$3.72	$3.74
Feb-17	$3.73	$3.74
Mar-17	$3.73	$3.74
Apr-17	$3.73	$3.74
May-17	$3.74	$3.75
Jun-17	$3.74	$3.75
Jul-17	$3.74	$3.75
Aug-17	$3.75	$3.75
Sep-17	$3.75	$3.75
Oct-17	$3.75	$3.76
Nov-17	$3.76	$3.76
Dec-17	$3.76	$3.76
Jan-18	$3.76	$3.76
Feb-18	$3.77	$3.77
Mar-18	$3.77	$3.77
Apr-18	$3.77	$3.77
May-18	$3.78	$3.77
Jun-18	$3.78	$3.77
Jul-18	$3.78	$3.78
Aug-18	$3.79	$3.78
Sep-18	$3.79	$3.78
Oct-18	$3.79	$3.78
Nov-18	$3.80	$3.79
Dec-18	$3.80	$3.79
	1.0%	**0.7%**

Regression on Cost per Days Supply on "Old" Generics-36 Months		Regression on Cost per Days Supply on "Old" Generics-	
1.000	1.104	1.000	1.616
0.000	0.232	0.000	0.452
0.449	0.010	0.137	0.011
27.684	34.000	3.495	22.000

PHARMACY TREND DEVELOPMENT

BRAND COST TREND

	All Other Brands			Brands Going Generic, Vaccines and Compounds			Over the Counter			All Brands		
Month	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	Days Supply	Average Wholesale Price	Cost per Days Supply
Jan-16	131,862	$1,670,745	$12.67	36,321	$463,568	$12.76	33,955	$78,022	$2.30	202,138	$2,212,334	$10.94
Feb-15	137,321	$1,764,810	$12.85	34,243	$447,879	$13.08	35,500	$86,205	$2.43	207,064	2,298,894	$11.10
Mar-15	159,003	$2,041,513	$12.84	41,916	$564,363	$13.46	42,213	$94,119	$2.23	243,131	2,699,995	$11.11
Apr-15	135,524	$1,804,624	$13.32	34,526	$495,945	$14.36	37,560	$84,739	$2.26	207,611	2,385,308	$11.49
May-15	150,168	$1,875,435	$12.49	29,239	$478,170	$16.35	40,598	$95,611	$2.36	220,006	2,449,216	$11.13
Jun-15	148,252	$2,004,975	$13.52	27,074	$576,594	$21.30	40,817	$95,819	$2.35	216,143	2,677,388	$12.39
Jul-15	144,974	$2,010,284	$13.87	25,201	$509,136	$20.20	41,453	$101,783	$2.46	211,629	2,621,203	$12.39
Aug-15	155,223	$2,085,618	$13.44	27,251	$477,882	$17.54	41,533	$99,620	$2.40	224,008	2,663,121	$11.89
Sep-15	158,395	$2,131,704	$13.46	28,132	$481,539	$17.12	42,569	$101,612	$2.39	229,097	2,714,855	$11.85
Oct-15	157,801	$2,168,847	$13.74	28,493	$478,594	$16.80	46,777	$112,513	$2.41	233,071	2,759,955	$11.84
Nov-15	164,648	$2,238,006	$13.59	25,193	$452,417	$17.96	46,356	$113,585	$2.45	236,197	2,804,008	$11.87
Dec-15	183,345	$2,579,863	$14.07	25,356	$497,532	$19.62	48,273	$123,076	$2.55	256,974	3,200,472	$12.45
Jan-16	146,080	$2,012,877	$13.78	16,598	$1,124,823	$67.77	36,170	$79,834	$2.21	198,849	3,217,534	$16.18
Feb-16	135,822	$1,931,270	$14.22	15,662	$304,991	$19.47	33,591	$87,512	$2.61	185,075	2,323,773	$12.56
Mar-16	161,577	$2,304,912	$14.27	17,634	$1,143,573	$64.85	40,606	$96,733	$2.38	219,817	3,545,218	$16.13
Apr-16	139,371	$2,053,702	$14.74	14,566	$292,600	$20.09	36,927	$81,738	$2.21	190,865	2,428,040	$12.72
May-16	157,149	$2,361,905	$15.03	18,531	$319,404	$17.24	44,417	$101,236	$2.28	220,097	2,782,544	$12.64
Jun-16	150,490	$2,207,696	$14.67	15,552	$299,144	$19.24	38,636	$92,214	$2.39	204,678	2,599,054	$12.70
Jul-16	148,762	$2,267,889	$15.25	13,831	$277,850	$20.09	41,325	$100,271	$2.43	203,918	2,646,009	$12.98
Aug-16	154,702	$2,318,026	$14.98	15,248	$291,552	$19.12	43,088	$104,745	$2.43	213,038	2,714,323	$12.74
Sep-16	147,272	$2,253,821	$15.30	15,127	$273,319	$18.07	40,885	$105,662	$2.58	203,285	2,632,801	$12.95
Oct-16	167,480	$2,514,270	$15.01	18,744	$335,688	$17.91	45,039	$115,012	$2.55	231,263	2,964,970	$12.82
Nov-16	163,584	$2,434,194	$14.88	16,001	$1,101,269	$68.82	46,349	$113,938	$2.46	225,935	3,649,402	$16.15
Dec-16	178,044	$2,691,985	$15.12	18,809	$1,942,354	$103.27	50,033	$125,981	$2.52	246,885	4,760,319	$19.28
Jan-17	130,833	$2,024,293	$15.47	11,880	$220,651	$18.57	33,854	$65,772	$1.94	176,567	2,310,716	$13.09
Feb-17	125,152	$1,973,623	$15.77	10,921	$212,817	$19.49	31,366	$54,012	$1.72	167,440	2,240,452	$13.38
Mar-17	140,665	$2,190,624	$15.57	11,131	$215,903	$19.40	35,234	$65,994	$1.87	187,029	2,472,520	$13.22
Apr-17	135,330	$2,240,557	$16.56	10,981	$212,809	$19.38	35,198	$70,262	$2.00	181,510	2,523,629	$13.90
May-17	141,158	$2,235,673	$15.84	11,654	$263,926	$22.65	40,923	$75,983	$1.86	193,735	2,575,581	$13.29
Jun-17	142,247	$2,433,292	$17.11	9,499	$216,484	$22.79	37,441	$68,244	$1.82	189,188	2,718,020	$14.37
Jul-17	134,305	$2,280,887	$16.98	10,389	$235,127	$22.63	37,865	$75,274	$1.99	182,559	2,591,288	$14.19
Aug-17	150,230	$2,466,732	$16.42	11,597	$278,072	$23.98	39,103	$75,669	$1.94	200,930	2,820,474	$14.04
Sep-17	134,468	$2,265,960	$16.85	11,478	$261,771	$22.81	35,657	$68,052	$1.91	181,603	2,595,783	$14.29
Oct-17	152,117	$2,605,608	$17.13	15,119	$324,316	$21.45	36,172	$64,536	$1.78	203,409	2,994,461	$14.72
Nov-17	152,085	$2,507,078	$16.48	11,789	$259,749	$22.03	38,268	$74,320	$1.94	202,142	2,841,147	$14.06
Dec-17	168,696	$2,833,874	$16.80	11,509	$242,391	$21.06	43,309	$86,596	$2.00	223,514	3,162,861	$14.15
CY2017 / CY 2016 Annual Increase			**10.8%**						**1.6%**			**21.7%**
CY2018 / CY 2017 Annual Increase			**11.2%**			**-45.6%**			**-21.6%**			**-2.4%**

	Regression on Cost per Days Supply on All Other Brands Only	
Month	36 Months	24 Months
Jan-16	$12.71	$12.77
Feb-15	$11.57	$11.65
Mar-15	$11.66	$11.74
Apr-15	$11.76	$11.84
May-15	$11.86	$11.94
Jun-15	$11.97	$12.04
Jul-15	$12.07	$12.14
Aug-15	$12.17	$12.24
Sep-15	$12.28	$12.35
Oct-15	$12.39	$12.45
Nov-15	$12.49	$12.56
Dec-15	$12.60	$12.66
Jan-16	$12.71	$12.77
Feb-16	$12.82	$12.88
Mar-16	$12.93	$12.99
Apr-16	$13.04	$13.10
May-16	$13.15	$13.21
Jun-16	$13.27	$13.32
Jul-16	$13.38	$13.43
Aug-16	$13.50	$13.55
Sep-16	$13.62	$13.66
Oct-16	$13.73	$13.78
Nov-16	$13.85	$13.90
Dec-16	$13.97	$14.01
Jan-17	$14.10	$14.13
Feb-17	$14.22	$14.25
Mar-17	$14.33	$14.36
Apr-17	$14.46	$14.49
May-17	$14.58	$14.61
Jun-17	$14.71	$14.73
Jul-17	$14.83	$14.86
Aug-17	$14.96	$14.98
Sep-17	$15.10	$15.11
Oct-17	$15.22	$15.24
Nov-17	$15.36	$15.37
Dec-17	$15.49	$15.50
	10.9%	**10.6%**

Regression on Cost per Days Supply on All Other Brands Only-36 Months		Regression on Cost per Days Supply on All Other Brands Only-	
1.000	0.000	1.000	0.000
0.000	0.508	0.000	0.963
0.944	0.022	0.874	0.023
569.383	34.000	153.056	22.000

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

PHARMACY TREND DEVELOPMENT
SPECIALTY TREND CALCULATIONS

		Specialty Drug - Adjustment for Contract				
Month	Membership	Total	Adjustment for Contract	Allowed Charges Adjusted for Contract	PMPM Adjusted for Contract	Rolling 12 PMPM Adjusted for Contract
Jan-15	59,869	$2,046,633	0.939	$1,921,254	$32.09	
Feb-15	60,244	$1,956,058	0.938	$1,834,554	$30.45	
Mar-15	61,542	$2,097,536	0.938	$1,967,009	$31.96	
Apr-15	61,697	$1,983,467	0.938	$1,859,915	$30.15	
May-15	61,086	$2,041,223	0.938	$1,914,961	$31.35	
Jun-15	61,096	$1,933,988	0.937	$1,811,456	$29.65	
Jul-15	60,499	$1,912,106	0.962	$1,839,317	$30.40	
Aug-15	59,971	$1,962,853	0.962	$1,888,487	$31.49	
Sep-15	59,685	$1,969,428	0.962	$1,894,974	$31.75	
Oct-15	59,559	$2,062,413	0.962	$1,984,283	$33.32	
Nov-15	59,215	$1,948,222	0.962	$1,874,455	$31.66	
Dec-15	59,166	$2,041,867	0.963	$1,965,363	$33.22	$31.45
Jan-16	58,035	$1,512,720	0.962	$1,455,760	$25.08	$30.88
Feb-16	58,508	$1,938,603	0.963	$1,866,012	$31.89	$31.00
Mar-16	58,994	$1,978,966	0.962	$1,904,449	$32.28	$31.02
Apr-16	58,880	$1,878,101	0.963	$1,807,697	$30.70	$31.07
May-16	58,902	$2,034,598	0.963	$1,958,511	$33.25	$31.23
Jun-16	58,974	$2,098,914	0.962	$2,020,072	$34.25	$31.62
Jul-16	59,109	$1,954,136	0.963	$1,881,078	$31.82	$31.74
Aug-16	59,225	$2,324,563	0.962	$2,237,204	$37.77	$32.26
Sep-16	59,361	$2,073,722	0.962	$1,995,683	$33.62	$32.42
Oct-16	59,486	$2,039,166	0.963	$1,963,090	$33.00	$32.39
Nov-16	59,533	$2,335,844	0.963	$2,248,818	$37.77	$32.91
Dec-16	59,399	$2,479,272	0.963	$2,386,384	$40.18	$33.49
Jan-17	57,089	$2,079,252	0.963	$2,002,089	$35.07	$34.31
Feb-17	57,367	$2,260,350	0.963	$2,176,433	$37.94	$34.80
Mar-17	57,015	$2,593,451	0.963	$2,498,024	$43.81	$35.74
Apr-17	56,631	$2,122,557	0.963	$2,043,759	$36.09	$36.19
May-17	56,158	$2,542,891	0.963	$2,448,190	$43.59	$37.04
Jun-17	55,814	$2,489,545	0.963	$2,397,277	$42.95	$37.75
Jul-17	55,401	$2,341,482	0.964	$2,256,033	$40.72	$38.49
Aug-17	54,974	$2,763,735	0.963	$2,662,347	$48.43	$39.34
Sep-17	54,581	$2,607,733	0.964	$2,512,952	$46.04	$40.38
Oct-17	54,204	$2,726,663	0.963	$2,625,585	$48.44	$41.67
Nov-17	53,797	$2,757,679	0.963	$2,655,255	$49.36	$42.63
Dec-17	53,132	$2,531,936	0.963	$2,438,798	$45.90	$43.11
Jan-18	50,618	$2,600,911	1.000	$2,600,911	$51.38	$44.44
Feb-18	49,821	$2,272,990	1.000	$2,272,990	$45.62	$45.10
Mar-18	49,344	$2,687,209	1.000	$2,687,209	$54.46	$45.93
Apr-18	48,937	$2,795,269	1.000	$2,795,269	$57.12	$47.67
May-18	48,701	$2,852,757	1.000	$2,852,757	$58.58	$48.87
Jun-18	48,477	$2,795,679	1.000	$2,795,679	$57.67	$50.09
Jul-18	48,238	$2,965,499	1.000	$2,965,499	$61.48	$51.83
Aug-18	47,854	$2,865,201	1.000	$2,865,201	$59.87	$52.77
Sep-18	47,557	$2,735,952	1.000	$2,735,952	$57.53	$53.76
Oct-18	47,375	$3,144,895	1.000	$3,144,895	$66.38	$55.25
Nov-18	47,093	$2,732,092	1.000	$2,732,092	$58.01	$56.01
Dec-18	46,721	$2,678,295	1.000	$2,678,295	$57.33	$57.04

CY2016 / CY 2015 Annual Increase	**6.5%**
CY2017 / CY 2016 Annual Increase	**28.7%**
CY2018 / CY 2017 Annual Increase	**32.3%**

	Adjustment for Aging			
Month	Average Age/Gender Factor	Normalized Age/Gender Factor	Monthly	Rolling 12
Jan-15	1.260	1.033	$33.16	
Feb-15	1.260	1.034	$31.48	
Mar-15	1.259	1.034	$33.06	
Apr-15	1.261	1.033	$31.13	
May-15	1.264	1.031	$32.31	
Jun-15	1.265	1.029	$30.52	
Jul-15	1.267	1.028	$31.24	
Aug-15	1.268	1.027	$32.35	
Sep-15	1.271	1.025	$32.54	
Oct-15	1.272	1.024	$34.12	
Nov-15	1.273	1.023	$32.40	
Dec-15	1.274	1.022	$33.96	32.35
Jan-16	1.273	1.023	$25.67	31.74
Feb-16	1.272	1.024	$32.65	31.84
Mar-16	1.271	1.025	$33.08	31.84
Apr-16	1.271	1.025	$31.45	31.87
May-16	1.272	1.024	$34.04	32.01
Jun-16	1.276	1.021	$34.96	32.38
Jul-16	1.278	1.019	$32.42	32.48
Aug-16	1.279	1.018	$38.47	32.99
Sep-16	1.279	1.018	$34.22	33.13
Oct-16	1.280	1.018	$33.58	33.09
Nov-16	1.281	1.017	$38.41	33.59
Dec-16	1.283	1.015	$40.79	34.17
Jan-17	1.286	1.013	$35.53	34.97
Feb-17	1.286	1.013	$38.44	35.45
Mar-17	1.286	1.013	$44.38	36.37
Apr-17	1.286	1.013	$36.55	36.79
May-17	1.288	1.011	$44.07	37.61
Jun-17	1.290	1.010	$43.37	38.30
Jul-17	1.290	1.010	$41.12	39.02
Aug-17	1.290	1.010	$48.89	39.86
Sep-17	1.290	1.009	$46.47	40.88
Oct-17	1.291	1.009	$48.87	42.16
Nov-17	1.292	1.008	$49.76	43.10
Dec-17	1.293	1.007	$46.24	43.55
Jan-18	1.290	1.010	$51.88	44.89
Feb-18	1.292	1.008	$46.01	45.54
Mar-18	1.293	1.007	$54.84	46.35
Apr-18	1.295	1.006	$57.45	48.08
May-18	1.296	1.005	$58.87	49.27
Jun-18	1.297	1.004	$57.92	50.48
Jul-18	1.297	1.004	$61.72	52.20
Aug-18	1.299	1.003	$60.04	53.12
Sep-18	1.300	1.002	$57.63	54.08
Oct-18	1.301	1.001	$66.45	55.54
Nov-18	1.302	1.001	$58.05	56.27
Dec-18	1.302	1.000	$57.33	57.27

CY2016 / CY 2015 Annual Increase	**5.6%**
CY2017 / CY 2016 Annual Increase	**27.5%**
CY2018 / CY 2017 Annual Increase	**31.5%**

PHARMACY TREND DEVELOPMENT
SPECIALTY TREND CALCULATIONS

Month	Regression on Adjusted PMPM: 24 Months on Monthly	Regression on Adjusted PMPM: 36 Months on Monthly
Jan-15	$22.43	$23.03
Feb-15	$22.95	$23.55
Mar-15	$23.43	$24.02
Apr-15	$23.97	$24.56
May-15	$24.51	$25.10
Jun-15	$25.08	$25.66
Jul-15	$25.64	$26.22
Aug-15	$26.23	$26.81
Sep-15	$26.84	$27.41
Oct-15	$27.44	$28.01
Nov-15	$28.08	$28.64
Dec-15	$28.70	$29.26
Jan-16	$29.37	$29.92
Feb-16	$30.05	$30.59
Mar-16	$30.70	$31.23
Apr-16	$31.41	$31.93
May-16	$32.11	$32.63
Jun-16	$32.86	$33.36
Jul-16	$33.59	$34.08
Aug-16	$34.37	$34.85
Sep-16	$35.17	$35.63
Oct-16	$35.95	$36.41
Nov-16	$36.79	$37.22
Dec-16	$37.61	$38.03
Jan-17	$38.48	$38.89
Feb-17	$39.37	$39.76
Mar-17	$40.19	$40.57
Apr-17	$41.12	$41.48
May-17	$42.04	$42.38
Jun-17	$43.02	$43.33
Jul-17	$43.98	$44.27
Aug-17	$45.00	$45.27
Sep-17	$46.04	$46.29
Oct-17	$47.07	$47.29
Nov-17	$48.16	$48.36
Dec-17	$49.24	$49.41
Jan-18	$50.38	$50.52
Feb-18	$51.55	$51.65
Mar-18	$52.62	$52.70
Apr-18	$53.84	$53.88
May-18	$55.05	$55.05
Jun-18	$56.32	$56.29
Jul-18	$57.58	$57.51
Aug-18	$58.92	$58.81
Sep-18	$60.28	$60.13
Oct-18	$61.63	$61.43
Nov-18	$63.06	$62.81
Dec-18	$64.47	$64.18
	30.9%	**29.9%**

Regression on Adjusted PMPM-24 Months on Monthly		Regression on Adjusted PMPM-36 Months on Monthly	
1.001	0.000	1.001	0.000
0.000	2.945	0.000	1.607
0.841	0.071	0.915	0.071
116.647	22.000	366.043	34.000

			36 Month Time Series - Specialty PMPM				24 Month Time Series - Specialty PMPM			
			Damped Trend Non-Seasonal		Double Exponential Smoothing		Damped Trend Non-Seasonal		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
Jan-15	59,869	$33.16								
Feb-15	60,244	$31.48								
Mar-15	61,542	$33.06								
Apr-15	61,697	$31.13								
May-15	61,086	$32.31								
Jun-15	61,096	$30.52								
Jul-15	60,499	$31.24								
Aug-15	59,971	$32.35								
Sep-15	59,685	$32.54								
Oct-15	59,559	$34.12								
Nov-15	59,215	$32.40								
Dec-15	59,166	$33.96								
Jan-16	58,035	$25.67								
Feb-16	58,508	$32.65								
Mar-16	58,994	$33.08								
Apr-16	58,880	$31.45								
May-16	58,902	$34.04								
Jun-16	58,974	$34.96								
Jul-16	59,109	$32.42								
Aug-16	59,225	$38.47								
Sep-16	59,361	$34.22								
Oct-16	59,486	$33.58								
Nov-16	59,533	$38.41								
Dec-16	59,399	$40.79								
Jan-17	57,089	$35.53	$39.46		$39.47					
Feb-17	57,367	$38.44	$38.94		$38.96					
Mar-17	57,015	$44.38	$39.44		$39.48					
Apr-17	56,631	$36.55	$41.81		$41.86					
May-17	56,158	$44.07	$40.83		$40.90					
Jun-17	55,814	$43.37	$42.59		$42.66					
Jul-17	55,401	$41.12	$43.62		$43.70					
Aug-17	54,974	$48.89	$43.54		$43.63					
Sep-17	54,581	$46.47	$46.08		$46.16					
Oct-17	54,204	$48.87	$47.12		$47.20					
Nov-17	53,797	$49.76	$48.64		$48.71					
Dec-17	53,132	$46.24	$50.01	$43.42	$50.08	$43.48				
Jan-18	50,618	$51.88	$49.72	$44.25	$49.80	$44.31	$49.84		$50.35	
Feb-18	49,821	$46.01	$51.32	$45.26	$51.42	$45.33	$51.30		$51.97	
Mar-18	49,344	$54.84	$50.41	$46.16	$50.52	$46.24	$50.01		$50.72	
Apr-18	48,937	$57.45	$52.67	$47.05	$52.78	$47.14	$52.21		$53.05	
May-18	48,701	$58.87	$55.23	$48.24	$55.33	$48.33	$54.94		$55.79	
Jun-18	48,477	$57.92	$57.59	$49.48	$57.67	$49.56	$57.53		$58.32	
Jul-18	48,238	$61.72	$58.94	$50.75	$59.02	$50.83	$58.98		$59.69	
Aug-18	47,854	$60.04	$61.15	$52.22	$61.23	$52.30	$61.29		$62.00	
Sep-18	47,557	$57.63	$62.12	$53.56	$62.20	$53.65	$62.18		$62.87	
Oct-18	47,375	$66.45	$61.85	$54.81	$61.95	$54.90	$61.58		$62.29	
Nov-18	47,093	$58.05	$64.55	$56.15	$64.66	$56.25	$64.22		$65.07	
Dec-18	46,721	$57.33	$63.58	$57.31	$63.71	$57.41	$62.89	$57.14	$63.71	$57.87
Jan-19	46,721		$62.40	$58.39	$62.57	$58.50	$61.22	$58.11	$62.09	$58.87
Feb-19	46,721		$63.14	$59.39	$63.38	$59.51	$61.24	$58.95	$62.56	$59.77
Mar-19	46,721		$63.87	$60.54	$64.19	$60.67	$61.27	$59.92	$63.02	$60.82
Apr-19	46,721		$64.60	$61.55	$65.00	$61.70	$61.29	$60.69	$63.48	$61.71
May-19	46,721		$65.33	$62.40	$65.81	$62.59	$61.31	$61.24	$63.94	$62.40
Jun-19	46,721		$66.05	$63.11	$66.62	$63.34	$61.33	$61.56	$64.40	$62.92
Jul-19	46,721		$66.76	$63.77	$67.43	$64.05	$61.35	$61.77	$64.86	$63.35
Aug-19	46,721		$67.47	$64.30	$68.24	$64.64	$61.37	$61.77	$65.32	$63.63
Sep-19	46,721		$68.18	$64.81	$69.05	$65.21	$61.38	$61.71	$65.78	$63.88
Oct-19	46,721		$68.88	$65.40	$69.86	$65.88	$61.40	$61.69	$66.25	$64.21
Nov-19	46,721		$69.58	$65.82	$70.67	$66.38	$61.41	$61.46	$66.71	$64.34
Dec-19	46,721		$70.27	$66.38	$71.48	$67.03	$61.42	$61.33	$67.17	$64.63
Jan-20	46,721		$70.96	$67.09	$72.29	$67.84	$61.44	$61.35	$67.63	$65.09
Feb-20	46,721		$71.65	$67.80	$73.10	$68.65	$61.45	$61.37	$68.09	$65.55
Mar-20	46,721		$72.33	$68.51	$73.91	$69.46	$61.46	$61.38	$68.55	$66.02
Apr-20	46,721		$73.01	$69.21	$74.72	$70.27	$61.47	$61.40	$69.01	$66.48
May-20	46,721		$73.68	$69.90	$75.53	$71.08	$61.48	$61.41	$69.48	$66.94
Jun-20	46,721		$74.35	$70.59	$76.34	$71.89	$61.48	$61.43	$69.94	$67.40
Jul-20	46,721		$75.02	$71.28	$77.15	$72.70	$61.49	$61.44	$70.40	$67.86
Aug-20	46,721		$75.68	$71.97	$77.96	$73.51	$61.50	$61.45	$70.86	$68.32
Sep-20	46,721		$76.33	$72.65	$78.77	$74.32	$61.51	$61.46	$71.32	$68.78
Oct-20	46,721		$76.99	$73.32	$79.58	$75.13	$61.51	$61.47	$71.78	$69.25
Nov-20	46,721		$77.64	$73.99	$80.39	$75.94	$61.52	$61.48	$72.24	$69.71
Dec-20	46,721		$78.28	$74.66	$81.20	$76.75	$61.52	$61.49	$72.71	$70.17
		Annual Trend		**14.1%**		**15.6%**		**3.7%**		**10.1%**
		RMSE		3.74		3.74		4.06		4.11
		Theils U		0.8185		0.82		0.7968		0.80

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

EXHIBIT 3G

PHARMACY TREND DEVELOPMENT
SUMMARY

		Generic	New Generics	Brands Going Generic	Brand	Vaccines	Over the Counter	Compounds	Non-Specialty Total	Specialty	Total Pharmacy
Experience Period Member Months	m										580,736
Experience Period Days Supply	a	11,497,186	5,109,305	100,695	1,713,057	13,426	446,339	24,481	18,904,488	163,040	19,067,528
Experience Period Allowed Charge per Supply	b	$0.57	$1.03	$19.42	$13.48	$36.94	$1.24	$2.92		$203.37	
Experience Period Total Allowed Charges	c = a x b	$6,541,512	$5,286,876	$1,955,648	$23,093,359	$495,966	$554,191	$71,400	$37,998,952	$33,158,068	$71,157,020
Experience Period PMPM	n = c / m	$11.26	$9.10	$3.37	$39.77	$0.85	$0.95	$0.12	$65.43	$57.10	$122.53
Additional Scripts from Cost Containment Strategy	a2	5,174	0	0	8,749	0	0	0	13,924		
Total Days Supply	d = a + a2	11,502,360	5,109,305	100,695	1,721,806	13,426	446,339	24,481	18,918,412		
Utitlization Trend	e	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	**1.2%**		
Projected Period Days Supply	$f=d \times (1+e)^2$	11,788,077	5,236,220	103,197	1,764,576	13,759	457,426	25,089	19,388,343		
Calculated Annual Trend	g	0.7%	0.7%	0.7%	10.6%	10.6%	0.0%	10.6%		20.0%	
Impact on Cost of Brands going Generic	h	1.0000	1.0000	0.1854	1.0000	1.0000	1.0000	1.0000			
Projected Allowed Charge per Supply	$i=b \times (1+g)^2 \times h$	$0.58	$1.05	$3.65	$16.49	$45.20	$1.24	$3.57			
Projected Total Allowed Charges before Contract Changes	j = f x i	$6,803,717	$5,496,318	$376,910	$29,106,417	$621,930	$567,957	$89,534	$43,062,783	$47,747,618	$90,810,401
Projection Period PMPM	k = j / m	$11.72	$9.46	$0.65	$50.12	$1.07	$0.98	$0.15	$74.15	$82.22	$156.37
Annual Trend before Contract Changes	$l = (k/n)^{1/2}-1$	**2.0%**	**2.0%**	**-56.1%**	**12.3%**	**12.0%**	**1.2%**	**12.0%**	**6.5%**	**20.0%**	**13.0%**
Reduction of Projected Claims due to Contract Changes	o	0.9647	0.9647	0.9647	1.0000	1.0000	1.0000	1.0000		0.9758	
Projected Total Allowed Charges after Contract Changes	p = j x o	$6,563,643	$5,302,377	$363,610	$29,106,417	$621,930	$567,957	$89,534	$42,615,467	$46,590,100	$89,205,567
Projected PMPM adter Contract Changes	q = p / m	$11.30	$9.13	$0.63	$50.12	$1.07	$0.98	$0.15	$73.38	$80.23	$153.61
Impact of Contract Changes on Projected Pharmacy PMPM											**0.9823**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

EXHIBIT 3H

TREND DEVELOPMENT
PROJECTION FACTOR FOR INDEX RATE CALCULATION

TREND FACTORS - FROM 2018 to 2019			
Claim Type	**Cost**	**Utilization**	**Total**
Medical	2.3%	4.1%	6.5%
Pharmacy	11.6%	1.2%	13.0%
Dental	0.0%	1.9%	1.9%
Vision	0.0%	0.0%	0.0%

TREND FACTORS - FROM 2019 to 2020			
Claim Type	**Cost**	**Utilization**	**Total**
Medical	2.9%	4.1%	7.1%
Pharmacy	11.6%	1.2%	13.0%
Dental	0.0%	1.9%	1.9%
Vision	0.0%	0.0%	0.0%

Claim Type	Experience Allowed PMPM	Cost Trend	Adding Cost Trend	Utilization Trend	Adding Utilization Trend	Impact of Pharmacy Contract and Cost Containment	CY 2019 Allowed PMPM
Medical Claims	$509.30	1.0230	$521.03	1.0408	$542.27	0.9889	$536.27
Pharmacy Claims	$122.53	1.1159	$136.73	1.0123	$138.42	0.9911	$137.19
Dental Claims	$1.85	1.0000	$1.85	1.0186	$1.88	1.0000	$1.88
Vision claims	$0.10	1.0000	$0.10	1.0000	$0.10	1.0000	$0.10
Total	**$633.78**	**1.0409**	**$659.71**	**1.0348**	**$682.67**		**$675.45**

Claim Type	CY 2019 Allowed PMPM	Cost Trend	Adding Cost Trend	Utilization Trend	Adding Utilization Trend	Impact of Pharmacy Contract and Cost Containment	CY 2020 Allowed PMPM
Medical Claims	$536.27	1.0288	$551.72	1.0408	$574.21	0.9947	$571.15
Pharmacy Claims	$137.19	1.1159	$153.09	1.0123	$154.98	0.9911	$153.61
Dental Claims	$1.88	1.0000	$1.88	1.0186	$1.92	1.0000	$1.92
Vision claims	$0.10	1.0000	$0.10	1.0000	$0.10	1.0000	$0.10
Total	**$675.45**	**1.0464**	**$706.80**	**1.0345**	**$731.21**		**$726.77**

Cost Trend Factor	$1+d_1$	1.0896
Utilization Trend Factor	$1+d_2$	1.0564
Impact of Pharmacy Contract Changes factor	$1+c_5$	0.9962

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

EXPECTED RISK ADJUSTMENT TRANSFERS

Issuer Average Plan Liability Risk Score	BCBSVT	MVP
Interim 2018	1.499	1.188
Impact of Projected Member Movement	*1.055*	*1.055*
Supplemental Diagnoses	*1.005*	*1.000*
Impact of Claims Runout	*1.024*	*1.069*
Adjusted 2019	1.627	1.339
Impact of Projected Member Movement	*1.006*	*1.000*
Supplemental Diagnoses	*1.000*	*1.000*
Projected Final Report 2020	1.636	1.339

Transfer Amounts	Combined Market	Catastrophic Market
Estimated 2018 - Final	-$13,016,863	$315
Adjusted 2019	-$15,320,358	$315
Estimated 2020	**-$17,626,513**	**$318**

* receivable are expressed as negative numbers

Projected Risk Adjustment Transfer	-$17,626,196
Member Months	500,208
Net Projected Risk Adjustment PMPM	-$35.24
Estimated Cost of High Risk Pool program	$3.32
Paid to Allowed Ratio (from Exh 6C)	76.65%
Market Wide Adjustment for the Risk Adjustment Program	**-$41.64**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 5

INDEX RATE CALCULATION

Index Rate : Experience Period Allowed Claims for EHB	A	$631.80
Adjustments from Experience Period to Projection Period		
Population Risk Morbidity		
Impact of the Change in Small Group definition	$1+b_1$	1.0000
Impact of the Medicare Part B requirement	$1+b_2$	0.9934
Impact of the Health Status of the newly insured	$1+b_3$	0.9809
Impact of the ACO Experience Settlement	$1+b_4$	0.9977
Impact of Association Health Plans	$1+b_5$	1.0141
Impact of Projected ACO Savings	$1+b_6$	0.9980
Impact of the removal of the penalty for the individual mandate	$1+b_7$	1.0050
Impact of VHC Adjustments	$1+b_8$	1.0000
Changes in pool morbidity	$1+b_9$	1.0037
Other		
Impact of different benefit plans (in experience vs projection)	$1+c_1$	1.0065
Changes in provider networks	$1+c_2$	1.0000
Changes in demographics (age, gender, region, etc.)	$1+c_3$	1.0350
Impact of Leap Year	$1+c_4$	1.0027
Changes in pharmacy contract	$1+c_5$	0.9962
Impact of Selection	$1+c_6$	1.0707
Adjusted Experience Period Allowed Claims for EHB	C	$698.62
Trend Factors		
Cost Trend	$1+d_1$	1.0896
Utilization Trend	$1+d_2$	1.0564
Projected Period Allowed Claims for Experience EHB	D	$804.17
Additional Adjustments for Non System Claims		
Projected Pharmacy Rebates	e_1	-$26.46
Projected Blue Print Payments	e_2	$3.99
Projected ITS Fees	e_3	$2.76
Projected Vaccine Payments	e_4	$1.83
Projected Net cost of Reinsurance	e_5	$0.45
OneCare Care Coordination Fee	e_6	$2.10
ESI Additional Fees	e_7	$0.65
Projected Index Rate	$F = D + e_1 + e_2 + e_3 + e_4 + e_5 + e_6 + e_7$	$789.49
Market Wide Adjustments		
Risk Adjustment Payments and Fees	g_1	-$41.64
Transitional Reinsurance Payments and Recoveries	g_2	$0.00
Vermont Exchange Fees	g_3	$0.00
Remove Non-EHB Claims	g_4	-$0.07
Market Adjusted Index Rate	$H = E + g_1 + g_2 + g_3 + g_4$	**$747.78**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

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	Blue Rewards	$747.78	0.9914	76.02%	1.0000	1.0000	**$563.52**	1.0828	1.0373	1.0163	**$643.19**	883
	GOLD	Blue Rewards CDHP	$747.78	0.9894	75.62%	1.0000	1.0000	**$559.50**	1.0838	1.0373	1.0163	**$639.22**	4,811
	SILVER	Blue Rewards	$747.78	0.9563	77.92%	1.0000	1.0000	**$557.20**	1.0833	1.0373	1.0163	**$636.35**	1,523
	SILVER	Blue Rewards CDHP	$747.78	0.9645	78.67%	1.0000	1.0000	**$567.43**	1.0823	1.0372	1.0163	**$647.37**	115
	BRONZE	Blue Rewards	$747.78	0.9363	61.52%	1.0000	1.0000	**$430.75**	1.1078	1.0384	1.0163	**$503.61**	408
	BRONZE	Blue Rewards CDHP	$747.78	0.9363	61.51%	1.0000	1.0000	**$430.64**	1.1085	1.0384	1.0163	**$503.75**	1,662
STANDARD PLANS	PLATINUM	Deductible	$747.78	1.0845	90.98%	1.0000	1.0000	**$737.85**	1.0631	1.0363	1.0163	**$826.12**	8,732
	GOLD	Deductible	$747.78	1.0262	82.33%	1.0000	1.0000	**$631.81**	1.0736	1.0369	1.0163	**$714.72**	5,615
	SILVER	Deductible	$747.78	0.9698	80.65%	1.0000	1.0000	**$584.90**	1.0794	1.0371	1.0163	**$665.43**	4,634
	SILVER	CDHP	$747.78	0.9772	80.50%	1.0000	1.0000	**$588.23**	1.0790	1.0371	1.0163	**$668.93**	1,130
	BRONZE	Deductible	$747.78	0.9374	61.94%	1.0000	1.0000	**$434.18**	1.1072	1.0384	1.0163	**$507.29**	1,811
	BRONZE	CDHP	$747.78	0.9402	62.96%	1.0000	1.0000	**$442.68**	1.1051	1.0383	1.0163	**$516.19**	1,412
	BRONZE	Integrated	$747.78	0.9406	63.09%	1.0000	1.0000	**$443.78**	1.1046	1.0383	1.0163	**$517.27**	274
	Catastrophic	Blue Rewards	$747.78	0.9554	67.66%	1.0000	0.4453	**$215.24**	1.2157	1.0428	1.0163	**$277.33**	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$747.78	0.9558	67.77%	1.0000	1.0000	**$484.33**	1.0959	1.0379	1.0163	**$559.85**	655
	SILVER	Blue Rewards CDHP	$747.78	0.9639	69.90%	1.0000	1.0000	**$503.81**	1.0927	1.0377	1.0163	**$580.58**	349
	SILVER	Deductible	$747.78	0.9695	71.28%	1.0000	1.0000	**$516.78**	1.0899	1.0376	1.0163	**$593.92**	4,948
	SILVER	CDHP	$747.78	0.9771	73.00%	1.0000	1.0000	**$533.38**	1.0871	1.0375	1.0163	**$611.34**	2,429
		Total	$747.78					**$583.01**				**$663.55**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

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	Blue Rewards	76.49%	1.0602	0.9920	1.000	$615.04	0.9920	-$14.68	-$31.92	$563.52	0.9914	883
	GOLD	Blue Rewards CDHP	76.12%	1.0582	0.9902	1.000	$612.09	0.9902	-$14.68	-$31.92	$559.50	0.9894	4,811
	SILVER	Blue Rewards	68.82%	1.0254	0.9595	1.000	$629.29	0.9595	-$14.68	-$31.92	$557.20	0.9563	1,523
	SILVER	Blue Rewards CDHP	70.88%	1.0336	0.9672	1.000	$634.88	0.9672	-$14.68	-$31.92	$567.43	0.9645	115
	BRONZE	Blue Rewards	63.01%	1.0069	0.9422	1.000	$506.64	0.9422	-$14.68	-$31.92	$430.75	0.9363	408
	BRONZE	Blue Rewards CDHP	62.99%	1.0069	0.9422	1.000	$506.53	0.9422	-$14.68	-$31.92	$430.64	0.9363	1,662
STANDARD PLANS	PLATINUM	Deductible	90.40%	1.1532	1.0791	1.000	$726.94	1.0791	-$14.68	-$31.92	$737.85	1.0845	8,732
	GOLD	Deductible	82.36%	1.0947	1.0244	1.000	$662.27	1.0244	-$14.68	-$31.92	$631.81	1.0262	5,615
	SILVER	Deductible	72.08%	1.0388	0.9720	1.000	$649.69	0.9720	-$14.68	-$31.92	$584.90	0.9698	4,634
	SILVER	CDHP	73.69%	1.0461	0.9789	1.000	$648.53	0.9789	-$14.68	-$31.92	$588.23	0.9772	1,130
	BRONZE	Deductible	63.40%	1.0079	0.9432	1.000	$509.76	0.9432	-$14.68	-$31.92	$434.18	0.9374	1,811
	BRONZE	CDHP	64.35%	1.0106	0.9456	1.000	$517.41	0.9456	-$14.68	-$31.92	$442.68	0.9402	1,412
	BRONZE	Integrated	64.47%	1.0109	0.9460	1.000	$518.40	0.9460	-$14.68	-$31.92	$443.78	0.9406	274
	Catastrophic	Blue Rewards	68.72%	1.0250	0.9591	0.445	$552.54	0.9591	-$14.68	-$31.92	$483.36	0.9554	293
REFLECTIVE PLANS	SILVER	Blue Rewards	68.82%	1.0254	0.9595	1.000	$553.35	0.9595	-$14.68	-$31.92	$484.33	0.9558	655
	SILVER	Blue Rewards CDHP	70.80%	1.0333	0.9668	1.000	$569.29	0.9668	-$14.68	-$31.92	$503.81	0.9639	349
	SILVER	Deductible	72.08%	1.0388	0.9720	1.000	$579.62	0.9720	-$14.68	-$31.92	$516.78	0.9695	4,948
	SILVER	CDHP	73.69%	1.0461	0.9789	1.000	$592.51	0.9789	-$14.68	-$31.92	$533.38	0.9771	2,429
		Total		**1.0687**				**1.0000**				**0.9996**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

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	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	Blue Rewards	$804.10	76.49%	100.00%	$615.04	-$14.68	-$31.92	-$41.64	$747.78	$568.44	76.02%	883
	GOLD	Blue Rewards CDHP	$804.10	76.12%	100.00%	$612.09	-$14.68	-$31.92	-$41.64	$747.78	$565.49	75.62%	4,811
	SILVER	Blue Rewards	$804.10	68.82%	113.72%	$629.29	-$14.68	-$31.92	-$41.64	$747.78	$582.69	77.92%	1,523
	SILVER	Blue Rewards CDHP	$804.10	70.88%	111.40%	$634.88	-$14.68	-$31.92	-$41.64	$747.78	$588.28	78.67%	115
	BRONZE	Blue Rewards	$804.10	63.01%	100.00%	$506.64	-$14.68	-$31.92	-$41.64	$747.78	$460.04	61.52%	408
	BRONZE	Blue Rewards CDHP	$804.10	62.99%	100.00%	$506.53	-$14.68	-$31.92	-$41.64	$747.78	$459.93	61.51%	1,662
STANDARD PLANS	PLATINUM	Deductible	$804.10	90.40%	100.00%	$726.94	-$14.68	-$31.92	-$41.64	$747.78	$680.34	90.98%	8,732
	GOLD	Deductible	$804.10	82.36%	100.00%	$662.27	-$14.68	-$31.92	-$41.64	$747.78	$615.67	82.33%	5,615
	SILVER	Deductible	$804.10	72.08%	112.09%	$649.69	-$14.68	-$31.92	-$41.64	$747.78	$603.09	80.65%	4,634
	SILVER	CDHP	$804.10	73.69%	109.45%	$648.53	-$14.68	-$31.92	-$41.64	$747.78	$601.93	80.50%	1,130
	BRONZE	Deductible	$804.10	63.40%	100.00%	$509.76	-$14.68	-$31.92	-$41.64	$747.78	$463.16	61.94%	1,811
	BRONZE	CDHP	$804.10	64.35%	100.00%	$517.41	-$14.68	-$31.92	-$41.64	$747.78	$470.81	62.96%	1,412
	BRONZE	Integrated	$804.10	64.47%	100.00%	$518.40	-$14.68	-$31.92	-$41.64	$747.78	$471.80	63.09%	274
	Catastrophic	Blue Rewards	$804.10	68.72%	100.00%	$552.54	-$14.68	-$31.92	-$41.64	$747.78	$505.94	67.66%	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$804.10	68.82%	100.00%	$553.35	-$14.68	-$31.92	-$41.64	$747.78	$506.75	67.77%	655
	SILVER	Blue Rewards CDHP	$804.10	70.80%	100.00%	$569.29	-$14.68	-$31.92	-$41.64	$747.78	$522.69	69.90%	349
	SILVER	Deductible	$804.10	72.08%	100.00%	$579.62	-$14.68	-$31.92	-$41.64	$747.78	$533.02	71.28%	4,948
	SILVER	CDHP	$804.10	73.69%	100.00%	$592.51	-$14.68	-$31.92	-$41.64	$747.78	$545.91	73.00%	2,429
		Total	**$804.10**	**76.65%**	**101.99%**	**$628.62**	**-$14.68**	**-$31.92**	**-$41.64**	**$747.78**	**$582.03**	**77.83%**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT **Exhibit 6D**
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

PLAN LEVEL ADJUSTMENTS
IMPACT OF SPECIFIC ELIGIBILITY CAREGORIES 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	100.0%	$724.49	64.3%	$466.19
Individual Ages 30 or Less	98.0%	$376.36	59.4%	$223.46
Individual Ages over 30	2.0%	$863.02	64.6%	$557.81
Weighted Average		$386.33	59.6%	$230.31
Allowed Charges Adjustment		*0.5332*		
Paid to Allowed Ratio Adjustment			*0.9265*	
Plan Level Adjustment Calculation				
Projected Period Allowed Claims for Experience EHB		$804.10		
Paid to Allowed Ratio for EHB Portion		68.7%		
Benefit Richness Adjustment for EHB		0.9591		
Adjustment for Allowed Charges and Paid to Allowed Ratio		*0.4940*		
Projected Period Paid Claims for Experience EHB		$261.81		
Non-System Claims		-$14.68		
Market Wide Adjustments		-$31.92		
Expected Claims Cost		$215.22		
Market Adjusted Index Rate		$747.78		
Paid to Allowed Ratio		67.7%		
Benefit Richness Adjustment		0.9554		
Plan Benefits in addition to EHB		1.0000		
For Catastrophic Only - Impact of Eligibility		0.4452		
Expected Claims Cost		$215.22		
Total Adjustment for Catastrophic Plan			**0.4452**	

BLUE CROSS AND BLUE SHIELD OF VERMONT **Exhibit 7A**

2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

DETAILS OF ADMINISTRATIVE CHARGES

			BCBSVT Base Administrative Charges	Administrative Charges for Outside Vendors	Blue Rewards Program	Total Administrative Charges PMPM	Administrative Charges Plan Level Adjustment	Administrative Charges as a percent of Premium	Projected Membership
NON-STANDARD PLANS	GOLD	Blue Rewards	$46.12	$0.51	$0.00	$46.63	1.0828	7.25%	883
	GOLD	Blue Rewards CDHP	$46.12	$0.76	$0.00	$46.88	1.0838	7.33%	4,811
	SILVER	Blue Rewards	$46.12	$0.32	$0.00	$46.44	1.0833	7.30%	1,523
	SILVER	Blue Rewards CDHP	$46.12	$0.59	$0.00	$46.71	1.0823	7.21%	115
	BRONZE	Blue Rewards	$46.12	$0.33	$0.00	$46.45	1.1078	9.22%	408
	BRONZE	Blue Rewards CDHP	$46.12	$0.59	$0.00	$46.71	1.1085	9.27%	1,662
STANDARD PLANS	PLATINUM	Deductible	$46.12	$0.42	$0.00	$46.54	1.0631	5.63%	8,732
	GOLD	Deductible	$46.12	$0.35	$0.00	$46.48	1.0736	6.50%	5,615
	SILVER	Deductible	$46.12	$0.32	$0.00	$46.44	1.0794	6.98%	4,634
	SILVER	CDHP	$46.12	$0.32	$0.00	$46.44	1.0790	6.94%	1,130
	BRONZE	Deductible	$46.12	$0.41	$0.00	$46.53	1.1072	9.17%	1,811
	BRONZE	CDHP	$46.12	$0.39	$0.00	$46.51	1.1051	9.01%	1,412
	BRONZE	Integrated	$46.12	$0.32	$0.00	$46.44	1.1046	8.98%	274
	Catastrophic	Blue Rewards	$46.12	$0.32	$0.00	$46.44	1.2157	16.74%	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$46.12	$0.32	$0.00	$46.44	1.0959	8.29%	655
	SILVER	Blue Rewards CDHP	$46.12	$0.59	$0.00	$46.71	1.0927	8.04%	349
	SILVER	Deductible	$46.12	$0.32	$0.00	$46.44	1.0899	7.82%	4,948
	SILVER	CDHP	$46.12	$0.32	$0.00	$46.44	1.0871	7.60%	2,429
		Total	**$46.12**	**$0.42**	**$0.00**	**$46.54**	**1.0798**	**7.01%**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT **Exhibit 7B**

2020 VERMONT INDIVIDUAL AND 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	Blue Rewards	$9.65	$0.64	$10.29	1.0163	1.50%	0.10%	883
	GOLD	Blue Rewards CDHP	$9.59	$0.64	$10.23	1.0163	1.50%	0.10%	4,811
	SILVER	Blue Rewards	$9.55	$0.64	$10.18	1.0163	1.50%	0.10%	1,523
	SILVER	Blue Rewards CDHP	$9.71	$0.65	$10.36	1.0163	1.50%	0.10%	115
	BRONZE	Blue Rewards	$7.55	$0.50	$8.06	1.0163	1.50%	0.10%	408
	BRONZE	Blue Rewards CDHP	$7.56	$0.50	$8.06	1.0163	1.50%	0.10%	1,662
STANDARD PLANS	PLATINUM	Deductible	$12.39	$0.83	$13.22	1.0163	1.50%	0.10%	8,732
	GOLD	Deductible	$10.72	$0.71	$11.44	1.0163	1.50%	0.10%	5,615
	SILVER	Deductible	$9.98	$0.67	$10.65	1.0163	1.50%	0.10%	4,634
	SILVER	CDHP	$10.03	$0.67	$10.70	1.0163	1.50%	0.10%	1,130
	BRONZE	Deductible	$7.61	$0.51	$8.12	1.0163	1.50%	0.10%	1,811
	BRONZE	CDHP	$7.74	$0.52	$8.26	1.0163	1.50%	0.10%	1,412
	BRONZE	Integrated	$7.76	$0.52	$8.28	1.0163	1.50%	0.10%	274
	Catastrophic	Blue Rewards	$4.16	$0.28	$4.44	1.0163	1.50%	0.10%	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$8.40	$0.56	$8.96	1.0163	1.50%	0.10%	655
	SILVER	Blue Rewards CDHP	$8.71	$0.58	$9.29	1.0163	1.50%	0.10%	349
	SILVER	Deductible	$8.91	$0.59	$9.50	1.0163	1.50%	0.10%	4,948
	SILVER	CDHP	$9.17	$0.61	$9.78	1.0163	1.50%	0.10%	2,429
		Total	$9.95	$0.66	$10.62	1.0163	1.50%	0.10%	41,684

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 7C

DETAILS OF TAXES AND FEES

			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	Blue Rewards	$4.90	$1.22	$2.30	$0.00	$14.15	$0.17	$22.74	1.0373	3.54%	883
	GOLD	Blue Rewards CDHP	$4.87	$1.21	$2.30	$0.00	$14.06	$0.17	$22.61	1.0373	3.54%	4,811
	SILVER	Blue Rewards	$4.85	$1.21	$2.30	$0.00	$14.00	$0.17	$22.53	1.0373	3.54%	1,523
	SILVER	Blue Rewards CDHP	$4.93	$1.23	$2.30	$0.00	$14.24	$0.17	$22.87	1.0372	3.53%	115
	BRONZE	Blue Rewards	$3.84	$0.96	$2.30	$0.00	$11.08	$0.17	$18.34	1.0384	3.64%	408
	BRONZE	Blue Rewards CDHP	$3.84	$0.96	$2.30	$0.00	$11.08	$0.17	$18.35	1.0384	3.64%	1,662
STANDARD PLANS	PLATINUM	Deductible	$6.30	$1.57	$2.30	$0.00	$18.18	$0.17	$28.51	1.0363	3.45%	8,732
	GOLD	Deductible	$5.45	$1.36	$2.30	$0.00	$15.73	$0.17	$25.00	1.0369	3.50%	5,615
	SILVER	Deductible	$5.07	$1.26	$2.30	$0.00	$14.64	$0.17	$23.45	1.0371	3.52%	4,634
	SILVER	CDHP	$5.10	$1.27	$2.30	$0.00	$14.72	$0.17	$23.56	1.0371	3.52%	1,130
	BRONZE	Deductible	$3.87	$0.96	$2.30	$0.00	$11.16	$0.17	$18.46	1.0384	3.64%	1,811
	BRONZE	CDHP	$3.94	$0.98	$2.30	$0.00	$11.36	$0.17	$18.74	1.0383	3.63%	1,412
	BRONZE	Integrated	$3.95	$0.98	$2.30	$0.00	$11.38	$0.17	$18.78	1.0383	3.63%	274
	Catastrophic	Blue Rewards	$2.12	$0.53	$2.30	$0.00	$6.10	$0.17	$11.21	1.0428	4.04%	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$4.27	$1.06	$2.30	$0.00	$12.32	$0.17	$20.12	1.0379	3.59%	655
	SILVER	Blue Rewards CDHP	$4.43	$1.10	$2.30	$0.00	$12.77	$0.17	$20.77	1.0377	3.58%	349
	SILVER	Deductible	$4.53	$1.13	$2.30	$0.00	$13.07	$0.17	$21.19	1.0376	3.57%	4,948
	SILVER	CDHP	$4.66	$1.16	$2.30	$0.00	$13.45	$0.17	$21.74	1.0375	3.56%	2,429
		Total	**$5.06**	**$1.26**	**$2.30**	**$0.00**	**$14.60**	**$0.17**	**$23.38**	**1.0371**	**3.52%**	**41,684**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 8

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	Blue Rewards	$597.19	-$31.92	$3.60	$568.87	$643.19	-$17.84	$625.35	91.0%	883
	GOLD	Blue Rewards CDHP	$593.13	-$31.92	$3.61	$564.82	$639.22	-$17.74	$621.48	90.9%	4,811
	SILVER	Blue Rewards	$590.81	-$31.92	$3.58	$562.48	$636.35	-$17.68	$618.67	90.9%	1,523
	SILVER	Blue Rewards CDHP	$601.12	-$31.92	$3.60	$572.81	$647.37	-$17.94	$629.43	91.0%	115
	BRONZE	Blue Rewards	$463.34	-$31.92	$3.58	$435.00	$503.61	-$14.50	$489.10	88.9%	408
	BRONZE	Blue Rewards CDHP	$463.22	-$31.92	$3.60	$434.91	$503.75	-$14.51	$489.24	88.9%	1,662
STANDARD PLANS	PLATINUM	Deductible	$772.92	-$31.92	$3.59	$744.59	$826.12	-$22.21	$803.91	92.6%	8,732
	GOLD	Deductible	$666.02	-$31.92	$3.58	$637.69	$714.72	-$19.55	$695.17	91.7%	5,615
	SILVER	Deductible	$618.73	-$31.92	$3.58	$590.40	$665.43	-$18.37	$647.06	91.2%	4,634
	SILVER	CDHP	$622.09	-$31.92	$3.58	$593.75	$668.93	-$18.45	$650.47	91.3%	1,130
	BRONZE	Deductible	$466.80	-$31.92	$3.59	$438.47	$507.29	-$14.59	$492.70	89.0%	1,811
	BRONZE	CDHP	$475.36	-$31.92	$3.59	$447.03	$516.19	-$14.80	$501.39	89.2%	1,412
	BRONZE	Integrated	$476.47	-$31.92	$3.58	$448.14	$517.27	-$14.83	$502.44	89.2%	274
	Catastrophic	Blue Rewards	$246.06	-$31.92	$3.58	$217.72	$277.33	-$9.10	$268.23	81.2%	293
REFLECTIVE PLANS	SILVER	Blue Rewards	$517.35	-$31.92	$3.58	$489.02	$559.85	-$15.85	$544.00	89.9%	655
	SILVER	Blue Rewards CDHP	$536.99	-$31.92	$3.60	$508.68	$580.58	-$16.34	$564.23	90.2%	349
	SILVER	Deductible	$550.07	-$31.92	$3.58	$521.73	$593.92	-$16.66	$577.26	90.4%	4,948
	SILVER	CDHP	$566.80	-$31.92	$3.58	$538.46	$611.34	-$17.08	$594.26	90.6%	2,429
		Total	**$616.83**	**-$31.92**	**$3.59**	**$588.50**	**$663.55**	**-$18.33**	**$645.22**	**91.2%**	**41,684**

*Approximately 7.71% of current BCBSVT Administrative Charges are for health care quality plus the Blue Rewards PMPM

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 9A

CONTRACT CONVERSION FACTOR

								Preliminary Rates				Inforce Contracts			
			Inforce 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	Blue Rewards	927	$643.19	1.6349	1.4646	1.1163	$717.99	$1,435.98	$1,385.72	$2,017.55	413	100	19	70
	GOLD	Blue Rewards CDHP	5,179	$639.22	1.6349	1.4646	1.1163	$713.56	$1,427.12	$1,377.17	$2,005.10	1,390	520	152	593
	SILVER	Blue Rewards	1,527	$636.35	1.6349	1.4646	1.1163	$710.36	$1,420.72	$1,370.99	$1,996.11	818	251	35	37
	SILVER	Blue Rewards CDHP	115	$647.37	1.6349	1.4646	1.1163	$722.66	$1,445.32	$1,394.73	$2,030.67	73	15	2	2
	BRONZE	Blue Rewards	433	$503.61	1.6349	1.4646	1.1163	$562.18	$1,124.36	$1,085.01	$1,579.73	221	33	16	30
	BRONZE	Blue Rewards CDHP	1,783	$503.75	1.6349	1.4646	1.1163	$562.34	$1,124.68	$1,085.32	$1,580.18	748	160	37	160
STANDARD PLANS	PLATINUM	Deductible	9,049	$826.12	1.6349	1.4646	1.1163	$922.20	$1,844.40	$1,779.85	$2,591.38	2,985	1,065	271	822
	GOLD	Deductible	5,976	$714.72	1.6349	1.4646	1.1163	$797.84	$1,595.68	$1,539.83	$2,241.93	2,291	631	143	516
	SILVER	Deductible	4,651	$665.43	1.6349	1.4646	1.1163	$742.82	$1,485.64	$1,433.64	$2,087.32	2,376	718	96	179
	SILVER	CDHP	1,137	$668.93	1.6349	1.4646	1.1163	$746.73	$1,493.46	$1,441.19	$2,098.31	517	171	20	63
	BRONZE	Deductible	1,929	$507.29	1.6349	1.4646	1.1163	$566.29	$1,132.58	$1,092.94	$1,591.27	941	198	41	134
	BRONZE	CDHP	1,518	$516.19	1.6349	1.4646	1.1163	$576.22	$1,152.44	$1,112.10	$1,619.18	612	134	32	146
	BRONZE	Integrated	287	$517.27	1.6349	1.4646	1.1163	$577.43	$1,154.86	$1,114.44	$1,622.58	140	24	9	19
	Catastrophic	Blue Rewards	293	$277.33	1.0281	1.0236	1.0043	$278.52	$557.04	$537.54	$782.64	279	4	1	1
REFLECTIVE PLANS	SILVER	Blue Rewards	708	$559.85	1.6349	1.4646	1.1163	$624.96	$1,249.92	$1,206.17	$1,756.14	332	49	17	58
	SILVER	Blue Rewards CDHP	373	$580.58	1.6349	1.4646	1.1163	$648.10	$1,296.20	$1,250.83	$1,821.16	131	20	9	47
	SILVER	Deductible	5,396	$593.92	1.6349	1.4646	1.1163	$662.99	$1,325.98	$1,279.57	$1,863.00	2,290	507	134	448
	SILVER	CDHP	2,658	$611.34	1.6349	1.4646	1.1163	$682.44	$1,364.88	$1,317.11	$1,917.66	861	249	71	284
		Total	43,939	$662.42							$661.67				

Additional Factor for Contract Conversion Factor	100.11%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

CONSUMER ADJUSTED PREMIUM RATES

					2020 Proposed Rates				2019 Approved Rates				2020 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	Blue Rewards	$643.19	1.1176	$718.83	$1,437.66	$1,387.34	$2,019.91	$657.64	$1,315.28	$1,269.25	$1,847.97	9.3%	9.3%	9.3%	9.3%
	GOLD	Blue Rewards CDHP	$639.22	1.1176	$714.39	$1,428.78	$1,378.77	$2,007.44	$625.62	$1,251.24	$1,207.45	$1,757.99	14.2%	14.2%	14.2%	14.2%
	SILVER	Blue Rewards	$636.35	1.1176	$711.18	$1,422.36	$1,372.58	$1,998.42	$651.71	$1,303.42	$1,257.80	$1,831.31	9.1%	9.1%	9.1%	9.1%
	SILVER	Blue Rewards CDHP	$647.37	1.1176	$723.50	$1,447.00	$1,396.36	$2,033.04	$639.80	$1,279.60	$1,234.81	$1,797.84	13.1%	13.1%	13.1%	13.1%
	BRONZE	Blue Rewards	$503.61	1.1176	$562.83	$1,125.66	$1,086.26	$1,581.55	$499.40	$998.80	$963.84	$1,403.31	12.7%	12.7%	12.7%	12.7%
	BRONZE	Blue Rewards CDHP	$503.75	1.1176	$562.99	$1,125.98	$1,086.57	$1,582.00	$504.10	$1,008.20	$972.91	$1,416.52	11.7%	11.7%	11.7%	11.7%
STANDARD PLANS	PLATINUM	Deductible	$826.12	1.1176	$923.27	$1,846.54	$1,781.91	$2,594.39	$786.86	$1,573.72	$1,518.64	$2,211.08	17.3%	17.3%	17.3%	17.3%
	GOLD	Deductible	$714.72	1.1176	$798.77	$1,597.54	$1,541.63	$2,244.54	$674.23	$1,348.46	$1,301.26	$1,894.59	18.5%	18.5%	18.5%	18.5%
	SILVER	Deductible	$665.43	1.1176	$743.68	$1,487.36	$1,435.30	$2,089.74	$645.34	$1,290.68	$1,245.51	$1,813.41	15.2%	15.2%	15.2%	15.2%
	SILVER	CDHP	$668.93	1.1176	$747.60	$1,495.20	$1,442.87	$2,100.76	$650.23	$1,300.46	$1,254.94	$1,827.15	15.0%	15.0%	15.0%	15.0%
	BRONZE	Deductible	$507.29	1.1176	$566.95	$1,133.90	$1,094.21	$1,593.13	$496.39	$992.78	$958.03	$1,394.86	14.2%	14.2%	14.2%	14.2%
	BRONZE	CDHP	$516.19	1.1176	$576.89	$1,153.78	$1,113.40	$1,621.06	$507.44	$1,014.88	$979.36	$1,425.91	13.7%	13.7%	13.7%	13.7%
	BRONZE	Integrated	$517.27	1.1176	$578.10	$1,156.20	$1,115.73	$1,624.46	$512.57	$1,025.14	$989.26	$1,440.32	12.8%	12.8%	12.8%	12.8%
	Catastrophic	Blue Rewards	$277.33	1.0054	$278.83	$557.66	$538.14	$783.51	$244.60	$489.20	$472.08	$687.33	14.0%	14.0%	14.0%	14.0%
REFLECTIVE PLANS	SILVER	Blue Rewards	$559.85	1.1176	$625.69	$1,251.38	$1,207.58	$1,758.19	$568.63	$1,137.26	$1,097.46	$1,597.85	10.0%	10.0%	10.0%	10.0%
	SILVER	Blue Rewards CDHP	$580.58	1.1176	$648.86	$1,297.72	$1,252.30	$1,823.30	$566.47	$1,132.94	$1,093.29	$1,591.78	14.5%	14.5%	14.5%	14.5%
	SILVER	Deductible	$593.92	1.1176	$663.76	$1,327.52	$1,281.06	$1,865.17	$570.96	$1,141.92	$1,101.95	$1,604.40	16.3%	16.3%	16.3%	16.3%
	SILVER	CDHP	$611.34	1.1176	$683.23	$1,366.46	$1,318.63	$1,919.88	$585.80	$1,171.60	$1,130.59	$1,646.10	16.6%	16.6%	16.6%	16.6%
		Total						**$349,280,176**				**$302,145,995**				**15.6%**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND 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	Blue Rewards	413	100	19	70	395	97	18	65
	GOLD	Blue Rewards CDHP	1,390	520	152	593	1,307	487	140	546
	SILVER	Blue Rewards	818	251	35	37	818	251	35	37
	SILVER	Blue Rewards CDHP	73	15	2	2	74	15	2	2
	BRONZE	Blue Rewards	221	33	16	30	210	31	14	28
	BRONZE	Blue Rewards CDHP	748	160	37	160	703	150	33	148
STANDARD PLANS	PLATINUM	Deductible	2,985	1,065	271	822	2,894	1,030	260	791
	GOLD	Deductible	2,291	631	143	516	2,157	599	133	482
	SILVER	Deductible	2,376	718	96	179	2,369	716	96	178
	SILVER	CDHP	517	171	20	63	514	170	20	62
	BRONZE	Deductible	941	198	41	134	888	187	38	124
	BRONZE	CDHP	612	134	32	146	571	126	29	135
	BRONZE	Integrated	140	24	9	19	136	23	8	18
	Catastrophic	Blue Rewards	279	4	1	1	280	4	1	1
REFLECTIVE PLANS	SILVER	Blue Rewards	332	49	17	58	308	46	17	53
	SILVER	Blue Rewards CDHP	131	20	9	47	123	19	9	43
	SILVER	Deductible	2,290	507	134	448	2,097	467	126	411
	SILVER	CDHP	861	249	71	284	790	229	67	258
		Total				**26,981**				**25,706**

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Introduction

On March 19, 2019, CMS released the final methodology on the Actuarial Value and the final Actuarial Value Calculator (AVC) for 2020. CMS made few changes in the 2020 AVC. Most notably, they trended the underlying claims to calendar year 2020.

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 the Blue Rewards (Non-Standard) plans are:

- The AVC does not support the Rx OOPM Limit as dictated by Act 171.
- 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.

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 2015 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 2015 claims, trended to 2020 using the following trends[1]:

Years	Medical Claims	Pharmacy Claims
2015 to 2018	3.25%	11.5%
2018 to 2019	5.4%	11.5%
2019 to 2020	6.1%	9.8%

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 attached 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 FR 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. For the two Blue Rewards Gold plans described below, we utilized the wider range of acceptable AV. 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 Blue Rewards Bronze plans described below, we utilized the expanded bronze AV range as the CDHP plan meets the HDHP requirement and the Copayment plan has 3 primary care or mental health visits prior to the deductible.

The Final 2020 Notice of Benefits and Payment Parameters (NBPP) was published on April 25, 2019. In the final regulation, the annual out-of-pocket maximum is $8,150..

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 2019 is $1,350. Based on preliminary

[1] BCBSVT used the same trends that CMS used in the 2020 Final AV Calculator (see page 4 of https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2020-AV-Calculator-Methodology.pdf)

estimates, this limit would increase to $1,400. In the event that the finalized limit is different from $1,400, we will update this certification.

Actuarial Opinion

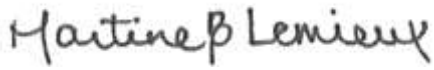
The purpose of this calculation is to comply with the requirements of 45 CFR 156.135(b)(3). The Actuarial Values were determined based on the plans' benefits and coverage data, the standard population, utilization and continuance tables published by HHS for purposes of valuation of Actuarial Value. These calculations are not intended to be used for other purposes.

I am 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 2020.

The adjustments for plan design features unable to be determined directly through application of the AV calculator 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.
Associate Actuary
Blue Cross and Blue Shield of Vermont

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Blue Rewards CDHP Plans

Plan : Blue Rewards (Non-Standard) CDHP Plan - Gold			
Items supported by the AV Calculator	Deductible	$3,250	
	Coinsurance	0%	
	OOPM	$3,250	
AVC Output for items supported by the AVC		(a)	76.0%
BCBSVT Model Output for items supported by the AVC		(b)	79.2%
BCBSVT Model Output for complete benefit design		(c)	80.1%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**76.8%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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 ($)			$3,250.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$3,250.00			
MOOP if Separate ($)						

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: Blue Rewards Gold CDHP
Plan HIOS ID: 13627VT0390001 and 13627VT0370001
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value: 75.97%
Metal Tier:

Additional Notes:

Calculation Time: 0.0781 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP Plan - Silver			
Items supported by the AV Calculator	Deductible	$4,425	
	Coinsurance	0%	
	OOPM	$4,425	
AVC Output for items supported by the AVC		(a)	70.7%
BCBSVT Model Output for items supported by the AVC		(b)	74.9%
BCBSVT Model Output for complete benefit design		(c)	76.3%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**72.0%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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

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 ($)			$4,425.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$4,425.00			
MOOP if Separate ($)						

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: Blue Rewards Silver CDHP
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	70.68%
Metal Tier:	Silver
Additional Notes:	
Calculation Time:	0.0703 seconds

Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP 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)	72.9%
BCBSVT Model Output for items supported by the AVC		(b)	76.9%
BCBSVT Model Output for complete benefit design		(c)	78.0%
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.

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

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 ($)			$3,850.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$3,850.00			
MOOP if Separate ($)						

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: Blue Rewards Silver CDHP - 73%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value: 72.92%
Metal Tier: Silver

Additional Notes:

Calculation Time: 0.0664 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP 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)	77.2%
BCBSVT Model Output for items supported by the AVC		(b)	80.6%
BCBSVT Model Output for complete benefit design		(c)	81.3%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**77.8%**

Items not supported by the AV Calculator for this plan are the Pharmacy OOPM and Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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	Medical	Drug	Combined
Deductible ($)			$2,900.00
Coinsurance (%, Insurer's Cost Share)			100.00%
MOOP ($)			$2,900.00
MOOP if Separate ($)			

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)	☑	☑			☑	☑			☐	☐
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: Blue Rewards Silver CDHP - 77%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value: 77.19%
Metal Tier:

Additional Notes:

Calculation Time: 0.0703 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP Plan – Silver 87% CSR			
Items supported by the AV Calculator	Deductible	$1,300	
	Coinsurance	0%	
	OOPM	$1,300	
AVC Output for items supported by the AVC		(a)	87.3%
BCBSVT Model Output for items supported by the AVC		(b)	88.9%
BCBSVT Model Output for complete benefit design		(c)	89.1%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**87.4%**

Items not supported by the AV Calculator for this plan are Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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

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 ($)			$1,300.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$1,300.00			
MOOP if Separate ($)						

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: Blue Rewards Silver CDHP - 87%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value: 87.31%
Metal Tier: Gold

Additional Notes:

Calculation Time: 0.0586 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP 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)	94.0%
BCBSVT Model Output for items supported by the AVC		(b)	94.4%
BCBSVT Model Output for complete benefit design		(c)	94.5%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**94.1%**

Items not supported by the AV Calculator for this plan are Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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

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 ($)			$550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$550.00			
MOOP if Separate ($)						

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: Blue Rewards Silver CDHP - 94%
Plan HIOS ID: 13627VT0390002 and 13627VT0370002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value: 94.04%
Metal Tier: Platinum

Additional Notes:

Calculation Time: 0.0625 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP Plan - Bronze			
Items supported by the AV Calculator	Deductible	$6,750	
	Coinsurance	0%	
	OOPM	$6,750	
AVC Output for items supported by the AVC		(a)	62.5%
BCBSVT Model Output for items supported by the AVC		(b)	68.3%
BCBSVT Model Output for complete benefit design		(c)	69.1%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**63.2%**

Items not supported by the AV Calculator for this plan are the Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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

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 ($)			$6,750.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$6,750.00			
MOOP if Separate ($)						

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	☑	☑			☑	☑			☐	☐
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: Blue Rewards Bronze CDHP
Plan HIOS ID: 13627VT0390003 and 13627VT0370003
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Expanded Bronze Standard (56% to 65%), Calculation Successful.
Actuarial Value: 62.45%
Metal Tier: Bronze

Additional Notes:

Calculation Time: 0.0664 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan : Blue Rewards (Non-Standard) CDHP Plan - Silver Reflective			
Items supported by the AV Calculator	Deductible	$4,450	
	Coinsurance	0%	
	OOPM	$4,450	
AVC Output for items supported by the AVC		(a)	70.6%
BCBSVT Model Output for items supported by the AVC		(b)	74.8%
BCBSVT Model Output for complete benefit design		(c)	76.2%
Adjustment to the AVC	Estimated AVC value	(d)=(c)/(b)*(a)	**71.9%**

Items not supported by the AV Calculator for this plan are the Wellness (Safe Harbor) pharmaceuticals not subject to the deductible.

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	Medical	Drug	Combined
Deductible ($)			$4,450.00
Coinsurance (%, Insurer's Cost Share)			100.00%
MOOP ($)			$4,450.00
MOOP if Separate ($)			

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: Blue Rewards Silver CDHP Reflective
Plan HIOS ID: 13627VT0390004 and 13627VT0370004
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Calculation Successful.
Actuarial Value: 70.59%
Metal Tier: Silver

Additional Notes:

Calculation Time: 0.0625 seconds
Final 2020 AV Calculator

Blue Rewards Copayment 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

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
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Blue Rewards (Non-Standard) Copayment 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)	75.9%
BCBSVT Model Output for items supported by the AVC		(b)	82.0%
BCBSVT Model Output for complete benefit design		(c)	83.2%
Estimated AVC value		(d)=(c)/(b)*(a)	**77.0%**

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

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 ($)			$1,550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$5,150.00			
MOOP if Separate ($)						

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: Blue Rewards Gold
Plan HIOS ID: 13627VT0380001 and 13627VT0360001
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value: 75.93%
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: 0.082 seconds

Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Blue Rewards (Non-Standard) Copayment 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)	67.3%
BCBSVT Model Output for items supported by the AVC		(b)	73.8%
BCBSVT Model Output for complete benefit design		(c)	76.0%
Estimated AVC value		(d)=(c)/(b)*(a)	**69.3%**

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

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	☑			$45.00	☑	☑			☑	☐
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: Blue Rewards Silver
Plan HIOS ID: 13627VT0380002 and 13627VT0360002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	67.31%
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:	0.0781 seconds

Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Blue Rewards (Non-Standard) Copayment 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)	72.1%
BCBSVT Model Output for items supported by the AVC		(b)	77.9%
BCBSVT Model Output for complete benefit design		(c)	79.4%
Estimated AVC value		(d)=(c)/(b)*(a)	**73.4%**

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	☑	☐		$45.00	☑	☑			☑	☐
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: Blue Rewards Silver - 73%
Plan HIOS ID: 13627VT0380002 and 13627VT0360002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value: 72.05%
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: 0.0938 seconds

Final 2020 AV Calculator

Plan: Blue Rewards (Non-Standard) Copayment Plan – Silver CSR 77%		
	Deductible	$1,000

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Items supported by the AV Calculator	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)	77.0%
BCBSVT Model Output for items supported by the AVC		(b)	82.7%
BCBSVT Model Output for complete benefit design		(c)	83.7%
Estimated AVC value		(d)=(c)/(b)*(a)	**77.9%**

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

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 ($)			$1,000.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$5,200.00			
MOOP if Separate ($)						

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	☒	☐		$45.00	☑	☑			☒	☐
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: Blue Rewards Silver - 77%
Plan HIOS ID: 13627VT0380002 and 13627VT0360002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value: 77.01%
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: 0.0898 seconds

Final 2020 AV Calculator

Plan: Blue Rewards (Non-Standard) Copayment Plan - Silver CSR 87%		
	Deductible	$200

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Items supported by the AV Calculator	Coinsurance	0%	
	OOPM	$2,000	
	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)	87.8%
BCBSVT Model Output for items supported by the AVC		(b)	91.6%
BCBSVT Model Output for complete benefit design		(c)	91.7%
Estimated AVC value		(d)=(c)/(b)*(a)	**87.9%**

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 ($)			$200.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$2,000.00			
MOOP if Separate ($)						

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	☑	☐		$45.00	☑	☑			☑	☐
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: Blue Rewards Silver - 87%
Plan HIOS ID: 13627VT0380002 and 13627VT0360002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.82%
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:	0.082 seconds

Final 2020 AV Calculator

Plan: Blue Rewards (Non-Standard) Copayment Plan – Silver CSR 94%

The inclusion of Mental Health office visits in the three PCP or Mental Health Office visits at no cost share before the deductible benefit and copays on Urgent Care, Emergency Medical Transportation, DME services and Home Health Care are not supported by the AVC for this

plan. The difference between the AVC benefit of three PCP visits at no cost share before the deductible and the BCBSVT benefit of three PCP or MHSA visits at no cost share is immaterial[2] and the addition of copays on Urgent Care, Emergency Medical Transportation, DME services and Home Health Care is also immaterial; therefore we are using the AVC directly for this plan.

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 [illegible]

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: Blue Rewards Silver - 94%
Plan HIOS ID: 13627VT0380002 and 13627VT0360002
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value: 93.89%
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: 0.0625 seconds
Final 2020 AV Calculator

[2] The AV calculator produces an AV of 93.95% for a plan with identical inputs other than MHSA cost sharing which is set to no cost sharing, therefore the waiving of cost sharing on up to three MHSA visits for those not having 3 or more PCP visits is not expected to have any material impact.

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Plan: Blue Rewards (Non-Standard) Copayment Plan - Bronze			
Items supported by the AV Calculator	Deductible	$7,900	
	Coinsurance	0%	
	OOPM	$7,900	
	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)	62.4%
BCBSVT Model Output for items supported by the AVC		(b)	67.5%
BCBSVT Model Output for complete benefit design		(c)	67.8%
Estimated AVC value		(d)=(c)/(b)*(a)	**62.7%**

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

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 ($)			$7,900.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$7,900.00			
MOOP if Separate ($)						

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):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	☐
# Copays (1-10):	

Plan Description:

Name: Blue Rewards Bronze
Plan HIOS ID: 13627VT0380003 and 13627VT0360003
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages: Expanded Bronze Standard (56% to 65%), Calculation Successful.
Actuarial Value: 62.38%
Metal Tier: Bronze

Additional Notes:

Calculation Time: 0.0703 seconds
Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
METAL ACTUARIAL VALUES CERTIFICATION

Plan: Blue Rewards (Non-Standard) Copayment 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)	67.3%
BCBSVT Model Output for items supported by the AVC		(b)	73.8%
BCBSVT Model Output for complete benefit design		(c)	76.0%
Estimated AVC value		(d)=(c)/(b)*(a)	**69.3%**

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

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	☑	☐		$45.00	☑	☑			☑	☐
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: Blue Rewards Silver Reflective
Plan HIOS ID: 13627VT0380004 and 13627VT0360004
Issuer HIOS ID: 13627

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	67.31%
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:	0.0859 seconds

Final 2020 AV Calculator

BLUE CROSS AND BLUE SHIELD OF VERMONT
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Appendix – Complete Benefit Designs

	Gold	Silver	Silver Reflective	Bronze
Deductible/OOP Max	**Copayment**	**Copayment**	**Copayment**	**Copayment**
Medical Deductible	$1,550	$3,000	$3,000	$7,900
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$5,150	$8,150	$8,150	$7,900
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 $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I
Drug Deductible waived for:	N/A	N/A	N/A	N/A
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	$45	$45	$0
Physical Therapy Visit	$30	$45	$45	$0
Specialist Office Visit	$40	$50	$50	$0
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
Rx Generic	$5	$5	$5	$0
Rx Preferred Brand	40%	40%	40%	0%
Rx Non-Preferred Brand	60%	60%	60%	0%
Estimated 2020 AVC Value	77.0%	69.3%	69.3%	62.7%

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	73% AV	77% AV	87% AV	94% AV
Deductible/OOP Max	**Copayment**	**Copayment**	**Copayment**	**Copayment**
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	$2,000	$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 $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family	Aggregate, 2x Family
Medical Deductible waived for:	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I	Preventive Care, 3 PCP/MH Office Visits, Pediatric Dental Class I
Drug Deductible waived for:	N/A	N/A	N/A	N/A
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	$45	$45	$45	$20
Physical Therapy Visit	$45	$45	$45	$20
Specialist Office Visit	$50	$50	$50	$35
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
Rx Generic	$5	$5	$5	$5
Rx Preferred Brand	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%
Estimated 2020 AVC Value	73.4%	77.9%	87.9%	93.9%

BLUE CROSS AND BLUE SHIELD OF VERMONT
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS
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	Gold	Silver	Silver Reflective	Bronze
Deductible/OOP Max	**CDHP**	**CDHP**	**CDHP**	**CDHP**
Medical Deductible	$3,250	$4,425	$4,450	$6,750
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$3,250	$4,425	$4,450	$6,750
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 $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150	Aggregate, 2x Family, Embedded Individual OOPM of $8,150
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%
Rx Generic	$5	$15	$15	$25
Rx Preferred Brand	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%
Estimated 2020 AVC Value	76.8%	72.0%	71.9%	63.2%

BLUE CROSS AND BLUE SHIELD OF VERMONT
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	73% AV	77% AV	87% AV	94% AV
Deductible/OOP Max	**CDHP**	**CDHP**	**CDHP – Not HSAQ**	**CDHP - Not HSAQ**
Medical Deductible	$3,850	$2,900	$1,300	$550
Rx Deductible	Combined	Combined	Combined	Combined
Integrated Deductible	Yes	Yes	Yes	Yes
Medical OOPM	$3,850	$2,900	$1,300	$550
Rx OOPM	$1,400	$1,400	$1,300	$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%
Rx Generic	$15	$15	$15	$15
Rx Preferred Brand	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%
Estimated 2020AVC Value	74.0%	77.8%	87.4%	94.1%

BlueCross BlueShield of Vermont
An Independent Licensee of the Blue Cross and Blue Shield Association.

MEMORANDUM

To: Paul Schultz, Chief Actuary

From: Ruth Greene, VP and CFO
Don George, President and CEO

Date: May 10, 2019

Subject: Contribution to Policyholder Reserves for 2020 Vermont Individual and Small Group filing

Upon consideration of the points documented in this memorandum, we are directing you to file a contribution to policyholder reserves (CTR) of 1.5 percent for the 2020 Vermont Individual and Small Group rate filing.

BCBSVT CTR Philosophy

BCBSVT holds 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 and growth environment allows us to manage short-term fluctuations in order to maintain surplus levels that are within our established, modest target range.

Should BCBSVT's surplus level fall outside our target range, we would adjust our filed CTR accordingly. That is, in the event that surplus exceeds our targeted range, we would reduce our filed CTR from the long-term rate, all else being equal. Similarly, we would need to file a CTR that exceeds the long-term rate should surplus fall 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 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.

BCBSVT also chooses to file consistent CTR across product lines. Many insurers file higher CTR for products with more inherent risk. For instance, the dynamic regulatory environment means that the individual and small group market is considered to be riskier

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than many other market segments. However, BCBSVT considers it to be more equitable to all Vermonters to use the same CTR target across filings.

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 to sustain policyholder reserves for BCBSVT. While any rate filing is by definition 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, a need for higher margins in rates in order to avoid further deterioration, and a reduced ability to attract or retain business or to handle 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, as well as the health care reform environment in Vermont.

BCBSVT must remain financially strong 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.

Tax Cuts and Jobs Act

The Tax Cuts and Jobs Act enacted in late 2017 is anticipated to have two specific impacts on BCBSVT's financials. First, as of the 2018 tax year the BCBSVT legal entity is no longer subject to federal income taxes (note that BCBSVT subsidiaries continue to be taxable). The savings resulting from the elimination of BCBSVT's annual federal tax obligation have been passed on directly to our customers in premium rates through the reduction of our long-term CTR to 1.5 percent from its historical level of 2.0 percent.

The second expected impact results from the repeal of the corporate alternative minimum tax (AMT) in the new law. As a low to moderately capitalized Blue Plan, BCBSVT has been subject to federal income taxes at an AMT rate since 1987. AMT credits accumulated by BCBSVT since 1987 have become refundable under the law, and the total AMT credit balance is scheduled to be paid to BCBSVT over a four year period from 2019 through 2022, based on filed federal tax returns for years 2018 through 2021. Assuming that the credits are refunded to BCBSVT in accordance with the provisions set out in the Tax Cuts and Jobs Act, these funds will also be used for the direct benefit of our customers as they are received from the IRS.

Department of Financial Regulation Risk Based Capital Order

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 year-end RBC ratio of 495 percent is well below the minimum of the range ordered by the Commissioner.

Risk Based Capital Plan

BCBSVT's plan to move within the ordered RBC range by the end of 2020 involves the use of AMT refunds and approval of filed rates. A demonstration of the plan's impact on RBC follows[1]:

RBC position as of December 31, 2018	**495%**
$17.9 million AMT Refund expected during 2019	+78%
Projected impact of 2019 operating results	-11%
Projected impact of 2019 investment results	+17%
Expected RBC position as of December 31, 2019	**579%**
$8.7 million AMT Refund expected during 2020	+36%
Projected RBC impact of priced 2020 VISG results	-4%
Projected RBC impact of VISG allocation of 2020 investment results	+9%
Expected RBC position as of December 31, 2020	**620%**

For this demonstration, we assume that 2020 operating and investment results for lines of business other than VISG will not materially impact RBC. If VISG rates are approved as requested and experience matches approved filing assumptions, BCBSVT will be marginally within the target RBC range by the end of 2020.

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 (as in the schedule demonstrated above) and very modestly decreasing RBC when approaching the high end of the target range.

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[1] Sums may not appear to add due to rounding.

[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.

In the absence of AMT credits, it would be necessary to file a CTR of 7 percent in order to reach the very bottom of the target range by the end of 2020.

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 significant loss of QHP membership from 2017 to 2018, and a small loss of membership from 2018 to 2019. Our competitor in this market enjoys a pricing advantage that is expected to persist into 2020. While we will continue to strive to maintain or grow our market share of the single risk pool, 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 RBC is below the target range.

Conclusion

In consideration of all the above, we direct you to file a 1.5 percent CTR for the 2020 Vermont Individual and Small Group rate filing.

May 9, 2019

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 2020 STANDARD PLAN DESIGNS

Dear Dana:

This memo replaces an earlier version provided on March 14, 2019 to accommodate changes to the Maximum Out of Pocket (MOOP) between the draft and final regulations and the minimum deductible required for High Deductible Health Plans (HDHPs). Additionally, minor changes were made to the language in the memo to reflect the release of the final Actuarial Value Calculator (AVC). At the time of the original memo, only the draft version was available. No changes were required to the plan designs to accommodate the final AVC.

The final Notice of Benefit and Payment Parameters (NBPP)[1] for the 2020 plan year was released on April 18, 2019. The NBPP finalized a single annual limit, or MOOP of $8,150, reduced from the proposed limit in the draft NBPP of $8,200. Therefore, changes were required to both the Silver and Bronze HDHPs and the Bronze Deductible Plan (with drug limit) in order to meet this requirement. The NBPP also finalized a MOOP for the 73% Cost sharing reduction (CSR) plans of $6,500, reduced from the proposed limit in the draft NBPP of $6,550. Therefore changes were also required to the 73% CSR Silver Deductible plan.

The Internal Revenue Code for 2020 per § 223(c)(2)(A), has not yet been released. However, it is estimated that the individual minimum deductible for HDHPs will increase $50 to $1,400[2] from the 2019 minimum at $1,350. Vermont's statute (H.559 Sec. 32. 8 V.S.A. § 4089) on prescription drug deductibles and MOOPs, is tied to the same minimum deductible for HDHPs. This statute is described in more detail below. The prior memo did not incorporate any changes to the HDHP plans as the data to estimate the limits had not yet been released. We have updated the Silver and Bronze HDHPs to have a pharmacy deductible and pharmacy MOOP equal to the anticipated IRS minimum of $1,400 in order to maintain status as an HDHP. Similar changes were made to

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[1] https://www.federalregister.gov/documents/2019/04/25/2019-08017/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2020

[2] https://thefinancebuff.com/hsa-contribution-limits.html

the CSR designs tied to the silver HDHP at the 73% and 77% AV levels. The deductible plans were not updated since they do not need to comply with the IRS limits and they continue to comply with the Vermont statute. The prescription drug deductibles for the deductible plans may be updated for 2021 to be consistent with the HDHPs.

As these changes are required to meet federal guidance, they do not require formal approval from the Green Mountain Care Board (GMCB). However, it is our understanding that a summary of the changes will be provided to GMCB for their information.

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 2019, 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 2019 standard plan designs are all continuing in 2020.

For each of the Silver standard plan designs, the cost sharing reduction plan designs are also standard. 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 2020 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 2020 standard plan designs as well as the process for developing the corresponding actuarial values. The actuarial certification is provided in Appendix A.

A list of the changes from the 2019 standard plan designs is in Appendix B. At a high level the changes for each base standard plan are:

- Platinum – the primary care and mental health/substance abuse office visit copays, specialist office visit copays, urgent care copays, generic pharmacy copays, and ambulance copays were all increased and the physical therapy and chiropractic services copays were decreased

- Gold – the medical deductible, medical Maximum Out of Pocket (MOOP), primary care and mental health/substance abuse office visit copays, specialist office visit copays, urgent care copays and ambulance copays were increased
- Silver Deductible – the medical deductible, pharmacy deductible, combined medical/pharmacy MOOP, inpatient/outpatient/radiology coinsurance, primary care and mental health/substance abuse office visit copays, specialist office visit copays, urgent care copays, and chiropractic services copays were all increased and the physical therapy copays were decreased
- Bronze Deductible with Pharmacy Limit – the medical deductible, pharmacy deductible, combined medical/pharmacy MOOP and chiropractic services copays were all increased and the physical therapy copays were decreased
- Bronze Deductible without Pharmacy Limit – the combined medical/pharmacy deductible and combined medical/pharmacy MOOP, and chiropractic services copays were increased and the physical therapy copays were decreased
- Silver HDHP – the medical deductible, combined medical/pharmacy MOOP 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 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, two of the three Bronze plans qualify for the expanded range.

The Center for Consumer Information and Insurance Oversight (CCIIO) has released the Final 2020 Actuarial Value Calculator[3] that issuers must use to determine the AV of a plan. 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 2020. The 2019 minimum deductible and MOOP were $1,350 and $6,750, 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. Based on information released to date, it is anticipated that the federal HDHP minimum deductible for 2020 will increase from $1,350 to $1,400. Therefore, both the Silver and Bronze HDHPs and associated CSR plan designs have been updated to meet this requirement.

CSR Loading

As of 2019, 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 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 2020. However, there is no guarantee that CSR silver loading will continue in 2021.

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

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

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 (Bill S.1), relating to copayment limits for chiropractic care and physical therapy, was signed into law June 25, 2018. Act No. 7 requires that the copay for chiropractic services for Silver and Bronze metal level plans be no more than the copay applicable to services provided by a primary care provider (PCP) in 2019. For 2020, Act No. 7 requires the copay for chiropractic services for Silver and Bronze metal level plans to be between 125% and 150% of the PCP copay. The Federal actuarial value calculator does not account for all service categories and chiropractic services is one of those that is not explicitly included in the calculator. As noted in the "Actuarial Value Considerations" section below, CCIIO has stated and regulations dictate that modifications should be made only for substantial differences. We have not previously made adjustments to the results of the AVC to reflect chiropractic services cost sharing and do not feel that this regulation would warrant a change to that methodology. Therefore, no adjustments have been made to the actuarial value calculations and certification included in this memo for chiropractic services.

Act No. 7 also requires that the copay for physical therapy services for Silver and Bronze metal level plans to be between 125% and 150% of the PCP copay starting in 2020 (there was no change to physical therapy services in 2019). The AVC does account for physical therapy services. Prior to 2019 and 2020, chiropractic and physical therapy services, respectively, were subject to the same copay as specialist office visits. The changes to the copays for chiropractic and physical therapy services are reflected in the plan designs to follow.

Actuarial Value Considerations

A summary of Vermont's standard plan designs is in Appendix E. Four 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; and

- ASOP No. 50 Determining Minimum Value and Actuarial Value under the Affordable Care Act.

Both Silver plans and two of the 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. 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[4]. 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 due to the new regulation in 2016, if the family MOOP is more than the single limit of $8,150, the MOOP must either be stacked or there must be an embedded individual MOOP of $8,150. Wakely had previously 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 (expected to be $1,400 and $2,800 for individual and family coverage in 2020, though these amounts are not yet final). 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 2020) is met, but the amount may be met with either medical or prescription drug claims. This means that

[4] 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.

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, 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, it is recommended that the appropriateness of this adjustment is analyzed for the 2021 plan designs.

- If a plan covers pediatric dental, starting in 2015 there can be no cost sharing for Class I (basic) pediatric oral health essential health benefits. Appendix F contains a list of the dental procedure codes that are classified as Class I and have no cost sharing. Pediatric dental is not explicitly reflected in the federal AVC. It is included as part of the "other" benefits which are assumed to have average cost sharing for the plan. The reduction in cost sharing for the Class I benefits will result in a higher AV than what is modeled in the AVC, particularly for the higher deductible plans. For 2019 and prior, Wakely made sure that any AV's developed were at least 0.5% below the high end of the de minimis range in order to account for the lower cost sharing. For 2020, Wakely removed the 0.5% adjustment. The issuers each reviewed the appropriateness of the adjustment and had no

issues with eliminating the adjustment. Therefore, no adjustment was made for the lower cost sharing of this benefit in 2020.

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. The table below shows the acceptable range for each standard plan design after accounting for this cushion where an explicit adjustment was not made.

	Plan	Adjusted Acceptable Range
Deductible Plans	Platinum	86.0%-92.0%
	Gold	76.0%-82.0%
	Silver	66.0%-72.0%
	Bronze (with drug limit)	56.0%-62.0%
	Bronze (without drug limit)	56.0%-65.0%
HDHPs	Silver - Embedded MOOP	66.0%-71.5%
	Bronze - Embedded MOOP	56.0%-64.5%
Cost Sharing Reduction Plan Designs - Deductible Plans	250-300% FPL (73% AV)	72.0%-74.0%
	200-250% FPL (77% AV)	76.0%-78.0%
	150-200% FPL (87% AV)	86.0%-88.0%
	133-150% FPL (94% AV)	93.0%-95.0%
Cost Sharing Reduction Plan Designs - HDHPs	250-300% FPL (73% AV)	72.0%-73.5%
	200-250% FPL (77% AV)	76.0%-77.5%
	150-200% FPL (87% AV)	86.0%-87.5%
	133-150% FPL (94% AV)	93.0%-94.5%

The table in Appendix G 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 and this model was developed several months prior to the draft 2014 AVC being released. While there are similarities in the data used (for example, both models include all members regardless of duration), there are also differences.

If a plan does have 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 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, in mid-2012 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. For the 2020 Plan Designs, this model was updated with more recent Vermont-specific ACA data.

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.

Options	Costs that Accumulate			Deductible / MOOP Type
	Deductible	Maximum Out-of-Pocket (MOOP)		
		Medical	Rx	
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 $8,150.

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[5] 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.

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.

[5] 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.

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

Appendix H 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.

Disclosures and Limitations

Responsible Actuary. Julie Peper and Brittney Phillips 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 is a Member of the American Academy of Actuaries and an Associate 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.

- Final 2020 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.

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

1. The federal HDHP minimum deductible and Maximum Out of Pocket (MOOP) limits are not yet released for 2020. The 2020 minimum deductible and MOOP are estimated to be $1,400 and $6,900, respectively. The plan designs presented are compliant with the estimated 2020 HDHP limits and may need to change once the final 2020 HDHP limits are released, should they differ.

2. 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
Consulting Actuary

Appendix A

Actuarial Certification
State of Vermont
Actuarial Value of Standard Plan Designs
Effective January 1, 2020

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, 2020 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:

1. The final 2020 federal Actuarial Value Calculator was used to determine the AV for the plan provisions that fit within the calculator parameters;
2. 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;
3. The actuarial values have been developed in accordance with generally accepted actuarial principles and practices; and
4. 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, 2020 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
May 9, 2019

Appendix B – Summary of Plan Design Changes from 2019 Designs

	Deductible Plans	
Plan	**Platinum**	**Gold**
Changes	Increase PCP and MH/SA office visit copays from $10 to $15	Increase medical deductible from $850 to $900
	Increase specialist office visit copay from $30 to $40	Increase Medical MOOP from $4,700 to $5,000
	Decrease PT/chiro copays from $30 to $20	Increase PCP and MH/SA office visit copays from $15 to $20
	Increase urgent care copays from $40 to $50	Increase specialist office visit copay from $30 to $50
	Increase Rx Generic copays from $5 to $10	Increase urgent care copay from $40 to $60
	Increase ambulance copays from $50 to $60	Increase ambulance copay from $50 to $70

	Deductible Plans	
Plan	**Silver**	**Bronze w/ Rx Limit**
Changes	Increase medical deductible from $2,800 to $3,200	Increase medical deductible from $5,500 to $6,000
	Increase Rx deductible from $300 to $350	Increase Rx deductible from $900 to $1000
	Increase combined medical/Rx OOPM from $7,500 to $7,900	Increase combined medical/Rx OOPM from $7,900 to $8,150
	Increase IP/OP/Radiology coinsurance from 40% to 50%	Change PT/chiro copays from $90 and $35, respectively, to $50
	Increase PCP and MH/SA office visit copays from $30 to $35	
	Increase specialist office visit copay from $75 to $80	
	Change PT/chiro copays from $75 and $30, respectively, to $50	
	Increase urgent care copay from $85 to $90	

	Deductible Plans
Plan	**Bronze w/o Rx Limit**
Changes	Increase medical deductible from $7,600 to $7,900
	Increase combined medical/Rx OOPM from $7,600 to $7,900
	Change PT/chiro copays from $100 and $40, respectively, to $60

	HDHPs	
Plan	**Silver - Embedded MOOP**	**Bronze - Embedded MOOP**
Changes	Increase medical deductible from $1,550 to $1,700	Increase medical deductible from $5,250 to $5,500
	Increase Rx deductible and OOPM from $1,350 to $1,400	Increase Rx deductible and OOPM from $1,350 to $1,400
	Increase combined medical/Rx OOPM from $6,650 to $6,750	Increase combined medical/Rx OOPM from $6,650 to $6,750
	Increase embedded single OOPM from $7,900 to $8,150	Increase embedded single OOPM from $7,900 to $8,150

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

	2020 Plan Designs - Silver Deductible Plans		2020 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	$3,200	$3,200	$1,700	$1,700
Rx Ded	$350	$350	$1,400	$1,400
Integrated Ded	No	No	Yes	Yes
Medical MOOP	$7,900	$7,900	$6,750	$6,750
Rx MOOP	$1,350	$1,350	$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 $8,150 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $8,150 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%
Chiropractic	$45	$45	30%	30%
Physical Therapy	$45	$45	30%	30%
Specialist Office Visit	$80	$80	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				
2020 Federal AVC, Adjusted if Necessary	71.8%	71.8%	70.9%	70.9%

Appendix D – Comments Relative to Applicable ASOPs

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

1. ASOP No. 23, Data Quality;
2. ASOP No. 25, Credibility Procedures;
3. ASOP No. 41, Actuarial Communications; and
4. ASOP No. 50 Determining Minimum Value and Actuarial Value under the Affordable Care Act.

ASOP 23: Data Quality

3.1 Overview – VHCURES data was used as the basis for the HDHP model and 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

	2020 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	$350	$900	$3,200	$6,000	$7,900
Rx Ded	$0	$100	$350	$1,000	N/A
Integrated Ded	No	No	No	No	Yes
Medical MOOP	$1,350	$5,000	$7,900	$8,150	$7,900
Rx MOOP	$1,350	$1,350	$1,350	$1,350	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	Applies to all 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	$10	$15	$20	$25
Rx Preferred Brand	$50	$50	$60	$85	0%
Rx Non-Preferred Brand	50%	50%	50%	60%	0%
Rx Specialty	50%	50%	50%	60%	0%
Actuarial Value					
2020 Federal AVC, Adjusted if Necessary	90.1%	81.9%	71.8%	62.0%	64.0%

Deductible Plan Designs – Cost Sharing Reduction Plans

	2020 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	$3,200	$3,100	$2,300	$900	$200
Rx Ded	$350	$350	$250	$150	$0
Integrated Ded	No	No	No	No	No
Medical MOOP	$7,900	$6,500	$5,000	$1,900	$900
Rx MOOP	$1,350	$1,200	$1,000	$400	$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	$45	$35	$15	$7
Physical Therapy	$45	$45	$35	$15	$7
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					
2020 Federal AVC, Adjusted if Necessary	71.8%	74.0%	77.9%	88.0%	95.0%

HDHP Plan Designs

	2020 Plan Designs - HDHP Plans	
Deductible/OOP Max	**Silver**	**Bronze**
Type of Plan	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	$1,700	$5,500
Rx Ded	$1,400	$1,400
Integrated Ded	Yes	Yes
Medical MOOP	$6,750	$6,750
Rx MOOP	$1,400	$1,400
Integrated MOOP	Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $8,150 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $8,150 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		
2020 Federal AVC, Adjusted if Necessary	70.9%	61.4%

HDHP Plan Designs – Cost Sharing Reduction Plans

	2020 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	Deductible (NOT HSAQ)	Deductible (NOT HSAQ)
Medical Ded	$1,700	$1,700	$1,450	$1,250	$550
Rx Ded	$1,400	$1,400	$1,400	N/A	N/A
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical MOOP	$6,750	$5,000	$3,400	$1,250	$550
Rx MOOP	$1,400	$1,400	$1,400	N/A	N/A
Integrated MOOP	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Yes	Yes
Family Deductible / OOP	Aggregate with Combined Medical/Rx embedded $8,150 Single OOPM; 2x Individual	Aggregate with Combined Medical/Rx embedded $8,150 Single OOPM; 2x Individual	Aggregate, 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					
2020 Federal AVC, Adjusted if Necessary	70.9%	73.4%	77.3%	87.2%	94.0%

Appendix F – Class I Pediatric Dental Codes

These procedures are diagnostic and preventive in nature. Under the definition of what is essential they may have limits. The services and limits are described in the Department of Vermont Health Access, Dental Procedure/Fee Schedule (Effective for services provided on or after 11/01/2013)

D0120 Periodic Oral Evaluation
D0140 Limited Oral Evaluation – Problem Focused
D0145 Oral Evaluation for a patient under three years of age and counseling with primary caregiver
D0150 Comprehensive Oral Evaluation
D0170 Re-evaluation – Limited, Problem Focused
D0210 Intraoral Radiographs– Complete Series (including bitewings)
D0220 Intraoral Radiographs – Periapical – First Film
D0230 Intraoral Radiographs– Periapical – Each Additional Film
D0240 Intraoral – Occlusal Film
D0250 Extraoral – First Film
D0260 Extraoral – Each Additional Film
D0270 Bitewing – Single Film
D0272 Bitewings – 2 Films
D0273 Bitewings – 3 Films
D0274 Bitewings – 4 Films
D0330 Panoramic Film
D0340 Cephalometric Film
D0350 Oral/Facial Photographic Images
D0364 Cone Beam CT Capture and Interpretation with Limited Field of View - Less Than One Whole Jaw
D0365 Cone Beam CT Capture and Interpretation with Limited Field of View of One Full Dental Arch - Mandible
D0366 Cone Beam CT Capture and Interpretation with Limited Field of View of One Full Dental Arch - Maxilla, with or without Cranium
D0367 Cone Beam CT Capture and Interpretation with Limited Field of View of Both Jaws, With or Without Cranium
D0368 Cone Beam CT Capture and Interpretation for TMJ Series Including Two or More Exposures
D0391 Interpretation of Diagnostic Image by a Practitioner Not Associated with Capture of the Image, Including the Report
D0470 Diagnostic Models
D1120 Prophylaxis – Child
D1208 Topical Application of Fluoride
D1330 Oral Hygiene Instructions
D1351 Sealant – Per Tooth
D1351 U9 Sealant – Per Tooth-Deciduous second molars and bicuspids*
D1352 Preventive resin restoration in a moderate to high caries risk patient -permanent tooth
D1510 Space Maintainer - Fixed – Unilateral
D1515 Space Maintainer – Fixed – Bilateral
D1525 Space Maintainer – Removable – Bilateral
D1550 Recementation of Space Maintainer

Appendix G – Summary of Adjustments Considered and Final Adjusted AVs

Adjustments Considered	Aggregate Ded	Aggregate MOOP, Embedded $8,150	Stacked MOOP	Drug Regulation	Preventive Drugs	AV from AVC	Final Adjusted AV
Silver HDHP – Embedded $8,150 Individual MOOP	Yes	Yes	No	Yes	Yes	73.1%	70.9%
Bronze HDHP– Embedded $8,150 Individual MOOP	Yes	Yes	No	Yes	Yes	62.9%	61.4%
Silver Deductible	No	No	No	Yes	No	70.7%	71.8%
Bronze Deductible (with pharmacy limit)	No	No	Yes	Yes	No	61.1%	62.0%
Silver HDHP - Embedded $8,150 Individual MOOP CSR – 73%	Yes	Yes	No	Yes	Yes	75.6%	73.4%
Silver HDHP CSR – 77%	Yes	Yes	No	Yes	Yes	79.4%	77.3%
Silver HDHP CSR – 87%	Yes	Yes	No	No	Yes	87.7%	87.2%
Silver HDHP CSR – 94%	Yes	Yes	No	No	Yes	94.0%	94.0%
Silver Deductible CSR – 73%	No	No	Yes	Yes	No	73.1%	74.0%
Silver Deductible CSR – 77%	No	No	Yes	Yes	No	77.3%	77.9%
Silver Deductible CSR – 87%	No	No	Yes	Yes	No	87.8%	88.0%
Silver Deductible CSR – 94%	No	No	Yes	Yes	No	94.8%	95.0%

Appendix H – 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 = 73.1%

Adjusted AV = 70.9%

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 ($)			$1,700.00			
Coinsurance (%, Insurer's Cost Share)			70.00%			
MOOP ($)			$6,750.00			
MOOP if Separate ($)						

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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: 2020 Silver HDHP Plan

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	73.10%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1133 seconds

Draft 2020 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	1,700	1,700
Family Deductible	3,400	3,400
Individual Out-of-Pocket	6,750	6,750
Family Out-of-Pocket	13,500	13,500
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	8,150	

	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	$407.84	$97.79	$505.64
Plan PMPM	$297.24	$72.38	$369.61
Actuarial Value	72.9%	74.0%	73.10%

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	1,700	1,400
Family Deductible	3,400	2,800
Individual Out-of-Pocket	6,750	1,400
Family Out-of-Pocket	13,500	2,800
Coinsurance (50% or Less)	27%	28%
Individual Embedded Moop:	8,150	

	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	$407.84	$97.79	$505.64
Plan PMPM	$281.58	$76.88	$358.46
Actuarial Value	69.0%	78.6%	70.89%

2. Bronze HDHP – Embedded MOOP

AV from AVC = 62.9%

Adjusted AV = 61.5%

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	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 ($)			$5,500.00			
Coinsurance (%, Insurer's Cost Share)			50.00%			
MOOP ($)			$6,750.00			
MOOP if Separate ($)						

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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)	☑	☑			☐	☐			☐	☐
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: 2020 Bronze HDHP Plan

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Error: Result is outside of [-4, +2] percent de minimis variation.
Actuarial Value:	62.90%
Metal Tier:	
Additional Notes:	
Calculation Time:	0.1328 seconds

Draft 2020 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	5,500	5,500
Family Deductible	11,000	11,000
Individual Out-of-Pocket	6,750	6,750
Family Out-of-Pocket	13,500	13,500
Coinsurance (50% or Less)	48%	46%
Individual Embedded Moop:	8,150	

	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	$448.95	$107.65	$556.60
Plan PMPM	$278.91	$71.20	$350.11
Actuarial Value	62.1%	66.1%	62.90%

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	5,500	1,400
Family Deductible	11,000	2,800
Individual Out-of-Pocket	6,750	1,400
Family Out-of-Pocket	13,500	2,800
Coinsurance (50% or Less)	48%	46%
Individual Embedded Moop:	8,150	

	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	$448.95	$107.65	$556.60
Plan PMPM	$262.98	$78.90	$341.87
Actuarial Value	58.6%	73.3%	61.42%

3. Silver Deductible

AV from AVC = 70.7%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 65.22%/64.26% = 1.01 x .707 = 71.8%

Adjusted AV = 71.8%

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: 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 ($)	$3,200.00	$350.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$7,900.00					
MOOP if Separate ($)						

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	☑	☐		$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: 2020 Silver Deductible Plan
Plan HIOS ID:
Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	70.74%
Metal Tier:	Silver
	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Additional Notes:	
Calculation Time:	0.1211 seconds

Draft 2020 AV Calculator

3. 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	3,200	350
Family Deductible	6,400	700
Individual Out-of-Pocket	7,900	7,900
Family Out-of-Pocket	15,800	15,800
Coinsurance (50% or Less)	43%	33%
Individual Embedded Moop:	8,200	

	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	$402.30	$96.46	$498.76
Plan PMPM	$246.58	$73.94	$320.52
Actuarial Value	61.3%	76.6%	64.26%

3. 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	3,200	350
Family Deductible	6,400	700
Individual Out-of-Pocket	7,900	1,350
Family Out-of-Pocket	15,800	2,700
Coinsurance (50% or Less)	43%	33%
Individual Embedded Moop:	8,200	

	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	$402.30	$96.46	$498.76
Plan PMPM	$243.88	$81.41	$325.29
Actuarial Value	60.6%	84.4%	65.22%

4. Bronze Deductible (with drug limit)

AV from AVC = 61.06%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 61.73%/60.80% = 1.016 x .6106 = 61.99%

Adjusted AV = 61.9%

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		
	Medical	Drug	Combined
Deductible ($)	$6,000.00	$1,000.00	
Coinsurance (%, Insurer's Cost Share)	50.00%	40.00%	
MOOP ($)	$8,150.00		
MOOP if Separate ($)			

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)	☑	☐		$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	☑	☐		$20.00	☐	☐			☑	☐
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: 2020 Bronze Deductible Plan - with Rx Limit - revised

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Calculation Successful.
Actuarial Value:	61.06%
Metal Tier:	Bronze
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1211 seconds

Final 2020 AV Calculator

4. 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	6,000	1,000
Family Deductible	12,000	2,000
Individual Out-of-Pocket	8,150	8,150
Family Out-of-Pocket	16,300	16,300
Coinsurance (50% or Less)	47%	43%
Individual Embedded Moop:	8,150	

	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	$448.95	$107.65	$556.60
Plan PMPM	$260.19	$78.22	$338.41
Actuarial Value	58.0%	72.7%	60.80%

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	6,000	1,000
Family Deductible	12,000	2,000
Individual Out-of-Pocket	8,150	1,350
Family Out-of-Pocket	16,300	2,700
Coinsurance (50% or Less)	47%	43%
Individual Embedded Moop:	8,150	

	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	$448.95	$107.65	$556.60
Plan PMPM	$255.98	$87.64	$343.62
Actuarial Value	57.0%	81.4%	61.73%

5. Silver HDHP – Embedded MOOP CSR – 73%

AV from AVC = 75.6%

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 ($)			$1,700.00			
Coinsurance (%, Insurer's Cost Share)			75.00%			
MOOP ($)			$5,000.00			
MOOP if Separate ($)						

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: 2020 HDHP Plan CSR Variations - 250-300% FPL (73% AV)

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	75.61%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.2227 seconds

Draft 2020 AV Calculator

5. 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	1,700	1,700
Family Deductible	3,400	3,400
Individual Out-of-Pocket	5,000	5,000
Family Out-of-Pocket	10,000	10,000
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	8,150	

	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	$419.39	$100.56	$519.95
Plan PMPM	$317.30	$75.91	$393.21
Actuarial Value	75.7%	75.5%	75.62%

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	1,700	1,400
Family Deductible	3,400	2,800
Individual Out-of-Pocket	5,000	1,400
Family Out-of-Pocket	10,000	2,800
Coinsurance (50% or Less)	23%	28%
Individual Embedded Moop:	8,150	

	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	$419.39	$100.56	$519.95
Plan PMPM	$302.22	$79.38	$381.60
Actuarial Value	72.1%	78.9%	73.39%

6. Silver HDHP – Embedded MOOP CSR – 77%

AV from AVC = 79.4%

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 ($)			$1,450.00			
Coinsurance (%, Insurer's Cost Share)			75.00%			
MOOP ($)			$3,400.00			
MOOP if Separate ($)						

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: 2020 HDHP Plan CSR Variations - 200-250% FPL (77% AV)

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	79.45%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1562 seconds

Draft 2020 AV Calculator

6. 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	1,450	1,450
Family Deductible	2,900	2,900
Individual Out-of-Pocket	3,400	3,400
Family Out-of-Pocket	6,800	6,800
Coinsurance (50% or Less)	23%	26%
Individual Embedded Moop:	8,150	

	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	$434.86	$104.27	$539.13
Plan PMPM	$345.48	$82.86	$428.34
Actuarial Value	79.4%	79.5%	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	1,450	1,400
Family Deductible	2,900	2,800
Individual Out-of-Pocket	3,400	1,400
Family Out-of-Pocket	6,800	2,800
Coinsurance (50% or Less)	23%	26%
Individual Embedded Moop:	8,150	

	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	$434.86	$104.27	$539.13
Plan PMPM	$333.32	$83.51	$416.83
Actuarial Value	76.6%	80.1%	77.31%

7. **Silver HDHP – Embedded MOOP CSR – 87%**

AV from AVC = 87.7%

Adjusted AV = 87.2%

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			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible ($)			$1,250.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$1,250.00			
MOOP if Separate ($)						

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: 2020 HDHP Plan CSR Variations - 150-200% FPL (87% AV)

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.68%
Metal Tier:	Gold
Additional Notes:	
Calculation Time:	0.1328 seconds

Draft 2020 AV Calculator

7. 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	1,250	1,250
Family Deductible	2,500	2,500
Individual Out-of-Pocket	1,250	1,250
Family Out-of-Pocket	2,500	2,500
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,200	

	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	$424.01	$101.67	$525.68
Plan PMPM	$371.08	$89.79	$460.88
Actuarial Value	87.5%	88.3%	87.67%

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	1,250	1,250
Family Deductible	2,500	2,500
Individual Out-of-Pocket	1,250	1,250
Family Out-of-Pocket	2,500	2,500
Coinsurance (50% or Less)	0%	0%
Individual Embedded Moop:	8,200	

	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	$424.01	$101.67	$525.68
Plan PMPM	$368.88	$89.31	$458.19
Actuarial Value	87.0%	87.8%	87.16%

8. Silver HDHP – Embedded MOOP CSR – 94%

AV from AVC = 94.0%

Adjusted AV = 94.0%

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	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 ($)			$550.00			
Coinsurance (%, Insurer's Cost Share)			100.00%			
MOOP ($)			$550.00			
MOOP if Separate ($)						

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: 2020 HDHP Plan CSR Variations - 133-150% FPL (94% AV)

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value:	94.04%
Metal Tier:	Platinum
Additional Notes:	
Calculation Time:	0.1016 seconds

Draft 2020 AV Calculator

8. 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:	7,900	

	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	$437.87	$104.99	$542.86
Plan PMPM	$411.84	$98.72	$510.56
Actuarial Value	94.1%	94.0%	94.05%

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:	7,900	

	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	$437.87	$104.99	$542.86
Plan PMPM	$411.75	$98.64	$510.39
Actuarial Value	94.0%	94.0%	94.02%

9. **Silver Deductible CSR – 73%**

AV from AVC = 73.09%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 67.84%/67.05% = 1.011 x 73.09% = 73.95%

Adjusted AV = 73.9%

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	$350.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$6,500.00					
MOOP if Separate ($)						

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	☐	☐		$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	☐	☐		$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:

2020 Deductible Plan CSR Variations - 250-300% FPL - revised (73% AV) -

Name: OPTION 2

Plan HIOS ID:

Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	CSR Level of 73% (200-250% FPL), Calculation Successful.
Actuarial Value:	73.09%
Metal Tier:	Silver
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1641 seconds

Final 2020 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	6,500	6,500
Family Out-of-Pocket	13,000	13,000
Coinsurance (50% or Less)	42%	32%
Individual Embedded Moop:	8,150	

	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	$419.39	$100.56	$519.95
Plan PMPM	$269.64	$78.97	$348.61
Actuarial Value	64.3%	78.5%	67.05%

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	6,500	1,200
Family Out-of-Pocket	13,000	2,400
Coinsurance (50% or Less)	42%	32%
Individual Embedded Moop:	8,150	

	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	$419.39	$100.56	$519.95
Plan PMPM	$266.78	$85.95	$352.74
Actuarial Value	63.6%	85.5%	67.84%

10. Silver Deductible CSR – 77%

AV from AVC = 77.3%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 72.86%/72.33% = 1.007 x .773 = 77.9%

Adjusted AV = 77.9%

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 ($)	$2,300.00	$250.00				
Coinsurance (%, Insurer's Cost Share)	50.00%	50.00%				
MOOP ($)	$5,000.00					
MOOP if Separate ($)						

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	☐	☐		$35.00	☐	☐			☐	☐
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:	2020 Deductible Plan CSR Variations - 200-250% FPL (77% AV)
Plan HIOS ID:	
Issuer HIOS ID:	

Output

Calculate

Status/Error Messages:	Error: Result is outside of +/- 1 percent de minimis variation for CSRs.
Actuarial Value:	77.32%
Metal Tier:	
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.1172 seconds

Draft 2020 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	2,300	250
Family Deductible	4,600	500
Individual Out-of-Pocket	5,000	5,000
Family Out-of-Pocket	10,000	10,000
Coinsurance (50% or Less)	41%	30%
Individual Embedded Moop:	8,200	

	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	$434.86	$104.27	$539.13
Plan PMPM	$304.21	$85.74	$389.95
Actuarial Value	70.0%	82.2%	72.33%

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	2,300	250
Family Deductible	4,600	500
Individual Out-of-Pocket	5,000	1,000
Family Out-of-Pocket	10,000	2,000
Coinsurance (50% or Less)	41%	30%
Individual Embedded Moop:	8,200	

	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	$434.86	$104.27	$539.13
Plan PMPM	$301.52	$91.32	$392.84
Actuarial Value	69.3%	87.6%	72.86%

11. Silver Deductible CSR – 87%

AV from AVC = 87.8%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 85.25%/85.06% = 1.002 x .878= 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	
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 ($)	$900.00	$150.00				
Coinsurance (%, Insurer's Cost Share)	60.00%	50.00%				
MOOP ($)	$1,900.00					
MOOP if Separate ($)						

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	☑	☐		$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	☐	☐		$15.00	☐	☐			☐	☐
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: 2020 Deductible Plan CSR Variations - 150-200% FPL (87% AV)
Plan HIOS ID:
Issuer HIOS ID:

Output

Calculate

Status/Error Messages:	CSR Level of 87% (150-200% FPL), Calculation Successful.
Actuarial Value:	87.76%
Metal Tier:	Gold
Additional Notes:	NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time:	0.0898 seconds

Draft 2020 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	900	150
Family Deductible	1,800	300
Individual Out-of-Pocket	1,900	1,900
Family Out-of-Pocket	3,800	3,800
Coinsurance (50% or Less)	32%	28%
Individual Embedded Moop:	8,200	

	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	$424.01	$101.67	$525.68
Plan PMPM	$356.48	$90.67	$447.15
Actuarial Value	84.1%	89.2%	85.06%

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	900	150
Family Deductible	1,800	300
Individual Out-of-Pocket	1,900	400
Family Out-of-Pocket	3,800	800
Coinsurance (50% or Less)	32%	28%
Individual Embedded Moop:	8,200	

	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	$424.01	$101.67	$525.68
Plan PMPM	$354.19	$93.95	$448.14
Actuarial Value	83.5%	92.4%	85.25%

12. Silver Deductible CSR – 94%

AV from AVC = 94.8%

Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments = 94.79%/94.66% = 1.001 x .946 = 95.0%

Adjusted AV = 95.0%

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: 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		
	Medical	Drug	Combined
Deductible ($)	$200.00	$0.00	
Coinsurance (%, Insurer's Cost Share)	90.00%	70.00%	
MOOP ($)	$900.00		
MOOP if Separate ($)			

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	☑	☐		$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	☐	☐		$7.00	☐	☐			☐	☐
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:

Name: 2020 Deductible Plan CSR Variations - 133-150% FPL (94% AV)
Plan HIOS ID:
Issuer HIOS ID:

Output

Calculate

Status/Error Messages: CSR Level of 94% (100-150% FPL), Calculation Successful.
Actuarial Value: 94.84%
Metal Tier: Platinum
Additional Notes: NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.
Calculation Time: 0.0938 seconds

Draft 2020 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)	9%	14%
Individual Embedded Moop:	8,200	

	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	$437.87	$104.99	$542.86
Plan PMPM	$413.68	$100.18	$513.87
Actuarial Value	94.5%	95.4%	94.66%

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)	9%	14%
Individual Embedded Moop:	8,200	

	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	$437.87	$104.99	$542.86
Plan PMPM	$412.84	$101.73	$514.56
Actuarial Value	94.3%	96.9%	94.79%

2020 Rates Table Template v9.0

*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
Federal TIN*	03-0277307
Rate Effective Date*	1/1/2020
Rate Expiration Date*	12/31/2020
Rating Method*	Family-Tier Rates

			Family Tier						
Plan ID* Required: Enter the 14-character Plan ID	**Rating Area ID*** Required: Select the Rating Area ID	**Individual Rate*** Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan	**Couple*** Required: Enter the rate of a couple based on the pairing of a primary enrollee and a secondary subscriber (e.g. husband and spouse)	**Primary Subscriber and One Dependent*** Required: Enter the rate of a family based on a single parent with one dependent	**Primary Subscriber and Two Dependents*** Required: Enter the rate of a family based on a single parent with two dependents	**Primary Subscriber and Three or More Dependents*** Required: Enter the rate of a family based on a single parent with three or more dependents	**Couple and One Dependent*** Required: Enter the rate of a family based on a couple with one dependent	**Couple and Two Dependents*** Required: Enter the rate of a family based on a couple with two dependents	**Couple and Three or More Dependents*** Required: Enter the rate of a family based on a couple with three or more dependents
13627VT0320001	Rating Area 1	923.27	1846.54	1781.91	1781.91	1781.91	2594.39	2594.39	2594.39
13627VT0320002	Rating Area 1	798.77	1597.54	1541.63	1541.63	1541.63	2244.54	2244.54	2244.54
13627VT0320003	Rating Area 1	743.68	1487.36	1435.30	1435.30	1435.30	2089.74	2089.74	2089.74
13627VT0320006	Rating Area 1	663.76	1327.52	1281.06	1281.06	1281.06	1865.17	1865.17	1865.17
13627VT0320004	Rating Area 1	566.95	1133.90	1094.21	1094.21	1094.21	1593.13	1593.13	1593.13
13627VT0320005	Rating Area 1	578.10	1156.20	1115.73	1115.73	1115.73	1624.46	1624.46	1624.46
13627VT0330001	Rating Area 1	747.60	1495.20	1442.87	1442.87	1442.87	2100.76	2100.76	2100.76
13627VT0330003	Rating Area 1	683.23	1366.46	1318.63	1318.63	1318.63	1919.88	1919.88	1919.88
13627VT0330002	Rating Area 1	576.89	1153.78	1113.40	1113.40	1113.40	1621.06	1621.06	1621.06
13627VT0340001	Rating Area 1	278.83	557.66	538.14	538.14	538.14	783.51	783.51	783.51
13627VT0340002	Rating Area 1	923.27	1846.54	1781.91	1781.91	1781.91	2594.39	2594.39	2594.39
13627VT0340003	Rating Area 1	798.77	1597.54	1541.63	1541.63	1541.63	2244.54	2244.54	2244.54
13627VT0340004	Rating Area 1	743.68	1487.36	1435.30	1435.30	1435.30	2089.74	2089.74	2089.74
13627VT0340007	Rating Area 1	663.76	1327.52	1281.06	1281.06	1281.06	1865.17	1865.17	1865.17
13627VT0340005	Rating Area 1	566.95	1133.90	1094.21	1094.21	1094.21	1593.13	1593.13	1593.13
13627VT0340006	Rating Area 1	578.10	1156.20	1115.73	1115.73	1115.73	1624.46	1624.46	1624.46
13627VT0350001	Rating Area 1	747.60	1495.20	1442.87	1442.87	1442.87	2100.76	2100.76	2100.76
13627VT0350003	Rating Area 1	683.23	1366.46	1318.63	1318.63	1318.63	1919.88	1919.88	1919.88
13627VT0350002	Rating Area 1	576.89	1153.78	1113.40	1113.40	1113.40	1621.06	1621.06	1621.06
13627VT0360001	Rating Area 1	718.83	1437.66	1387.34	1387.34	1387.34	2019.91	2019.91	2019.91
13627VT0360002	Rating Area 1	711.18	1422.36	1372.58	1372.58	1372.58	1998.42	1998.42	1998.42
13627VT0360004	Rating Area 1	625.69	1251.38	1207.58	1207.58	1207.58	1758.19	1758.19	1758.19
13627VT0360003	Rating Area 1	562.83	1125.66	1086.26	1086.26	1086.26	1581.55	1581.55	1581.55
13627VT0370001	Rating Area 1	714.39	1428.78	1378.77	1378.77	1378.77	2007.44	2007.44	2007.44
13627VT0370002	Rating Area 1	723.50	1447.00	1396.36	1396.36	1396.36	2033.04	2033.04	2033.04
13627VT0370004	Rating Area 1	648.86	1297.72	1252.30	1252.30	1252.30	1823.30	1823.30	1823.30
13627VT0370003	Rating Area 1	562.99	1125.98	1086.57	1086.57	1086.57	1582.00	1582.00	1582.00
13627VT0380001	Rating Area 1	718.83	1437.66	1387.34	1387.34	1387.34	2019.91	2019.91	2019.91
13627VT0380002	Rating Area 1	711.18	1422.36	1372.58	1372.58	1372.58	1998.42	1998.42	1998.42
13627VT0380004	Rating Area 1	625.69	1251.38	1207.58	1207.58	1207.58	1758.19	1758.19	1758.19
13627VT0380003	Rating Area 1	562.83	1125.66	1086.26	1086.26	1086.26	1581.55	1581.55	1581.55
13627VT0390001	Rating Area 1	714.39	1428.78	1378.77	1378.77	1378.77	2007.44	2007.44	2007.44
13627VT0390002	Rating Area 1	723.50	1447.00	1396.36	1396.36	1396.36	2033.04	2033.04	2033.04
13627VT0390004	Rating Area 1	648.86	1297.72	1252.30	1252.30	1252.30	1823.30	1823.30	1823.30
13627VT0390003	Rating Area 1	562.99	1125.98	1086.57	1086.57	1086.57	1582.00	1582.00	1582.00

Please provide Company specific inputs for any cells shaded in blue that currently has dummy variables.

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	5/10/2019
Proposed Effective Date	1/1/2020

	Average Annual Premium
Before Rate Change	$11,198
After Rate Change	$12,945

		Amount in SERFF's Rate Review Detail Section	Explanation for differences
Proposed Overall Rate Change	15.60%	15.60%	No difference
Proposed Minimum Rate Change	9.13%	9.13%	No difference
Proposed Maximum Rate Change	18.47%	18.47%	No difference

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

For the 2020 VISG filing, we updated our methodology to calculate actuarial values. Each plan is impacted differently.

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	564.06	631.80	1.120	e.g. previous filing experience period index rate compared to the current filing experience index rate
Base Period Utilization Factor	1.01	1.01	0.997	If applicable, the change in this factor is based on the average copay impact difference between previous filing and current filing.
Pricing Trend	1.12	1.15	1.027	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	1.03	0.99	0.967	The change in this factor is based on the change in the morbidity assumptions between previous filing and current filing.
Risk Adjustment Recoveries	0.98	0.95	0.971	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	1.03	1.025	
Additional EHB	1.00	1.00	1.000	
Exchange Fee	1.00	1.00	1.000	
Fixed Cost Adjustment	1.08	0.00	0.000	
SG&A	1.00	1.00	1.000	
Margin	1.02	0.00	0.000	
Taxes and Fees	1.01	0.00	0.000	
Benefit Design Changes	0.81	0.78	0.960	
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	0.99	0.98	0.996	
Impact of Selection	1.02	1.07	1.051	
Pharmacy Contract	0.99	1.00	1.009	
Non-EHB	1.00	1.00	1.000	
Leap Year	1.00	1.00	1.003	
Total Rate Change			0.000	
If applicable, Provide an explanation for difference between the Calculated Rate change and the average rate change in cell B17			1.156	

The small difference between the calculated rate change and the average rate change is due to membership mix, contract mix, order of operations and methodology.

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%	0	0	0
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%	1,743	2,454	123
Increase of 10.01% to 14.99%	7,245	12,325	1,365
Increase of 15.00% or more	17,993	29,160	2,830
Total	26,981	43,939	4,318

History of Rate Changes

For Year	Average Annual Proposed Rate Change	Average Annual Approved Rate Change
2016	8.40%	5.90%
2017	8.20%	7.30%
2018	12.68%	9.21%
2019	7.48%	5.78%

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					
Commissions & Brokers Fees	$0.00	$0.00	$0.00		
Taxes, Licenses & Fees	$11.72	$0.00	$14.60	24.60%	
Exchange Fee	$2.91	$3.12	$3.73	27.85%	19.41%
Reinsurance	$0.00	$0.00	$0.00		
All Other Admin Expense	$0.00	$0.00	$0.00		
Profit/Risk Margin	$45.42	$38.21	$46.54	2.47%	21.81%
Total	-$2.62	$8.64	$9.95	-479.74%	15.18%
Variable	$28.71	$24.98	$37.41	30.28%	49.73%
Non-Variable	$28.71	$24.98	$37.41	30.28%	49.73%
Total	$57.43	$49.97	$74.82	30.28%	49.73%
Check	FALSE	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	0.60%	0.63%	0.64%	7.11%	1.49%
Exchange Fee	0.00%	0.00%	0.00%		
Reinsurance	0.00%	0.00%	0.00%		
All Other Admin Expense	9.34%	7.75%	8.02%	-14.15%	3.53%
Profit/Risk Margin	-0.54%	1.75%	1.71%	-418.15%	-2.10%
Total	9.40%	10.13%	10.38%	10.37%	2.43%
Variable	50.00%	50.00%	50.00%	0.00%	0.00%
Non-Variable	50.00%	50.00%	50.00%	0.00%	0.00%
Total	100.00%	100.00%	100.00%	0.00%	0.00%
Check	FALSE	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
	Jan-2016	68,073	$504.86				1.00	1.00	1.00	$504.86			
	Feb-2016	68,594	$517.92				1.00	1.00	1.00	$517.92			
	Mar-2016	69,228	$560.48				1.00	1.00	1.00	$560.48			
	Apr-2016	69,187	$494.13				1.00	1.00	1.00	$494.13			
	May-2016	69,359	$509.24				1.00	1.00	1.00	$509.24			
	Jun-2016	69,511	$541.94			-9.33%	1.00	1.00	1.00	$541.94			-9.33%
	Jul-2016	69,809	$502.82			-4.66%	1.00	1.00	1.00	$502.82			-4.66%
	Aug-2016	69,940	$547.42			7.44%	1.00	1.00	1.00	$547.42			7.44%
	Sep-2016	70,121	$549.48			14.84%	1.00	1.00	1.00	$549.48			14.84%
	Oct-2016	70,314	$533.82			21.26%	1.00	1.00	1.00	$533.82			21.26%
	Nov-2016	70,378	$575.42			17.81%	1.00	1.00	1.00	$575.42			17.81%
	Dec-2016	70,980	$591.12		11.29%	27.68%	1.00	1.00	1.00	$591.12		11.29%	27.68%
	Jan-2017	69,548	$554.34		14.95%	24.14%	1.00	1.00	1.00	$554.34		14.95%	24.14%
	Feb-2017	69,864	$507.86		10.17%	-1.15%	1.00	1.00	1.00	$507.86		10.17%	-1.15%
	Mar-2017	69,644	$573.28		12.50%	-14.49%	1.00	1.00	1.00	$573.28		12.50%	-14.49%
	Apr-2017	69,290	$499.33		7.52%	-28.90%	1.00	1.00	1.00	$499.33		7.52%	-28.90%
	May-2017	68,905	$576.77		3.23%	-1.11%	1.00	1.00	1.00	$576.77		3.23%	-1.11%
	Jun-2017	68,585	$558.03		-1.91%	-0.38%	1.00	1.00	1.00	$558.03		-1.91%	-0.38%
	Jul-2017	68,254	$540.85		-5.67%	26.38%	1.00	1.00	1.00	$540.85		-5.67%	26.38%
	Aug-2017	67,928	$567.29		0.16%	4.13%	1.00	1.00	1.00	$567.29		0.16%	4.13%
	Sep-2017	67,537	$554.16		-2.41%	7.14%	1.00	1.00	1.00	$554.16		-2.41%	7.14%
	Oct-2017	67,173	$626.85		7.44%	18.37%	1.00	1.00	1.00	$626.85		7.44%	18.37%
	Nov-2017	66,847	$591.87		8.32%	28.14%	1.00	1.00	1.00	$591.87		8.32%	28.14%
	Dec-2017	66,185	$589.81	4.74%	12.65%	40.21%	1.00	1.00	1.00	$589.81	4.74%	12.65%	40.21%
	Jan-2018	54,769	$609.39	4.67%	17.91%	9.67%	1.00	1.00	1.00	$609.39	4.67%	17.91%	9.67%
	Feb-2018	53,940	$603.43	6.26%	16.03%	6.41%	1.00	1.00	1.00	$603.43	6.26%	16.03%	6.41%
	Mar-2018	53,404	$635.69	6.85%	22.84%	9.01%	1.00	1.00	1.00	$635.69	6.85%	22.84%	9.01%
	Apr-2018	53,013	$634.87	8.83%	14.05%	20.39%	1.00	1.00	1.00	$634.87	8.83%	14.05%	20.39%
	May-2018	52,811	$648.04	8.70%	16.67%	28.94%	1.00	1.00	1.00	$648.04	8.70%	16.67%	28.94%
	Jun-2018	52,572	$613.11	9.31%	16.42%	10.78%	1.00	1.00	1.00	$613.11	9.31%	16.42%	10.78%
	Jul-2018	52,349	$613.25	9.88%	12.42%	0.18%	1.00	1.00	1.00	$613.25	9.88%	12.42%	0.18%
	Aug-2018	51,960	$625.47	10.51%	11.49%	-13.21%	1.00	1.00	1.00	$625.47	10.51%	11.49%	-13.21%
	Sep-2018	51,664	$593.72	11.22%	4.22%	-12.75%	1.00	1.00	1.00	$593.72	11.22%	4.22%	-12.75%
	Oct-2018	51,490	$705.95	10.75%	7.99%	11.17%	1.00	1.00	1.00	$705.95	10.75%	7.99%	11.17%
	Nov-2018	51,208	$637.28	11.27%	4.05%	19.68%	1.00	1.00	1.00	$637.28	11.27%	4.05%	19.68%
Last Month in Experience Period	Dec-2018	50,808	$639.86	12.19%	3.83%	37.25%	1.00	1.00	1.00	$639.86	12.19%	3.83%	37.25%

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

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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.

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Solvency

	Most Recent Quarterly Financial Statement	Most Recent Annual Financial Statement
Total Adjusted Capital	N/A	N/A
Authorized Control Level	N/A	N/A
RBC Ratio		

Allowed

Incurrec

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	1/1/2014	12/31/2014	638,492	231,441,129	249,496,313	92.8%	245,275,629	94.4%	1,942,476	8,962,200	97.0%
Historical Year -3	1/1/2015	12/31/2015	768,293	294,107,084	330,568,002	89.0%	272,117,666	108.1%	2,113,072	7,798,968	91.8%
Historical Year -2	1/1/2016	12/31/2016	835,541	358,202,866	377,634,175	94.9%	346,524,246	103.4%	2,327,933	7,903,488	97.5%
Historical Year -1	1/1/2017	12/31/2017	820,156	373,101,581	403,294,396	92.5%	413,852,352	90.2%	1,657,256	0	92.9%
Historical Year 0	1/1/2018	12/31/2018	630,163	325,109,232	349,374,495	93.1%	332,067,479	97.9%	2,197,720	9,217,440	96.2%
Historical Totals			3,692,645	1,581,961,893	1,710,367,380	92.5%	1,609,837,372	98.3%	10,238,457	33,882,096	95.0%
Interim Time Period	1/1/2019	3/31/2019	132,549	69,367,999	76,560,878	90.6%	60,869,734	114.0%	0	0	90.6%
Future Year 1	1/1/2020	12/31/2020	500,208	294,370,877	322,745,611	91.2%	294,370,877	100.0%	1,795,002	9,166,567	94.4%

Anticipated Pricing Loss Ratio (no adjustments)	88%
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 2020 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. Please see the example below.

Actuarial value and cost-sharing design of the plan

Actuarial value and cost-sharing design of the plan (From the URRT)	0.782

Paid/Allowed Ratio (Cost-Sharing only)	0.737
Used Induced utilization factors	1.000
Calculated	0.737

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

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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	1/1/2017 - 12/31/2017	1/1/2019 - 12/31/2019	1/1/2020 - 12/31/2020		
Total Risk adjustment (Dollar amount)	$5,688,676	$8,618,593	$17,626,196		
Membership Member Months	820,156	631,092	500,208	-39.01%	-20.74%
PMPM	$6.94	$13.66	$35.24	408.03%	158.03%
Premium	$349,374,495	$371,287,547	$349,280,176	-0.03%	-5.93%
As a % of Premium	2%	2%	5%	209.93%	117.40%

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.

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