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

## 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:             | Closed-Approved   |
| State Tr Num:             |   |
| State Status:             |   |
| Co Tr Num:                |   |
| Implementation            | On Approval   |
| Date Requested:           |   |
| Author(s):                | Jude Daye, Martine Brisson-Lemieux, Andrew Proulx, Matthew Goodrich   |
| Reviewer(s):              | Thomas Crompton (primary), David Dillon, Jacqueline Lee, Christina McLaughlin, Amerin Aborjaily, Michael Barber |
| Disposition Date:         | 08/08/2019  |
| Disposition Status:       | Approved  |
| Implementation Date:      | 01/01/2020  |
| 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: Status of Filing in Domicile:  
Project Number: Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Group  
Submission Type: New Submission Group Market Size: Small  
Group Market Type: Employer, Other Explanation for Other Group Market Type: Individual  
Overall Rate Impact: Filing Status Changed: 08/20/2019  
State Status Changed:  
Deemer Date: Created By: Jude Daye  
Submitted 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 Aborjailly/GMCB

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

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

## Company and Contact

### Filing Contact Information

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

### Filing Company Information

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

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## Filing Fees

|                  |          |
|------------------|----------|
| Fee Required?    | Yes      |
| Fee Amount:      | \$150.00 |
| Retaliatory?     | No       |
| Fee Explanation: |          |

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

## Correspondence Summary

### Dispositions

| Status   | Created By      | Created On | Date Submitted |
|----------|-----------------|------------|----------------|
| Approved | Thomas Crompton | 08/20/2019 | 08/20/2019     |

## Objection Letters and Response Letters

### Objection Letters

| Status           | Created By     | Created On | Date Submitted |
|------------------|----------------|------------|----------------|
| Pending Response | Jacqueline Lee | 07/24/2019 | 07/24/2019     |
| Pending Response | Jacqueline Lee | 06/21/2019 | 06/21/2019     |
| Pending Response | Jacqueline Lee | 06/20/2019 | 06/20/2019     |
| Pending Response | Jacqueline Lee | 06/17/2019 | 06/17/2019     |
| Pending Response | Jacqueline Lee | 05/30/2019 | 05/30/2019     |
| Pending Response | Jacqueline Lee | 05/14/2019 | 05/14/2019     |

### Response Letters

| Responded By            | Created On | Date Submitted |
|-------------------------|------------|----------------|
| Martine Brisson-Lemieux | 07/26/2019 | 07/26/2019     |
| Matthew Goodrich        | 07/02/2019 | 07/02/2019     |
| Martine Brisson-Lemieux | 06/29/2019 | 06/29/2019     |
| Martine Brisson-Lemieux | 06/21/2019 | 06/21/2019     |
| Martine Brisson-Lemieux | 06/07/2019 | 06/07/2019     |
| Martine Brisson-Lemieux | 05/21/2019 | 05/21/2019     |

### Amendments

| Schedule            | Schedule Item Name   | Created By              | Created On | Date Submitted |
|---------------------|--|-------------------------|------------|----------------|
| Supporting Document | 2020 Vermont Individual and Small Group Rate Filing - Amended per GMCB Order | Martine Brisson-Lemieux | 08/19/2019 | 08/19/2019     |
| Supporting Document | Attachments A, B, C  | Martine Brisson-Lemieux | 05/14/2019 | 05/15/2019     |

### Filing Notes

| Subject  | Note Type     | Created By      | Created On | Date Submitted |
|--|---------------|-----------------|------------|----------------|
| Original RRS tab and RRD submitted on 05/10/2019 | Reviewer Note | Thomas Crompton | 08/20/2019 |                |



|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Disposition

Disposition Date: 08/08/2019

Implementation Date: 01/01/2020

Status: Approved

HHS Status: HHS Approved

State Review: Reviewed by Actuary

Comment: This filing is approved per GMCB Order dated 08/08/2019.

| <b>Company Name:</b> | <b>Company Rate Change:</b> | <b>Overall % Indicated Change:</b> | <b>Overall % Rate Impact:</b> | <b>Written Premium Change for this Program:</b> | <b>Number of Policy Holders Affected for this Program:</b> | <b>Written Premium for this Program:</b> | <b>Maximum % Change (where req'd):</b> | <b>Minimum % Change (where req'd):</b> |
|----------------------|-----------------------------|------------------------------------|-------------------------------|---|--|--|--|--|
| BCBSVT               | Increase                    | 12.435%                            | 12.435%                       | \$37,571,380                                    | 26,981   | \$302,145,995                            | 15.332%                                | 6.073%                                 |

### Percent Change Approved:

**Minimum:** 6.073%

**Maximum:** 15.332%

**Weighted Average:** 12.435%

| <b>Schedule</b>                      | <b>Schedule Item</b>                    | <b>Schedule Item Status</b> | <b>Public Access</b> |
|--------------------------------------|---|-----------------------------|----------------------|
| <b>Supporting Document</b>           | Actuarial Memorandum                    |                             | No                   |
| <b>Supporting Document</b>           | Actuarial Memorandum and Certifications |                             | No                   |
| <b>Supporting Document</b>           | Civil Union Rating Requirements         |                             | No                   |
| <b>Supporting Document</b>           | Consumer Disclosure Form                |                             | No                   |
| <b>Supporting Document</b>           | Filing Compliance Certification         |                             | No                   |
| <b>Supporting Document</b>           | Third Party Filing Authorization        |                             | No                   |
| <b>Supporting Document</b>           | Unified Rate Review Template            |                             | No                   |
| <b>Supporting Document</b>           | Exhibits                                |                             | No                   |
| <b>Supporting Document (revised)</b> | Attachments A, B, C                     |                             | No                   |
| <b>Supporting Document</b>           | Attachments A, B, C                     |                             | No                   |
| <b>Supporting Document</b>           | Rate Data Templates                     |                             | No                   |

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

| Schedule            | Schedule Item  | Schedule Item Status | Public Access |
|---------------------|--|----------------------|---------------|
| Supporting Document | Actuarial Data Set   |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Filing Inquiries 1 - 05.14.2019                |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Filing Inquiries 2 - 05.30.2019                |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Filing Inquiries 3 - 06.17.2019                |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Filing Inquiries HCA - 06.20.2019              |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Inquiry 4 - 07.02.2019                         |                      | No            |
| Supporting Document | Responses to BCBSVT 2020 VISG Inquiry 5 - 07.25.2019                         |                      | No            |
| Supporting Document | 2020 Vermont Individual and Small Group Rate Filing - Amended per GMCB Order |                      | No            |

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

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 07/24/2019       |
| Submitted Date          | 07/24/2019       |
| Respond By Date         | 07/26/2019       |

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*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



July 24, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

Thank you for your responses to our previous inquiry. We have the following additional questions regarding this filing:

Questions:

1. Please demonstrate that implementing L&E's recommendations regarding risk adjustment and the 0.2% adjustment relating to terminating groups results in a 1.3% rate decrease as stated in exhibits produced by BCBSVT at the recent hearing.
2. Please clarify how the 0.4% rate adjustment related to newborns referenced at the recent hearing relates to the 1.0059 impact described in objection response 15 provided on June 7<sup>th</sup>.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than July 26, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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

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**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:** /

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 06/21/2019       |
| Submitted Date          | 06/21/2019       |
| Respond By Date         | 06/26/2019       |

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*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



June 21, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

Thank you for your responses to our previous inquiry. We have the following additional questions regarding this filing:

Questions:

1. What is BCBSVT's expectation of how DFR's ruling that new AHP's will not be permitted for 2020 will impact the Vermont Health Connect risk pool? We note that the current assumptions assume migration from VHC into AHP's.
2. Provide a mapping from Exhibit 5's "b" and "c" factors to the morbidity and demographic factors on WS1 of the URRT.
3. Provide, for each month from January 2015 through December 2018, total allowed costs and the number of enrolled members for all individual and small group members. Additionally, provide normalization factors appropriate to this data to normalize for changes in unit costs, population age factors, and induced utilization.
4. The 2018 Payment Parameters referenced in your response state that the cost of the high-cost member program will be "less than 0.5 percent" of premium. Explain why this value was used when it was an upper bound rather than an estimate.
5. The selection load applied to the index rate reflects differences in the expected paid claims and the paid claims implied by the unadjusted Pricing AV's. Is it BCBSVT's intention to include this factor as an increase to allowed cost? Would this factor not be more appropriate as an adjustment to the Pricing AV's?
6. The URRT instructions require that "any expected net reinsurance recoverables received through a state or federal reinsurance program" in the reinsurance section of the URRT. Explain the decision to put the high-cost member program cost in the risk adjustment section.
7. The actuarial memorandum states that 0.3% of members are believed to have "left the market" in 2019 in relation to the individual mandate. Particularly given the substantial

increase in individual enrollment experienced by the other carrier, explain why these members were assumed to have left the market, rather than simply leaving BCBSVT.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than June 26, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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



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**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:** /

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 06/20/2019       |
| Submitted Date          | 06/20/2019       |
| Respond By Date         | 06/27/2019       |

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*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



June 20, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

Please provide the answers to the following questions, requested on behalf of the Office of the Health Care Advocate.

Questions:

1. Please confirm the accuracy of the below-provided table that lists proposed rates and rate components, allowed rates and rate components, and actual rate components. If you believe the value listed is incorrect or the cell is blank, please provide the value that you believe is correct.

| <b>Year Filed</b>                |          | 2019          | 2018*         | 2017          |
|----------------------------------|----------|---------------|---------------|---------------|
| <b>Docket #</b>                  |          | GMCB-006-19rr | GMCB-009-18rr | GMCB-008-17rr |
| <b>Members</b>                   |          | 26981         | 53644         | 70035         |
| <b>Average Rate Change</b>       | Proposed | 15.6          | 7.5           | 12.7          |
|                                  | Allowed  | NA            | 5.8           | 9.2           |
| <b>Allowed Medical Trend</b>     | Proposed | 4.1           | 4.1           | 4.7           |
|                                  | Allowed  | NA            | 4.1           | 3.7           |
|                                  | Actual** | NA            | NA            | 6.4           |
| <b>Medical Unit Cost Trend</b>   | Proposed | 2.6           | 2.7           | 2.6           |
|                                  | Allowed  | NA            |               |               |
|                                  | Actual** | NA            | NA            | 2.1           |
| <b>Medical Utilization Trend</b> | Proposed | 4.1           | 1.4           | 2.0           |
|                                  | Allowed  | NA            |               |               |
|                                  | Actual*  | NA            | NA            | 4.1           |
| <b>Rx Trend</b>                  | Proposed | 13            | 13.3          | 8.9           |
|                                  | Allowed  | NA            | 13.3          | 8.9           |

|  |          |       |       |       |
|--|----------|-------|-------|-------|
|  | Actual** | NA    | NA    |       |
| <b>General<br/>Administrative<br/>Charges PMPM</b> | Proposed | 46.54 | 40.26 | 36.06 |
|  | Allowed  | NA    |       |       |
|  | Actual** | NA    | NA    | 43.9  |
| <b>CTR</b>   | Proposed | 1.5   | 1.5   | 2.0   |
|  | Allowed  | NA    | 1.5   | 0.5   |

\* Numbers reflect original filing and not amendments.

\*\* Actual is for the year that the rates are effective for. For instance, for the column “2017”, the actual field should be populated with the experience of 2018 (the year the rates are effective for).

2. In the submitted Actuarial Memorandum, you state, “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.” GMCB-06-19rr, SERFF, 62. Please indicate the amount of 2019 and 2020 tax savings due to the elimination of the federal income tax requirement for the BCBSVT legal entity. Please also indicate the impact on the overall rate proposed in this filing had the federal income tax requirement for the BCBSVT legal entity not been eliminated.
3. On pages 26 through 32 of the BCBSVT Actuarial Memorandum, you detail your development of the medical utilization trend. In this filing, you changed your methodology. Specifically, you opted to itemize trends, resulting in an overall medical utilization trend of 4.1 percent. Please estimate what your overall medical utilization trend would have been for this filing had you employed your former methodology of not itemizing trends.
4. You assert that 10.9 percent of your proposed 15.6 percent increase is driven by projected increases in health care costs and that nearly all of this cost increase is attributed to 1) specialty pharmaceutical spending (7.9 percent premium increase) and 2) an increase in the percentage of members utilizing at least one preventive service, which has led to increases in utilization of primary care, diagnostic services, and treatment of conditions (1.9% premium increase). GMCB-006-19rr, BCBSVT Actuarial Memorandum at 10. Please provide the following additional information about specialty pharmacy and preventive care:
  - a. Please state the amount, if any, by which BCBSVT projects the increased utilization of specialty pharmaceuticals will reduce other costs from 2019 through 2024. Please specify any indicators that support these projections.

- b. Please provide the year over year increase in members receiving at least one preventive care visit and the percentage of overall members receiving at least one preventive care visit over the past three years.
  - c. Please specify to what extent you predict further increases in preventive care visits for 2019 and 2020.
  - d. Please state the amount, if any, by which BCBSVT projects the increased utilization of preventive services will reduce costs in 2020. Please specify any indicators that support these projections.
- 5. On page 5 of the BCBSVT Actuarial Memorandum, you state that, based on a comparison of actual to expected experience, 2019 premium rates were underfunded by 4.0 percent. Please explain why page 26.5 of your Annual Statement for the Year 2018 indicates that you do not have a premium deficiency reserve as of 12/31/18.
- 6. What assumptions, if any, did you make about impacts of the Green Mountain Surgery Center on outpatient surgery costs in your filing?
- 7. You estimate that your agreement with OneCare Vermont reduced the total projected claims by 0.2 percent. GMCB-006-19rr, BCBSVT Actuarial Memorandum at 21.
  - a. Please provide an estimate of the net savings to BCBSVT associated with this reduction after all costs including the OneCare Vermont coordination fee.
  - b. What is the amount of the payment BCBSVT expects to receive in connection with the 2018 ACO program settlement?
- 8. On page 15 and 16 of the BCBSVT Actuarial Memorandum, you describe the impact of Association Health Plans (AHP) on membership and the proposed rate.
  - a. Please provide the calculations supporting BCBSVT's assumption that 2,000 small group members will join an AHP in 2020.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than June 27, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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

---

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

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 06/17/2019       |
| Submitted Date          | 06/17/2019       |
| Respond By Date         | 06/21/2019       |

---

*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



June 17, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

Thank you for your responses to our previous inquiry. We have the following additional questions regarding this filing:

Questions:

1. In Exhibit 9A, there are shown to be 43,939 in-force members across 26,981 contracts. Explain why the "Average members per subscriber" is shown as 1.6349 rather than  $43,939/26,981 = 1.6285$ .
2. Provide a calculation demonstrating the allocation of \$1.15 million in Billback cost to this block.
3. Explain why the weighted average "Allowed Charges Relativity" in Exhibit 2B is not 1.0. What enrollment, if not the base period enrollment, was used to calculate the "Total" allowed charges PMPM?
4. The section "Relationship of Proposed Rate Scale to Current Rate Scale" in the Actuarial Memo Dataset contains zeros for some values, resulting in a total rate change of zero. Replacing these values with ones produces a rate changes significantly different from the 15.6% requested. Please update this exhibit to illustrate the sources of the requested rate increase.
5. The memorandum states that "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." Clarify how Exhibit 6A would differ if the tax rebate was not anticipated.
6. It appears that Exhibit 2B intends to refer to "March 2019 Membership" and "2020 Projected Membership." Please clarify.
7. The risk-adjustment development appears to assume that the new federal reinsurance program will be a net cost to BCBSVT. However, the design of the program is such that net payments are unchanged, and it seems unlikely that such a program would have a

predictably negative impact on the carrier with the higher-morbidity population. Please explain.

8. Did BCBSVT have any claimants in 2018 that would have triggered payments from the High Risk Pool program? If not, explain how it is appropriate to add allowed cost to the base period in the \$3.32 PMPM adjustment to the risk adjustment program.
9. Your prior response notes that, of the anticipated 0.8% impact from the removal of the individual mandate, 0.3% has already been observed in March 2019. However, the experience used in this rate filing reflects data from prior to March 2019. Please clarify how this initial 0.3% impact is reflected in the proposed rates.
10. Of the Medical Drugs carved out individually in the utilization trend development, several (including Pembrolizumab and Vedolizumab) were approved by the FDA in 2014 or earlier. Explain why these drugs are assumed to continue to have such substantial increases in utilization in 2019 and 2020. For example, Vedolizumab costs are projected to increase by more than 150% between 2018 and 2020.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than June 21, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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



---

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

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 05/30/2019       |
| Submitted Date          | 05/30/2019       |
| Respond By Date         | 06/07/2019       |

---

*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



LEWIS & ELLIS

Actuaries and Consultants

700 Central Expressway South

Suite 550

Allen, TX 75013

972-850-0850

lewisellis.com

May 30, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

Thank you for your responses to our previous inquiry. We have the following additional questions regarding this filing:

Questions:

1. Explain why the market-wide average \$31.92 risk-adjustment payment is used to develop the expected claims cost for the catastrophic population in Exhibit 6D, when this population is both known to have different risk characteristics than the primary risk pool and has a separate risk adjustment payment.
2. The actuarial memorandum explains that actual 2018 risk adjustment receipts are expected to be higher than assumed in prior rate development. This would suggest that BCBSVT's relative risk position has increased in recent years. This would seem to suggest that the utilization trend calculation, which does not consider the morbidity of the included population, includes the impact of increasing morbidity. Address the concern that this increase is already funded by the increased risk adjustment and would be further funded by risk adjustment if it continued.
3. Factor b9 on Exhibit 5 reflects the loss of healthy "Members in Groups that are no longer with BCBSVT". The actuarial memorandum describes this as a change in pool morbidity, and no corresponding adjustment to risk adjustment is assumed. Would these members not be assumed to transition to other carriers in the market, potentially increasing the risk adjustment receivable to BCBSVT?
4. Similarly, demonstrate how the risk adjustment projection considers the following factors, all assumed to impact the morbidity of the BCBSVT insured pool: aging, AHP and its associated shift towards platinum plans, members exiting due to removal of mandate penalty, low-cost small groups leaving BCBSVT, "impact of different benefit plans", and "impact of selection."

5. The actuarial dataset states that 17,993 of 26,981 contracts will have a rate increase of 15% or more. However, Exhibit 9B suggests that only 16,937 contracts will have an increase of 15% or more. Please clarify.
6. The actuarial memorandum states that the projected federal MLR is 91.8%. The actuarial dataset states that this value is projected to be 91.2% and Exhibit 8 agrees with this latter value. Please clarify.
7. Exhibit 2C calculates a selection factor based on a static population. Explain why this selection impact is not already reflected in the underlying experience claims, which reflect a similar selection environment.
8. Explain the difference between the two fields labeled "Pricing Actuarial Value" in Exhibit 2C (called "Exhibit 2D" in the actuarial memorandum.)
9. Explain the following statement regarding the development of the normalized Pricing AV values: "The change in method is worth approximately three quarters of the total factor."
10. It appears that the paid-to-allowed ratios are generally higher using BCBSVT's data than using the Federal AVC. This contributes to the 7% selection factor applied in item c6 which is applied to the index rate. Explain how it is appropriate to increase the index rate, which is on an allowed basis, in response to a decrease in paid-to-allowed factor.
11. Please reconcile the projected index rate on the URRT of \$788.92 to the Projected Index Rate in Exhibit 5 of \$789.49.
12. Regarding factor b7 regarding the elimination of the individual mandate penalty:
  - a) The base period data is from 2018. The actuarial memorandum describes 0.8% of membership leaving between 2018 and 2020, with only a nominal change in cost. Explain then why the factor is a 0.5% adjustment rather than a 0.8%.
  - b) If the removal of the penalty in 2019 resulted in only a third of this population leaving in that year, explain why BCBSVT is assuming this cohort will uniformly decide to leave the insurance pool in 2020.
13. Explain why the Interplan Teleprocessing System fees are treated as Allowed costs, when they appear to be costs incurred in the processing and payment of claims.
14. Explain why pharmacy rebates are trended forward using only cost trend, and not utilization trend as well.
15. Factors b3 and c3 are closely related, as they reflect the impact of young new members joining as well as the aging of existing members. A) Does factor c3 consider the impact of older members exiting the pool? B) The combination of these factors implies that changes in population age will result in a population with morbidity 1.5% higher than in 2018. Support this implicit assumption and confirm that it does not double-count the assumed market exits related to the removal of the individual mandate penalty. C) Was consideration given to the possibility that c3 could reflect the same change as b9, in that groups which left BCBSVT may have had disproportionately younger members?
16. Provide more detail on any case where "recent information from... early negotiations" caused BCBSVT to use medical trend assumptions which differ from the Board-approved 2018 increases.

17. Explain any discrepancy between the annual cost trend by year between the actuarial memorandum and the confidential exhibit provided in your previous response.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than June 7, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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

---

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

## Objection Letter

|                         |                  |
|-------------------------|------------------|
| Objection Letter Status | Pending Response |
| Objection Letter Date   | 05/14/2019       |
| Submitted Date          | 05/14/2019       |
| Respond By Date         | 05/21/2019       |

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*Dear Jude Daye,*

**Introduction:**

*Please see the attached letter.*

**Conclusion:**

*Sincerely,*

*Jacqueline Lee*



May 14, 2019

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

Re: Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
SERFF Tracking #: BCVT-131936226

Dear Jude Daye:

We have been retained by the Green Mountain Care Board (“GMCB”) to review the above referenced group products filing submitted on 5/10/2019. The following additional information is required for this filing.

Notice regarding proper responses:

- A minimum-acceptable response to quantitative questions from us must include a spreadsheet calculation with retained formulas such that we can replicate the calculations therein.
- Explanatory responses are merely a supplement to the spreadsheet material and in of themselves will constitute a lack of response.

Questions:

1. Please provide the RATEE report from CMS.
2. Provide quantitative support for the unit cost trends.
3. Please reconcile the administrative costs in this filing with the most recent Supplemental Health Care Exhibit.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible to every objection in our letter, but no later than May 21, 2019. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,

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

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 07/26/2019         |
| Submitted Date         | 07/26/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated Juuy 25, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |  |
|---|--|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Inquiry 5 - 07.25.2019 |
| <b>Comments:</b>                          |  |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG Inquiry 5.pdf          |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Martine Brisson-Lemieux*



|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 07/02/2019         |
| Submitted Date         | 07/02/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated June 21, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |  |
|---|--|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Inquiry 4 - 07.02.2019 |
| <b>Comments:</b>                          |  |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG Inquiry 4.pdf          |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Matthew Goodrich*

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 06/29/2019         |
| Submitted Date         | 06/29/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated June 20, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |   |
|---|---|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Filing Inquiries HCA - 06.20.2019 |
| <b>Comments:</b>                          |   |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG HCA Inquiry.pdf                   |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Martine Brisson-Lemieux*

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 06/21/2019         |
| Submitted Date         | 06/21/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated June 17, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |   |
|---|---|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Filing Inquiries 3 - 06.17.2019 |
| <b>Comments:</b>                          |   |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG Inquiry 3.pdf                   |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Martine Brisson-Lemieux*

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 06/07/2019         |
| Submitted Date         | 06/07/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated May 30, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |  |
|---|--|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Filing Inquiries 2 - 05.30.2019  |
| <b>Comments:</b>                          |  |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG Inquiry 2.xlsx<br>Responses to BCBSVT 2020 VISG Inquiry 2 - Excel.pdf<br>Responses to BCBSVT 2020 VISG Inquiry 2.pdf |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Martine Brisson-Lemieux*

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Response Letter

|                        |                    |
|------------------------|--------------------|
| Response Letter Status | Submitted to State |
| Response Letter Date   | 05/21/2019         |
| Submitted Date         | 05/21/2019         |

*Dear Thomas Crompton,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please find attached our responses to the 2020 VISG filing inquiries dated May 14, 2019.*

### **Changed Items:**

| Supporting Document Schedule Item Changes |   |
|---|---|
| <b>Satisfied - Item:</b>                  | Responses to BCBSVT 2020 VISG Filing Inquiries 1 - 05.14.2019 |
| <b>Comments:</b>                          |   |
| <b>Attachment(s):</b>                     | Responses to BCBSVT 2020 VISG Inquiry 1.pdf                   |

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Conclusion:**

*Sincerely,*

*Martine Brisson-Lemieux*

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Amendment Letter

Submitted Date: 08/19/2019

Comments:

Per the GMCB Order, please find attached the cover letter and supporting documents amending the BCBSVT 2020 Vermont Individual and Small Group Rate Filing.

Changed Items:

*No Form Schedule Items Changed.*

*No Rate Schedule Items Changed.*

| Supporting Document Schedule Item Changes |   |
|---|---|
| <b>Satisfied - Item:</b>                  | 2020 Vermont Individual and Small Group Rate Filing - Amended per GMCB Order  |
| <b>Comments:</b>                          |   |
| <b>Attachment(s):</b>                     | BCBSVT 2020 Vermont Individual and Small Group Rate Filing - Cover Letter for GMCB Order.pdf<br>BCBSVT 2020 VISG Rate Filing - Amended Exhibits per GMCB Order.pdf<br>BCBSVT 2020 VISG Rate Filing - Amended Exhibits per GMCB Order.xlsx<br>RateTablesPY20_BCBSVT_2020_Amended per GMCB Oder.pdf<br>RateTablesPY20_BCBSVT_2020_Amended.xls<br>RateTablesPY20_BCBSVT_2020_Amended.xml<br>Unified_Rate_Review_Template_BCBSVT_13627_2020_Amended.pdf<br>Unified_Rate_Review_Template_BCBSVT_13627_2020_Amended.xlsm<br>UnifiedRateReviewSubmission_BCBSVT_2020_Amended_2019081520850.xml |

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## 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 |  |
|---|--|
| <b>Satisfied - Item:</b>                  | Attachments A, B, C  |
| <b>Comments:</b>                          |  |
| <b>Attachment(s):</b>                     | Attachment B - Blue Rewards AV Certification 2020.pdf<br>Attachment C - Memorandum from Senior Management for CTR.pdf<br>Attachment A - Standard Plans AV Certification - 2020 - Updated Version.pdf |
| <i>Previous Version</i>                   |  |
| <b>Satisfied - Item:</b>                  | <i>Attachments A, B, C</i>   |
| <b>Comments:</b>                          |  |
| <b>Attachment(s):</b>                     | <i>Attachment A - Standard Plans AV Certification - 2020.pdf<br/>Attachment B - Blue Rewards AV Certification 2020.pdf<br/>Attachment C - Memorandum from Senior Management for CTR.pdf</i>          |

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

## Reviewer Note

**Created By:**

Thomas Crompton on 08/20/2019 09:19 AM

**Subject:**

Original RRS tab and RRD submitted on 05/10/2019

**Comments:**

Original RRS tab and RRD submitted on 05/10/2019



Original RRS tab submitted on 05102019

Report Rate Filing to HHS?: Yes

[View/Edit Rate Justification](#)

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

| <b>Company Name:</b> | <b>Company Rate Change? *</b> | <b>Overall % Indicated Change:</b> | <b>Overall % Rate Impact:</b> | <b>Written Premium Change for this Program:</b> | <b>Number of Policy Holders Affected for this Program:</b> | <b>Written Premium for this Program:</b> | <b>Maximum % Change (where required):</b> | <b>Minimum % Change (where required):</b> |
|----------------------|-------------------------------|------------------------------------|-------------------------------|---|--|--|---|---|
| BCBSVT               | Increase                      | 15.600 %                           | 15.600 %                      | \$47,134,181.00                                 | 26,981   | \$302,145,995.00                         | 18.471 %                                  | 9.125 %                                   |

Original RRD submitted on 05102019

HHS Issuer ID:  \* 13627

PRODUCTS:  \*

| Product Name (Max 50 characters.) *        | 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 for Closed Blocks: N/A

Other Affected Forms: N/A

REQUESTED RATE CHANGE INFORMATION: 

Change Period: \* Annual

Member Months: \* 629988

Benefit Change: \* Increase

Percent Rate Change Requested: Min: 9.125% Max: 18.471% Weighted Avg.: 15.6%

PRIOR RATE: 

Total Earned Premium: \* 302145995

Total Incurred Claims: \* 271666045

Annualized PMPM \$: Min: \* \$ 244.04 Max: \* \$ 702.74 Weighted Avg.: \* \$ 573.04

REQUESTED RATE: 

Projected Earned Premium: \* 349280176

Projected Incurred Claims: \* 0

Annualized PMPM \$: Min: \* \$ 277.33 Max: \* \$ 826.12 Weighted Avg.: \* \$ 662.42

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

## Post Submission Update Request Processed On 08/20/2019

|               |  |
|---------------|--|
| Status:       | Allowed                                |
| Created By:   | Martine Brisson-Lemieux                |
| Processed By: | Thomas Crompton                        |
| Comments:     | This post submission has been allowed. |

**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:** /

**Company Rate Information:**

Company Name:BCBSVT

| Field Name                              | Requested Change | Prior Value |
|---|------------------|-------------|
| Overall % Indicated Change              | 12.435%          | 15.600%     |
| Overall % Rate Impact                   | 12.435%          | 15.600%     |
| Written Premium Change for this Program | \$37571380       | \$47134181  |
| Maximum %Change (where required)        | 15.332%          | 18.471%     |
| Minimum %Change (where required)        | 6.073%           | 9.125%      |

|                         |                         |
|-------------------------|-------------------------|
| Product:                | NEW                     |
| Product Name            | BCBSVT EPO (Individual) |
| HIOS Product ID         | 13627VT034              |
| Number of Covered Lives | 11980                   |

|                         |                          |
|-------------------------|--------------------------|
| Product:                | NEW                      |
| Product Name            | BCBSVT EPO (Small Group) |
| HIOS Product ID         | 13627VT032               |
| Number of Covered Lives | 15601                    |

|                         |                                      |
|-------------------------|--------------------------------------|
| Product:                | NEW                                  |
| Product Name            | BCBSVT EPO Blue Rewards (Individual) |
| HIOS Product ID         | 13627VT038                           |
| Number of Covered Lives | 2532                                 |

|                         |                                       |
|-------------------------|---------------------------------------|
| Product:                | NEW                                   |
| Product Name            | BCBSVT EPO Blue Rewards (Small Group) |
| HIOS Product ID         | 13627VT036                            |
| Number of Covered Lives | 1063                                  |

|                         |   |
|-------------------------|---|
| Product:                | NEW                                       |
| Product Name            | BCBSVT EPO Blue Rewards CDHP (Individual) |
| HIOS Product ID         | 13627VT039                                |
| Number of Covered Lives | 2645                                      |

|                         |  |
|-------------------------|--|
| Product:                | NEW  |
| Product Name            | BCBSVT EPO Blue Rewards CDHP (Small Group) |
| HIOS Product ID         | 13627VT037                                 |
| Number of Covered Lives | 4805                                       |

|              |                              |
|--------------|------------------------------|
| Product:     | NEW                          |
| Product Name | BCBSVT EPO CDHP (Individual) |

---

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

---

|                         |            |
|-------------------------|------------|
| HIOS Product ID         | 13627VT035 |
| Number of Covered Lives | 2274       |

---

|                         |                               |
|-------------------------|-------------------------------|
| Product:                | NEW                           |
| Product Name            | BCBSVT EPO CDHP (Small Group) |
| HIOS Product ID         | 13627VT033                    |
| Number of Covered Lives | 3039                          |

---

## REQUESTED RATE CHANGE INFORMATION:

|                |        |        |
|----------------|--------|--------|
| Min:           | 6.073  | 9.125  |
| Max:           | 15.332 | 18.471 |
| Weighted Avg.: | 12.435 | 15.6   |

## REQUESTED RATE:

|                            |                 |                 |
|----------------------------|-----------------|-----------------|
| Projected Earned Premium:  | 339,717,375.000 | 349,280,176.000 |
| Projected Incurred Claims: | 311,697,637.000 | 0.000           |
| Min:                       | 265.360         | 277.330         |
| Max:                       | 805.410         | 826.120         |
| Weighted Avg.:             | 644.290         | 662.420         |

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Rate Information

Rate data applies to filing.

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

## Company Rate Information

| <b>Company Name:</b> | <b>Company Rate Change:</b> | <b>Overall % Indicated Change:</b> | <b>Overall % Rate Impact:</b> | <b>Written Premium Change for this Program:</b> | <b>Number of Policy Holders Affected for this Program:</b> | <b>Written Premium for this Program:</b> | <b>Maximum % Change (where req'd):</b> | <b>Minimum % Change (where req'd):</b> |
|----------------------|-----------------------------|------------------------------------|-------------------------------|---|--|--|--|--|
| BCBSVT               | Increase                    | 12.435%                            | 12.435%                       | \$37,571,380                                    | 26,981   | \$302,145,995                            | 15.332%                                | 6.073%                                 |

**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 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: 6.073 Max: 15.332 Avg: 12.435

### 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: 339,717,375.00  
 Projected Incurred Claims: 311,697,637.00  
 Annual \$: Min: 265.36 Max: 805.41 Avg: 644.29



|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

## Supporting Document Schedules

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Actuarial Memorandum  |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | BCBSVT 2020 Vermont Individual and Small Group Rate Filing - Actuarial Memorandum.pdf |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

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

|                         |                                 |
|-------------------------|---------------------------------|
| <b>Bypassed - Item:</b> | Civil Union Rating Requirements |
| <b>Bypass Reason:</b>   | Not required.                   |
| <b>Attachment(s):</b>   |                                 |
| <b>Item Status:</b>     |                                 |
| <b>Status Date:</b>     |                                 |

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

|                          |                                     |
|--------------------------|-------------------------------------|
| <b>Satisfied - Item:</b> | Filing Compliance Certification     |
| <b>Comments:</b>         |                                     |
| <b>Attachment(s):</b>    | Filing Compliance Certification.pdf |
| <b>Item Status:</b>      |                                     |
| <b>Status Date:</b>      |                                     |

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

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

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Unified Rate Review Template  |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | Unified_Rate_Review_Template_BCBSVT_13627_2020.xlsm<br>Unified_Rate_Review_Template_BCBSVT_13627_2020.pdf<br>UnifiedRateReviewSubmission_BCBSVT_2020_20190510135253.xml |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Exhibits  |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | BCBSVT 2020 VISG Rate Filing - Exhibits.pdf<br>BCBSVT 2020 VISG Rate Filing - Exhibits.xlsx |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

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

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Rate Data Templates   |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | RateData_Template_BCBSVT_2020.pdf<br>RateData_Template_BCBSVT_2020.xls<br>RateData_Template_BCBSVT_2020.xml |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Actuarial Data Set  |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | Actuarial Memo Dataset (2020 issues).pdf<br>Actuarial Memo Dataset (2020 issues).xlsx |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Filing Inquiries 1 - 05.14.2019 |
|--------------------------|---|

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

|                       |   |
|-----------------------|---|
| <b>Comments:</b>      |   |
| <b>Attachment(s):</b> | Responses to BCBSVT 2020 VISG Inquiry 1.pdf |
| <b>Item Status:</b>   |   |
| <b>Status Date:</b>   |   |

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| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Filing Inquiries 2 - 05.30.2019  |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | Responses to BCBSVT 2020 VISG Inquiry 2.xlsx<br>Responses to BCBSVT 2020 VISG Inquiry 2 - Excel.pdf<br>Responses to BCBSVT 2020 VISG Inquiry 2.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

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|--------------------------|---|
| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Filing Inquiries 3 - 06.17.2019 |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | Responses to BCBSVT 2020 VISG Inquiry 3.pdf                   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

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|--------------------------|---|
| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Filing Inquiries HCA - 06.20.2019 |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | Responses to BCBSVT 2020 VISG HCA Inquiry.pdf                   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Inquiry 4 - 07.02.2019 |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | Responses to BCBSVT 2020 VISG Inquiry 4.pdf          |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

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|--------------------------|--|
| <b>Satisfied - Item:</b> | Responses to BCBSVT 2020 VISG Inquiry 5 - 07.25.2019 |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | Responses to BCBSVT 2020 VISG Inquiry 5.pdf          |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | 2020 Vermont Individual and Small Group Rate Filing - Amended per GMCB Order |
|--------------------------|--|

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

|                       |   |
|-----------------------|---|
| <b>Comments:</b>      |   |
| <b>Attachment(s):</b> | BCBSVT 2020 Vermont Individual and Small Group Rate Filing - Cover Letter for GMCB Order.pdf<br>BCBSVT 2020 VISG Rate Filing - Amended Exhibits per GMCB Order.pdf<br>BCBSVT 2020 VISG Rate Filing - Amended Exhibits per GMCB Order.xlsx<br>RateTablesPY20_BCBSVT_2020_Amended per GMCB Oder.pdf<br>RateTablesPY20_BCBSVT_2020_Amended.xls<br>RateTablesPY20_BCBSVT_2020_Amended.xml<br>Unified_Rate_Review_Template_BCBSVT_13627_2020_Amended.pdf<br>Unified_Rate_Review_Template_BCBSVT_13627_2020_Amended.xlsm<br>UnifiedRateReviewSubmission_BCBSVT_2020_Amended_2019081520850.xml |
| <b>Item Status:</b>   |   |
| <b>Status Date:</b>   |   |

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

***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.***

***Attachment Responses to BCBSVT 2020 VISG Inquiry 2.xlsx is not a PDF document and cannot be reproduced here.***

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

***Attachment RateTablesPY20\_BCBSVT\_2020\_Amended.xls is not a PDF document and cannot be reproduced here.***

***Attachment RateTablesPY20\_BCBSVT\_2020\_Amended.xml is not a PDF document and cannot be reproduced here.***

|                             |  |                          |                            |
|-----------------------------|--|--------------------------|----------------------------|
| <b>SERFF Tracking #:</b>    | BCVT-131936226   | <b>State Tracking #:</b> | <b>Company Tracking #:</b> |
| <b>State:</b>               | VermontGMCB  | <b>Filing Company:</b>   | BCBSVT                     |
| <b>TOI/Sub-TOI:</b>         | H16G Group Health - Major Medical/H16G.001C Any Size Group - Other |                          |                            |
| <b>Product Name:</b>        | 2020 Vermont Individual and Small Group Rate Filing                |                          |                            |
| <b>Project Name/Number:</b> | /  |                          |                            |

***Attachment Unified\_Rate\_Review\_Template\_BCBSVT\_13627\_2020\_Amended.xlsm is not a PDF document and cannot be reproduced here.***

***Attachment UnifiedRateReviewSubmission\_BCBSVT\_2020\_Amended\_2019081520850.xml 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**

**Table of Contents**

|   |           |
|---|-----------|
| <b>1. GENERAL INFORMATION .....</b>   | <b>4</b>  |
| 1.1. Company Identifying Information .....  | 4         |
| 1.2. Company Contact Information.....   | 4         |
| 1.3. Scope and Purpose .....  | 4         |
| 1.4. Proposed Rate Increase(s).....   | 5         |
| 1.5. Reason for Rate Increase(s) .....  | 5         |
| 1.6. Historical Financial Results.....  | 7         |
| <p>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. ....</p> |           |
| 1.7. Health Care Reform .....   | 7         |
| 1.8. Vermont Statutory Rate Review Criteria.....  | 9         |
| <b>2. PROPOSED BENEFITS .....</b>   | <b>12</b> |
| 2.1. Description of Benefits .....  | 12        |
| <p>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. ....</p>  |           |
| 2.2. AV Metal Values .....  | 12        |
| <b>3. EXPERIENCE RATING .....</b>   | <b>13</b> |
| 3.1. Experience Period Premium and Claims.....  | 13        |
| 3.2. Benefit Categories.....  | 14        |
| 3.3. Index Rate.....  | 14        |

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

|          |   |    |
|----------|---|----|
| 3.4.     | Projection Factors.....   | 15 |
| 3.4.1.   | Change in the Definition of Small Group.....                                  | 15 |
| 3.4.2.   | Membership Projections .....  | 15 |
| 3.4.3.   | Changes in the Morbidity of the Population Insured .....                      | 16 |
| 3.4.4.   | Changes in Benefits.....  | 19 |
| 3.4.5.   | Changes in Demographics .....   | 20 |
| 3.4.6.   | Other Adjustments.....  | 20 |
| 3.4.7.   | Trend Factors (cost/utilization): .....                                       | 24 |
| 3.4.7.1. | Medical Trend Development.....  | 25 |
| 3.4.7.2. | Pharmacy Trend Development .....  | 34 |
| 3.4.7.3. | Vision and Dental Trend Development .....                                     | 36 |
| 3.4.7.4. | Overall Total Trend.....  | 37 |
| 3.5.     | Credibility of Experience .....   | 37 |
| 3.6.     | Credibility manual rate development .....                                     | 37 |
| 3.7.     | Market Adjusted Index Rate .....  | 37 |
| 3.7.1.   | Projected Risk Adjustment Transfer PMPM: .....                                | 37 |
| 3.7.2.   | Exchange User Fees.....   | 38 |
| 3.8.     | Plan Adjusted Index Rates .....   | 39 |
| 3.8.1.   | Plan Adjustment - Actuarial Value and Cost Sharing adjustment .....           | 39 |
| 3.8.1.1. | Benefit Richness Adjustment .....   | 39 |
| 3.8.1.2. | Paid-to-Allowed Ratio.....  | 40 |
| 3.8.2.   | Silver Loading: .....   | 40 |
| 3.8.3.   | Provider Network, Delivery System and Utilization Management adjustment:..... | 40 |
| 3.8.4.   | Adjustment for benefits in addition to the EHBs:.....                         | 40 |
| 3.8.5.   | Impact of specific eligibility categories for the catastrophic plan.....      | 40 |
| 3.8.6.   | Adjustment for distribution of the administrative costs .....                 | 41 |
| 3.8.6.1. | Administrative Expense Load:.....   | 41 |
| 3.8.6.3. | Taxes and Fees:.....  | 44 |
| 3.8.7.   | Calibration.....  | 46 |
| 3.8.8.   | Projected Loss Ratio.....   | 46 |
| 3.9.     | Consumer Adjusted Premium Rate Development .....                              | 47 |
| 3.10.    | Small Group Plan Premium Rates.....   | 47 |
| 4.       | ADDITIONAL INFORMATION .....  | 47 |
| 4.1.     | Terminated Products .....   | 47 |
| 4.2.     | Plan Type .....   | 47 |



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

|      |   |    |
|------|---|----|
| 4.3. | Act 193 Information.....                  | 48 |
| 5.   | RELIANCE AND ACTUARIAL CERTIFICATION..... | 49 |
| 5.1. | Reliance .....                            | 49 |
| 5.2. | Actuarial Certification.....              | 50 |

**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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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<br>Trend Component | Approved<br>2019 | Filed 2020 | 2020 Rate Impact<br>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%                                   |
| <b>Total</b>                    |                  |            | <b>2.2%</b>                            |

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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<br>Trend Component | Filed 2020 | 2020 Rate<br>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%                |
| <b>Total</b>                    |            | <b>8.0%</b>         |

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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

# **BLUE CROSS BLUE SHIELD OF VERMONT**

## **2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING**

### **ACTUARIAL MEMORANDUM**

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 BCBSVT'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 BCBSVT 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<sup>1</sup>, 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

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<sup>1</sup> <https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT088/ACT088%20As%20Enacted.pdf>

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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.”<sup>2</sup> Other studies continue to demonstrate that cost savings have yet to result from increasing access and utilization of primary care.<sup>3</sup> However, what those studies do not

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<sup>2</sup> <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2008.0701>

<sup>3</sup> 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



# **BLUE CROSS BLUE SHIELD OF VERMONT**

## **2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING**

### **ACTUARIAL MEMORANDUM**

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<sup>4</sup>. 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<sup>5</sup>.

The federal rate review criteria of “not excessive” and “not inadequate” are tested by actuarial analysis. Actuarial Standard of Practice No. 8<sup>6</sup> 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.

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<sup>4</sup> See, for instance, DFR solvency opinion in filing BCVT-131497882.

<sup>5</sup> While it is true that “affordability” is in conflict with “insurer profitability,” the latter quantity is not among Vermont rate review criteria.

<sup>6</sup> [http://www.actuarialstandardsboard.org/wp-content/uploads/2014/07/asop008\\_100.pdf](http://www.actuarialstandardsboard.org/wp-content/uploads/2014/07/asop008_100.pdf)

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

## 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.

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

**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.

|  | <b>Incurred Claims</b> | <b>Allowed Claims</b> |
|--|------------------------|-----------------------|
| 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

|  | 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          |
| <b>Line A of Exhibit 5</b>                         | <b>\$398,024,061</b> | <b>\$631.80</b> |

### 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<sub>1</sub> 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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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<sub>5</sub>)

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<br>= 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

| 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       | $= \frac{(314,645 \times \$590.65) - (24,000 \times \$575.62)}{290,645}$ $= \$591.89$  |
| Individual Members                                       | 266,091       | \$694.06   |
| Total Projected Market                                   | 556,736       | $= \frac{(290,645 \times \$591.89) + (266,091 \times \$694.06)}{556,736}$ $= \$640.72$ |
| Impact of AHP - Part 2                                   |               | $= \$640.72 / \$638.03 = 1.0042$   |
| Total Impact of AHP (Line 1+b <sub>5</sub> of Exhibit 5) |               | $= 1.0099 \times 1.0042 = 1.0141$  |

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<sub>9</sub>)

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 cancellation and cancellation due to death. Voluntary cancellations 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 cancellations 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.

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

|   | Voluntary<br>Cancellation<br>in the<br>Individual<br>Market | Members in<br>Groups<br>that are no<br>longer with<br>BCBSVT | All Other<br>Members<br>(excluding<br>groups that<br>joined an<br>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<br>Induced Utilization    | 0.946   | 1.006  | 1.005  | 1.000         |
| PMPM after normalization for<br>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<sup>7</sup> 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.

<sup>7</sup> <https://www.soa.org/Research/Research-Projects/Health/research-health-care-birth-death.aspx>



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

| 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 <sub>3</sub> of Exhibit 5) | = 0.9897 <sup>2</sup> x 1.0015 = 0.9809 |
|--|---|

Impact of the elimination of the individual mandate penalty (1+b<sub>7</sub>)

The claims impact of eliminating the individual mandate penalty (1+b<sub>7</sub> 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<sub>1</sub>)

The impact of benefit changes (1+c<sub>1</sub> 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 3.4.5. Changes in Demographics

##### Impact of the changes in demographics (1+c<sub>3</sub>)

To develop the change in demographic factor (factor 1+c<sub>3</sub> on Exhibit 5), we used the age-gender factors from the SOA's report Health Care Cost - From Birth to Death<sup>8</sup> 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<sub>3</sub> 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<sup>9</sup>.

##### Changes in Provider Network (1+c<sub>2</sub>)

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<sub>2</sub> on Exhibit 5) is 1.000

##### Changes in Pharmacy Contracts (1+c<sub>5</sub>)

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<sub>5</sub> of Exhibit 5.

##### Impact of Selection (1+c<sub>6</sub>)

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

<sup>8</sup> <https://www.soa.org/Research/Research-Projects/Health/research-health-care-birth-death.aspx>

<sup>9</sup> Non-system claims are payments that are not processed through the claims adjudication system.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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. BCBSVT's 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, BCBSVT 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<sub>8</sub>)

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<sub>8</sub> of Exhibit 5 is therefore 1.000.

#### Impact of the ACO program (1+b<sub>4</sub> and 1+b<sub>6</sub>)

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<sub>4</sub> 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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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 ( $0.784 \times 0.646 \times 0.004 = 0.0020$ ). The impact of these savings (1+b<sub>6</sub> on Exhibit 5) is 0.9980.

#### Impact of the enforcement of the Medicare Part B requirement (1+b<sub>2</sub>)

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<br>= \$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<br>= \$633.81 |
| Impact of enforcement of the Medicare Part B requirement (Line 1+b <sub>2</sub> on Exhibit 5)             | = \$633.81 / \$638.03<br>= 0.9934 |

#### Impact of Leap Year (1+c<sub>4</sub>)

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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 previously 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<sup>10</sup> 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<sup>11</sup> 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<sup>12</sup> 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<br>(SFY2020) | Rate for Q2-Q4<br>2020 (SFY 2021) | Weight |
|--------------|-------------------------------|-----------------------------------|--------|
| Child        | \$4.54                        | \$10.07                           | 11.9%  |
| Adult        | \$0.56                        | \$1.02                            | 88.1%  |

<sup>10</sup> <http://blueprintforhealth.vermont.gov/>

<sup>11</sup> <http://www.vtvaccine.org/>

<sup>12</sup> [https://www.vtvaccine.org/vtvaccine.nsf/documents/ApprovalOfFY2020AssessmentRateNoticeandLetterfromCommissioner.html/\\$File/2019-04-25%20Assessment%20Rate%20Notice%20and%20Letter%20from%20Commissioner%20SFY2020.pdf](https://www.vtvaccine.org/vtvaccine.nsf/documents/ApprovalOfFY2020AssessmentRateNoticeandLetterfromCommissioner.html/$File/2019-04-25%20Assessment%20Rate%20Notice%20and%20Letter%20from%20Commissioner%20SFY2020.pdf)

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

- **Net Cost of Reinsurance (e<sub>5</sub>):**  
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<sub>6</sub>):**  
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<sub>7</sub>):**  
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<sup>SM</sup> 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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. These 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<sup>13</sup>. 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.

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<sup>13</sup> 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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



# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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<sup>14</sup>, are not included, as these are inappropriate for use in trend development and/or for the data available.

<sup>14</sup> 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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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.

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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

| 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.<sup>15</sup> This can be observed in the increase in outpatient surgery related claims compared to other outpatient services.

| Year | Surgery                |          | Other Outpatient       |          |
|------|------------------------|----------|------------------------|----------|
|      | 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.

<sup>15</sup> <https://www.sciencedirect.com/science/article/pii/S1743919117304971?via%3Dihub>

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

| 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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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%                       |
| <b>Total</b>  | <b>\$509.30</b>                          | <b>4.1%</b>                |

#### 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.

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

### 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



# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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 AWP, 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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

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 |

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

## **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<sup>16</sup>. 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<sup>17</sup>. The PLRS was

<sup>16</sup> <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Interim-RA-Report-BY2018.pdf>

<sup>17</sup> <https://gmcboard.vermont.gov/sites/gmcb/files/2018%202019%20Plan%20Selection%20for%20GMCB.pdf>

# **BLUE CROSS BLUE SHIELD OF VERMONT**

## **2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING**

### **ACTUARIAL MEMORANDUM**

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<sub>1</sub> 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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.

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

## **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.”<sup>18</sup> 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

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

# **BLUE CROSS BLUE SHIELD OF VERMONT**

## **2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING**

### **ACTUARIAL MEMORANDUM**

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:

##### BCBSVT Base Administrative Charges

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.

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

| 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          | $D = A + B + C$                    | <b>\$79,712,766</b> | <b>100.0%</b>    |
| BCBSVT Personnel Cost                  | $E = A / (A + C)$                  |                     | 83.4%            |
| Projected Personnel Cost Increase      | F                                  |                     | 3.0%             |
| Projected Administrative Cost Increase | $G = (E \times (1+F) + (1-E)) - 1$ |                     | 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) | $E = (A-B) \times C \times D$ | \$46.12  |

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



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

## 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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

|       | 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<sup>19</sup>. 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.

<sup>19</sup>

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

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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.

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

| 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                           | $e = b \times c \times d$ | \$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.

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

## **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.

# BLUE CROSS BLUE SHIELD OF VERMONT

## 2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

### ACTUARIAL MEMORANDUM

#### 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.

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

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)

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

**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.



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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

# **BLUE CROSS BLUE SHIELD OF VERMONT**

## **2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING**

### **PLAIN LANGUAGE SUMMARY**

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.

A handwritten signature in blue ink, appearing to read "Ruth Greene", written over a horizontal line.

Ruth Greene  
Vice President, Treasurer & CFO

05/10/2019

Date

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Unified Rate Review v5.0

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.

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period:1/1/2018to12/31/2018

TotalPMPM

|                                      |                  |          |
|--------------------------------------|------------------|----------|
| 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<br>Rate PMPM | Year 1 Trend |             | Year 2 Trend |             | Trended EHB Allowed Claims<br>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 |
| HCS Issuer ID:                    | 13627                                 |
| Effective Date of Rate Change(s): | 1/1/2020                              |

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 + V.  
To finalize, select the Finalize button or Ctrl + Shift + F.

[illegible]

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        |

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

STATE OF VERMONT STANDARD PLAN DESIGNS

|  | PLATINUM<br>Standard  | GOLD<br>Standard  | SILVER<br>Standard  | SILVER<br>Standard  | BRONZE<br>Standard                           | BRONZE<br>Standard  | BRONZE<br>Standard   | SILVER REFLECTIVE<br>Standard   | SILVER REFLECTIVE<br>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,<br>Embedded Individual<br>OOPM of \$8,150 | Stacked, 2x Family                           | Aggregate, 2x Family,<br>Embedded Individual<br>OOPM of \$8,150 | Stacked, 2x Family   | Stacked, 2x Family  | Aggregate, 2x Family,<br>Embedded Individual<br>OOPM of \$8,150 |
| Medical Deductible waived for:                 | Preventive Care, Office<br>Visits, Urgent Care,<br>Ambulance, Pediatric<br>Dental Class I, Vision | Preventive Care, Office<br>Visits, Urgent Care,<br>Ambulance, Pediatric<br>Dental Class I, Vision | Preventive Care, Office<br>Visits, Urgent Care,<br>Ambulance, Pediatric<br>Dental Class I, Vision | Preventive Care   | Preventive Care,<br>Pediatric Dental Class I | Preventive Care   | Preventive Care, Office<br>Visits, Pediatric Dental<br>Class I | Preventive Care, Office<br>Visits, Urgent Care,<br>Ambulance, Pediatric<br>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  |
| <b>Service Category</b>                        |   |   |   |   |  |   |  |   |   |
| 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%   |

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  |
| <b>Service Category</b>                        |  |                      |  |   |  |   |  |  |   |
| 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         |
| <b>Total</b>                          | <b>19,431</b>     | <b>24,508</b>      | <b>43,939</b> |

| 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         |
| <b>Total</b>                          | <b>19,176</b>     | <b>22,508</b>      | <b>41,684</b> |

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

Exhibit 2B

IMPACT OF BENEFIT CHANGES

| Metal        | Allowed Charge<br>PMPM | PMPM for Claims in<br>Excess of \$500,000 | Capped Allowed<br>Charges PMPM | Allowed Charged<br>PMPM with Average<br>PMPM for Claims in<br>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  |
| <b>Total</b> | <b>\$631.79</b>        | <b>\$2.91</b>                             | <b>\$628.88</b>                | <b>\$631.79</b>   |

| Metal  | Allowed Charges<br>Relativity | Experience Period<br>Member Months | March 2018<br>Membership | 2019 Projected<br>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                          |
| <b>Total</b>   |                               | <b>629,988</b>                     | <b>43,939</b>            | <b>41,684</b>                |
| Weighted Average Allowed Charge Relativity               |                               | 0.9957                             | 0.9981                   | 1.0022                       |
| Benefit Adjustment (1+c1 on Exhibit 5) = 1.0022/0.9957 = |                               |                                    |                          | <b>1.0065</b>                |

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

Exhibit 2D

IMPACT OF SELECTION

|                       |              |                   | Projected Paid Claims - Using HHS Induced Utilization Factor  |                                   |                            |  |                          | Projected Paid Claims - Using BCBSVT Induced Utilization Factor |                                   |                            |                          |                         |
|-----------------------|--------------|-------------------|---|-----------------------------------|----------------------------|--|--------------------------|---|-----------------------------------|----------------------------|--------------------------|-------------------------|
|                       |              |                   | Projected FFS<br>Allowed<br>Charges -<br>Without<br>Selection | Benefit<br>Richness<br>Adjustment | Pricing<br>Actuarial Value | For<br>Catastrophic<br>Plan only -<br>Impact of the<br>specific<br>eligibility | Projected Paid<br>Claims | Projected FFS<br>Allowed<br>Charges -<br>Without<br>Selection   | Benefit<br>Richness<br>Adjustment | Pricing<br>Actuarial Value | Projected Paid<br>Claims | Projected<br>Membership |
|                       |              |                   |   |                                   |                            |  |                          |   |                                   |                            |                          |                         |
| NON-STANDARD<br>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                     |
| REFLECTIV<br>E 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

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 | Professional 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  
CY2017 / CY 2016 Annual Increase  
CY2018 / CY 2017 Annual Increase

5.7% 3.1% 15.5% 3.7% 4.8%  
4.1% 6.3% 12.5% 6.1% 6.3%  
4.2% 8.5% 35.6% 4.9% 8.9%

MEDICAL TREND DEVELOPMENT  
UTILIZATION TREND CALCULATION

| Month                            | Membership | Adjusted Claims - Normalized for Contract Changes |               |                  |              |               |                |                 |                       |                   |            |
|----------------------------------|------------|---|---------------|------------------|--------------|---------------|----------------|-----------------|-----------------------|-------------------|------------|
|                                  |            | Inpatient   | Outpatient    | Medical Pharmacy | Professional | Total         | Inpatient PMPM | Outpatient PMPM | Medical Pharmacy PMPM | Professional 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                                       | \$10,614,662  | \$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%       |

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 | Normalized Working Days | Total Normalized Factor | Inpatient PMPM | Outpatient PMPM | Medical Pharmacy PMPM | Professional 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 |          |                                  |            | Professional Details              |                  |                  |                   |                  |                     |           |                         |                    |                  |                |        |
|----------------------------------|------------|--------------------|----------|----------------------------------|------------|-----------------------------------|------------------|------------------|-------------------|------------------|---------------------|-----------|-------------------------|--------------------|------------------|----------------|--------|
| Month                            | Membership | Surgery            | Other    | 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     | \$43.62            | \$143.99 | 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     | \$53.15            | \$154.34 | 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     | \$47.72            | \$144.76 | 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     | \$49.40            | \$148.07 | 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     | \$43.76            | \$152.33 | 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     | \$42.82            | \$151.56 | 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     | \$47.08            | \$141.87 | 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     | \$39.26            | \$139.14 | 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     | \$47.70            | \$155.20 | 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     | \$47.88            | \$145.25 | 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     | \$54.35            | \$156.28 | 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     | \$57.38            | \$153.89 | 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     | \$47.39            | \$162.45 | 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     | \$49.64            | \$151.97 | 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     | \$45.96            | \$144.06 | 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     | \$49.10            | \$140.39 | 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     | \$48.66            | \$144.97 | 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     | \$46.31            | \$137.00 | 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     | \$38.96            | \$139.93 | 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     | \$41.61            | \$135.81 | 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     | \$45.67            | \$143.32 | 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     | \$51.65            | \$143.58 | 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     | \$55.57            | \$153.18 | 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     | \$54.79            | \$152.98 | 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     | \$46.23            | \$148.79 | 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     | \$45.82            | \$142.12 | 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     | \$48.19            | \$143.72 | 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     | \$43.29            | \$147.16 | 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     | \$47.47            | \$155.65 | 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     | \$44.02            | \$143.58 | 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     | \$45.28            | \$151.46 | 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     | \$40.26            | \$139.59 | 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     | \$49.03            | \$156.94 | 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     | \$49.57            | \$148.60 | 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     | \$58.02            | \$161.17 | 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     | \$56.08            | \$161.55 | 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     | \$45.14            | \$151.74 | 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     | \$49.96            | \$159.07 | 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     | \$53.57            | \$155.55 | 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     | \$52.50            | \$159.79 | 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     | \$46.13            | \$150.60 | 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     | \$50.45            | \$147.25 | 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     | \$43.61            | \$142.90 | 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     | \$40.50            | \$139.07 | 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     | \$46.67            | \$157.70 | 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     | \$54.27            | \$152.31 | 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     | \$55.88            | \$155.50 | 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     | \$61.10            | \$167.49 | 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    | \$47.82            | \$148.87 | 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    | \$47.95            | \$145.78 | 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    | \$47.70            | \$149.92 | 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    | \$49.93            | \$153.23 | 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 |            | 0.3%               | -2.1%    | 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 |            | -0.5%              | 2.8%     | 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 |            | 4.7%               | 2.2%     | 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%  |



MEDICAL TREND DEVELOPMENT  
UTILIZATION TREND CALCULATION

|                                   | Results for Regressions and Holt Winters Multiplicative by Category |                         |                           |                        |                           |                        |                           |                        |                           |   |                           |
|-----------------------------------|---|-------------------------|---------------------------|------------------------|---------------------------|------------------------|---------------------------|------------------------|---------------------------|---|---------------------------|
| Components of Professional Claims | CY 2018<br>Adjusted<br>PMPM   | Year over<br>Year Trend | Projected CY<br>2020 PMPM | 24-month<br>regression | Projected CY<br>2020 PMPM | 36-month<br>regression | Projected CY<br>2020 PMPM | 48-month<br>regression | Projected CY<br>2020 PMPM | Holt Winters<br>Multiplicative<br>36 months | Projected CY<br>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                  |

|               | Details of Medical Drug Experience |                    |                      |             |                 |             |                 |                    |                 |
|---------------|------------------------------------|--------------------|----------------------|-------------|-----------------|-------------|-----------------|--------------------|-----------------|
|               | Unadjusted<br>CY 2017<br>PMPM      | Unit Cost<br>Trend | Utilization<br>Trend | Total Trend | CY 2018<br>PMPM | Total Trend | CY 2019<br>PMPM | Total Trend        | CY 2020<br>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%           |

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          |              |
| <b>Net Avoided Medical Cost</b>                                       | <b>\$2,283,254</b> |              |

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  |              |
| <b>Net Avoided Medical Cost</b>    | <b>\$949,485</b>  |              |

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 |
| Convenient Care Program for Home Infusion              |            | -\$150,000   |
| Total  |            | -\$1,541,394 |
| Cost Containment Adjustment for 2020 Program           |            | 0.9947       |

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  
CY2018 / CY 2017 Annual Increase

4.0%  
3.4%

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

EXHIBIT 3D  
Page 2

PHARMACY TREND DEVELOPMENT  
NON-SPECIALTY UTILIZATION TREND CALCULATION

| Month  | Membership | Adjustments for Benefits, Aging and Working Days |                        |                                      |                                 |                                    |              |                            |                               | Monthly | Annual |
|--------|------------|--|------------------------|--------------------------------------|---------------------------------|------------------------------------|--------------|----------------------------|-------------------------------|---------|--------|
|        |            | Paid to<br>Allowed Ratio                         | Induced<br>Utilization | Normalized<br>Induced<br>Utilization | Average<br>Age/Gender<br>Factor | Normalized<br>Age/Gender<br>Factor | Working Days | Normalized<br>Working Days | Total<br>Normalized<br>Factor |         |        |
| 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  
CY2018 / CY 2017 Annual Increase

2.8%  
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 | 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 |                 |
|              |  |   | 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       | 30.93  | 30.30   | Jan-16                             | 58,035          | \$31.43                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Feb-16       | 31.00  | 30.40   | Feb-16                             | 58,508          | \$31.36                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Mar-16       | 31.07  | 30.49   | Mar-16                             | 58,994          | \$30.15                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Apr-16       | 31.15  | 30.58   | Apr-16                             | 58,880          | \$30.17                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| May-16       | 31.22  | 30.68   | May-16                             | 58,902          | \$31.45                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Jun-16       | 31.30  | 30.77   | Jun-16                             | 58,974          | \$30.09                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Jul-16       | 31.37  | 30.87   | Jul-16                             | 59,109          | \$32.29                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Aug-16       | 31.45  | 30.96   | Aug-16                             | 59,225          | \$29.58                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Sep-16       | 31.52  | 31.06   | Sep-16                             | 59,361          | \$31.65                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Oct-16       | 31.60  | 31.16   | Oct-16                             | 59,486          | \$32.61                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Nov-16       | 31.68  | 31.25   | Nov-16                             | 59,533          | \$33.89                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Dec-16       | 31.75  | 31.35   | Dec-16                             | 59,399          | \$34.72                |                 |                              |                 |                                    |                 |                        |                 |                              |                 |
| Jan-17       | 31.83  | 31.45   | Jan-17                             | 57,089          | \$32.15                | \$31.43         |                              | \$31.28         |                                    |                 |                        |                 |                              |                 |
| Feb-17       | 31.90  | 31.55   | Feb-17                             | 57,367          | \$30.81                | \$31.44         |                              | \$31.35         |                                    |                 |                        |                 |                              |                 |
| Mar-17       | 31.97  | 31.64   | Mar-17                             | 57,015          | \$30.53                | \$30.17         |                              | \$30.17         |                                    |                 |                        |                 |                              |                 |
| Apr-17       | 32.05  | 31.74   | Apr-17                             | 56,631          | \$32.01                | \$30.22         |                              | \$30.22         |                                    |                 |                        |                 |                              |                 |
| May-17       | 32.13  | 31.83   | May-17                             | 56,158          | \$32.30                | \$31.69         |                              | \$31.67         |                                    |                 |                        |                 |                              |                 |
| Jun-17       | 32.21  | 31.93   | Jun-17                             | 55,814          | \$30.80                | \$30.40         |                              | \$31.54         |                                    |                 |                        |                 |                              |                 |
| Jul-17       | 32.28  | 32.03   | Jul-17                             | 55,401          | \$35.00                | \$32.69         |                              | \$32.66         |                                    |                 |                        |                 |                              |                 |
| Aug-17       | 32.36  | 32.13   | Aug-17                             | 54,974          | \$30.61                | \$30.18         |                              | \$31.72         |                                    |                 |                        |                 |                              |                 |
| Sep-17       | 32.44  | 32.23   | Sep-17                             | 54,581          | \$32.63                | \$32.39         |                              | \$32.37         |                                    |                 |                        |                 |                              |                 |
| Oct-17       | 32.52  | 32.33   | Oct-17                             | 54,204          | \$32.56                | \$33.45         |                              | \$33.41         |                                    |                 |                        |                 |                              |                 |
| Nov-17       | 32.60  | 32.43   | Nov-17                             | 53,797          | \$35.16                | \$34.72         |                              | \$34.66         |                                    |                 |                        |                 |                              |                 |
| Dec-17       | 32.67  | 32.53   | Dec-17                             | 53,132          | \$36.00                | \$35.66         | \$32.00                      | \$35.59         | \$31.99                            |                 |                        |                 |                              |                 |
| Jan-18       | 32.75  | 32.64   | 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       | 32.83  | 32.74   | 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       | 32.90  | 32.83   | 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       | 32.98  | 32.93   | 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       | 33.06  | 33.04   | 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       | 33.14  | 33.14   | 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       | 33.22  | 33.24   | 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       | 33.30  | 33.35   | 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       | 33.38  | 33.45   | 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       | 33.46  | 33.55   | 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       | 33.54  | 33.66   | 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       | 33.62  | 33.76   | Dec-18                             | 46,721          | \$37.20                | \$36.13         | \$32.76                      | \$36.05         | \$32.78                            | \$33.47         | \$32.96                | \$36.00         | \$32.52                      | \$32.99         |
| Jan-19       | 46,721   |   | Jan-19                             | 46,721          | \$32.53                | \$32.76         |                              | \$32.59         | \$32.78                            | \$33.67         | \$33.07                | \$31.07         | \$32.44                      | \$33.26         |
| Feb-19       | 46,721   |   | Feb-19                             | 46,721          | \$32.34                | \$32.79         |                              | \$32.42         | \$32.81                            | \$33.80         | \$33.17                | \$31.24         | \$32.48                      | \$33.45         |
| Mar-19       | 46,721   |   | Mar-19                             | 46,721          | \$31.68                | \$32.86         |                              | \$31.76         | \$32.88                            | \$33.94         | \$33.28                | \$31.23         | \$32.55                      | \$33.63         |
| Apr-19       | 46,721   |   | Apr-19                             | 46,721          | \$32.25                | \$32.93         |                              | \$32.29         | \$32.95                            | \$34.08         | \$33.39                | \$32.15         | \$32.56                      | \$33.82         |
| May-19       | 46,721   |   | May-19                             | 46,721          | \$33.14                | \$32.98         |                              | \$33.18         | \$33.00                            | \$34.21         | \$33.51                | \$32.64         | \$32.59                      | \$34.00         |
| Jun-19       | 46,721   |   | Jun-19                             | 46,721          | \$31.93                | \$33.05         |                              | \$32.02         | \$33.07                            | \$34.35         | \$33.62                | \$32.03         | \$32.70                      | \$33.19         |
| Jul-19       | 46,721   |   | Jul-19                             | 46,721          | \$34.14                | \$33.05         |                              | \$34.16         | \$33.08                            | \$34.49         | \$33.75                | \$32.70         | \$32.50                      | \$33.40         |
| Aug-19       | 46,721   |   | Aug-19                             | 46,721          | \$31.41                | \$33.12         |                              | \$31.53         | \$33.15                            | \$34.62         | \$33.87                | \$31.32         | \$32.56                      | \$33.55         |
| Sep-19       | 46,721   |   | Sep-19                             | 46,721          | \$33.72                | \$33.19         |                              | \$33.76         | \$33.22                            | \$34.76         | \$34.00                | \$33.99         | \$32.68                      | \$33.74         |
| Oct-19       | 46,721   |   | Oct-19                             | 46,721          | \$33.62                | \$33.18         |                              | \$33.72         | \$33.22                            | \$34.89         | \$34.13                | \$31.85         | \$32.62                      | \$33.90         |
| Nov-19       | 46,721   |   | Nov-19                             | 46,721          | \$35.92                | \$33.23         |                              | \$35.89         | \$33.28                            | \$35.03         | \$34.28                | \$35.33         | \$32.63                      | \$34.09         |
| Dec-19       | 46,721   |   | Dec-19                             | 46,721          | \$37.09                | \$33.31         |                              | \$37.01         | \$33.36                            | \$35.17         | \$34.42                | \$37.17         | \$32.73                      | \$34.28         |
| Jan-20       | 46,721   |   | Jan-20                             | 46,721          | \$33.05                | \$33.36         |                              | \$33.16         | \$33.41                            | \$35.30         | \$34.55                | \$31.09         | \$32.73                      | \$35.48         |
| Feb-20       | 46,721   |   | Feb-20                             | 46,721          | \$32.85                | \$33.40         |                              | \$32.99         | \$33.46                            | \$35.44         | \$34.69                | \$31.26         | \$32.73                      | \$35.66         |
| Mar-20       | 46,721   |   | Mar-20                             | 46,721          | \$32.18                | \$33.44         |                              | \$32.32         | \$33.50                            | \$35.58         | \$34.83                | \$31.26         | \$32.73                      | \$35.85         |
| Apr-20       | 46,721   |   | Apr-20                             | 46,721          | \$32.76                | \$33.48         |                              | \$32.86         | \$33.55                            | \$35.71         | \$34.96                | \$32.17         | \$32.73                      | \$36.03         |
| May-20       | 46,721   |   | May-20                             | 46,721          | \$33.66                | \$33.53         |                              | \$33.75         | \$33.60                            | \$35.85         | \$35.10                | \$32.67         | \$32.74                      | \$36.22         |
| Jun-20       | 46,721   |   | Jun-20                             | 46,721          | \$32.43                | \$33.57         |                              | \$32.58         | \$33.64                            | \$35.98         | \$35.24                | \$32.06         | \$32.74                      | \$36.39         |
| Jul-20       | 46,721   |   | Jul-20                             | 46,721          | \$34.68                | \$33.61         |                              | \$34.73         | \$33.69                            | \$36.12         | \$35.37                | \$32.73         | \$32.74                      | \$36.59         |
| Aug-20       | 46,721   |   | Aug-20                             | 46,721          | \$31.90                | \$33.66         |                              | \$32.10         | \$33.74                            | \$36.26         | \$35.51                | \$31.34         | \$32.74                      | \$36.77         |
| Sep-20       | 46,721   |   | Sep-20                             | 46,721          | \$34.25                | \$33.70         |                              | \$34.33         | \$33.79                            | \$36.39         | \$35.64                | \$34.02         | \$32.75                      | \$36.96         |
| Oct-20       | 46,721   |   | Oct-20                             | 46,721          | \$34.14                | \$33.74         |                              | \$34.29         | \$33.83                            | \$36.53         | \$35.78                | \$31.87         | \$32.75                      | \$37.14         |
| Nov-20       | 46,721   |   | Nov-20                             | 46,721          | \$36.48                | \$33.79         |                              | \$36.46         | \$33.88                            | \$36.67         | \$35.92                | \$35.36         | \$32.75                      | \$37.33         |
| Dec-20       | 46,721   |   | Dec-20                             | 46,721          | \$37.67                | \$33.84         |                              | \$37.57         | \$33.93                            | \$36.80         | \$36.05                | \$37.20         | \$32.75                      | \$37.51         |
| Annual Trend |  |   | 1.6%                               |                 | 1.7%                   |                 | 4.6%                         |                 | 0.4%                               |                 | 0.3%                   |                 | 5.8%                         |                 |
| RMSE         |  |   | 1.02                               |                 | 1.02                   |                 | 1.73                         |                 | 1.1                                |                 | 1.85                   |                 |                              |                 |
| Theils U     |  |   | 0.47                               |                 | 0.47                   |                 | 0.85                         |                 | 0.5227                             |                 | 0.5227                 |                 | 0.84                         |                 |

| 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 |

PHARMACY TREND DEVELOPMENT

GENERIC COST TREND

| Month  | "Old" Generics |                         |                      | New Generics |                         |                      | All Generics |                         |                      |
|--------|----------------|-------------------------|----------------------|--------------|-------------------------|----------------------|--------------|-------------------------|----------------------|
|        | 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  
CY2018 / CY 2017 Annual Increase

1.4%  
0.5%

-3.1%  
-3.8%

5.1%  
2.1%

| Month  | Regression on Cost per Days Supply on "Old" Generics |           |
|--------|--|-----------|
|        | 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

| Month  | All Other Brands |                         |                      | Brands Going Generic, Vaccines and Compounds |                         |                      | Over the Counter |                         |                      | All Brands  |                         |                      | Regression on Cost per Days Supply on All Other Brands Only |           |
|--------|------------------|-------------------------|----------------------|--|-------------------------|----------------------|------------------|-------------------------|----------------------|-------------|-------------------------|----------------------|---|-----------|
|        | 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 | 36 Months   | 24 Months |
|        | Month            |                         |                      |  |                         |                      |                  |                         |                      |             |                         |                      | Month   |           |
| 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              | Jan-16  | \$12.71   |
| 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              | Feb-15  | \$11.57   |
| 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              | Mar-15  | \$11.66   |
| 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              | Apr-15  | \$11.76   |
| 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              | May-15  | \$11.86   |
| 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              | Jun-15  | \$11.97   |
| 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              | Jul-15  | \$12.07   |
| 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              | Aug-15  | \$12.17   |
| 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              | Sep-15  | \$12.28   |
| 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              | Oct-15  | \$12.39   |
| 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              | Nov-15  | \$12.49   |
| 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              | Dec-15  | \$12.60   |
| 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              | Jan-16  | \$12.71   |
| 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              | Feb-16  | \$12.82   |
| 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              | Mar-16  | \$12.93   |
| 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              | Apr-16  | \$13.04   |
| 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              | May-16  | \$13.15   |
| 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              | Jun-16  | \$13.27   |
| 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              | Jul-16  | \$13.38   |
| 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              | Aug-16  | \$13.50   |
| 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              | Sep-16  | \$13.62   |
| 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              | Oct-16  | \$13.73   |
| 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              | Nov-16  | \$13.85   |
| 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              | Dec-16  | \$13.97   |
| 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              | Jan-17  | \$14.10   |
| 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              | Feb-17  | \$14.22   |
| 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              | Mar-17  | \$14.33   |
| 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              | Apr-17  | \$14.46   |
| 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              | May-17  | \$14.58   |
| 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              | Jun-17  | \$14.71   |
| 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              | Jul-17  | \$14.83   |
| 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              | Aug-17  | \$14.96   |
| 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              | Sep-17  | \$15.10   |
| 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              | Oct-17  | \$15.22   |
| 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              | Nov-17  | \$15.36   |
| 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              | Dec-17  | \$15.49   |

CY2017 / CY 2016 Annual Increase 10.8%  
CY2018 / CY 2017 Annual Increase 11.2%

-45.6%  
-21.6%

21.7%  
-2.4%  
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 |



PHARMACY TREND DEVELOPMENT  
SPECIALTY TREND CALCULATIONS

|                                  |            | Specialty Drug - Adjustment for Contract |                         |                                       |                            |                                       |                                  |                           | Adjustment for Aging         |         |            |  |       |
|----------------------------------|------------|--|-------------------------|---------------------------------------|----------------------------|---------------------------------------|----------------------------------|---------------------------|------------------------------|---------|------------|--|-------|
| Month                            | Membership | Total                                    | Adjustment for Contract | Allowed Charges Adjusted for Contract | PMPM Adjusted for Contract | Rolling 12 PMPM Adjusted for Contract | Month                            | Average Age/Gender Factor | Normalized Age/Gender Factor | Monthly | Rolling 12 |  |       |
| Jan-15                           | 59,869     | \$2,046,633                              | 0.939                   | \$1,921,254                           | \$32.09                    |                                       | Jan-15                           | 1.260                     | 1.033                        | \$33.16 |            |  |       |
| Feb-15                           | 60,244     | \$1,956,058                              | 0.938                   | \$1,834,554                           | \$30.45                    |                                       | Feb-15                           | 1.260                     | 1.034                        | \$31.48 |            |  |       |
| Mar-15                           | 61,542     | \$2,097,536                              | 0.938                   | \$1,967,009                           | \$31.96                    |                                       | Mar-15                           | 1.259                     | 1.034                        | \$33.06 |            |  |       |
| Apr-15                           | 61,697     | \$1,983,467                              | 0.938                   | \$1,859,915                           | \$30.15                    |                                       | Apr-15                           | 1.261                     | 1.033                        | \$31.13 |            |  |       |
| May-15                           | 61,086     | \$2,041,223                              | 0.938                   | \$1,914,961                           | \$31.35                    |                                       | May-15                           | 1.264                     | 1.031                        | \$32.31 |            |  |       |
| Jun-15                           | 61,096     | \$1,933,988                              | 0.937                   | \$1,811,456                           | \$29.65                    |                                       | Jun-15                           | 1.265                     | 1.029                        | \$30.52 |            |  |       |
| Jul-15                           | 60,499     | \$1,912,106                              | 0.962                   | \$1,839,317                           | \$30.40                    |                                       | Jul-15                           | 1.267                     | 1.028                        | \$31.24 |            |  |       |
| Aug-15                           | 59,971     | \$1,962,853                              | 0.962                   | \$1,888,487                           | \$31.49                    |                                       | Aug-15                           | 1.268                     | 1.027                        | \$32.35 |            |  |       |
| Sep-15                           | 59,685     | \$1,969,428                              | 0.962                   | \$1,894,974                           | \$31.75                    |                                       | Sep-15                           | 1.271                     | 1.025                        | \$32.54 |            |  |       |
| Oct-15                           | 59,559     | \$2,062,413                              | 0.962                   | \$1,984,283                           | \$33.32                    |                                       | Oct-15                           | 1.272                     | 1.024                        | \$34.12 |            |  |       |
| Nov-15                           | 59,215     | \$1,948,222                              | 0.962                   | \$1,874,455                           | \$31.66                    |                                       | Nov-15                           | 1.273                     | 1.023                        | \$32.40 |            |  |       |
| Dec-15                           | 59,166     | \$2,041,867                              | 0.963                   | \$1,965,363                           | \$33.22                    | \$31.45                               | Dec-15                           | 1.274                     | 1.022                        | \$33.96 | 32.35      |  |       |
| Jan-16                           | 58,035     | \$1,512,720                              | 0.962                   | \$1,455,760                           | \$25.08                    | \$30.88                               | Jan-16                           | 1.273                     | 1.023                        | \$25.67 | 31.74      |  |       |
| Feb-16                           | 58,508     | \$1,938,603                              | 0.963                   | \$1,866,012                           | \$31.89                    | \$31.00                               | Feb-16                           | 1.272                     | 1.024                        | \$32.65 | 31.84      |  |       |
| Mar-16                           | 58,994     | \$1,978,966                              | 0.962                   | \$1,904,449                           | \$32.28                    | \$31.02                               | Mar-16                           | 1.271                     | 1.025                        | \$33.08 | 31.84      |  |       |
| Apr-16                           | 58,880     | \$1,878,101                              | 0.963                   | \$1,807,697                           | \$30.70                    | \$31.07                               | Apr-16                           | 1.271                     | 1.025                        | \$31.45 | 31.87      |  |       |
| May-16                           | 58,902     | \$2,034,598                              | 0.963                   | \$1,958,511                           | \$33.25                    | \$31.23                               | May-16                           | 1.272                     | 1.024                        | \$34.04 | 32.01      |  |       |
| Jun-16                           | 58,974     | \$2,098,914                              | 0.962                   | \$2,020,072                           | \$34.25                    | \$31.62                               | Jun-16                           | 1.276                     | 1.021                        | \$34.96 | 32.38      |  |       |
| Jul-16                           | 59,109     | \$1,954,136                              | 0.963                   | \$1,881,078                           | \$31.82                    | \$31.74                               | Jul-16                           | 1.278                     | 1.019                        | \$32.42 | 32.48      |  |       |
| Aug-16                           | 59,225     | \$2,324,563                              | 0.962                   | \$2,237,204                           | \$37.77                    | \$32.26                               | Aug-16                           | 1.279                     | 1.018                        | \$38.47 | 32.99      |  |       |
| Sep-16                           | 59,361     | \$2,073,722                              | 0.962                   | \$1,995,683                           | \$33.62                    | \$32.42                               | Sep-16                           | 1.279                     | 1.018                        | \$34.22 | 33.13      |  |       |
| Oct-16                           | 59,486     | \$2,039,166                              | 0.963                   | \$1,963,090                           | \$33.00                    | \$32.39                               | Oct-16                           | 1.280                     | 1.018                        | \$33.58 | 33.09      |  |       |
| Nov-16                           | 59,533     | \$2,335,844                              | 0.963                   | \$2,248,818                           | \$37.77                    | \$32.91                               | Nov-16                           | 1.281                     | 1.017                        | \$38.41 | 33.59      |  |       |
| Dec-16                           | 59,399     | \$2,479,272                              | 0.963                   | \$2,386,384                           | \$40.18                    | \$33.49                               | Dec-16                           | 1.283                     | 1.015                        | \$40.79 | 34.17      |  |       |
| Jan-17                           | 57,089     | \$2,079,252                              | 0.963                   | \$2,002,089                           | \$35.07                    | \$34.31                               | Jan-17                           | 1.286                     | 1.013                        | \$35.53 | 34.97      |  |       |
| Feb-17                           | 57,367     | \$2,260,350                              | 0.963                   | \$2,176,433                           | \$37.94                    | \$34.80                               | Feb-17                           | 1.286                     | 1.013                        | \$38.44 | 35.45      |  |       |
| Mar-17                           | 57,015     | \$2,593,451                              | 0.963                   | \$2,498,024                           | \$43.81                    | \$35.74                               | Mar-17                           | 1.286                     | 1.013                        | \$44.38 | 36.37      |  |       |
| Apr-17                           | 56,631     | \$2,122,557                              | 0.963                   | \$2,043,759                           | \$36.09                    | \$36.19                               | Apr-17                           | 1.286                     | 1.013                        | \$36.55 | 36.79      |  |       |
| May-17                           | 56,158     | \$2,542,891                              | 0.963                   | \$2,448,190                           | \$43.59                    | \$37.04                               | May-17                           | 1.288                     | 1.011                        | \$44.07 | 37.61      |  |       |
| Jun-17                           | 55,814     | \$2,489,545                              | 0.963                   | \$2,397,277                           | \$42.95                    | \$37.75                               | Jun-17                           | 1.290                     | 1.010                        | \$43.37 | 38.30      |  |       |
| Jul-17                           | 55,401     | \$2,341,482                              | 0.964                   | \$2,256,033                           | \$40.72                    | \$38.49                               | Jul-17                           | 1.290                     | 1.010                        | \$41.12 | 39.02      |  |       |
| Aug-17                           | 54,974     | \$2,763,735                              | 0.963                   | \$2,662,347                           | \$48.43                    | \$39.34                               | Aug-17                           | 1.290                     | 1.010                        | \$48.89 | 39.86      |  |       |
| Sep-17                           | 54,581     | \$2,607,733                              | 0.964                   | \$2,512,952                           | \$46.04                    | \$40.38                               | Sep-17                           | 1.291                     | 1.009                        | \$46.47 | 40.88      |  |       |
| Oct-17                           | 54,204     | \$2,726,663                              | 0.963                   | \$2,625,585                           | \$48.44                    | \$41.67                               | Oct-17                           | 1.291                     | 1.009                        | \$48.87 | 42.16      |  |       |
| Nov-17                           | 53,797     | \$2,757,679                              | 0.963                   | \$2,655,255                           | \$49.36                    | \$42.63                               | Nov-17                           | 1.292                     | 1.008                        | \$49.76 | 43.10      |  |       |
| Dec-17                           | 53,132     | \$2,531,936                              | 0.963                   | \$2,438,798                           | \$45.90                    | \$43.11                               | Dec-17                           | 1.293                     | 1.007                        | \$46.24 | 43.55      |  |       |
| Jan-18                           | 50,618     | \$2,600,911                              | 1.000                   | \$2,600,911                           | \$51.38                    | \$44.44                               | Jan-18                           | 1.290                     | 1.010                        | \$51.88 | 44.89      |  |       |
| Feb-18                           | 49,821     | \$2,272,990                              | 1.000                   | \$2,272,990                           | \$45.62                    | \$45.10                               | Feb-18                           | 1.292                     | 1.008                        | \$46.01 | 45.54      |  |       |
| Mar-18                           | 49,344     | \$2,687,209                              | 1.000                   | \$2,687,209                           | \$54.46                    | \$45.93                               | Mar-18                           | 1.293                     | 1.007                        | \$54.84 | 46.35      |  |       |
| Apr-18                           | 48,937     | \$2,795,269                              | 1.000                   | \$2,795,269                           | \$57.12                    | \$47.67                               | Apr-18                           | 1.295                     | 1.006                        | \$57.45 | 48.08      |  |       |
| May-18                           | 48,701     | \$2,852,757                              | 1.000                   | \$2,852,757                           | \$58.58                    | \$48.87                               | May-18                           | 1.296                     | 1.005                        | \$58.87 | 49.27      |  |       |
| Jun-18                           | 48,477     | \$2,795,679                              | 1.000                   | \$2,795,679                           | \$57.67                    | \$50.09                               | Jun-18                           | 1.297                     | 1.004                        | \$57.92 | 50.48      |  |       |
| Jul-18                           | 48,238     | \$2,965,499                              | 1.000                   | \$2,965,499                           | \$61.48                    | \$51.83                               | Jul-18                           | 1.297                     | 1.004                        | \$61.72 | 52.20      |  |       |
| Aug-18                           | 47,854     | \$2,865,201                              | 1.000                   | \$2,865,201                           | \$59.87                    | \$52.77                               | Aug-18                           | 1.299                     | 1.003                        | \$60.04 | 53.12      |  |       |
| Sep-18                           | 47,557     | \$2,735,952                              | 1.000                   | \$2,735,952                           | \$57.53                    | \$53.76                               | Sep-18                           | 1.300                     | 1.002                        | \$57.63 | 54.08      |  |       |
| Oct-18                           | 47,375     | \$3,144,895                              | 1.000                   | \$3,144,895                           | \$66.38                    | \$55.25                               | Oct-18                           | 1.301                     | 1.001                        | \$66.45 | 55.54      |  |       |
| Nov-18                           | 47,093     | \$2,732,092                              | 1.000                   | \$2,732,092                           | \$58.01                    | \$56.01                               | Nov-18                           | 1.302                     | 1.001                        | \$58.05 | 56.27      |  |       |
| Dec-18                           | 46,721     | \$2,678,295                              | 1.000                   | \$2,678,295                           | \$57.33                    | \$57.04                               | Dec-18                           | 1.302                     | 1.000                        | \$57.33 | 57.27      |  |       |
| CY2016 / CY 2015 Annual Increase |            |  |                         |                                       |                            | 6.5%                                  | CY2016 / CY 2015 Annual Increase |                           |                              |         |            |  | 5.6%  |
| CY2017 / CY 2016 Annual Increase |            |  |                         |                                       |                            | 28.7%                                 | CY2017 / CY 2016 Annual Increase |                           |                              |         |            |  | 27.5% |
| CY2018 / CY 2017 Annual Increase |            |  |                         |                                       |                            | 32.3%                                 | CY2018 / CY 2017 Annual Increase |                           |                              |         |            |  | 31.5% |

PHARMACY TREND DEVELOPMENT  
SPECIALTY TREND CALCULATIONS

| Month  | Regression on Adjusted PMPM |                      |
|--------|-----------------------------|----------------------|
|        | 24 Months on Monthly        | 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 | \$60.13                     | \$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<br>Months on Monthly |        | Regression on Adjusted PMPM-36<br>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 |                 |
| Monthly PMPM                          | Rolling 12 PMPM | Monthly PMPM                 | Rolling 12 PMPM | Monthly PMPM                          | Rolling 12 PMPM | Monthly PMPM                 | Rolling 12 PMPM |
| Month                                 | Membership      | Adjusted 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         | \$50.08                               | \$43.48         |                              |                 |
| Jan-18                                | 50,618          | \$51.88                      | \$49.72         | \$44.25                               | \$49.80         | \$44.31                      | \$49.84         |
| Feb-18                                | 49,821          | \$46.01                      | \$51.32         | \$45.26                               | \$51.42         | \$45.33                      | \$51.30         |
| Mar-18                                | 49,344          | \$54.84                      | \$50.41         | \$46.16                               | \$50.52         | \$46.24                      | \$50.01         |
| Apr-18                                | 48,937          | \$57.45                      | \$52.67         | \$47.05                               | \$52.78         | \$47.14                      | \$52.21         |
| May-18                                | 48,701          | \$58.87                      | \$55.23         | \$48.24                               | \$55.33         | \$48.33                      | \$54.94         |
| Jun-18                                | 48,477          | \$57.92                      | \$57.59         | \$49.48                               | \$57.67         | \$49.56                      | \$57.53         |
| Jul-18                                | 48,238          | \$61.72                      | \$58.94         | \$50.75                               | \$59.02         | \$50.83                      | \$58.98         |
| Aug-18                                | 47,854          | \$60.04                      | \$61.15         | \$52.22                               | \$61.23         | \$52.30                      | \$61.29         |
| Sep-18                                | 47,557          | \$57.63                      | \$62.12         | \$53.56                               | \$62.20         | \$53.65                      | \$62.18         |
| Oct-18                                | 47,375          | \$66.45                      | \$61.85         | \$54.81                               | \$61.95         | \$54.90                      | \$61.58         |
| Nov-18                                | 47,093          | \$58.05                      | \$64.55         | \$56.15                               | \$64.66         | \$56.25                      | \$64.22         |
| Dec-18                                | 46,721          | \$57.33                      | \$63.58         | \$57.31                               | \$63.71         | \$57.41                      | \$62.89         |
| Jan-19                                | 46,721          |                              | \$62.40         | \$58.39                               | \$62.57         | \$58.50                      | \$61.22         |
| Feb-19                                | 46,721          |                              | \$63.14         | \$59.39                               | \$63.38         | \$59.51                      | \$58.11         |
| Mar-19                                | 46,721          |                              | \$63.87         | \$60.54                               | \$64.19         | \$60.67                      | \$59.92         |
| Apr-19                                | 46,721          |                              | \$64.60         | \$61.55                               | \$65.00         | \$61.70                      | \$60.69         |
| May-19                                | 46,721          |                              | \$65.33         | \$62.40                               | \$65.81         | \$62.59                      | \$61.24         |
| Jun-19                                | 46,721          |                              | \$66.05         | \$63.11                               | \$66.62         | \$63.34                      | \$61.56         |
| Jul-19                                | 46,721          |                              | \$66.76         | \$63.77                               | \$67.43         | \$64.05                      | \$61.77         |
| Aug-19                                | 46,721          |                              | \$67.47         | \$64.30                               | \$68.24         | \$64.64                      | \$61.77         |
| Sep-19                                | 46,721          |                              | \$68.18         | \$64.81                               | \$69.05         | \$65.21                      | \$61.71         |
| Oct-19                                | 46,721          |                              | \$68.88         | \$65.40                               | \$69.86         | \$65.88                      | \$61.69         |
| Nov-19                                | 46,721          |                              | \$69.58         | \$65.82                               | \$70.67         | \$66.38                      | \$61.46         |
| Dec-19                                | 46,721          |                              | \$70.27         | \$66.38                               | \$71.48         | \$67.03                      | \$61.33         |
| Jan-20                                | 46,721          |                              | \$70.96         | \$67.09                               | \$72.29         | \$67.84                      | \$61.35         |
| Feb-20                                | 46,721          |                              | \$71.65         | \$67.80                               | \$73.10         | \$68.65                      | \$61.37         |
| Mar-20                                | 46,721          |                              | \$72.33         | \$68.51                               | \$73.91         | \$69.46                      | \$61.38         |
| Apr-20                                | 46,721          |                              | \$73.01         | \$69.21                               | \$74.72         | \$70.27                      | \$61.40         |
| May-20                                | 46,721          |                              | \$73.68         | \$69.90                               | \$75.53         | \$71.08                      | \$61.41         |
| Jun-20                                | 46,721          |                              | \$74.35         | \$70.59                               | \$76.34         | \$71.89                      | \$61.43         |
| Jul-20                                | 46,721          |                              | \$75.02         | \$71.28                               | \$77.15         | \$72.70                      | \$61.44         |
| Aug-20                                | 46,721          |                              | \$75.68         | \$71.97                               | \$77.96         | \$73.51                      | \$61.50         |
| Sep-20                                | 46,721          |                              | \$76.33         | \$72.65                               | \$78.77         | \$74.32                      | \$61.51         |
| Oct-20                                | 46,721          |                              | \$76.99         | \$73.32                               | \$79.58         | \$75.13                      | \$61.51         |
| Nov-20                                | 46,721          |                              | \$77.64         | \$73.99                               | \$80.39         | \$75.94                      | \$61.52         |
| Dec-20                                | 46,721          |                              | \$78.28         | \$74.66                               | \$81.20         | \$76.75                      | \$61.52         |
| 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            |

## EXHIBIT 3G

|   |                              | 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          |              |                |
| Utilitization Trend                                     | e                            | 1.2%        | 1.2%         | 1.2%                 | 1.2%         | 1.2%      | 1.2%             | 1.2%      | 1.2%                | 1.2%         |                |
| Projected Period Days Supply                            | f=d x (1+e) <sup>2</sup>     | 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 x (1+g) <sup>2</sup> x 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) <sup>1/2</sup> -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               |
| <b>Total</b>    | <b>\$633.78</b>         | <b>1.0409</b> | <b>\$659.71</b>   | <b>1.0348</b>     | <b>\$682.67</b>          |  | <b>\$675.45</b>      |

| 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               |
| <b>Total</b>    | <b>\$675.45</b>      | <b>1.0464</b> | <b>\$706.80</b>   | <b>1.0345</b>     | <b>\$731.21</b>          |  | <b>\$726.77</b>      |

|  |                  |        |
|--|------------------|--------|
| Cost Trend Factor                          | 1+d <sub>1</sub> | 1.0896 |
| Utilization Trend Factor                   | 1+d <sub>2</sub> | 1.0564 |
| Impact of Pharmacy Contract Changes factor | 1+c <sub>5</sub> | 0.9962 |

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

Exhibit 4

**EXPECTED RISK ADJUSTMENT TRANSFERS**

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

| <b>Transfer Amounts</b> | <b>Combined<br/>Market</b> | <b>Catastrophic<br/>Market</b> |
|-------------------------|----------------------------|--------------------------------|
| Estimated 2018 - Final  | -\$13,016,863              | \$315                          |
| Adjusted 2019           | -\$15,320,358              | \$315                          |
| <b>Estimated 2020</b>   | <b>-\$17,626,513</b>       | <b>\$318</b>                   |

\* 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%          |
| <b>Market Wide Adjustment for the Risk Adjustment Program</b> | <b>-\$41.64</b> |

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

Exhibit 5

INDEX RATE CALCULATION

|   |  |          |
|---|--|----------|
| <b><u>Index Rate : Experience Period Allowed Claims for EHB</u></b>   | A  | \$631.80 |
| <b><u>Adjustments from Experience Period to Projection Period</u></b> |  |          |
| <b>Population Risk Morbidity</b>                                      |  |          |
| Impact of the Change in Small Group definition                        | 1+b <sub>1</sub>   | 1.0000   |
| Impact of the Medicare Part B requirement                             | 1+b <sub>2</sub>   | 0.9934   |
| Impact of the Health Status of the newly insured                      | 1+b <sub>3</sub>   | 0.9809   |
| Impact of the ACO Experience Settlement                               | 1+b <sub>4</sub>   | 0.9977   |
| Impact of Association Health Plans                                    | 1+b <sub>5</sub>   | 1.0141   |
| Impact of Projected ACO Savings                                       | 1+b <sub>6</sub>   | 0.9980   |
| Impact of the removal of the penalty for the individual mandate       | 1+b <sub>7</sub>   | 1.0050   |
| Impact of VHC Adjustments   | 1+b <sub>8</sub>   | 1.0000   |
| Changes in pool morbidity   | 1+b <sub>9</sub>   | 1.0037   |
| <b>Other</b>  |  |          |
| Impact of different benefit plans (in experience vs projection)       | 1+c <sub>1</sub>   | 1.0065   |
| Changes in provider networks  | 1+c <sub>2</sub>   | 1.0000   |
| Changes in demographics (age, gender, region, etc.)                   | 1+c <sub>3</sub>   | 1.0350   |
| Impact of Leap Year   | 1+c <sub>4</sub>   | 1.0027   |
| Changes in pharmacy contract  | 1+c <sub>5</sub>   | 0.9962   |
| Impact of Selection   | 1+c <sub>6</sub>   | 1.0707   |
|   |  | <hr/>    |
| <b><u>Adjusted Experience Period Allowed Claims for EHB</u></b>       | C  | \$698.62 |
| <b>Trend Factors</b>  |  |          |
| Cost Trend  | 1+d <sub>1</sub>   | 1.0896   |
| Utilization Trend   | 1+d <sub>2</sub>   | 1.0564   |
|   |  | <hr/>    |
| <b><u>Projected Period Allowed Claims for Experience EHB</u></b>      | D  | \$804.17 |
| <b>Additional Adjustments for Non System Claims</b>                   |  |          |
| Projected Pharmacy Rebates  | e <sub>1</sub>   | -\$26.46 |
| Projected Blue Print Payments   | e <sub>2</sub>   | \$3.99   |
| Projected ITS Fees  | e <sub>3</sub>   | \$2.76   |
| Projected Vaccine Payments  | e <sub>4</sub>   | \$1.83   |
| Projected Net cost of Reinsurance                                     | e <sub>5</sub>   | \$0.45   |
| OneCare Care Coordination Fee   | e <sub>6</sub>   | \$2.10   |
| ESI Additional Fees   | e <sub>7</sub>   | \$0.65   |
| <b><u>Projected Index Rate</u></b>                                    | F = D + e <sub>1</sub> + e <sub>2</sub> + e <sub>3</sub> + e <sub>4</sub> + e <sub>5</sub> + e <sub>6</sub> + e <sub>7</sub> | \$789.49 |
| <b><u>Market Wide Adjustments</u></b>                                 |  |          |
| Risk Adjustment Payments and Fees                                     | g <sub>1</sub>   | -\$41.64 |
| Transitional Reinsurance Payments and Recoveries                      | g <sub>2</sub>   | \$0.00   |
| Vermont Exchange Fees   | g <sub>3</sub>   | \$0.00   |
| Remove Non-EHB Claims   | g <sub>4</sub>   | -\$0.07  |
| <b><u>Market Adjusted Index Rate</u></b>                              | H = E + g <sub>1</sub> + g <sub>2</sub> + g <sub>3</sub> + g <sub>4</sub>  | \$747.78 |

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

**Exhibit 6A**

**PLAN LEVEL ADJUSTMENT SUMMARY**

|                               |              |                   | Market<br>Adjusted Index<br>Rate | Benefit<br>Richness<br>Adjustment | Paid to Allowed<br>Ratio | Plan Benefits in<br>addition to EHB | For<br>Catastrophic<br>Only - Impact of<br>Eligibility | Expected<br>Claims Cost | Administrative<br>Charges Plan<br>Level<br>Adjustment | Taxes and Fees<br>Plan Level<br>Adjustment | Contribution to<br>Reserve Plan<br>Level<br>Adjustment | Plan Level<br>Adjusted Index<br>Rate | Projected<br>Membership |
|-------------------------------|--------------|-------------------|----------------------------------|-----------------------------------|--------------------------|-------------------------------------|--|-------------------------|---|--|--|--------------------------------------|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | 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                   |
| <b>STANDARD PLANS</b>         | 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                     |
| <b>REFLECTIV<br/>E PLANS</b>  | Catastrophic | Blue Rewards      | \$747.78                         | 0.9554                            | 67.66%                   | 1.0000                              | 0.4453   | \$215.24                | 1.2157  | 1.0428                                     | 1.0163   | \$277.33                             | 293                     |
|                               | 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                   |
| <b>Total</b>                  |              |                   | \$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<br>Allowed Ratio<br>before Silver<br>Load | Benefit<br>Richness<br>Adjustment for<br>EHB | Normalized<br>Benefit<br>Richness<br>Adjustment for<br>EHB | For<br>Catastrophic<br>Only - Impact<br>of Eligibility | Projected<br>Period Paid<br>Claims for<br>Experience EHB | Benefit<br>Richness<br>Adjustment for<br>EHB | Non-System<br>Claims | Market Wide<br>Adjustments | Total Paid<br>Claims with<br>Benefit<br>Richness<br>Adjustment | Overall Benefit<br>Richness<br>Adjustment | Projected<br>Membership |
|-----------------------|--------------|-------------------|--|--|--|--|--|--|----------------------|----------------------------|--|---|-------------------------|
| NON-STANDARD<br>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                     |
| REFLECTIV<br>E 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                   |
| <b>Total</b>          |              |                   |  | <b>1.0687</b>                                |  |  |  | <b>1.0000</b>                                |                      |                            |  | <b>0.9996</b>                             | <b>41,684</b>           |



**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<br>Period Allowed<br>Claims for<br>Experience EHB | Paid to<br>Allowed Ratio<br>for EHB Portion | Impact of<br>silver loading | Projected<br>Period Paid<br>Claims for<br>Experience EHB | Non-System<br>Claims | Market Wide<br>Adjustments<br>(Paid) | Market Wide<br>Adjustments<br>(Allowed) | Market<br>Adjusted Index<br>Rate | Total Paid<br>Claims | Paid to<br>Allowed Ratio | Projected<br>Membership |
|-----------------------|--------------|-------------------|---|---|-----------------------------|--|----------------------|--------------------------------------|---|----------------------------------|----------------------|--------------------------|-------------------------|
| NON-STANDARD<br>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                     |
| REFLECTIV<br>E 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  
2020 VERMONT INDIVIDUAL AND SMALL GROUP RATE FILING

Exhibit 6D

PLAN LEVEL ADJUSTMENTS  
IMPACT OF SPECIFIC ELIGIBILITY CATEGORIES FOR THE CATASTROPHIC PLAN

|   | Percent of Eligible<br>Population | Projected Allowed<br>Charges for<br>Experience EHB | Paid to<br>Allowed Ratio<br>for EHB Claims | Projected Paid<br>Claims for EHB<br>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                                   |
| <i>Allowed Charges Adjustment</i>                               |                                   | 0.5332   |  |  |
| <i>Paid to Allowed Ratio Adjustment</i>                         |                                   |  | 0.9265                                     |  |
| <u>Plan Level Adjustment Calculation</u>                        |                                   |  |  |  |
| 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   |  |  |
| <i>Adjustment for Allowed Charges and Paid to Allowed Ratio</i> |                                   | 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   |  |  |
| <b>Total Adjustment for Catastrophic Plan</b>                   |                                   |  | <b>0.4452</b>                              |  |

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

**Exhibit 7A**

**DETAILS OF ADMINISTRATIVE CHARGES**

|                               |              |                   | BCBSVT Base<br>Administrative<br>Charges | Administrative<br>Charges for<br>Outside<br>Vendors | Blue Rewards<br>Program | Total<br>Administrative<br>Charges PMPM | Administrative<br>Charges Plan<br>Level<br>Adjustment | Administrative<br>Charges as a<br>percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|--|---|-------------------------|---|---|---|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | 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                   |
| <b>STANDARD PLANS</b>         | 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                     |
| <b>REFLECTIV<br/>E PLANS</b>  | 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                   |
| <b>Total</b>                  |              |                   | <b>\$46.12</b>                           | <b>\$0.42</b>                                       | <b>\$0.00</b>           | <b>\$46.54</b>                          | <b>1.0798</b>   | <b>7.01%</b>  | <b>41,684</b>           |

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

**Exhibit 7B**

**DETAILS OF CONTRIBUTION TO RESERVE**

|                               |              |                   | BCBSVT<br>Contribution to<br>Reserve | Risk Margin for<br>Bad Debt | Total<br>Contribution to<br>Reserve PMPM | Contribution to<br>Reserve and<br>Risk Margin<br>Plan Level<br>Adjustment | Contribution to<br>Reserve as a<br>percent of<br>Premium | Risk Margin Bad<br>Debt as a<br>percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|--------------------------------------|-----------------------------|--|---|--|---|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | 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                   |
| <b>STANDARD PLANS</b>         | 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                     |
| <b>REFLECTIV<br/>E PLANS</b>  | 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                   |
| <b>Total</b>                  |              |                   | \$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<br>Assessment -<br>HCCA | State Tax -<br>VITL | GMCB Billbacks | Federal<br>Assessment -<br>PCORI | Federal Insurer<br>Fee | Risk<br>Adjustment<br>User Fee | Total Taxes and<br>Fees PMPM | Taxes and Fees<br>Plan Level<br>Adjustment | Taxes and Fees<br>as a percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|-------------------------------|---------------------|----------------|----------------------------------|------------------------|--------------------------------|------------------------------|--|--|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | 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                   |
| <b>STANDARD PLANS</b>         | 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                     |
| <b>REFLECTIV<br/>E PLANS</b>  | 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                   |
| <b>Total</b>                  |              |                   | <b>\$5.06</b>                 | <b>\$1.26</b>       | <b>\$2.30</b>  | <b>\$0.00</b>                    | <b>\$14.60</b>         | <b>\$0.17</b>                  | <b>\$23.38</b>               | <b>1.0371</b>                              | <b>3.52%</b>                                 | <b>41,684</b>           |

**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<br>Direct Claims<br>PMPM | Risk<br>Adjustment<br>Transfer<br>Payments<br>PMPM | Adjustments<br>for Health Care<br>Quality PMPM* | MLR Claims      | Premium PMPM    | Taxes & Fees<br>PMPM | MLR Premium     | Expected Loss<br>Ratio | Projected<br>Membership |
|-------------------------------|--------------|-------------------|-----------------------------------|--|---|-----------------|-----------------|----------------------|-----------------|------------------------|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | 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                   |
| <b>STANDARD PLANS</b>         | 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                     |
| <b>REFLECTIV<br/>E PLANS</b>  | 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                   |
| <b>Total</b>                  |              |                   | <b>\$616.83</b>                   | <b>-\$31.92</b>                                    | <b>\$3.59</b>                                   | <b>\$588.50</b> | <b>\$663.55</b> | <b>-\$18.33</b>      | <b>\$645.22</b> | <b>91.2%</b>           | <b>41,684</b>           |

\*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 Subscribers | Average Tier Factor | Ratio of Members per Subscribers 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**

**Exhibit 9B  
Page 1**

**CONSUMER ADJUSTED PREMIUM RATES**

|                       |              |                   |                                      |  | 2020 Proposed Rates  |             |                              |             | 2019 Approved Rates  |             |                              |             | 2020 Proposed Rate Increases |                |                                 |             |
|-----------------------|--------------|-------------------|--------------------------------------|--|----------------------|-------------|------------------------------|-------------|----------------------|-------------|------------------------------|-------------|------------------------------|----------------|---------------------------------|-------------|
|                       |              |                   | Plan Level<br>Adjusted Index<br>Rate | PMPM to Single<br>Contract<br>Conversion<br>Factor | Single Rate          | Couple Rate | Adult and<br>Child(ren) Rate | Family Rate | Single Rate          | Couple Rate | Adult and<br>Child(ren) Rate | Family Rate | Single Rate                  | Couple<br>Rate | Adult and<br>Child(ren)<br>Rate | Family Rate |
| NON-STANDARD<br>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<br>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%       |
| <b>Total</b>          |              |                   |                                      |  | <b>\$349,280,176</b> |             |                              |             | <b>\$302,145,995</b> |             |                              |             | <b>15.6%</b>                 |                |                                 |             |



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

**Exhibit 9B  
Page 2**

**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          |
| REFLECTIVE PLANS   | Catastrophic | Blue Rewards      | 279               | 4           | 1                         | 1           | 280                 | 4           | 1                         | 1           |
|                    | 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         |
| <b>Total</b>       |              |                   | <b>26,981</b>     |             |                           |             | <b>25,706</b>       |             |                           |             |

# 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

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

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<sup>1</sup>:

| 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

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<sup>1</sup> 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> )

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

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 States 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.



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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: Table

| HSA/HRA Options   | Tiered Network Option                         |
|---|---|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/> |
| Annual Contribution Amount:                             | 1st Tier Utilization:                         |
|   | 2nd Tier Utilization:                         |

**Tier 1 Plan Benefit Design**

| Medical                               | Drug | Combined   |
|---------------------------------------|------|------------|
| Deductible (\$)                       |      | \$3,250.00 |
| Coinsurance (%; Insurer's Cost Share) |      | 100.00%    |
| MOOP (\$)                             |      | \$3,250.00 |
| MOOP if Separate (\$)                 |      |            |

**Tier 2 Plan Benefit Design**

| Medical | Drug | Combined |
|---------|------|----------|
|         |      |          |
|         |      |          |
|         |      |          |

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

**Options for Additional Benefit Design Limits:**

|  |
|--|
| Set a Maximum on Specialty Rx Coinsurance Payments? <input type="checkbox"/>                     |
| Specialty Rx Coinsurance Maximum: <input type="text"/>   |
| Set a Maximum Number of Days for Charging an IP Copay? <input type="checkbox"/>                  |
| # Days (1-10): <input type="text"/>  |
| Begin Primary Care Cost-Sharing After a Set Number of Visits? <input type="checkbox"/>           |
| # Visits (1-10): <input type="text"/>  |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? <input type="checkbox"/> |
| # Copays (1-10): <input type="text"/>  |

**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? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

| Tier 1 Plan Benefit Design             |      |            |
|--|------|------------|
| Medical                                | Drug | Combined   |
| Deductible (\$)                        |      | \$4,425.00 |
| Coinsurance (% , Insurer's Cost Share) |      | 100.00%    |
| MOOP (\$)                              |      | \$4,425.00 |
| MOOP if Separate (\$)                  |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

## 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

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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |                            |      |            |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

## Plan Description:

Name: Blue Rewards Silver CDHP - 73%  
 Plan HIOS ID: 13627V/T0390002 and 13627V/T0370002  
 Issuer HIOS ID: 13627

## Output

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

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # 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:

Actuarial Value:

Metal Tier:

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
77.19%

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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |                            |      |            |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

## Plan Description:

**Name:** Blue Rewards Silver CDHP - 87%  
**Plan HIOS ID:** 13627V/T0390002 and 13627V/T0370002  
**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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |                            |      |          |  |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

## Plan Description:

Name: Blue Rewards Silver CDHP - 94%  
 Plan HIOS ID: 13627V/T0390002 and 13627V/T0370002  
 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: Bronze

| HSA/HRA Options   | Tiered Network Option                         |
|---|---|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/> |
| 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 |                            |      |          |
| Coinurance (% Insurer's Cost Share) |                            |      | 100.00%    |                            |      |          |
| MOOP (\$)                           |                            |      | \$6,750.00 |                            |      |          |
| MOOP if Separate (\$)               |                            |      |            |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|  |                          |
|--|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                    | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                      |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                 | <input type="checkbox"/> |
| # Days (1-10):   |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?          | <input type="checkbox"/> |
| # Visits (1-10):   |                          |
| Begin Primary Care Deductible/Coinurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):   |                          |

## Plan Description:

**Name:** Blue Rewards Bronze CDHP  
**Plan HIOS ID:** 13627V/T0390003 and 13627V/T0370003  
**Issuer HIOS ID:** 13627

## Output

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

| HSA/HRA Options   | Tiered Network Option                         |
|---|---|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/> |
| 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 (\$)                      |                            |      | \$4,450.00 |  |                            |      |          |
| Coinsurance (% Insurer's Cost Share) |                            |      | 100.00%    |  |                            |      |          |
| MOOP (\$)                            |                            |      | \$4,450.00 |  |                            |      |          |
| MOOP if Separate (\$)                |                            |      |            |  |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # 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 CROSS AND BLUE SHIELD OF VERMONT  
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS  
METAL ACTUARIAL VALUES CERTIFICATION**

**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: Gold

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                 |      |            |                            |      |          |

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| Type of Benefit  | Tier 1                                  |                              |                           |                    | Tier 2                                  |                              |                           |                    | Tier 1 Tier 2                           |                              |
|--|---|------------------------------|---------------------------|--------------------|---|------------------------------|---------------------------|--------------------|---|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$750.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$19.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$750.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$750.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$750.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 40%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

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

## Output

[Calculate](#)

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of [-4, +2] percent de minimis variation.

75.93%

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time:

0.082 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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |      |            |                            |      |          |

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| Type of Benefit  | Tier 1                                  |                              |                           |                    | Tier 2                                  |                              |                           |                    | Tier 1                                  | Tier 2                       |
|--|---|------------------------------|---------------------------|--------------------|---|------------------------------|---------------------------|--------------------|---|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$450.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$29.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$45.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All            | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 40%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

Name: Blue Rewards Silver  
 Plan HIOS ID: 13627VT0380002 and 13627VT0360002  
 Issuer HIOS ID: 13627

## Output

Calculate

## Status/Error Messages:

Actuarial Value:  
 Metal Tier:

Calculation Successful.

67.31%  
 Silver

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

## Additional Notes:

Calculation Time:

0.0781 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   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                 |      |            |                            |      |          |

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| Type of Benefit  | Tier 1                                  |   |                           |                    | Tier 2                                  |   |                           |                    | Tier 1 Tier 2                           |   |
|--|---|---|---------------------------|--------------------|---|---|---------------------------|--------------------|---|---|
|  | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |   |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All            |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All            |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$400.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$29.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$45.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input type="checkbox"/>                | <input type="checkbox"/>                |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 40%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # 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:

Actuarial Value:

Metal Tier:

CSR Level of 73% (200-250% FPL), Calculation Successful.

72.05%

Silver

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time:

0.0938 seconds

Final 2020 AV Calculator

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



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

|  |   |                       |
|--|---|-----------------------|
| 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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |      |            |                            |      |          |

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| Type of Benefit  | Tier 1                                  |   |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                                  |                              | Tier 2 |
|--|---|---|---------------------------|--------------------|---|---|---------------------------|--------------------|---|------------------------------|--------|
|  | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |        |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All            |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |        |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$400.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$29.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$45.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$1,500.00         | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |        |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 40%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |        |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

Name: Blue Rewards Silver - 77%  
 Plan HIOS ID: 13627VT0380002 and 13627VT0360002  
 Issuer HIOS ID: 13627

## Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.

77.01%

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.0898 seconds

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

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

|  |   |                       |
|--|---|-----------------------|
| 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? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                |      |            |  |                            |      |          |

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| Type of Benefit  | Tier 1                                  |                              |                           |                    | Tier 2                                  |   |                           |                    | Tier 1 Tier 2                           |                              |
|--|---|------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|---|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$500.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$29.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$500.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$45.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$500.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$500.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 40%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

**Name:** Blue Rewards Silver - 87%  
**Plan HIOS ID:** 13627VT0380002 and 13627VT0360002  
**Issuer HIOS ID:** 13627

## Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

CSR Level of 87% (150-200% FPL), Calculation Successful.

87.82%

Gold

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.082 seconds

## 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

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

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<sup>2</sup> 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: Platinum

| HSA/HRA Options   | Tiered Network Option                         |
|---|---|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/> |
| Annual Contribution Amount:                             | 1st Tier Utilization:                         |
|   | 2nd Tier Utilization:                         |

| Tier 1 Plan Benefit Design           |      |          |
|--------------------------------------|------|----------|
| Medical                              | Drug | Combined |
| Deductible (\$)                      |      | \$0.00   |
| Coinsurance (% Insurer's Cost Share) |      | 100.00%  |
| MOOP (\$)                            |      | \$950.00 |
| MOOP if Separate (\$)                |      |          |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                                  |   |                           |                    | Tier 2                                  |   |                           |                    | Tier 1<br>Copay applies only after deductible? |                              |
|--|---|---|---------------------------|--------------------|---|---|---------------------------|--------------------|--|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Tier 1   | Tier 2                       |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All            |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All        | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$35.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$14.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$35.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$35.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$35.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All        | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 40%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                | 60%                       |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>            | <input type="checkbox"/>     |

**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 - 94%

Plan HIOS ID: 13627VT0380002 and 13627VT0360002

Issuer HIOS ID: 13627

**Output**

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

CSR Level of 94% (100-150% FPL), Calculation Successful.

93.89%

Platinum

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.0625 seconds

<sup>2</sup> 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.

# 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 - 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: Bronze

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                 |      |            |                            |      |          |

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

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # 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: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>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 (\$)                 |      |            |                            |      |          |

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| Type of Benefit  | Tier 1                                  |                              |                           |                    | Tier 2                                  |                              |                           |                    | Tier 1 Tier 2                           |                              |
|--|---|------------------------------|---------------------------|--------------------|---|------------------------------|---------------------------|--------------------|---|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$450.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$29.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$45.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$1,750.00         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 40%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     | 60%                       |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # 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:

Actuarial Value:

Metal Tier:

Calculation Successful.

67.31%

Silver

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time:

0.0859 seconds

Final 2020 AV Calculator

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

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%   |

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

|                                | 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  
METAL ACTUARIAL VALUES CERTIFICATION**

|                                | 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,<br>Embedded Individual<br>OOPM of \$8,150 | Aggregate, 2x Family,<br>Embedded Individual<br>OOPM of \$8,150 | Aggregate, 2x Family,<br>Embedded Individual<br>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  
2020 VERMONT INDIVIDUAL AND SMALL GROUP PLANS  
METAL ACTUARIAL VALUES CERTIFICATION**

|                                | 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

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<sup>1</sup>:

|  |             |
|--|-------------|
| <b>RBC position as of December 31, 2018</b>                        | <b>495%</b> |
| \$17.9 million AMT Refund expected during 2019                     | +78%        |
| Projected impact of 2019 operating results                         | -11%        |
| Projected impact of 2019 investment results                        | +17%        |
| <b>Expected RBC position as of December 31, 2019</b>               | <b>579%</b> |
| \$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%         |
| <b>Expected RBC position as of December 31, 2020</b>               | <b>620%</b> |

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<sup>2</sup>. 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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<sup>1</sup> Sums may not appear to add due to rounding.

<sup>2</sup> 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)<sup>1</sup> 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<sup>2</sup> 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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<sup>1</sup> <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>

<sup>2</sup> <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<sup>3</sup> 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

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<sup>3</sup> <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, CCIO 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<sup>4</sup>. 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

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<sup>4</sup> 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 |
|---|-----------------------------|---------------------------|
| <b>Deductible Plans</b>                                       | 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%               |
| <b>HDHPs</b>  | Silver - Embedded MOOP      | 66.0%-71.5%               |
|   | Bronze - Embedded MOOP      | 56.0%-64.5%               |
| <b>Cost Sharing Reduction Plan Designs - Deductible Plans</b> | 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%               |
| <b>Cost Sharing Reduction Plan Designs - HDHPs</b>            | 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<sup>5</sup> 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.

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<sup>5</sup> 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.

A handwritten signature in black ink that reads 'Brittney Phillips'.

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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

| Deductible/OOP Max                      | 2020 Plan Designs - Silver Deductible Plans |                        |
|---|---|------------------------|
|   | On-Exchange                                 | Off-Exchange           |
| Type of Plan                            | Deductible                                  | Deductible             |
| Medical Ded                             | \$3,200                                     | \$3,200                |
| Rx Ded                                  | \$350                                       | \$350                  |
| Integrated Ded                          | No  | No                     |
| Medical MOOP                            | \$7,900                                     | \$7,900                |
| Rx MOOP                                 | \$1,350                                     | \$1,350                |
| Integrated MOOP                         | Rx -No, Medical - Yes                       | Rx -No, Medical - Yes  |
| Family Deductible / OOP                 | Stacked, 2x Individual                      | Stacked, 2x Individual |
| Medical Deductible waived for:          | Prev, OV, UC, Amb                           | Prev, OV, UC, Amb      |
| Drug Deductible waived for:             | Generic scripts                             | Generic scripts        |
| Service Category                        | Copay / Coinsurance                         | Copay / Coinsurance    |
| Inpatient                               | 50%   | 50%                    |
| Outpatient                              | 50%   | 50%                    |
| ER                                      | \$250                                       | \$250                  |
| Radiology (MRI, CT, PET)                | 50%   | 50%                    |
| Preventive                              | \$0   | \$0                    |
| PCP Office Visit                        | \$35  | \$35                   |
| MH/SA Office Visit                      | \$35  | \$35                   |
| Chiropractic                            | \$45  | \$45                   |
| Physical Therapy                        | \$45  | \$45                   |
| Specialist Office Visit                 | \$80  | \$80                   |
| Urgent Care                             | \$90  | \$90                   |
| Ambulance                               | \$100                                       | <b>\$105</b>           |
| Rx Generic                              | \$15  | \$15                   |
| Rx Preferred Brand                      | \$60  | \$60                   |
| Rx Non-Preferred Brand                  | 50%   | 50%                    |
| Rx Specialty                            | 50%   | 50%                    |
| Actuarial Value                         |   |                        |
| 2020 Federal AVC, Adjusted if Necessary | 71.8%                                       | 71.8%                  |

| 2020 Plan Designs - Silver HDHP Plans  |  |
|--|--|
| On-Exchange  | Off-Exchange   |
| HSA Q/HDHP   | HSA Q/HDHP   |
| \$1,700  | \$1,700  |
| \$1,400  | \$1,400  |
| Yes  | Yes  |
| \$6,750  | \$6,750  |
| \$1,400  | \$1,400  |
| Yes  | Yes  |
| Aggregate with Combined Medical/Rx embedded \$8,150 Single OOPM; 2x Individual | Aggregate with Combined Medical/Rx embedded \$8,150 Single OOPM; 2x Individual |
| Preventive   | Preventive   |
| Wellness scripts   | Wellness scripts   |
| Copay / Coinsurance  | Copay / Coinsurance  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 0%   | 0%   |
| 10%  | 10%  |
| 10%  | 10%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | <b>35%</b>   |
| \$10   | \$10   |
| \$40   | \$40   |
| 50%  | 50%  |
| 50%  | 50%  |
|  |  |
| 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 appropriately 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<br>(73% AV)  | 200-250% FPL<br>(77% AV)  | 150-200% FPL<br>(87% AV)  | 133-150% FPL<br>(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 -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  |
| Family Deductible / OOP                 | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>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 /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>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%                       |
| <b>Actuarial Value</b>                  |                           |                           |                           |                           |                           |
| 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 | Aggregate with Combined Medical/Rx embedded |
|   | \$8,150 Single OOPM; 2x Individual          | \$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<br>(73% AV)  | 200-250% FPL<br>(77% AV)    | 150-200% FPL<br>(87% AV)    | 133-150% FPL<br>(94% AV)    |
| Type of Plan                                 | HSA Q/HDHP  | HSA Q/HDHP  | HSA Q/HDHP                  | Deductible<br>(NOT HSAQ)    | Deductible<br>(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<br>Medical/Rx embedded<br>\$8,150 Single OOPM; 2x<br>Individual | Aggregate with Combined<br>Medical/Rx embedded<br>\$8,150 Single OOPM; 2x<br>Individual | Aggregate, 2x<br>Individual | Aggregate, 2x<br>Individual | Aggregate, 2x<br>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 /<br>Coinsurance      | Copay /<br>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%                          |
| <b>Actuarial Value</b>                       |   |   |                             |                             |                             |
| 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 bicuspid\*  
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 |
|---|---------------|----------------------------------|--------------|-----------------|------------------|-------------|-------------------|
| <b>Silver HDHP – Embedded \$8,150 Individual MOOP</b>           | Yes           | Yes                              | No           | Yes             | Yes              | 73.1%       | 70.9%             |
| <b>Bronze HDHP– Embedded \$8,150 Individual MOOP</b>            | Yes           | Yes                              | No           | Yes             | Yes              | 62.9%       | 61.4%             |
| <b>Silver Deductible</b>  | No            | No                               | No           | Yes             | No               | 70.7%       | 71.8%             |
| <b>Bronze Deductible (with pharmacy limit)</b>                  | No            | No                               | Yes          | Yes             | No               | 61.1%       | 62.0%             |
| <b>Silver HDHP - Embedded \$8,150 Individual MOOP CSR – 73%</b> | Yes           | Yes                              | No           | Yes             | Yes              | 75.6%       | 73.4%             |
| <b>Silver HDHP CSR – 77%</b>                                    | Yes           | Yes                              | No           | Yes             | Yes              | 79.4%       | 77.3%             |
| <b>Silver HDHP CSR – 87%</b>                                    | Yes           | Yes                              | No           | No              | Yes              | 87.7%       | 87.2%             |
| <b>Silver HDHP CSR – 94%</b>                                    | Yes           | Yes                              | No           | No              | Yes              | 94.0%       | 94.0%             |
| <b>Silver Deductible CSR – 73%</b>                              | No            | No                               | Yes          | Yes             | No               | 73.1%       | 74.0%             |
| <b>Silver Deductible CSR – 77%</b>                              | No            | No                               | Yes          | Yes             | No               | 77.3%       | 77.9%             |
| <b>Silver Deductible CSR – 87%</b>                              | No            | No                               | Yes          | Yes             | No               | 87.8%       | 88.0%             |
| <b>Silver Deductible CSR – 94%</b>                              | 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design             |      |            |
|--|------|------------|
| Medical                                | Drug | Combined   |
| Deductible (\$)                        |      | \$1,700.00 |
| Coinsurance (% , Insurer's Cost Share) |      | 70.00%     |
| MOOP (\$)                              |      | \$6,750.00 |
| MOOP if Separate (\$)                  |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

### Plan Description:

Name: 2020 Silver HDHP Plan  
 Plan HIOS ID:  
 Issuer HIOS ID:

### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of [-4, +2] percent de minimis variation.  
 73.10%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

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 | 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            | Medical      | Rx       | Deductible /   |
|  |                           |                       |              |          | OOP Type       |
|  | Settings                  | Medical & Rx          | Medical & Rx | Rx Only  | Aggregate Plus |
|  |                           | <div>Calculate</div>  |              |          |                |
|  |                           |                       |              |          |                |
| 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design           |      |            |
|--------------------------------------|------|------------|
| Medical                              | Drug | Combined   |
| Deductible (\$)                      |      | \$5,500.00 |
| Coinsurance (% Insurer's Cost Share) |      | 50.00%     |
| MOOP (\$)                            |      | \$6,750.00 |
| MOOP if Separate (\$)                |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

### Plan Description:

Name: 2020 Bronze HDHP Plan  
 Plan HIOS ID:  
 Issuer HIOS ID:

### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of [-4, +2] percent de minimis variation.  
 62.90%

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            | Medical      | Rx           | Deductible / |
|  |              |                       |              |              | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |              |                       |              |              | 5            |
|  |              | <div>Calculate</div>  |              |              |              |
| 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            | Medical      | Rx       | Deductible / OOP Type |
| Settings   |                 | Medical & Rx          | Medical & Rx | Rx Only  | Aggregate Plus        |
|  |                 |                       |              |          | 6                     |
|  |                 | <div>Calculate</div>  |              |          |                       |
| 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 =  $65.22\%/64.26\% = 1.01 \times .707 = 71.8\%$

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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design            |            |          |
|---------------------------------------|------------|----------|
| 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 (\$)                 |            |          |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                                |                              | Tier 2                                |                              |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|---------------------------------------|------------------------------|---------------------------------------|------------------------------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copoly applies only after deductible? |                              | Copoly applies only after deductible? |                              |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All          | <input type="checkbox"/> All | <input type="checkbox"/> All          | <input type="checkbox"/> All |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>   |                              | <input type="checkbox"/>              |                              |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$80.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           | \$80.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All          | <input type="checkbox"/> All | <input type="checkbox"/> All          | <input type="checkbox"/> All |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>   |                              | <input type="checkbox"/>              |                              |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>              |                              | <input type="checkbox"/>              |                              |  |

##### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

##### Plan Description:

Name: 2020 Silver Deductible Plan  
 Plan HIOS ID:  
 Issuer HIOS ID:

##### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Draft 2020 AV Calculator

Calculation Successful.

70.74%

Silver

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

0.1211 seconds

### 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        |
| <div>Calculate</div>   |              |              |              |              |          |
| 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   | Medical | Rx       | Deductible / |
|  |              |              |         |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Rx Only | Stacked  | 2            |
| <div>Calculate</div>   |              |              |         |          |              |
| 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 =  $61.73\%/60.80\% = 1.016 \times .6106 = 61.99\%$

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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                      | \$6,000.00 | \$1,000.00 |                            |      |          |
| Coinsurance (% Insurer's Cost Share) | 50.00%     | 40.00%     |                            |      |          |
| MOOP (\$)                            | \$8,150.00 |            |                            |      |          |
| MOOP if Separate (\$)                |            |            |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$90.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$90.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$20.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$85.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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 Bronze Deductible Plan - with Rx Limit - revised  
**Name:**  
**Plan HIOS ID:**  
**Issuer HIOS ID:**

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:  
Additional Notes:  
Calculation Time:

Calculation Successful.  
61.06%  
Bronze  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.  
0.1211 seconds

#### 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            | Medical      | Rx           | Deductible / |
|  |                 |                       |              |              | OOP Type     |
|  | Settings        | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 | 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            |
| <div>Calculate</div>   |              |              |          |          |              |
| 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design           |         |      |            |
|--------------------------------------|---------|------|------------|
|                                      | Medical | Drug | Combined   |
| Deductible (\$)                      |         |      | \$1,700.00 |
| Coinsurance (% Insurer's Cost Share) |         |      | 75.00%     |
| MOOP (\$)                            |         |      | \$5,000.00 |
| MOOP if Separate (\$)                |         |      |            |

| Tier 2 Plan Benefit Design           |         |      |
|--------------------------------------|---------|------|
|                                      | Medical | Drug |
| Deductible (\$)                      |         |      |
| Coinsurance (% Insurer's Cost Share) |         |      |
| MOOP (\$)                            |         |      |
| MOOP if Separate (\$)                |         |      |

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

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

Name:

Plan HIOS ID:

Issuer HIOS ID:

#### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
 75.61%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

Calculation Time:

0.2227 seconds

Draft 2020 AV Calculator

#### 5. Silver HDHP – Embedded MOOP CSR – 73%, Continued

### HDHP Model – Normalization:

| Inputs  |                           |  |              |              |          |
|---|---------------------------|--|--------------|--------------|----------|
| <i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i> |                           |  |              |              |          |
| <i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>   |                           |  |              |              |          |
| <i>Note that the model run-time will vary based on the computers processing speed.</i>                              |                           |  |              |              |          |
| <i>A message box will appear to indicate that the calculations are done.</i>  |                           |  |              |              |          |
|   |                           |  |              |              |          |
|   |                           | 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        |
|   |                           | <div style="background-color: #4f81bd; color: white; padding: 10px; text-align: center; width: fit-content; margin: auto;">Calculate</div> |              |              |          |
|   |                           |  |              |              |          |
| 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            | Medical  | Rx             | Deductible / OOP Type |
| Settings  | Medical & Rx | Medical & Rx          | Rx Only  | Aggregate Plus | 6                     |
| <div style="border: 1px solid black; background-color: #4a7ebb; color: white; padding: 10px 20px; display: inline-block; margin: 10px 0;">Calculate</div> |              |                       |          |                |                       |
| 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design            |      |            |
|---------------------------------------|------|------------|
| Medical                               | Drug | Combined   |
| Deductible (\$)                       |      | \$1,450.00 |
| Coinsurance (%; Insurer's Cost Share) |      | 75.00%     |
| MOOP (\$)                             |      | \$3,400.00 |
| MOOP if Separate (\$)                 |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

#### 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 HDHP Plan  
 CSR Variations -  
 200-250% FPL  
 (77% AV)  
**Name:**  
**Plan HIOS ID:**  
**Issuer HIOS ID:**

#### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Draft 2020 AV Calculator

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
79.45%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

0.1562 seconds

## 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            | Medical      | Rx           | Deductible / |
|  |                 |                       |              |              | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 |                       |              |              |              |
|  |                 | 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            | Medical  | Rx             | Deductible / |
|   |                 |                       |          |                | OOP Type     |
| Settings  | Medical & Rx    | Medical & Rx          | Rx Only  | Aggregate Plus | 6            |
| <div style="border: 1px solid black; background-color: #4a7ebb; color: white; padding: 10px 20px; display: inline-block; border-radius: 5px;">Calculate</div> |                 |                       |          |                |              |
| 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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

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

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

#### 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 HDHP Plan  
 CSR Variations -  
 150-200% FPL  
 (87% AV)  
**Name:**  
**Plan HIOS ID:**  
**Issuer HIOS ID:**

#### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 87% (150-200% FPL), Calculation Successful.

87.68%

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            | Medical      | Rx       | Deductible / |
|   |                 |                       |              |          | OOP Type     |
| Settings  | Medical & Rx    | Medical & Rx          | Medical & Rx | Stacked  | 5            |
| <div style="border: 1px solid black; background-color: #4a7ebb; color: white; padding: 10px 20px; display: inline-block; border-radius: 5px;">Calculate</div> |                 |                       |              |          |              |
| 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            | Medical  | Rx             | Deductible / |
|  |                 |                       |          |                | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx          | Rx Only  | Aggregate Plus | 6            |
| <div>Calculate</div>   |                 |                       |          |                |              |
| 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design           |         |      |          |
|--------------------------------------|---------|------|----------|
|                                      | Medical | Drug | Combined |
| Deductible (\$)                      |         |      | \$550.00 |
| Coinsurance (% Insurer's Cost Share) |         |      | 100.00%  |
| MOOP (\$)                            |         |      | \$550.00 |
| MOOP if Separate (\$)                |         |      |          |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

#### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # 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:

Actuarial Value:  
 Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.  
 94.04%  
 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        |
| <div>Calculate</div>   |              |              |              |              |          |
| 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        |
| <div>Calculate</div>   |              |              |          |                |          |
| 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 =  $67.84\%/67.05\% = 1.011 \times 73.09\% = 73.95\%$

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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                 |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$70.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           | \$70.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$12.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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) -  
 OPTION 2

**Name:** \_\_\_\_\_  
**Plan HIOS ID:** \_\_\_\_\_  
**Issuer HIOS ID:** \_\_\_\_\_

**Output**

Status/Error Messages: \_\_\_\_\_  
 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:

| <b>Inputs</b>   |                           |                           |              |              |                          |   |
|---|---------------------------|---------------------------|--------------|--------------|--------------------------|---|
| <i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i> |                           |                           |              |              |                          |   |
| <i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>   |                           |                           |              |              |                          |   |
| <i>Note that the model run-time will vary based on the computers processing speed.</i>                              |                           |                           |              |              |                          |   |
| <i>A message box will appear to indicate that the calculations are done.</i>  |                           |                           |              |              |                          |   |
|   |                           |                           |              |              |                          |   |
|   |                           | 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                | Medical      | Rx           | Deductible /<br>OOP Type |   |
|   | Settings                  | Medical & Rx              | Medical & Rx | Medical & Rx | Stacked                  | 5 |
|   |                           |                           |              |              |                          |   |
|   |                           | Calculate                 |              |              |                          |   |
|   |                           |                           |              |              |                          |   |
|   |                           |                           |              |              |                          |   |
| <b>Results</b>  |                           |                           |              |              |                          |   |
|   |                           |                           |              |              |                          |   |
|   |                           | 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            | Medical  | Rx       | Deductible / |
|  |              |                       |          |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx          | Rx Only  | Stacked  | 2            |
| <div>Calculate</div>   |              |                       |          |          |              |
| 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 =  $72.86\%/72.33\% = 1.007 \times .773 = 77.9\%$

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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                 |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$25.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$25.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$12.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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 - 200-  
250% FPL (77%  
AV)

**Name:**

**Plan HIOS ID:**

**Issuer HIOS ID:**

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
77.32%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

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            | Medical      | Rx           | Deductible / |
|  |                 |                       |              |              | OOP Type     |
|  | Settings        | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 | 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            | Medical  | Rx       | Deductible / |
|  |              |                       |          |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx          | Rx Only  | Stacked  | 2            |
| <div>Calculate</div>   |              |                       |          |          |              |
| 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 =  $85.25\%/85.06\% = 1.002 \times .878 = 88.0\%$

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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                      | \$900.00   | \$150.00 |                            |      |          |
| Coinsurance (% Insurer's Cost Share) | 60.00%     | 50.00%   |                            |      |          |
| MOOP (\$)                            | \$1,900.00 |          |                            |      |          |
| MOOP if Separate (\$)                |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$30.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$30.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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 - 150-200% FPL (87% AV)  
Name: \_\_\_\_\_  
Plan HIOS ID: \_\_\_\_\_  
Issuer HIOS ID: \_\_\_\_\_

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:  
Additional Notes:  
Calculation Time:  
Draft 2020 AV Calculator

CSR Level of 87% (150-200% FPL), Calculation Successful.  
87.76%  
Gold  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.  
0.0898 seconds

## 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   | Medical      | Rx           | Deductible / |
| Settings   | Medical & Rx | Medical & Rx | Medical & Rx | Medical & Rx | OOP Type     |
|  |              |              |              |              | Stacked      |
| <div>Calculate</div>   |              |              |              |              |              |
| 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   | Medical  | Rx       | Deductible / |
|  |                 |              |          |          | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx | Rx Only  | Stacked  | 2            |
| <div>Calculate</div>   |                 |              |          |          |              |
| 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 =  $94.79\%/94.66\% = 1.001 \times .946 = 95.0\%$

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

| Tier 1 Plan Benefit Design           |          | Tier 2 Plan Benefit Design |      |
|--------------------------------------|----------|----------------------------|------|
| Medical                              | Drug     | Medical                    | Drug |
| Deductible (\$)                      | \$200.00 |                            |      |
| Coinurance (%; Insurer's Cost Share) | 90.00%   |                            |      |
| MOOP (\$)                            | \$900.00 |                            |      |
| MOOP if Separate (\$)                |          |                            |      |

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| Type of Benefit  | Tier 1                              |                              |                          |                    | Tier 2                       |                              |                          |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|------------------------------|--------------------------|--------------------|------------------------------|------------------------------|--------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?      | Coinurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          | \$75.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$7.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>     | 100%                     | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                     | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>     |                          | \$20.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>            | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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/Coinurance After a Set Number of Copays? ☐

# Copays (1-10):

**Plan Description:**

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

**Name:**

**Plan HIOS ID:**

**Issuer HIOS ID:**

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.  
94.84%  
Platinum  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

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 | Medical & Rx | Stacked      | 5 |
| <div>Calculate</div>   |              |                       |              |              |              |   |
| 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            | Medical      | Rx       | Deductible / |
|  | Settings        | Medical & Rx          | Medical & Rx | Rx Only  | OOP Type     |
|  |                 |                       |              |          | Stacked      |
|  |                 | 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%   |              |

|   |  |   |   |   |  |  |  |   |   |  |  |
|---|--|---|---|---|--|--|--|---|---|--|--|
| <b>2020 Rates Table Template v9.0</b>       |  | <i>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.</i> |   |   |  |  |  |   |   |  |  |
|   |  | <i>If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.</i>  |   |   |  |  |  |   |   |  |  |
|   |  | <i>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.</i>                      |   |   |  |  |  |   |   |  |  |
|   |  | <i>If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.</i>   |   |   |  |  |  |   |   |  |  |
|   |  | <i>To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.</i>  |   |   |  |  |  |   |   |  |  |
| 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*                                    | Rating Area ID*                        | Individual Rate*  | Couple*   | Primary Subscriber and One Dependent*   | Primary Subscriber and Two Dependents*   | Primary Subscriber and Three or More Dependents*   | Couple and One Dependent*  | Couple and Two Dependents*  | Couple and Three or More Dependents*  |  |  |
| Required:<br>Enter the 14-character Plan ID | Required:<br>Select the Rating Area ID | Required:<br>Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan  | Required:<br>Enter the rate of a couple based on the pairing of a primary enrollee and a secondary subscriber (e.g. husband and spouse) | Required:<br>Enter the rate of a family based on a single parent with one dependent | Required:<br>Enter the rate of a family based on a single parent with two dependents | Required:<br>Enter the rate of a family based on a single parent with three or more dependents | Required:<br>Enter the rate of a family based on a couple with one dependent | Required:<br>Enter the rate of a family based on a couple with two dependents | Required:<br>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  | 564.08                     | 631.80                    | 1.120                                       | e.g. previous filing experience period index rate compared to the current filing experience index rate<br>If applicable, the change in this factor is based on the average copay impact difference between previous filing and current filing.<br>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 )<br>The change in this factor is based on the change in the morbidity assumptions between previous filing and current filing.<br>The change in this factor is based on the change in the risk adjustment recoveries assumptions between previous filing and current filing. |
| Base Period Utilization Factor  | 1.01                       | 1.01                      | 0.997                                       |   |
| Pricing Trend   | 1.12                       | 1.15                      | 1.027                                       |   |
| Morbidity Adjustment  | 1.03                       | 0.99                      | 0.967                                       |   |
| Risk Adjustment Recoveries  | 0.98                       | 0.95                      | 0.971                                       |   |
| 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                   | 2,325                 | 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     | 12.88%                              | 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  |   |   |















































































































































































































































































































































































































































































































































































































































































































































































Yes  
No

Small Group  
Small

Individual  
Small



May 21, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 05/14/2019 Questions re:  
Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your requests dated May 14, 2019, here are [your questions](#) and our answers:

1. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
2. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
3. [Please reconcile the administrative costs in this filing with the most recent Supplemental Health Care Exhibit.](#)

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


In the SHCE, administrative expenses are included in lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4. Line 1.5 also includes an allocation of Federal income taxes that are not part of administrative expenses. Those need to be excluded to reconcile to statutory basis administrative expenses (note that BCBSVT had an income tax benefit, or negative income tax expense, for 2018). Statutory and GAAP accounting treat some expenses differently, mainly related to ITS fees and pensions. For the filing, we start with GAAP administrative expenses and then exclude federal and state fees and assessments (Federal Insurer Fee, PCORI, HCCA and GMCB billbacks) and certain fees paid to outside vendors from the base administrative charges, as those are added back into the premium separately. As described in section 3.8.6.1, we excluded from the experience expenses that were due to one-time, non-recurring events.

|   |                       | Individual and Small Group |
|---|-----------------------|----------------------------|
| SCHE lines 1.5 to 1.7, 6.1 to 6.5, 8.1, 8.2 and 10.4. | A                     | \$37,401,260               |
| Less taxes in SCHE 1.5 that are not admin             | B                     | (\$2,759,515)              |
| Total administrative charges - STAT basis             | $C = A - B$           | \$40,160,775               |
| Differences in STAT and GAAP treatment                | D                     | (\$2,236,734)              |
| Total administrative charges - GAAP basis             | $E = C + D$           | \$37,924,041               |
| Federal and State fees                                | F                     | (\$9,217,440)              |
| Fees for outside vendors                              | G                     | (\$289,931)                |
| Exclusions*   | H                     | (\$761,361)                |
| Total base administrative charges                     | $I = \text{sum}(E:H)$ | \$27,655,309               |
| Member months   | J                     | 629,988                    |
| <b>Experience base administrative charges PMPM</b>    | $K = I / J$           | <b>\$43.90</b>             |

\* The exclusions include the transitional savings and other one-time, non-recurring events.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Martine Lemieux, A.S.A., M.A.A.A.

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

Responses to BCBSVT 2020 VISG Inquiry 2

|                       |              |                   | Projected Paid Claims - Using HHS Induced Utilization Factor  |                                   |                            |  |                          | Projected Paid Claims - Using BCBSVT Induced Utilization Factor |                                   |                            |                          |                         |
|-----------------------|--------------|-------------------|---|-----------------------------------|----------------------------|--|--------------------------|---|-----------------------------------|----------------------------|--------------------------|-------------------------|
|                       |              |                   | Projected FFS<br>Allowed<br>Charges -<br>Without<br>Selection | Benefit<br>Richness<br>Adjustment | Pricing<br>Actuarial Value | For<br>Catastrophic<br>Plan only -<br>Impact of the<br>specific<br>eligibility | Projected Paid<br>Claims | Projected FFS<br>Allowed<br>Charges -<br>Without<br>Selection   | Benefit<br>Richness<br>Adjustment | Pricing<br>Actuarial Value | Projected Paid<br>Claims | Projected<br>Membership |
|                       |              |                   |   |                                   |                            |  |                          |   |                                   |                            |                          |                         |
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | \$751.07  | 1.0108                            | 83.33%                     | 1.0000   | \$632.58                 | \$751.07  | 1.1008                            | 84.01%                     | \$694.57                 | 883                     |
|                       | GOLD         | Blue Rewards CDHP | \$751.07  | 0.9922                            | 80.13%                     | 1.0000   | \$597.11                 | \$751.07  | 1.1008                            | 81.25%                     | \$671.76                 | 4,811                   |
|                       | SILVER       | Blue Rewards      | \$751.07  | 0.9717                            | 76.16%                     | 1.0000   | \$555.83                 | \$751.07  | 1.0232                            | 75.05%                     | \$576.77                 | 1,523                   |
|                       | SILVER       | Blue Rewards CDHP | \$751.07  | 0.9709                            | 76.01%                     | 1.0000   | \$554.25                 | \$751.07  | 1.0232                            | 74.74%                     | \$574.38                 | 115                     |
|                       | BRONZE       | Blue Rewards      | \$751.07  | 0.9446                            | 69.73%                     | 1.0000   | \$494.67                 | \$751.07  | 0.5679                            | 67.79%                     | \$289.17                 | 408                     |
|                       | BRONZE       | Blue Rewards CDHP | \$751.07  | 0.9467                            | 70.30%                     | 1.0000   | \$499.86                 | \$751.07  | 0.5679                            | 67.11%                     | \$286.27                 | 1,662                   |
| STANDARD PLANS        | PLATINUM     | Deductible        | \$751.07  | 1.0755                            | 92.61%                     | 1.0000   | \$748.14                 | \$751.07  | 1.4436                            | 93.63%                     | \$1,015.16               | 8,732                   |
|                       | GOLD         | Deductible        | \$751.07  | 1.0190                            | 84.65%                     | 1.0000   | \$647.88                 | \$751.07  | 1.1008                            | 84.90%                     | \$701.93                 | 5,615                   |
|                       | SILVER       | Deductible        | \$751.07  | 0.9693                            | 75.67%                     | 1.0000   | \$550.90                 | \$751.07  | 1.0232                            | 75.12%                     | \$577.30                 | 4,634                   |
|                       | SILVER       | CDHP              | \$751.07  | 0.9827                            | 78.36%                     | 1.0000   | \$578.37                 | \$751.07  | 1.0232                            | 77.37%                     | \$594.60                 | 1,130                   |
|                       | BRONZE       | Deductible        | \$751.07  | 0.9452                            | 69.91%                     | 1.0000   | \$496.32                 | \$751.07  | 0.5679                            | 66.48%                     | \$283.59                 | 1,811                   |
|                       | BRONZE       | CDHP              | \$751.07  | 0.9510                            | 71.44%                     | 1.0000   | \$510.30                 | \$751.07  | 0.5679                            | 67.90%                     | \$289.64                 | 1,412                   |
|                       | BRONZE       | Integrated        | \$751.07  | 0.9531                            | 71.95%                     | 1.0000   | \$515.05                 | \$751.07  | 0.5679                            | 69.40%                     | \$296.05                 | 274                     |
|                       | Catastrophic | Blue Rewards      | \$751.07  | 0.9499                            | 71.15%                     | 0.4940   | \$250.76                 | \$751.07  | 0.2093                            | 68.72%                     | \$108.01                 | 293                     |
| REFLECTIV<br>E PLANS  | SILVER       | Blue Rewards      | \$751.07  | 0.9717                            | 76.16%                     | 1.0000   | \$555.82                 | \$751.07  | 0.6960                            | 71.59%                     | \$374.25                 | 655                     |
|                       | SILVER       | Blue Rewards CDHP | \$751.07  | 0.9706                            | 75.93%                     | 1.0000   | \$553.54                 | \$751.07  | 0.6960                            | 70.60%                     | \$369.06                 | 349                     |
|                       | SILVER       | Deductible        | \$751.07  | 0.9693                            | 75.67%                     | 1.0000   | \$550.89                 | \$751.07  | 0.6960                            | 71.92%                     | \$375.99                 | 4,948                   |
|                       | SILVER       | CDHP              | \$751.07  | 0.9826                            | 78.36%                     | 1.0000   | \$578.29                 | \$751.07  | 0.6960                            | 74.44%                     | \$389.16                 | 2,429                   |
| Total                 |              |                   |   |                                   |                            |  | \$606.30                 |   |                                   |                            | \$617.77                 | 41,684                  |

1+c6 under Previous Method = \$617.77 / \$606.3      1.0189

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

Unified Rate Review v5.0

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**

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.

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<br>Index Rate PMPM | Year 1 Trend |             | Year 2 Trend |             | Trended EHB Allowed<br>Claims PMPM |
|---------------------|--------------------------------------|--------------|-------------|--------------|-------------|------------------------------------|
|                     |                                      | Cost         | Utilization | Cost         | Utilization |                                    |
| Inpatient Hospital  | \$104.55                             | 1.023        | 1.029       | 1.029        | 1.035       | \$117.25                           |
| Outpatient Hospital | \$244.43                             | 1.023        | 1.029       | 1.029        | 1.035       | \$274.11                           |
| Professional        | \$130.67                             | 1.023        | 1.029       | 1.029        | 1.035       | \$146.54                           |
| Other Medical       | \$28.12                              | 1.021        | 1.028       | 1.027        | 1.034       | \$31.36                            |
| 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       | \$128.09                           |
| Total               | \$616.23                             |              |             |              |             | \$706.42                           |

|   |          |
|---|----------|
| 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 | \$789.42 |
| Manual EHB Allowed Claims PMPM                        | \$0.00   |
| Applied Credibility %                                 | 100.00%  |

Projected Period Totals

|                                   |          |                  |
|-----------------------------------|----------|------------------|
| Projected Index Rate for 1/1/2020 | \$789.42 | \$394,874,199.36 |
| 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        | \$747.78 | \$374,045,538.24 |
| Projected Member Months           | 500,208  |                  |

**Information Not Releasable to the Public Unless Authorized by Law:** This information has not been publicly 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

June 7, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 05/30/2019 Questions re:  
Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your requests dated May 30, 2019, here are *your questions* and our answers:

- 1. Explain why the market-wide average \$31.92 risk-adjustment payment is used to develop the expected claims cost for the catastrophic population in Exhibit 6D, when this population is both known to have different risk characteristics than the primary risk pool and has a separate risk adjustment payment.*

We have used the market-wide average risk adjustment PMPM in this filing and in previous filings in the calculation of all plans, as it is our understanding of the rating rules that the market-wide adjustment should be the same for all plans.

We believe that another allowable method for the catastrophic plan only may be to adjust for the risk adjustment transfer of that plan specifically instead of using the average transfer PMPM. Based on historical information, which varies widely around zero, our best estimate of the catastrophic risk adjustment transfer would be zero. This methodology would increase the catastrophic premium by 13.2 percent as compared to the filed rates.

- 2. The actuarial memorandum explains that actual 2018 risk adjustment receipts are expected to be higher than assumed in prior rate development. This would suggest that BCBSVT's relative risk position has increased in recent years. This would seem to suggest that the utilization trend calculation, which does not consider the morbidity of the included population, includes the impact of increasing morbidity. Address the concern that this increase is already funded by the increased risk adjustment and would be further funded by risk adjustment if it continued.*

First, we disagree with the premise that increasing risk adjustment receivables are necessarily indicative of a changing morbidity position. The transfer is also impacted by external factors, most notably including model changes and changes in provider coding patterns (i.e. "coding creep"). In order to investigate the possible impact of changing morbidity on trend, we conducted a great deal of analysis as we prepared the filing.

To begin, we calculated the risk scores of all members in 2016, 2017, and 2018 using the 2018 CMS-HHS model. Simply adjusting the experience, excluding groups that left BCBSVT in 2018 or joined an AHP in 2019, leads to the following annual increases:

| Year | Allowed PMPM | Risk Score | Normalized PMPM | Increase |
|------|--------------|------------|-----------------|----------|
| 2016 | \$458.65     | 1.168      | \$392.66        |          |
| 2017 | \$476.78     | 1.242      | \$383.82        | -2.3%    |
| 2018 | \$508.44     | 1.319      | \$385.55        | 0.4%     |

This would suggest a medical utilization around zero percent, which contradicts results of other analyses. We therefore pursued additional strategies in an attempt to confirm the legitimacy of the incongruous result when adjusting for risk score.

Using a closed cohort, where members were enrolled for at least six months in each of the experience years, we calculated the impact of coding growth and health status deterioration with age:

| Year | Risk Score of Closed Cohort | Increase |
|------|-----------------------------|----------|
| 2016 | 1.137                       |          |
| 2017 | 1.220                       | 7.2%     |
| 2018 | 1.354                       | 11.0%    |

We estimated the impact of coding creep by comparing the derived risk score adjustment to a pure benefit and aging adjustment for the closed cohort. While risk scores will change for certain acute conditions, normalizing for population changes should produce a result that across a broad population closely approximates an aging adjustment. We found that the risk score adjustment is significantly higher than a pure aging adjustment, and conclude that significant coding growth is impacting risk score results.

There are a number of reasons to expect significant coding growth in the Vermont health care environment. UVMHC implemented a new electronic medical record (EMR) platform as of January 2018. We observed a significant improvement in risk coding as a result of this implementation, as demonstrated by the 2018 risk transfer results as well as through our work with OneCare Vermont on the 2018 shared risk/savings program. The ACO itself encourages better coding, as its internal measurement of medical service areas is impacted by risk score. This is a new influence in Vermont, as practitioners have had little exposure to risk-adjusted reporting and results historically. Finally, BCBSVT has engaged with providers throughout our service area to improve coding and capture more complete information on claims submissions.

We calculated the CY 2018 over CY 2017 trend for the closed cohort and compared the result to our base populations described in the actuarial memorandum. We found that the year over year trend was *higher* for the closed cohort when adjusting only for aging and benefits, and also when adjusting for coding growth:

|                   | CY2017 / CY 2018                               | All VISG    | Excluding Groups that left in 2018 or joined an AHP in 2019 | CLOSED COHORT |
|-------------------|--|-------------|---|---------------|
| TOTAL             | Allowed PMPM                                   | 10.5%       | 8.9%  | 15.3%         |
|                   | Intensity and Utilization (I/U)                | 8.2%        | 6.7%  | 13.0%         |
|                   | Cost   | 2.1%        | 2.1%  | 2.0%          |
| Benefit and Aging | Intensity and Utilization                      | 8.2%        | 6.7%  | 13.0%         |
|                   | Benefit and Aging Adjustment (B/A)             | -1.9%       | -0.7%   | -3.3%         |
|                   | <b>(I/U) after (B/A) Adjustment</b>            | <b>6.1%</b> | <b>5.9%</b>   | <b>9.3%</b>   |
| Risk Score        | Intensity and Utilization                      | 8.2%        | 6.7%  | 13.0%         |
|                   | Risk Score Adjustment (RS)                     | -8.2%       | -5.8%   | -9.9%         |
|                   | (I/U after (RS) adjustment                     | -0.7%       | 0.5%  | 1.8%          |
|                   | Coding Growth                                  | 7.3%        | 7.3%  | 7.3%          |
|                   | <b>Trend after adjusting for Coding Growth</b> | <b>6.6%</b> | <b>7.8%</b>   | <b>9.3%</b>   |

These results lead us to the conclusion that the zero trend calculated by adjusting for raw risk score without considering coding growth was an outlier and not supported by additional analysis. All other methodologies, including the approaches discussed in the actuarial memorandum, observing a closed cohort adjusted for aging, and observing a closed cohort adjusted for risk score and coding growth (even if we assume a coding growth of 5 percent, typical in an environment where coding optimization efforts are underway), produce similar trends. We therefore discard the incongruous results calculated by using unadjusted risk scores, and conclude that the other methodologies - which all converge to similar results - are sounder. We chose to use the trends with exclusion of certain groups rather than the closed cohort because it is a larger population base that is easier to work with mechanically than the closed cohort.

3. *Factor b9 on Exhibit 5 reflects the loss of healthy "Members in Groups that are no longer with BCBSVT". The actuarial memorandum describes this as a change in pool morbidity, and no corresponding adjustment to risk adjustment is assumed. Would these members not be assumed to transition to other carriers in the market, potentially increasing the risk adjustment receivable to BCBSVT?*

It is true that a change in pool morbidity will correspond to an increase in PLRS for BCBSVT, but it is also possible that these migrating members could increase the other carrier's PLRS and thus net out all or some of the change in expected risk adjustment receivable.

For instance, from the interim 2018 risk adjustment data we calculated the average BCBSVT plan liability risk score (PLRS) to be 1.499 and MVP's to be 1.188. We looked at the member specific risk scores of those small group members that left BCBSVT and estimated that their specific PLRS was 1.393. Therefore, moving these members out of BCBSVT to MVP will result in an increase in PLRS for both BCBSVT and MVP. The table below illustrates how the baseline PLRS is impacted after being adjusted for the transitioning small group members:

| Carrier    | Baseline PLRS | Adjusted PLRS |
|------------|---------------|---------------|
| BCBSVT     | 1.499         | 1.501         |
| MVP        | 1.188         | 1.196         |
| BCBSVT/MVP | <b>1.262</b>  | <b>1.255</b>  |

The risk adjustment receivable will ultimately depend on the relationship of PLRS between the carriers. The impact of reflecting the change in population as above would be a reduction in risk adjustment receivable to just over \$17 million, which would increase premiums by 0.2 percent.

4. *Similarly, demonstrate how the risk adjustment projection considers the following factors, all assumed to impact the morbidity of the BCBSVT insured pool: aging, AHP and its associated shift towards platinum plans, members exiting due to removal of mandate penalty, low-cost small groups leaving BCBSVT, "impact of different benefit plans", and "impact of selection."*

We assumed that morbidity items such as aging, individual mandate and impact of different benefit plans would impact both carriers proportionally and would not add or subtract any value to the risk adjustment receivable. The impact of selection factor has no impact on the risk scores since the plan selected is already accounted for in the risk score model. Furthermore, the impact of selection factor is not an actual adjustment to projected allowed charges but an adjustment to projected paid claims to ensure that BCBSVT projected paid claims reflect the total projected paid claims for the single risk pool. This factor is included in the buildup of the index rate as it is our understanding of the rating rules that we cannot have a plan level adjustment that varies by plan. The impact of low-cost small groups leaving BCBSVT is discussed in our response to question 3.

We did make explicit assumptions for the AHP shift since BCBSVT contributed a higher proportion of membership than MVP to the AHP market. The BCBSVT member specific risk scores within the 2018 interim data suggest that the PLRS associated to the migrating members was 1.409 compared to the BCBSVT total PLRS of 1.499. Therefore, removing these members from the market will increase BCBSVT's PLRS by approximately 0.4 percent. MVP's 2019 URRT template shows their 2017 experience period to have a higher small group allowed charge PMPM than their individual market. We assumed that the PLRS would have a similar relationship as their allowed charges. Thus, by MVP losing small group membership to the AHP market we expect this to lower their average risk score and increase the PLRS differential between the carriers by roughly 0.1 percent. Lastly, we increased the PLRS differential for the shift towards platinum plans by taking the weighted average PLRS of projected members before and after the platinum shift and estimated the impact to be about 0.2 percent. Overall, we increased the PLRS differential between the carriers by approximately 0.7 percent for the impact of AHP and its associated shift towards platinum plans.



5. *The actuarial dataset states that 17,993 of 26,981 contracts will have a rate increase of 15% or more. However, Exhibit 9B suggests that only 16,937 contracts will have an increase of 15% or more. Please clarify.*

The actuarial dataset was not updated with the final rate distribution. The table should read as follows:

| <i>Annual Rate Change Distribution</i> | <i>Impacted #<br/>of Contracts</i> | <i>Impacted #<br/>of Members</i> | <i>Impacted #<br/>of Groups</i> |
|--|------------------------------------|----------------------------------|---------------------------------|
| 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%           | 8,301                              | 13,755                           | 1,365                           |
| Increase of 15.00% or more             | 16,937                             | 27,730                           | 2,830                           |
| Total                                  | 26,981                             | 43,939                           | 4,318                           |

6. *The actuarial memorandum states that the projected federal MLR is 91.8%. The actuarial dataset states that this value is projected to be 91.2% and Exhibit 8 agrees with this latter value. Please clarify.*

The MLR figure listed in the actuarial memorandum is incorrect. The projected MLR on Exhibit 8 of 91.2 percent is the correct answer.

7. *Exhibit 2C calculates a selection factor based on a static population. Explain why this selection impact is not already reflected in the underlying experience claims, which reflect a similar selection environment.*

The experience period does come from a similar selection based environment as our projected period. What the selection factor in Exhibit 2C represents is the relationship between HHS based IU and AV factors relative to BCBSVT's expected IU and AV factors that are influenced by selection. This factor is unique from other factors in that it does not represent an adjustment to the experience period but rather an adjustment to projection period claims to ensure that the projected claims using HHS based factors yields the same result in total (not by plan) as the BCBSVT factors based on selection and experience. Since this is an adjustment to projected claims, the selection factor uses the static projected membership as the weights within the calculation.

At issue is the disconnect between a rating methodology that requires that plan selection cannot be considered in conjunction with an observation that, on average, healthier individuals select plans with lower actuarial values. The adjustment illustrated in Exhibit 2C is necessary to correct for this disconnect while not violating rating rules that preclude plan-level selection adjustments (even if the projected membership distribution exactly matches the membership distribution in the experience period).

**8. Explain the difference between the two fields labeled "Pricing Actuarial Value" in Exhibit 2C (called "Exhibit 2D" in the actuarial memorandum.)**

The first use of "Pricing Actuarial Value" under the "Using HHS Induced Utilization Factors" heading represents the paid-to-allowed ratio of the 2020 plan designs using the standard population underlying the federal actuarial value calculator as the basis. The second use of "Pricing Actuarial Value" under the "Using BCBSVT Induced Utilization Factor" heading represents the paid-to-allowed ratio of the 2020 plan designs using BCBSVT's experience as the base with consideration of the impact that member selection and morbidity have on each plan's paid-to-allowed ratio.

**9. Explain the following statement regarding the development of the normalized Pricing AV values: "The change in method is worth approximately three quarters of the total factor."**

If we were to calculate the impact of selection ( $c_6$ ) using the same methodology as previous years the  $c_6$  factor would have been 1.0189 (please see attached worksheet, *Responses to BCBSVT 2020 VISG Inquiry 2.xlsx - Q9 tab* for an illustrative version of Exhibit 2C under the previous methodology). Thus, the estimated impact specific to methodology change is  $1.0508 = 1.0707/1.0189$ , or roughly three quarters (~72%) of the total 7.07 percent impact of selection. As stated in the Actuarial Memorandum, there is an offset within the plan level adjustments such that the net overall rate impact is zero. This change in methodology was in response to the analysis done by L&E<sup>1</sup> wherein it was stated that a 4 percent gap in actuarial values for bronze plans "is a potential source of future VHC instability."

**10. It appears that the paid-to-allowed ratios are generally higher using BCBSVT's data than using the Federal AVC. This contributes to the 7% selection factor applied in item  $c_6$  which is applied to the index rate. Explain how it is appropriate to increase the index rate, which is on an allowed basis, in response to a decrease in paid-to-allowed factor.**

The plan level adjustments per the ACA (HHS) guidelines cannot reflect differences due to health status. In practice we have observed that healthier people tend to select leaner plans and unhealthier people tend to select richer plans. The  $c_6$  factor quantifies the shortfall that occurs from using HHS-compliant plan level adjustments to project claims relative to the observation that health status does play a role in a member's plan selection. Due to this discrepancy, projected claims will ultimately differ from projections based on HHS factors, as illustrated in Exhibit 2C. Since we cannot apply health status at the plan level we must therefore apply the  $c_6$  factor as a market-wide adjustment.

We included this adjustment as part of the index rate calculation as the result of a conversation with our actuarial review team for the 2017 VISG filing. We believe that it could alternatively be included as a market-wide adjustment that is consistent across plans if that were the new guidance of our actuarial reviewers.

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<sup>1</sup> Provided by email to BCBSVT on December 6, 2018.

*11. Please reconcile the projected index rate on the URRT of \$788.92 to the Projected Index Rate in Exhibit 5 of \$789.49.*

Worksheet 1 of the URRT was not updated with final factors. The projected index rate on the URRT should have been \$789.42. The projected index rate on Exhibit 5 includes non-EHB claims. Those are removed before calculating the Market Adjusted Index Rate in row g<sub>4</sub> of Exhibit 5.

Please see revised Worksheet 1 in *Responses to BCBSVT 2020 VISG Inquiry 2.xlsx - Q11 tab*. We will revise the URRT at the end of the review process.

*12. Regarding factor b7 regarding the elimination of the individual mandate penalty:*

- a. The base period data is from 2018. The actuarial memorandum describes 0.8% of membership leaving between 2018 and 2020, with only a nominal change in cost. Explain then why the factor is a 0.5% adjustment rather than a 0.8%.*

We believe that the ultimate impact of the individual mandate will be 0.8 percent and that this factor will be fully realized by 2020. As of March 2019, we have observed a premium impact of about 0.3 percent for those expected to leave the market due to the removal of the individual mandate penalty and who have actually done so. The remaining 0.5 percent are expected to leave the market over the next year.

- b. If the removal of the penalty in 2019 resulted in only a third of this population leaving in that year, explain why BCBSVT is assuming this cohort will uniformly decide to leave the insurance pool in 2020.*

We believe that the impact of the removal of the individual mandate penalty may have been far less in Vermont than anticipated because the individual mandate enacted in Vermont allowed the legislature to subsequently create an associated penalty. Members may have remained in the risk pool in 2019 due to the anticipated penalty, or because it was unclear that Vermont had enacted a mandate but no immediate penalty.

In the past few months there has been much press coverage of Vermont's legislative discussion of the individual mandate and an associated penalty. The final version of H.524<sup>2</sup> does not include a penalty for failing to meet the requirement to maintain minimum essential coverage. We therefore believe that we will see additional members leave the single risk pool during the 2020 open enrollment period now that it is widely known that there will be no penalty. We approximate this impact by measuring the impact on premium of the remainder of the members forgoing insurance in 2020 who had no claims or had preventive care only claims within the individual market in 2018 and who do not receive premium assistance. The total impact of departures in both years is assumed to be less than half of the low end of the range of a study commissioned jointly by the GMCB and DFR in early 2018.

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<sup>2</sup> An act relating to health insurance and the individual mandate:  
<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0524/H-0524%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf>

**13. Explain why the Interplan Teleprocessing System fees are treated as Allowed costs, when they appear to be costs incurred in the processing and payment of claims.**

Interplan Teleprocessing System (ITS) fees are included in our medical claims data within our data warehouse. We treat these fees as claims for our internal IBNR calculations and GAAP financial reporting, which is why we have identified these fees as claims in the Index Rate. For purposes of MLR (Exhibit 8) or statutory financial reporting, ITS fees are not considered claims because these fees represent costs of processing and administering claims. It is not unusual for items to be treated differently for these purposes; for instance, health care quality improvement expenses are treated as claims for MLR purposes.

**14. Explain why pharmacy rebates are trended forward using only cost trend, and not utilization trend as well.**

We calculate the utilization trend for all non-specialty days supply to account for the shift from brand to generic. When separately calculating utilization trends for brands and generics, the results are +1.5 percent for generic and -1.0 percent for brands.

**Summary of Days Supply in Exhibit 3G**

| Category            | Experience Period | Projection Period | Annual Trend |
|---------------------|-------------------|-------------------|--------------|
| Generic             | 16,611,665        | 17,127,494        | 1.5%         |
| Brand               | 2,306,747         | 2,260,849         | -1.0%        |
| Total Non-Specialty | 18,918,412        | 19,388,343        | 1.2%         |

In practice, BCBSVT works closely with ESI to continually enhance rebate contracts in order to balance out the negative brand utilization trend. We have reflected those efforts by applying only brand cost trend to the rebate projection.

**15. Factors b3 and c3 are closely related, as they reflect the impact of young new members joining as well as the aging of existing members.**

- Does factor c3 consider the impact of older members exiting the pool?**
- The combination of these factors implies that changes in population age will result in a population with morbidity 1.5% higher than in 2018. Support this implicit assumption and confirm that it does not double-count the assumed market exits related to the removal of the individual mandate penalty.**
- Was consideration given to the possibility that c3 could reflect the same change as b9, in that groups which left BCBSVT may have had disproportionately younger members?**

An overall 1.5 percent morbidity increase over two years is a reasonable increase and tracks well with our historical patterns, as shown in the table below. Note that the experience average age-gender factor was calculated after excluding the groups that left BCBSVT in 2018 or joined an AHP in 2019.

| Period     | Average Age-Gender Factor | Annual Increase | Two-Year Impact |
|------------|---------------------------|-----------------|-----------------|
| CY 2015    | 1.2661                    |                 |                 |
| CY 2016    | 1.2763                    | 1.0081          |                 |
| CY 2017    | 1.2889                    | 1.0098          | 1.018           |
| CY 2018    | 1.2969                    | 1.0062          | 1.016           |
| March 2019 | 1.3057                    | 1.0068          | 1.013           |

In response to your request, we took a deeper dive into our rating methodology to verify that we were appropriately accounting for each segment of the population. We found certain small segments that were in more than one factor, but also other segments that did not appear at all. The net impact of all the changes described below is a 0.5 percent upward adjustment to rates.

First, retired members, defined as members who canceled when age 65 or over and members who aged into one of our Medicare Supplement products, should more appropriately be included in the category of members who voluntary cancel in the calculation of the change in pool morbidity factor (b9).

This reduces the factor from 1.0037 to 1.0020.

| Revised Table from Page 17 of the Actuarial Memorandum | Voluntary Cancellation 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                              | \$37,784,218                                    | \$9,553,059                                      | \$323,191,619   | \$370,528,896 |
| Member Months  | 60,248  | 17,761   | 502,727   | 580,736       |
| PMPM   | \$627.14  | \$537.87   | \$642.88  | \$638.03      |
| Experience Period Average Induced Utilization          | 0.960   | 1.006  | 1.006   | 1.000         |
| PMPM after normalization for induced utilization       | \$653.17  | \$534.89   | \$639.32  | \$638.03      |

In order to normalize for all other adjustments, the impact of the changes in demographics should compare in-force members, excluding new members, to the experience period demographics of the individual members and groups who continued their enrollment with BCBSVT. This will account for regular employee churn and aging of a closed population on the individual market.

This change increases the impact of demographics (c3) factor from 1.0350 to 1.0353:

|   | Average Age-Gender Factor        |
|---|----------------------------------|
| Experience Period, excluding groups that subsequently joined an AHP | 1.2967                           |
| Inforce, excluding new members                                      | 1.3194                           |
| Demographic Adjustment  | $= (1.3194 / 1.2967)^2 = 1.0353$ |

Finally, we noted that we were not adjusting our demographic factor to account for new newborns in the projection period. By aging the inforce membership, any impact of newborns is removed. Based on the experience period, newborn claims are expected to increase the overall PMPM by 1.0059.

All of the adjustments described above are captured in the table below:

| Factor              | As Filed      | Updated       |
|---------------------|---------------|---------------|
| 1+b9                | 1.0037        | 1.0020        |
| 1+c3                | 1.0350        | 1.0353        |
| Impact of newborns  | 1.0000        | 1.0059        |
| <b>Total Impact</b> | <b>1.0388</b> | <b>1.0434</b> |

Finally, the impact of the individual mandate is separated into two pieces. First, we have the observed 0.3 percent that is already accounted for in the change in morbidity (b9). Second, we have the additional impact of members enrolled in 2019 but expected to leave in 2020. That impact of 0.5 percent is independent of the other demographic and morbidity changes.

**16. Provide more detail on any case where "recent information from... early negotiations" caused BCBSVT to use medical trend assumptions which differ from the Board-approved 2018 increases.**

No recent information from early negotiations for GMCB-regulated providers was incorporated into the unit cost trend. In 2018, increases at certain facilities varied to reflect the result of negotiations applied to the BCBSVT Managed Care contract relative to other contracts. Additionally, the increase at one facility varied to reflect a change in the contract's effective date. These were one-time adjustments, and subsequent increases reflect the aggregate ordered 2018 or 2019 increase.

Additionally, we erroneously reflected the total contracted increase of one hospital's October 2018 rate change in the unit cost development, instead of the inpatient and outpatient increases. The 2019 and 2020 increases correctly reflect the actual inpatient and outpatient increases. Correcting the 2018 increase would have an immaterial upward impact on premiums.

**17. Explain any discrepancy between the annual cost trend by year between the actuarial memorandum and the confidential exhibit provided in your previous response.**

As noted in our response to question 2 of your questions dated May 14, 2019, certain hospitals reflected erroneous contracted increases due to a reference error in the unit cost development underlying the cost trends on Exhibit 3H. The 2019 and 2020 increases in the confidential responses provided on May 16, 2019, were updated to reflect the actual estimated increases. This change results in an increase of 0.04 percent within the unit cost trend. There was also a typographical error in the actuarial memorandum for the total annual cost trend for other facilities and providers. The table on page 26 should read:

| 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%   | 2.8%                         | 2.9%                         | 2.8%                    |
| Other facilities and providers  | 48.9%   | 2.0%                         | 2.9%                         | 2.4%                    |
| Total   | 100.0%  | 2.4%                         | 2.9%                         | 2.6%                    |

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul Schultz, F.S.A., M.A.A.A.

Chief Actuary



June 21, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 06/17/2019 Questions re:  
Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your requests dated June 17, 2019, here are *your questions* and our answers:

- 1. In Exhibit 9A, there are shown to be 43,939 in-force members across 26,981 contracts. Explain why the "Average members per subscriber" is shown as 1.6349 rather than  $43,939/26,981 = 1.6285$ .*

The average members per subscriber of 1.6349 on Exhibit 9A is for all metals except the Catastrophic plan, which has as 1.0281 average number of members per subscriber.

| Plan                 | Members | Subscribers | Average members per subscriber |
|----------------------|---------|-------------|--------------------------------|
| All but Catastrophic | 43,646  | 26,696      | 1.6349                         |
| Catastrophic         | 293     | 285         | 1.0281                         |
| Total                | 43,939  | 26,981      | 1.6285                         |

- 2. Provide a calculation demonstrating the allocation of \$1.15 million in Billback cost to this block.*

Allocation of the GMCB billback between the lines of business regulated by the GMCB - VISG and large group insured -- is based on prior month year to date premium for those lines of business. The GMBC fiscal year is from July to June while BCBSVT is on a calendar year basis. Due to this difference, BCBSVT's total calendar year 2018 expenses related to the billbacks include the following three categories:

| Category  |                     |
|---|---------------------|
| Adjustment to 2 <sup>nd</sup> half of 2017 accruals to actuals for VISG | (\$225,244)         |
| Half Actuals invoice January to June for VISG                           | \$652,454           |
| Estimated expenses for July to December for VISG                        | \$504,652           |
| Total GMCB Billbacks for CY 2018  | \$931,862           |
| Expected increase from CY 2018 to CY 2020                               | = $29.6/24 = 1.233$ |
| Expected GMCB Billback for CY 2020                                      | \$1,149,297         |



3. *Explain why the weighted average "Allowed Charges Relativity" in Exhibit 2B is not 1.0. What enrollment, if not the base period enrollment, was used to calculate the "Total" allowed charges PMPM?*

Claims without active enrollment are excluded from a metal level but included in the total allowed charges to calculate the allowed relativities, which is why the weighted average based on experience member months does not equal 1.000.

Changing the calculation to exclude the claims without active enrollment has no impact on rates. This change would impact the change in benefit factors ( $c_1$ ) and the impact of selection factor ( $c_6$ ). Please see attached *Responses to BCBSVT 2020 VISG Inquiry 3.xlsx - tab Q3* for the comparison of the two methods.

4. *The section "Relationship of Proposed Rate Scale to Current Rate Scale" in the Actuarial Memo Dataset contains zeros for some values, resulting in a total rate change of zero. Replacing these values with ones produces a rate changes significantly different from the 15.6% requested. Please update this exhibit to illustrate the sources of the requested rate increase.*

Please see attached *Responses to BCBSVT 2020 VISG Inquiry 3.xlsx - tab Q4* for an updated exhibit. Only the cells highlighted in blue are different from the original exhibit provided.

| Source of Change      | Value  | Exhibit               |
|-----------------------|--------|-----------------------|
| Fixed Cost Adjustment | 1.0798 | Exhibit 7A - cell I23 |
| Margin                | 1.0163 | Exhibit 7B - cell H23 |
| Taxes and Fees        | 1.0371 | Exhibit 7C - cell L21 |

5. *The memorandum states that "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." Clarify how Exhibit 6A would differ if the tax rebate was not anticipated.*

Prior to the 2019 VISG rate filing, the contribution to reserve included in the rates was 2.0 percent. In the 2019 VISG rate filing, BCBSVT reduced the contribution to reserve to 1.5 percent to account for the tax savings due to the removal of the income tax. In this filing, BCBSVT is again including a 1.5 percent contribution to reserve which is why there is no net impact on the 2020 rate increase.

BCBSVT has had poor financial results on this line of business for years and has seen a dramatic decrease in its RBC levels. As stated in Attachment C, "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." Using that input, column M on Exhibit 6A would have been 1.0764 instead of 1.0163, and the average rate increase would have been 22.6 percent.

6. *It appears that Exhibit 2B intends to refer to "March 2019 Membership" and "2020 Projected Membership." Please clarify.*

Yes, that is correct. Column D includes the March 2019 membership and column E includes the projected 2020 membership.

7. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
8. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
9. *Your prior response notes that, of the anticipated 0.8% impact from the removal of the individual mandate, 0.3% has already been observed in March 2019. However, the experience used in this rate filing reflects data from prior to March 2019. Please clarify how this initial 0.3% impact is reflected in the proposed rates.*

The initial 0.3 percent impact is implicit in the impact of the changes in pool morbidity (b<sub>9</sub>) factor and therefore already reflected in the proposed rates.

10. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



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Paul Schultz, F.S.A., M.A.A.A.  
Chief Actuary

June 29, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 06/20/2019 Questions re:  
Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your requests on behalf of the Office of the Health Care Advocate dated June 20, 2019, here are *your questions* and our answers:

- Please confirm the accuracy of the below-provided table that lists proposed rates and rate components, allowed rates and rate components, and actual rate components. If you believe the value listed is incorrect or the cell is blank, please provide the value that you believe is correct.*

We reviewed the table and are providing corrections (in red) and additions (in green). The sources to complete the table are:

- 2018 Filing: [https://ratereview.vermont.gov/sites/dfr/files/BCVT-131037743\\_SERFF%20final\\_082417.pdf](https://ratereview.vermont.gov/sites/dfr/files/BCVT-131037743_SERFF%20final_082417.pdf)
- 2019 Filing: <https://ratereview.vermont.gov/sites/dfr/files/2018/Final%20BCVT-131497882.pdf>
- 2020 Filing: <https://ratereview.vermont.gov/sites/dfr/files/SERFF%20Filing%20BCVT-131936226%20051519%20updated.pdf>

Note that we have renamed the rows that reflect the approved rates from “allowed” to “approved” to avoid confusion.

| Year Filed                  |          | 2019                |        | 2018                |        | 2017          |        |
|-----------------------------|----------|---------------------|--------|---------------------|--------|---------------|--------|
| Docket #                    |          | GMCB-006-19rr       |        | GMCB-009-18rr       |        | GMCB-008-17rr |        |
| Effective Date of the rates |          | 1/1/2020            |        | 1/1/2019            |        | 1/1/2018      |        |
|                             |          | Value               | Source | Value               | Source | Value         | Source |
| Members                     |          | 43,939 <sup>1</sup> | P61    | 53,664 <sup>2</sup> | P102   | 70,035        | P105   |
| Average Rate Change         | Proposed | 15.6%               | P15    | 9.6% <sup>3</sup>   | P335   | 12.7%         | P74    |
|                             | Approved | NA                  |        | 5.8%                | P445   | 9.2%          | P53    |

<sup>1</sup> Original table included the number of subscribers impacted rather than members.

<sup>2</sup> Typographical error in the original table.

<sup>3</sup> The proposed rate change was that included in the July 18, 2018 amendment.

| Year Filed   |          | 2019          |                  | 2018                  |                   | 2017              |                          |
|--|----------|---------------|------------------|-----------------------|-------------------|-------------------|--------------------------|
| Docket #   |          | GMCB-006-19rr |                  | GMCB-009-18rr         |                   | GMCB-008-17rr     |                          |
| Effective Date of the rates                            |          | 1/1/2020      |                  | 1/1/2019              |                   | 1/1/2018          |                          |
|  |          | Value         | Source           | Value                 | Source            | Value             | Source                   |
| Allowed Medical Trend                                  | Proposed | 4.1%          | P43              | 4.7% <sup>4</sup>     | P135 + Arithmetic | 4.7%              | P90                      |
|  | Approved | NA            |                  | 4.7%                  | P135 + Arithmetic | 3.6% <sup>5</sup> | P40                      |
|  | Actual   | NA            |                  | NA                    |                   | 7.0%              | Arithmetic               |
| Medical Unit Cost Trend                                | Proposed | 2.6%          | P36              | 2.7%                  | P84               | 2.6%              | P90                      |
|  | Approved | NA            |                  | 2.7%                  | P84               | 2.6%              | P40                      |
|  | Actual   | NA            |                  | NA                    |                   | 2.1%              | R2Q2 <sup>6</sup>        |
| Medical Utilization Trend                              | Proposed | 4.1%          |                  | 2.0%                  | P86               | 2.0%              | P89                      |
|  | Approved | NA            |                  | 2.0%                  | P86               | 1.0%              | P40                      |
|  | Actual   | NA            |                  | NA                    |                   | 4.8%              | 2020 Filing <sup>7</sup> |
| Rx Allowed Trend - after Contract changes <sup>8</sup> | Proposed | 12.0%         | P88 + Arithmetic | 9.9%                  | P135 + Arithmetic | 8.0%              | P93 + Arithmetic         |
|  | Approved | NA            |                  | 9.9%                  | P135 + Arithmetic | 8.0%              | P40 + Arithmetic         |
|  | Actual   | NA            |                  | NA                    |                   | 16.7%             | Arithmetic               |
| General Administrative Charges PMPM <sup>9</sup>       | Proposed | \$46.54       | P95              | \$40.26               | P142              | \$36.06           | P136                     |
|  | Approved | NA            |                  | \$40.29 <sup>10</sup> | P438              | \$36.06           | P47                      |
|  | Actual   | NA            |                  | NA                    |                   | \$47.05           | Arithmetic               |
| Contribution to Policyholders Reserve                  | Proposed | 1.5%          | P53              | 1.5%                  | P98               | 2.0%              | P100                     |
|  | Approved | NA            |                  | 0.5% <sup>11</sup>    | P432              | 0.5%              | P48                      |

<sup>4</sup> Original table included the impact of cost containment in the allowed medical trend. To provide a better annual comparison, we included only the medical utilization trend component.

<sup>5</sup> Original table shows 3.7%. We suspect this was due to a rounding error.

<sup>6</sup> From BCBSVT's response to question 2 of L&E's May 30, 2019 interrogatories for the 2020 VISG rate filing, third row, third column of the table at the top of page 3.

<sup>7</sup> From page 75 of the 2020 VISG rate filing.

<sup>8</sup> Original table included pharmacy trends before the impact of contract changes. In order to accurately compare to the actual allowed trend, impact of contract changes should be included.

<sup>9</sup> Includes base administrative charges, other vendor fees and Blue Rewards payouts.

<sup>10</sup> The GMCB did not order a change in the administrative charges. A change in projected membership by plan resulting from the GMCB order changed the weighted average PMPM by \$0.03.

<sup>11</sup> While not an explicit reduction in contribution to policyholders' reserve, the GMCB reduced BCBSVT rates by one percent for affordability. This reduction is an implicit reduction in CTR, and has been illustrated as such.

2. *In the submitted Actuarial Memorandum, you state, “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.” GMCB-06-19rr, SERFF, 62. Please indicate the amount of 2019 and 2020 tax savings due to the elimination of the federal income tax requirement for the BCBSVT legal entity. Please also indicate the impact on the overall rate proposed in this filing had the federal income tax requirement for the BCBSVT legal entity not been eliminated.*

Please refer to our answer to question 5 of L&E’s June 17, 2019 interrogatories, submitted to SERFF on June 21, 2019.

3. *On pages 26 through 32 of the BCBSVT Actuarial Memorandum, you detail your development of the medical utilization trend. In this filing, you changed your methodology. Specifically, you opted to itemize trends, resulting in an overall medical utilization trend of 4.1 percent. Please estimate what your overall medical utilization trend would have been for this filing had you employed your former methodology of not itemizing trends.*

We have not changed our process. We use every tool at our disposal to conduct a thorough analysis informed by clinical expertise then use our actuarial judgement to select the most appropriate assumption. While we itemized items in the memorandum, we also ensured that the overall medical utilization trend was reasonable. Accordingly, our assumption for the medical utilization using our “former methodology” is 4.1 percent.

4. *You assert that 10.9 percent of your proposed 15.6 percent increase is driven by projected increases in health care costs and that nearly all of this cost increase is attributed to 1) specialty pharmaceutical spending (7.9 percent premium increase) and 2) an increase in the percentage of members utilizing at least one preventive service, which has led to increases in utilization of primary care, diagnostic services, and treatment of conditions (1.9% premium increase). GMCB-006-19rr, BCBSVT Actuarial Memorandum at 10. Please provide the following additional information about specialty pharmacy and preventive care:*

- a. *Please state the amount, if any, by which BCBSVT projects the increased utilization of specialty pharmaceuticals will reduce other costs from 2019 through 2024. Please specify any indicators that support these projections*

We assume that specialty medications will continue to impact medical trend through 2020 the same way they have done in the experience period. In other words, the impact of specialty pharmaceuticals on other cost components is already reflected in the selected trends. We not completed projections for 2021 and beyond as they have no bearing on the current filing.

- b. Please provide the year over year increase in members receiving at least one preventive care visit and the percentage of overall members receiving at least one preventive care visit over the past three years.*

| For the VISG population  | 2016   | 2017   | 2018   |
|--|--------|--------|--------|
| Members receiving at least one preventive care visit                                   | 16,997 | 17,959 | 15,736 |
| Members receiving at least one preventive care visit per 1,000 members                 | 282.92 | 305.21 | 361.03 |
| Annual increase in members receiving at least one primary care visit per 1,000 members |        | 7.9%   | 18.3%  |
| Percentage of overall members receiving at least one preventive care visit             | 28.29% | 30.52% | 36.10% |

Due to the magnitude of the changes in the BCBSVT VISG population, it is more appropriate to look at the percentage of the population receiving primary care or the number of members per 1,000 rather than the actual number of members.

- c. Please specify to what extent you predict further increases in preventive care visits for 2019 and 2020.*

We believe that utilization of preventive office visits will continue to increase by the observation from 2016 to 2018 of about 5 percent per annum.

- d. Please state the amount, if any, by which BCBSVT projects the increased utilization of preventive services will reduce costs in 2020. Please specify any indicators that support these projections.*

Preventive care does not immediately reduce costs. In fact, it increases cost in the short term as previously undetected health issues are discovered. The medical literature suggests that preventive care can begin reducing costs over a horizon of five to ten years. BCBSVT did not reduce projected costs in 2020 for the recent increase in preventive care.

- 5. On page 5 of the BCBSVT Actuarial Memorandum, you state that, based on a comparison of actual to expected experience, 2019 premium rates were underfunded by 4.0 percent. Please explain why page 26.5 of your Annual Statement for the Year 2018 indicates that you do not have a premium deficiency reserve as of 12/31/18.*

In accordance with NAIC and actuarial guidelines, premium deficiency reserves are calculated by grouping like products for BCBSVT (in this case, all BCBSVT lines of business) and including an allocation of investment income. At the time of the 2018 annual statement, we did not expect a loss for the whole enterprise after investment income.

6. *What assumptions, if any, did you make about impacts of the Green Mountain Surgery Center on outpatient surgery costs in your filing?*

On June 24, 2019, the Green Mountain Surgery Center received its approval from the GMCB to begin serving patients. The GMSC will have limited service offerings. We very recently finalized contract negotiations on one type of service while negotiations are ongoing for a number of other types of services. As the Center is the first of its kind in Vermont, no data exists to estimate utilization rates. Because the GMSC had not yet been approved for operations at the time of filing, no assumed pricing impact was included. We are unable to provide an updated estimate of the impact at this time due to the uncertainties regarding both utilization and unit cost and because it is unclear how Vermont hospitals will respond to any anticipated reduction in their own utilization in their upcoming budget submissions.

7. *You estimate that your agreement with OneCare Vermont reduced the total projected claims by 0.2 percent. GMCB-006-19rr, BCBSVT Actuarial Memorandum at 21.*

a. *Please provide an estimate of the net savings to BCBSVT associated with this reduction after all costs including the OneCare Vermont coordination fee.*

As described on page 21, we expect a reduction of 0.4 percent of medical claims for attributed members as a result of the agreement with OneCare Vermont. These savings, when applied to all BCBSVT VISG members, come to \$1.53 PMPM. The care coordination fee, when spread to all members, is \$2.10 PMPM.

For the 2020 calendar year, we are including a net cost of \$0.57 PMPM for this program, driven by two dynamics. First, BCBSVT and OCV are committed to payment reform and major changes to current practices require investments in the early years of the program. Second, BCBSVT and OCV entered into a shared risk program with a target based on VISG rates approved by the GMCB. Including more aggressive savings assumptions in the rates would therefore reduce the target and make it less likely that savings could be achieved. The impact of the program will be reflected in the experience and flow through to rates in future rate filings.

b. *What is the amount of the payment BCBSVT expects to receive in connection with the 2018 ACO program settlement?*

BCBSVT is expecting to receive \$909,097.29 from OVC for the 2018 ACO program.



8. *On page 15 and 16 of the BCBSVT Actuarial Memorandum, you describe the impact of Association Health Plans (AHP) on membership and the proposed rate.*
- a. *Please provide the calculations supporting BCBSVT's assumption that 2,000 small group members will join an AHP in 2020.*

For the filing, we worked closely with the brokers for both Pathway 2 AHPs in estimating that this line of business would grow by 2,000 members.

On June 13, 2019, DFR published bulletin #205. The bulletin states that “DFR cannot approve Pathway 2 AHPs to operate beyond PY2019 because the District Court’s decision vacated the Pathway 2 AHP rule, a stay was not sought or granted, and the decision has nationwide effect. Further, Pathway 2 AHPs may not advertise for PY 2019 or PY2020.”

Groups currently enrolled in BCBSVT’s AHPs will need to decide whether to rejoin the VISG market, either with BCSBVT or MVP, enroll in a self-funded product, or drop insurance altogether.

Please refer to our response to question 1 of L&E’s June 21, 2019 interrogatories for more information on how recent judicial and regulatory decisions impact our projected population and rates.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



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Paul Schultz, F.S.A., M.A.A.A.  
Chief Actuary



July 2, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 06/21/2019 Questions re:  
Blue Cross and Blue Shield of Vermont  
2020 Vermont Individual and Small Group Rate Filing  
(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your requests dated June 21, 2019, here are [your questions](#) and our answers:

1. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
2. [Provide a mapping from Exhibit 5's "b" and "c" factors to the morbidity and demographic factors on WS1 of the URRT.](#)

The table below demonstrates the mapping of the Exhibit 5 factor to the adjustment factors on worksheet 1 of the URRT.

| Worksheet 1            |        | Exhibit 5   |        |
|------------------------|--------|---|--------|
| Morbidity Adjustment   | 1.0743 | Impact of the Health Status of the newly insured (1+b3) | 0.9809 |
|                        |        | Impact of AHP (1+b5)                                    | 1.0141 |
|                        |        | Impact of the Individual Mandate (1+b7)                 | 1.0050 |
|                        |        | Changes in pool morbidity (1+b9)                        | 1.0037 |
|                        |        | Impact of plan selection (1+c6)                         | 1.0707 |
| Demographic Adjustment | 1.0350 | Changes in demographics (1+c3)                          | 1.0350 |

3. This question involves confidential and proprietary information and BCBSVT's response has been provided under separate cover.
4. [The 2018 Payment Parameters referenced in your response state that the cost of the high-cost member program will be "less than 0.5 percent" of premium. Explain why this value was used when it was an upper bound rather than an estimate.](#)

In the absence of any better estimate, we used the sole figure that has appeared in publicly available documents regarding the anticipated cost of this program. The actual result for 2018 will be known on June 30, 2019. As has been the case for the risk adjustment estimate for many years, we expect that the new information will be used to inform your actuarial recommendation.

5. *The selection load applied to the index rate reflects differences in the expected paid claims and the paid claims implied by the unadjusted Pricing AV's. Is it BCBSVT's intention to include this factor as an increase to allowed cost? Would this factor not be more appropriate as an adjustment to the Pricing AV's?*

While we agree that the selection load does not truly impact projected allowed cost, our understanding of the ACA guidelines regarding plan level adjustments had been that the adjustments must vary by plan and cannot have a constant factor applied across all plans. However, we would agree with an interpretation that the guidelines do not prohibit an AV plan level adjustment that also considers paid-to-allowed impacts of the entire pool and could therefore legitimately include a constant plan level adjustment applied to all plans.

To demonstrate the impact of this change in treatment, we rearranged the selection load in the applicable exhibits and found that the results by plan and in total were within \$0.01 per member per month of the filed assumptions. Please see attached exhibits that show the alternative treatment of selection load.

6. *The URRT instructions require that "any expected net reinsurance recoverables received through a state or federal reinsurance program" in the reinsurance section of the URRT. Explain the decision to put the high-cost member program cost in the risk adjustment section.*

On page 15 of the URRT instructions dated May 2019, it is stated that "transfer amounts should include the high cost risk pool adjustment to claims and any assessment to pay for those claims. The risk adjustment user fee should not be included here, but rather in the taxes and fee portion of the administrative costs." Our understanding is that the reinsurance section in the URRT is for reinsurance programs under 1332 waivers.


7. *The actuarial memorandum states that 0.3% of members are believed to have "left the market" in 2019 in relation to the individual mandate. Particularly given the substantial increase in individual enrollment experienced by the other carrier, explain why these members were assumed to have left the market, rather than simply leaving BCBSVT.*

The destination of these members in 2019 is irrelevant to 2020 rates given our assumption that they will leave the market in 2020.

The remainder of this response is confidential and will be provided under separate cover.

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



Paul Schultz, F.S.A., M.A.A.A.  
Chief Actuary

July 26, 2019

Mr. Kevin Ruggeberg, A.S.A., M.A.A.A.  
Consulting Actuary  
Lewis & Ellis, Inc.

**Subject: Your 07/25/2019 Questions re:**  
**Blue Cross and Blue Shield of Vermont**  
**2020 Vermont Individual and Small Group Rate Filing**  
**(SERFF Tracking #: BCVT-131936226)**

Dear Mr. Ruggeberg:

In response to your request dated July 25, 2019, here are *your questions* and our answers:

- 1. Please demonstrate that implementing L&E's recommendations regarding risk adjustment and the 0.2% adjustment relating to terminating groups results in a 1.3% rate decrease as stated in exhibits produced by BCBSVT at the recent hearing.*

On page 20 of your report<sup>1</sup> dated July 9, 2019, you recommended that BCBSVT use the final 2018 risk adjustment report from CMS and adjust for 2020 model coefficient changes resulting in a PMPM starting point of \$38.16. We found that in order to reconcile to your stated \$38.16 PMPM one must divide the transfer amount by *billable* member months rather than total member months. BCBSVT executed this by adjusting the 2018 baseline to reflect a transfer of \$15,926,267 and then increased the BCBSVT PLRS factor such that the transfer per billable member month was \$38.16 and the adjusted transfer was approximately \$22.2M. When we estimate the premium impacts of risk adjustment changes we reflect the transfer using total member months to be consistent with the filing's use of "PMPM." These two changes result in a -1.44 percent rate change.

We then incorporate an adjustment for the small group members that left the BCBSVT enterprise and are assumed to migrate to MVP's QHP products. In our response to question 3 of inquiry 2, we agreed that the impact of "members in groups that are no longer with BCBSVT" should have had a corresponding impact on risk adjustment. It is important to note that these groups are exclusive from the groups that joined an AHP in 2019. Using the data provided by DHVA to the GMCB<sup>2</sup>, and including the enrollment from groups that joined a 2019 AHP product from either of the carriers' QHP products, it is clear that the overall individual and small group markets increased modestly from 2018 to 2019:

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<sup>1</sup> <https://ratereview.vermont.gov/sites/dfrr/files/L%26E%20Actuarial%20Memo%20-%20BCBSVT%20VHC%202020.pdf>

<sup>2</sup> <https://gmcboard.vermont.gov/sites/gmcb/files/2018%202019%20Plan%20Selection%20for%20GMCB.pdf>

|                                 | January 2018  | January 2019  |
|---------------------------------|---------------|---------------|
| VISG Small Group                | 45,510        | 40,641        |
| AHP with previous VISG coverage | <u>0</u>      | <u>5,023</u>  |
| Total Small Group               | 45,510        | 45,664        |
| Individual                      | <u>34,142</u> | <u>34,396</u> |
| Total VISG                      | 79,652        | 80,060        |

We therefore agreed with your suggestion that a more reasonable approach would be to assume that groups that left BCBSVT but did not join an AHP moved to MVP, and the risk adjustment transfer should be adjusted accordingly. As stated in our response to the aforementioned question 3, while these members were healthier than BCBSVT's average member they have risk scores that are higher than the MVP average risk score.

The result of this change is a decrease to BCBSVT's PLRS and an increase in MVP's PLRS, thereby lowering the risk adjustment transfer from \$22.2M to \$21.7M and increasing the BCBSVT average premium by 0.16 percent.

There is a 1.3 percent total impact on rates of including your risk adjustment recommendations in addition to the risk adjustment impact of small groups moving to MVP:

|   |               |
|---|---------------|
| L&E recommendations                         | -1.44%        |
| <u>Impact of small groups moving to MVP</u> | <u>+0.16%</u> |
| Total                                       | -1.28%        |

Please note that Exhibit 19 presented at hearing had incorrect PMPMs for L&E recommended and BCBSVT proposed rates. The stated PMPMs of \$42.55 and \$41.47 include the impact of AHPs, which is captured separately in the AHP recommendation. The PMPMs on Exhibit 19 should have been \$44.46 and \$43.39 for the L&E recommended and BCBSVT proposed rates, respectively.

2. *Please clarify how the 0.4% rate adjustment related to newborns referenced at the recent hearing relates to the 1.0059 impact described in objection response 15 provided on June 7th.*

The 1.0059 impact described in our response 15 to Inquiry 2 is a claim adjustment factor.

As you pointed out in the actuarial memorandum dated July 9, 2019, BCBSVT will receive additional premiums for these new members. The additional premium will not completely offset the increase in claims. In the Vermont VISG market, family premiums are not calculated on a per member per month basis as is the case in other states. Instead, family rates are set at 1.93 times the single rate for policies with one adult and 2.81 times the single rate for policies with 2 adults. This means that newborns only generate additional

premium if they are the first child under the policy. Furthermore, newborns are covered under the mother's policy for the first 60 days. To estimate the impact of the additional premium, BCBSVT specifically looked at the family composition of the newborns included in the analysis that underlines the 0.6 percent claims impact. We calculated the actual additional premium collected by taking the difference between the premiums paid before and after the addition of the new member. The additional premium offsets the claims impact by 0.2 percent.

Risk adjustment compares the relative population demographics and morbidity between carriers. The risk adjustment estimates already include the impact of newborns in the market. The only way that additional risk adjustment would be received by BCBSVT for newborns is if the relationship between birth rates for the BCBSVT and MVP populations changes substantially from 2018 to 2020. There is no evidence for such a change, and any such assumption would be contrary to our risk score projection methodology, which necessarily assumes consistent underlying population characteristics in the absence of explicit population movement.

The total impact on rates of including the cost of newborns expected to be born in 2020 is therefore 0.4 percent:

|                               |             |
|-------------------------------|-------------|
| Claims impact                 | +0.6%       |
| Premium impact                | -0.2%       |
| <u>Risk Adjustment impact</u> | <u>0.0%</u> |
| Total                         | +0.4%       |

Please let us know if you have any further questions, or if we can provide additional clarity on any of the items above.

Sincerely,



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Paul Schultz, F.S.A., M.A.A.A.  
Chief Actuary

August 19, 2019

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

**Subject: Blue Cross and Blue Shield of Vermont - NAIC # 53295  
2020 Vermont Individual and Small Group Rate Filing - Amended per GMCB Order  
(SERFF #BCVT-131936226, GMCB-009-19rr)**

Dear Mr. Crompton:

Enclosed are amended exhibits for the Blue Cross and Blue Shield 2020 Vermont Individual and Small Group Rate Filing. These rates have been developed in response to the Green Mountain Care Board order dated August 8, 2019. The rates were modified as ordered, resulting in a reduction of the total projected average rate increase to 12.4 percent.

To help with your review, we step through each component of the order below:

1. [Move the selection and AV factors from an index rate adjustment to a Pricing AV adjustment](#)

We moved the impact of selection from the index rate (1+c<sub>6</sub> factor on exhibit 5) to the pricing AV calculation (amended exhibit 6C).

2. [Use a PMPM of \\$38.16 as a starting point for the projected risk transfer before adjustments for the high-cost member program or changes relative to the 2018 market due to AHPs and shift to self-insurance](#)

We interpreted this to mean that we are to use the PMPM from the revised hearing exhibit 19 of \$43.39 that L&E agreed to in their post hearing letter dated July 30, 2019. This was included, along with the AHP impact in number 7 to calculate the projected 2020 risk adjustment transfer of \$22,651,889, as shown on amended exhibit 4.

3. [Remove the 0.5% load for the elimination of the individual mandate penalty](#)

We reduced the impact of the elimination of the individual mandate penalty from 1.005 to 1.000 on line 1+b<sub>7</sub> on amended exhibit 5. We also adjusted the membership projection and risk adjustment to reflect this change, as detailed in step 7.

4. Reduce the medical utilization trend from 3.2% per year to 2.5% per year

Since we separate the medical utilization trend from the cost containment impact on projected claims, we implemented this section of the order by reducing the utilization trend from 4.1 percent to 3.3 percent, as shown on amended exhibit 3H. The table below shows the comparison of the original medical utilization trend, after cost containment, to the ordered medical utilization trend, after cost containment.

|          |   |
|----------|---|
| Original | $= (1.0408 \times 0.9889 \times 1.0408 \times 0.9947)^{0.5} = 1.0322$ |
| Ordered  | $= (1.0335 \times 0.9889 \times 1.0335 \times 0.9947)^{0.5} = 1.0250$ |

5. Account for new information on FY 2020 hospital budgets

We increased the medical unit cost trend to 2.79 percent, the trend needed to impact the premiums rates by 0.3 percent, as shown on hearing exhibit 18. This change is shown on amended exhibit 3H.

6. Account for the impact of newborns

We added a factor of 1.0040 to the index rate (used line 1+b<sub>1</sub> on amended exhibit 5) for this impact.

7. Reduce the AHP morbidity load on claims and make any associated changes to risk adjustment and plan change factors, such that the projected premiums are reduced by approximately 0.3%

Because AHPs changes impacts many factors, we created a scenario using the same method as described in our confidential response to question 1 of inquiry 4. To achieve a premium reduction of 0.3 percent, we use the following factors, which are reflected on amended exhibits 4, 5, and 7A:

| Rate Component   | Originally Filed | To comply with the Order |
|--|------------------|--------------------------|
| Projected Membership                                   | 41,684           | 46,012                   |
| Claims impact of AHPs (1+b <sub>5</sub> )              | 1.0141           | 1.0078                   |
| Impact of different benefit plans (1+c <sub>1</sub> )  | 1.0065           | 1.0044                   |
| Impact of plan selection (1+c <sub>6</sub> and Exh 6C) | 1.0707           | 1.0702                   |
| Risk adjustment payments and fees                      | -\$41.64         | -\$41.03                 |
| Administrative charges for BCBSVT                      | \$46.12          | \$46.36                  |

The projected membership that complies with the order starts with the originally filed 41,684 members and adds back the 2,000 members that were expected to move to AHP in 2020 plus 2,073 members who are currently enrolled in the AHP market and are expected to join the BCBSVT VISG market.

The projected membership also adds back the 255 members that had been assumed in the original filing to leave the market due to the individual mandate. These members were added back for the purposes of completeness and have no impact on the risk adjustment, given that we expect MVP to have a proportional increase in membership with comparable risk profiles.

Note that the risk adjustment payment in this table also includes the adjustments to comply with step 2 of this order.

8. Reduce its assumption for the federal high-cost member program from 0.5% to 0.25%

We reduced the federal high-cost member program from \$3.32 PMPM to \$1.62 PMPM, which is 0.25 percent of premium. This is reflected on amended exhibit 4.

Enclosed are amended Exhibits 3H through 9B, the amended Unified Rate Review Template and the amended Rate Data template.

The purpose of this amended filing is to provide the rates and a description of the modifications ordered by the Green Mountain Care Board to the rate development for the Vermont Individual and Small Group plans that Blue Cross and Blue Shield of Vermont proposes to offer for the 2020 benefit year. These calculations are not intended to be used for any other purpose.

This amendment was prepared in accordance with the provisions of the Green Mountain Care Board order dated August 8, 2019. Specifically, the impact of the elimination of the individual mandate penalty, the changes in medical utilization and unit cost trends, the impact of the Association Health Plans, the impact of newborns and the impact of risk adjustment were prescribed by the aforementioned GMCB order.

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

In my opinion, the final premium rates are in compliance with the GMCB order of August 8, 2019. The calculations and results are appropriate for the purpose intended.

In submitting this amendment, BCBSVT does not waive any potential recourse and reserves all legal rights with respect to the aforementioned GMCB order, including the right to pursue the remedies noted in the order.

Please let us know if you have any questions, or if we can provide additional clarity on any of the items above.

Sincerely,



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



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

Amended per GMCB Order  
EXHIBIT 3H

TREND DEVELOPMENT  
PROJECTION FACTOR FOR INDEX RATE CALCULATION

| TREND FACTORS - FROM 2018 to 2019 |       |             |       |
|-----------------------------------|-------|-------------|-------|
| Claim Type                        | Cost  | Utilization | Total |
| Medical                           | 2.3%  | 3.3%        | 5.7%  |
| 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                           | 3.3%  | 3.3%        | 6.7%  |
| 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<br>PMPM | Cost Trend    | Adding Cost Trend | Utilization Trend | Adding Utilization<br>Trend | Impact of Pharmacy<br>Contract and Cost<br>Containment | CY 2019 Allowed<br>PMPM |
|-----------------|----------------------------|---------------|-------------------|-------------------|-----------------------------|--|-------------------------|
| Medical Claims  | \$509.30                   | 1.0230        | \$521.03          | 1.0335            | \$538.47                    | 0.9889   | \$532.52                |
| 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                  |
| <b>Total</b>    | <b>\$633.78</b>            | <b>1.0409</b> | <b>\$659.71</b>   | <b>1.0290</b>     | <b>\$678.87</b>             |  | <b>\$671.69</b>         |

| Claim Type      | CY 2019 Allowed<br>PMPM | Cost Trend    | Adding Cost Trend | Utilization Trend | Adding Utilization<br>Trend | Impact of Pharmacy<br>Contract and Cost<br>Containment | CY 2020 Allowed<br>PMPM |
|-----------------|-------------------------|---------------|-------------------|-------------------|-----------------------------|--|-------------------------|
| Medical Claims  | \$532.52                | 1.0328        | \$549.98          | 1.0335            | \$568.39                    | 0.9947   | \$565.36                |
| 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                  |
| <b>Total</b>    | <b>\$671.69</b>         | <b>1.0497</b> | <b>\$705.06</b>   | <b>1.0288</b>     | <b>\$725.39</b>             |  | <b>\$720.99</b>         |

|  |                  |        |
|--|------------------|--------|
| Cost Trend Factor                          | 1+d <sub>1</sub> | 1.0929 |
| Utilization Trend Factor                   | 1+d <sub>2</sub> | 1.0449 |
| Impact of Pharmacy Contract Changes factor | 1+c <sub>5</sub> | 0.9962 |

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

Amended per GMCB Order  
Exhibit 4

**EXPECTED RISK ADJUSTMENT TRANSFERS**

| <b>Issuer Average Plan Liability Risk Score</b> | <b>BCBSVT</b> | <b>MVP</b> |
|---|---------------|------------|
| Interim 2018                                    | 1.499         | 1.188      |
| <i>Impact of Projected Member Movement</i>      | 1.035         | 1.001      |
| <i>Supplemental Diagnoses</i>                   | 1.005         | 1.000      |
| <i>Impact of Claims Runout</i>                  | 1.024         | 1.069      |
| Adjusted 2019                                   | 1.596         | 1.271      |
| <i>Impact of Projected Member Movement</i>      | 1.029         | 1.010      |
| <i>Supplemental Diagnoses</i>                   | 1.000         | 1.000      |
| Projected Final Report 2020                     | 1.642         | 1.283      |

| <b>Transfer Amounts</b> | <b>Combined<br/>Market</b> | <b>Catastrophic<br/>Market</b> |
|-------------------------|----------------------------|--------------------------------|
| Estimated 2018 - Final  | -\$15,926,267              | -\$2,440                       |
| Adjusted 2019           | -\$16,887,518              | -\$2,440                       |
| <b>Estimated 2020</b>   | <b>-\$22,651,889</b>       | <b>-\$1,370</b>                |

\* receivable are expressed as negative numbers

|   |                 |
|---|-----------------|
| Projected Risk Adjustment Transfer                            | -\$22,653,258   |
| Member Months   | 552,144         |
| Net Projected Risk Adjustment PMPM                            | -\$41.03        |
| Estimated Cost of High Risk Pool program                      | \$1.61          |
| Paid to Allowed Ratio (from Exh 6C)                           | 76.66%          |
| <b>Market Wide Adjustment for the Risk Adjustment Program</b> | <b>-\$51.42</b> |

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

Amended per GMCB Order  
Exhibit 5

INDEX RATE CALCULATION

|   |  |          |
|---|--|----------|
| <b><u>Index Rate : Experience Period Allowed Claims for EHB</u></b>   | A  | \$631.80 |
| <b><u>Adjustments from Experience Period to Projection Period</u></b> |  |          |
| <b>Population Risk Morbidity</b>                                      |  |          |
| Impact of newborns  | 1+b <sub>1</sub>   | 1.0040   |
| Impact of the Medicare Part B requirement                             | 1+b <sub>2</sub>   | 0.9934   |
| Impact of the Health Status of the newly insured                      | 1+b <sub>3</sub>   | 0.9809   |
| Impact of the ACO Experience Settlement                               | 1+b <sub>4</sub>   | 0.9977   |
| Impact of Association Health Plans                                    | 1+b <sub>5</sub>   | 1.0074   |
| Impact of Projected ACO Savings                                       | 1+b <sub>6</sub>   | 0.9980   |
| Impact of the removal of the penalty for the individual mandate       | 1+b <sub>7</sub>   | 1.0000   |
| Impact of VHC Adjustments   | 1+b <sub>8</sub>   | 1.0000   |
| Changes in pool morbidity   | 1+b <sub>9</sub>   | 1.0037   |
| <b>Other</b>  |  |          |
| Impact of different benefit plans (in experience vs projection)       | 1+c <sub>1</sub>   | 1.0061   |
| Changes in provider networks  | 1+c <sub>2</sub>   | 1.0000   |
| Changes in demographics (age, gender, region, etc.)                   | 1+c <sub>3</sub>   | 1.0350   |
| Impact of Leap Year   | 1+c <sub>4</sub>   | 1.0027   |
| Changes in pharmacy contract  | 1+c <sub>5</sub>   | 0.9962   |
| Impact of Selection   | 1+c <sub>6</sub>   | 1.0000   |
| <b><u>Adjusted Experience Period Allowed Claims for EHB</u></b>       | C  | \$647.26 |
| <b>Trend Factors</b>  |  |          |
| Cost Trend  | 1+d <sub>1</sub>   | 1.0929   |
| Utilization Trend   | 1+d <sub>2</sub>   | 1.0449   |
| <b><u>Projected Period Allowed Claims for Experience EHB</u></b>      | D  | \$739.14 |
| <b>Additional Adjustments for Non System Claims</b>                   |  |          |
| Projected Pharmacy Rebates  | e <sub>1</sub>   | -\$26.46 |
| Projected Blue Print Payments   | e <sub>2</sub>   | \$3.99   |
| Projected ITS Fees  | e <sub>3</sub>   | \$2.72   |
| Projected Vaccine Payments  | e <sub>4</sub>   | \$1.83   |
| Projected Net cost of Reinsurance                                     | e <sub>5</sub>   | \$0.45   |
| OneCare Care Coordination Fee   | e <sub>6</sub>   | \$2.10   |
| ESI Additional Fees   | e <sub>7</sub>   | \$0.65   |
| <b><u>Projected Index Rate</u></b>                                    | F = D + e <sub>1</sub> + e <sub>2</sub> + e <sub>3</sub> + e <sub>4</sub> + e <sub>5</sub> + e <sub>6</sub> + e <sub>7</sub> | \$724.42 |
| <b><u>Market Wide Adjustments</u></b>                                 |  |          |
| Risk Adjustment Payments and Fees                                     | g <sub>1</sub>   | -\$51.42 |
| Transitional Reinsurance Payments and Recoveries                      | g <sub>2</sub>   | \$0.00   |
| Vermont Exchange Fees   | g <sub>3</sub>   | \$0.00   |
| Remove Non-EHB Claims   | g <sub>4</sub>   | -\$0.07  |
| <b><u>Market Adjusted Index Rate</u></b>                              | H = E + g <sub>1</sub> + g <sub>2</sub> + g <sub>3</sub> + g <sub>4</sub>  | \$672.93 |

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

Amended per GMCB Order  
Exhibit 6A

**PLAN LEVEL ADJUSTMENT SUMMARY**

|                       |              |                   | Market<br>Adjusted Index<br>Rate | Benefit<br>Richness<br>Adjustment | Paid to Allowed<br>Ratio | Plan Benefits in<br>addition to EHB | For<br>Catastrophic<br>Only - Impact of<br>Eligibility | Expected<br>Claims Cost | Administrative<br>Charges Plan<br>Level<br>Adjustment | Taxes and Fees<br>Plan Level<br>Adjustment | Contribution to<br>Reserve Plan<br>Level<br>Adjustment | Plan Level<br>Adjusted Index<br>Rate | Projected<br>Membership |
|-----------------------|--------------|-------------------|----------------------------------|-----------------------------------|--------------------------|-------------------------------------|--|-------------------------|---|--|--|--------------------------------------|-------------------------|
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | \$672.93                         | 0.9913                            | 81.89%                   | 1.0000                              | 1.0000   | \$546.26                | 1.0858  | 1.0375                                     | 1.0163   | \$625.40                             | 996                     |
|                       | GOLD         | Blue Rewards CDHP | \$672.93                         | 0.9893                            | 81.46%                   | 1.0000                              | 1.0000   | \$542.30                | 1.0869  | 1.0375                                     | 1.0163   | \$621.50                             | 6,181                   |
|                       | SILVER       | Blue Rewards      | \$672.93                         | 0.9557                            | 83.96%                   | 1.0000                              | 1.0000   | \$539.93                | 1.0865  | 1.0376                                     | 1.0163   | \$618.55                             | 1,526                   |
|                       | SILVER       | Blue Rewards CDHP | \$672.93                         | 0.9641                            | 84.80%                   | 1.0000                              | 1.0000   | \$550.13                | 1.0853  | 1.0375                                     | 1.0163   | \$629.54                             | 115                     |
|                       | BRONZE       | Blue Rewards      | \$672.93                         | 0.9352                            | 66.04%                   | 1.0000                              | 1.0000   | \$415.60                | 1.1124  | 1.0388                                     | 1.0163   | \$488.04                             | 449                     |
|                       | BRONZE       | Blue Rewards CDHP | \$672.93                         | 0.9352                            | 66.02%                   | 1.0000                              | 1.0000   | \$415.49                | 1.1130  | 1.0388                                     | 1.0163   | \$488.18                             | 1,870                   |
| STANDARD PLANS        | PLATINUM     | Deductible        | \$672.93                         | 1.0857                            | 98.25%                   | 1.0000                              | 1.0000   | \$717.81                | 1.0652  | 1.0365                                     | 1.0163   | \$805.41                             | 9,464                   |
|                       | GOLD         | Deductible        | \$672.93                         | 1.0266                            | 88.80%                   | 1.0000                              | 1.0000   | \$613.46                | 1.0762  | 1.0371                                     | 1.0163   | \$695.78                             | 6,150                   |
|                       | SILVER       | Deductible        | \$672.93                         | 0.9695                            | 86.93%                   | 1.0000                              | 1.0000   | \$567.14                | 1.0823  | 1.0374                                     | 1.0163   | \$647.12                             | 4,647                   |
|                       | SILVER       | CDHP              | \$672.93                         | 0.9770                            | 86.75%                   | 1.0000                              | 1.0000   | \$570.36                | 1.0819  | 1.0373                                     | 1.0163   | \$650.50                             | 1,135                   |
|                       | BRONZE       | Deductible        | \$672.93                         | 0.9364                            | 66.49%                   | 1.0000                              | 1.0000   | \$418.98                | 1.1116  | 1.0387                                     | 1.0163   | \$491.66                             | 2,023                   |
|                       | BRONZE       | CDHP              | \$672.93                         | 0.9392                            | 67.61%                   | 1.0000                              | 1.0000   | \$427.34                | 1.1094  | 1.0386                                     | 1.0163   | \$500.42                             | 1,518                   |
|                       | BRONZE       | Integrated        | \$672.93                         | 0.9396                            | 67.76%                   | 1.0000                              | 1.0000   | \$428.43                | 1.1090  | 1.0386                                     | 1.0163   | \$501.48                             | 296                     |
| REFLECTIV<br>E PLANS  | Catastrophic | Blue Rewards      | \$672.93                         | 0.9547                            | 72.75%                   | 1.0000                              | 0.4355   | \$203.53                | 1.2294  | 1.0436                                     | 1.0163   | \$265.36                             | 293                     |
|                       | SILVER       | Blue Rewards      | \$672.93                         | 0.9551                            | 72.87%                   | 1.0000                              | 1.0000   | \$468.33                | 1.0997  | 1.0382                                     | 1.0163   | \$543.38                             | 722                     |
|                       | SILVER       | Blue Rewards CDHP | \$672.93                         | 0.9634                            | 75.20%                   | 1.0000                              | 1.0000   | \$487.50                | 1.0963  | 1.0380                                     | 1.0163   | \$563.78                             | 378                     |
|                       | SILVER       | Deductible        | \$672.93                         | 0.9691                            | 76.71%                   | 1.0000                              | 1.0000   | \$500.27                | 1.0933  | 1.0379                                     | 1.0163   | \$576.91                             | 5,523                   |
|                       | SILVER       | CDHP              | \$672.93                         | 0.9768                            | 78.59%                   | 1.0000                              | 1.0000   | \$516.60                | 1.0904  | 1.0378                                     | 1.0163   | \$594.05                             | 2,726                   |
| Total                 |              |                   | \$672.93                         |                                   |                          |                                     |  | \$564.47                |   |  |  | \$644.42                             | 46,012                  |

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

Amended per GMCB Order  
Exhibit 6B

**PLAN LEVEL ADJUSTMENT  
BENEFIT RICHNESS ADJUSTMENT FACTOR**

|                       |              |                   | Base Paid to<br>Allowed Ratio<br>before Silver<br>Load | Benefit<br>Richness<br>Adjustment for<br>EHB | Normalized<br>Benefit<br>Richness<br>Adjustment for<br>EHB | For<br>Catastrophic<br>Only - Impact<br>of Eligibility | Projected<br>Period Paid<br>Claims for<br>Experience EHB | Benefit<br>Richness<br>Adjustment for<br>EHB | Non-System<br>Claims | Market Wide<br>Adjustments | Total Paid<br>Claims with<br>Benefit<br>Richness<br>Adjustment | Overall Benefit<br>Richness<br>Adjustment | Projected<br>Membership |
|-----------------------|--------------|-------------------|--|--|--|--|--|--|----------------------|----------------------------|--|---|-------------------------|
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | 76.49%   | 1.0602                                       | 0.9921   | 1.000  | \$605.19   | 0.9921                                       | -\$14.72             | -\$39.42                   | \$546.26   | 0.9913                                    | 996                     |
|                       | GOLD         | Blue Rewards CDHP | 76.12%   | 1.0582                                       | 0.9903   | 1.000  | \$602.29   | 0.9903                                       | -\$14.72             | -\$39.42                   | \$542.30   | 0.9893                                    | 6,181                   |
|                       | SILVER       | Blue Rewards      | 68.82%   | 1.0254                                       | 0.9596   | 1.000  | \$619.10   | 0.9596                                       | -\$14.72             | -\$39.42                   | \$539.93   | 0.9557                                    | 1,526                   |
|                       | SILVER       | Blue Rewards CDHP | 70.88%   | 1.0336                                       | 0.9672   | 1.000  | \$624.75   | 0.9672                                       | -\$14.72             | -\$39.42                   | \$550.13   | 0.9641                                    | 115                     |
|                       | BRONZE       | Blue Rewards      | 63.01%   | 1.0069                                       | 0.9423   | 1.000  | \$498.53   | 0.9423                                       | -\$14.72             | -\$39.42                   | \$415.60   | 0.9352                                    | 449                     |
|                       | BRONZE       | Blue Rewards CDHP | 62.99%   | 1.0069                                       | 0.9422   | 1.000  | \$498.42   | 0.9422                                       | -\$14.72             | -\$39.42                   | \$415.49   | 0.9352                                    | 1,870                   |
| STANDARD PLANS        | PLATINUM     | Deductible        | 90.40%   | 1.1532                                       | 1.0792   | 1.000  | \$715.30   | 1.0792                                       | -\$14.72             | -\$39.42                   | \$717.81   | 1.0857                                    | 9,464                   |
|                       | GOLD         | Deductible        | 82.36%   | 1.0947                                       | 1.0244   | 1.000  | \$651.67   | 1.0244                                       | -\$14.72             | -\$39.42                   | \$613.46   | 1.0266                                    | 6,150                   |
|                       | SILVER       | Deductible        | 72.08%   | 1.0388                                       | 0.9721   | 1.000  | \$639.13   | 0.9721                                       | -\$14.72             | -\$39.42                   | \$567.14   | 0.9695                                    | 4,647                   |
|                       | SILVER       | CDHP              | 73.69%   | 1.0461                                       | 0.9789   | 1.000  | \$637.93   | 0.9789                                       | -\$14.72             | -\$39.42                   | \$570.36   | 0.9770                                    | 1,135                   |
|                       | BRONZE       | Deductible        | 63.40%   | 1.0079                                       | 0.9432   | 1.000  | \$501.60   | 0.9432                                       | -\$14.72             | -\$39.42                   | \$418.98   | 0.9364                                    | 2,023                   |
|                       | BRONZE       | CDHP              | 64.35%   | 1.0106                                       | 0.9457   | 1.000  | \$509.13   | 0.9457                                       | -\$14.72             | -\$39.42                   | \$427.34   | 0.9392                                    | 1,518                   |
|                       | BRONZE       | Integrated        | 64.47%   | 1.0109                                       | 0.9460   | 1.000  | \$510.10   | 0.9460                                       | -\$14.72             | -\$39.42                   | \$428.43   | 0.9396                                    | 296                     |
|                       | Catastrophic | Blue Rewards      | 68.72%   | 1.0250                                       | 0.9592   | 0.435  | \$543.69   | 0.9592                                       | -\$14.72             | -\$39.42                   | \$467.38   | 0.9547                                    | 293                     |
| REFLECTIV<br>E PLANS  | SILVER       | Blue Rewards      | 68.82%   | 1.0254                                       | 0.9596   | 1.000  | \$544.49   | 0.9596                                       | -\$14.72             | -\$39.42                   | \$468.33   | 0.9551                                    | 722                     |
|                       | SILVER       | Blue Rewards CDHP | 70.80%   | 1.0333                                       | 0.9669   | 1.000  | \$560.18   | 0.9669                                       | -\$14.72             | -\$39.42                   | \$487.50   | 0.9634                                    | 378                     |
|                       | SILVER       | Deductible        | 72.08%   | 1.0388                                       | 0.9721   | 1.000  | \$570.34   | 0.9721                                       | -\$14.72             | -\$39.42                   | \$500.27   | 0.9691                                    | 5,523                   |
|                       | SILVER       | CDHP              | 73.69%   | 1.0461                                       | 0.9789   | 1.000  | \$583.02   | 0.9789                                       | -\$14.72             | -\$39.42                   | \$516.60   | 0.9768                                    | 2,726                   |
| <b>Total</b>          |              |                   |  | <b>1.0686</b>                                |  |  |  | <b>1.0000</b>                                |                      |                            |  | <b>0.9995</b>                             | <b>46,012</b>           |

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

Amended per MCB Order  
Exhibit 6C

**PLAN LEVEL ADJUSTMENT  
PAID TO ALLOWED RATIOS**

|                       |              |                   | Projected<br>Period Allowed<br>Claims for<br>Experience EHB | Paid to Allowed<br>Ratio for EHB<br>Portion | Impact of silver<br>loading | Impact of<br>selection | Projected<br>Period Paid<br>Claims for<br>Experience EHB | Non-System<br>Claims | Market Wide<br>Adjustments<br>(Paid) | Market Wide<br>Adjustments<br>(Allowed) | Market<br>Adjusted Index<br>Rate | Total Paid<br>Claims | Paid to Allowed<br>Ratio | Projected<br>Membership |
|-----------------------|--------------|-------------------|---|---|-----------------------------|------------------------|--|----------------------|--------------------------------------|---|----------------------------------|----------------------|--------------------------|-------------------------|
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | \$739.07  | 76.49%                                      | 100.00%                     | 107.06%                | \$605.19   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$551.05             | 81.89%                   | 996                     |
|                       | GOLD         | Blue Rewards CDHP | \$739.07  | 76.12%                                      | 100.00%                     | 107.06%                | \$602.29   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$548.15             | 81.46%                   | 6,181                   |
|                       | SILVER       | Blue Rewards      | \$739.07  | 68.82%                                      | 113.70%                     | 107.06%                | \$619.10   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$564.97             | 83.96%                   | 1,526                   |
|                       | SILVER       | Blue Rewards CDHP | \$739.07  | 70.88%                                      | 111.40%                     | 107.06%                | \$624.75   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$570.61             | 84.80%                   | 115                     |
|                       | BRONZE       | Blue Rewards      | \$739.07  | 63.01%                                      | 100.00%                     | 107.06%                | \$498.53   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$444.39             | 66.04%                   | 449                     |
|                       | BRONZE       | Blue Rewards CDHP | \$739.07  | 62.99%                                      | 100.00%                     | 107.06%                | \$498.42   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$444.29             | 66.02%                   | 1,870                   |
| STANDARD PLANS        | PLATINUM     | Deductible        | \$739.07  | 90.40%                                      | 100.00%                     | 107.06%                | \$715.30   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$661.16             | 98.25%                   | 9,464                   |
|                       | GOLD         | Deductible        | \$739.07  | 82.36%                                      | 100.00%                     | 107.06%                | \$651.67   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$597.53             | 88.80%                   | 6,150                   |
|                       | SILVER       | Deductible        | \$739.07  | 72.08%                                      | 112.06%                     | 107.06%                | \$639.13   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$584.99             | 86.93%                   | 4,647                   |
|                       | SILVER       | CDHP              | \$739.07  | 73.69%                                      | 109.41%                     | 107.06%                | \$637.93   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$583.79             | 86.75%                   | 1,135                   |
|                       | BRONZE       | Deductible        | \$739.07  | 63.40%                                      | 100.00%                     | 107.06%                | \$501.60   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$447.46             | 66.49%                   | 2,023                   |
|                       | BRONZE       | CDHP              | \$739.07  | 64.35%                                      | 100.00%                     | 107.06%                | \$509.13   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$454.99             | 67.61%                   | 1,518                   |
|                       | BRONZE       | Integrated        | \$739.07  | 64.47%                                      | 100.00%                     | 107.06%                | \$510.10   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$455.96             | 67.76%                   | 296                     |
|                       | Catastrophic | Blue Rewards      | \$739.07  | 68.72%                                      | 100.00%                     | 107.06%                | \$543.69   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$489.56             | 72.75%                   | 293                     |
| REFLECTIV<br>E PLANS  | SILVER       | Blue Rewards      | \$739.07  | 68.82%                                      | 100.00%                     | 107.06%                | \$544.49   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$490.35             | 72.87%                   | 722                     |
|                       | SILVER       | Blue Rewards CDHP | \$739.07  | 70.80%                                      | 100.00%                     | 107.06%                | \$560.18   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$506.04             | 75.20%                   | 378                     |
|                       | SILVER       | Deductible        | \$739.07  | 72.08%                                      | 100.00%                     | 107.06%                | \$570.34   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$516.20             | 76.71%                   | 5,523                   |
|                       | SILVER       | CDHP              | \$739.07  | 73.69%                                      | 100.00%                     | 107.06%                | \$583.02   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$528.88             | 78.59%                   | 2,726                   |
| Total                 |              |                   | \$739.07  | 76.66%                                      | 101.93%                     | 107.06%                | \$617.48   | -\$14.72             | -\$39.42                             | -\$51.42                                | \$672.93                         | \$563.34             | 83.72%                   | 46,012                  |

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

Amended per GMCB Order  
Exhibit 6D

PLAN LEVEL ADJUSTMENTS

IMPACT OF SPECIFIC ELIGIBILITY CATEGORIES FOR THE CATASTROPHIC PLAN

|   | Percent of Eligible<br>Population | Projected Allowed<br>Charges for<br>Experience EHB | Paid to<br>Allowed Ratio<br>for EHB Claims | Projected Paid<br>Claims for EHB<br>Claims |
|---|-----------------------------------|--|--|--|
| Average Population  | 100.0%                            | \$721.63   | 64.3%                                      | \$464.35                                   |
| Individual Ages 30 or Less                                      | 98.0%                             | \$374.88   | 59.4%                                      | \$222.58                                   |
| Individual Ages over 30   | 2.0%                              | \$859.61   | 64.6%                                      | \$555.61                                   |
| Weighted Average  |                                   | \$384.80   | 59.6%                                      | \$229.40                                   |
| <i>Allowed Charges Adjustment</i>                               |                                   | 0.5332   |  |  |
| <i>Paid to Allowed Ratio Adjustment</i>                         |                                   |  | 0.9265                                     |  |
| <u>Plan Level Adjustment Calculation</u>                        |                                   |  |  |  |
| Projected Period Allowed Claims for Experience EHB              |                                   | \$739.14   |  |  |
| Paid to Allowed Ratio for EHB Portion                           |                                   | 73.6%  |  |  |
| Benefit Richness Adjustment for EHB                             |                                   | 0.9592   |  |  |
| <i>Adjustment for Allowed Charges and Paid to Allowed Ratio</i> |                                   | 0.4940   |  |  |
| Projected Period Paid Claims for Experience EHB                 |                                   | \$257.67   |  |  |
| Non-System Claims   |                                   | -\$14.72   |  |  |
| Market Wide Adjustments   |                                   | -\$39.42   |  |  |
| Expected Claims Cost  |                                   | \$203.53   |  |  |
| Market Adjusted Index Rate                                      |                                   | \$672.93   |  |  |
| Paid to Allowed Ratio   |                                   | 72.7%  |  |  |
| Benefit Richness Adjustment                                     |                                   | 0.9547   |  |  |
| Plan Benefits in addition to EHB                                |                                   | 1.0000   |  |  |
| For Catastrophic Only - Impact of Eligibility                   |                                   | 0.4355   |  |  |
| Expected Claims Cost  |                                   | \$203.53   |  |  |
| <b>Total Adjustment for Catastrophic Plan</b>                   |                                   |  | <b>0.4355</b>                              |  |

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

Amended per GMCB Order  
Exhibit 7A

**DETAILS OF ADMINISTRATIVE CHARGES**

|                               |              |                   | BCBSVT Base<br>Administrative<br>Charges | Administrative<br>Charges for<br>Outside<br>Vendors | Blue Rewards<br>Program | Total<br>Administrative<br>Charges PMPM | Administrative<br>Charges Plan<br>Level<br>Adjustment | Administrative<br>Charges as a<br>percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|--|---|-------------------------|---|---|---|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | GOLD         | Blue Rewards      | \$46.36                                  | \$0.51  | \$0.00                  | \$46.88                                 | 1.0858  | 7.50%   | 996                     |
|                               | GOLD         | Blue Rewards CDHP | \$46.36                                  | \$0.76  | \$0.00                  | \$47.12                                 | 1.0869  | 7.58%   | 6,181                   |
|                               | SILVER       | Blue Rewards      | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.0865  | 7.55%   | 1,526                   |
|                               | SILVER       | Blue Rewards CDHP | \$46.36                                  | \$0.59  | \$0.00                  | \$46.95                                 | 1.0853  | 7.46%   | 115                     |
|                               | BRONZE       | Blue Rewards      | \$46.36                                  | \$0.33  | \$0.00                  | \$46.70                                 | 1.1124  | 9.57%   | 449                     |
|                               | BRONZE       | Blue Rewards CDHP | \$46.36                                  | \$0.59  | \$0.00                  | \$46.95                                 | 1.1130  | 9.62%   | 1,870                   |
| <b>STANDARD PLANS</b>         | PLATINUM     | Deductible        | \$46.36                                  | \$0.42  | \$0.00                  | \$46.79                                 | 1.0652  | 5.81%   | 9,464                   |
|                               | GOLD         | Deductible        | \$46.36                                  | \$0.35  | \$0.00                  | \$46.72                                 | 1.0762  | 6.71%   | 6,150                   |
|                               | SILVER       | Deductible        | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.0823  | 7.21%   | 4,647                   |
|                               | SILVER       | CDHP              | \$46.36                                  | \$0.32  | \$0.00                  | \$46.69                                 | 1.0819  | 7.18%   | 1,135                   |
|                               | BRONZE       | Deductible        | \$46.36                                  | \$0.41  | \$0.00                  | \$46.77                                 | 1.1116  | 9.51%   | 2,023                   |
|                               | BRONZE       | CDHP              | \$46.36                                  | \$0.39  | \$0.00                  | \$46.76                                 | 1.1094  | 9.34%   | 1,518                   |
|                               | BRONZE       | Integrated        | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.1090  | 9.31%   | 296                     |
|                               | Catastrophic | Blue Rewards      | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.2294  | 17.59%  | 293                     |
| <b>REFLECTIV<br/>E PLANS</b>  | SILVER       | Blue Rewards      | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.0997  | 8.59%   | 722                     |
|                               | SILVER       | Blue Rewards CDHP | \$46.36                                  | \$0.59  | \$0.00                  | \$46.95                                 | 1.0963  | 8.33%   | 378                     |
|                               | SILVER       | Deductible        | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.0933  | 8.09%   | 5,523                   |
|                               | SILVER       | CDHP              | \$46.36                                  | \$0.32  | \$0.00                  | \$46.68                                 | 1.0904  | 7.86%   | 2,726                   |
| <b>Total</b>                  |              |                   | <b>\$46.36</b>                           | <b>\$0.43</b>                                       | <b>\$0.00</b>           | <b>\$46.79</b>                          | <b>1.0829</b>   | <b>7.26%</b>  | <b>46,012</b>           |



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

Amended per GMCB Order  
Exhibit 7B

**DETAILS OF CONTRIBUTION TO RESERVE**

|                               |              |                   | BCBSVT<br>Contribution to<br>Reserve | Risk Margin for<br>Bad Debt | Total<br>Contribution to<br>Reserve PMPM | Contribution to<br>Reserve and<br>Risk Margin<br>Plan Level<br>Adjustment | Contribution to<br>Reserve as a<br>percent of<br>Premium | Risk Margin Bad<br>Debt as a<br>percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|--------------------------------------|-----------------------------|--|---|--|---|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | GOLD         | Blue Rewards      | \$9.38                               | \$0.63                      | \$10.01                                  | 1.0163  | 1.50%  | 0.10%   | 996                     |
|                               | GOLD         | Blue Rewards CDHP | \$9.32                               | \$0.62                      | \$9.94                                   | 1.0163  | 1.50%  | 0.10%   | 6,181                   |
|                               | SILVER       | Blue Rewards      | \$9.28                               | \$0.62                      | \$9.90                                   | 1.0163  | 1.50%  | 0.10%   | 1,526                   |
|                               | SILVER       | Blue Rewards CDHP | \$9.44                               | \$0.63                      | \$10.07                                  | 1.0163  | 1.50%  | 0.10%   | 115                     |
|                               | BRONZE       | Blue Rewards      | \$7.32                               | \$0.49                      | \$7.81                                   | 1.0163  | 1.50%  | 0.10%   | 449                     |
|                               | BRONZE       | Blue Rewards CDHP | \$7.32                               | \$0.49                      | \$7.81                                   | 1.0163  | 1.50%  | 0.10%   | 1,870                   |
| <b>STANDARD PLANS</b>         | PLATINUM     | Deductible        | \$12.08                              | \$0.81                      | \$12.89                                  | 1.0163  | 1.50%  | 0.10%   | 9,464                   |
|                               | GOLD         | Deductible        | \$10.44                              | \$0.70                      | \$11.13                                  | 1.0163  | 1.50%  | 0.10%   | 6,150                   |
|                               | SILVER       | Deductible        | \$9.71                               | \$0.65                      | \$10.35                                  | 1.0163  | 1.50%  | 0.10%   | 4,647                   |
|                               | SILVER       | CDHP              | \$9.76                               | \$0.65                      | \$10.41                                  | 1.0163  | 1.50%  | 0.10%   | 1,135                   |
|                               | BRONZE       | Deductible        | \$7.37                               | \$0.49                      | \$7.87                                   | 1.0163  | 1.50%  | 0.10%   | 2,023                   |
|                               | BRONZE       | CDHP              | \$7.51                               | \$0.50                      | \$8.01                                   | 1.0163  | 1.50%  | 0.10%   | 1,518                   |
|                               | BRONZE       | Integrated        | \$7.52                               | \$0.50                      | \$8.02                                   | 1.0163  | 1.50%  | 0.10%   | 296                     |
|                               | Catastrophic | Blue Rewards      | \$3.98                               | \$0.27                      | \$4.25                                   | 1.0163  | 1.50%  | 0.10%   | 293                     |
| <b>REFLECTIV<br/>E PLANS</b>  | SILVER       | Blue Rewards      | \$8.15                               | \$0.54                      | \$8.69                                   | 1.0163  | 1.50%  | 0.10%   | 722                     |
|                               | SILVER       | Blue Rewards CDHP | \$8.46                               | \$0.56                      | \$9.02                                   | 1.0163  | 1.50%  | 0.10%   | 378                     |
|                               | SILVER       | Deductible        | \$8.65                               | \$0.58                      | \$9.23                                   | 1.0163  | 1.50%  | 0.10%   | 5,523                   |
|                               | SILVER       | CDHP              | \$8.91                               | \$0.59                      | \$9.50                                   | 1.0163  | 1.50%  | 0.10%   | 2,726                   |
| <b>Total</b>                  |              |                   | \$9.67                               | \$0.64                      | \$10.31                                  | 1.0163  | 1.50%  | 0.10%   | 46,012                  |

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

Amended per GMCB Order  
Exhibit 7C

**DETAILS OF TAXES AND FEES**

|                               |              |                   | State<br>Assessment -<br>HCCA | State Tax -<br>VITL | GMCB Billbacks | Federal<br>Assessment -<br>PCORI | Federal Insurer<br>Fee | Risk<br>Adjustment<br>User Fee | Total Taxes and<br>Fees PMPM | Taxes and Fees<br>Plan Level<br>Adjustment | Taxes and Fees<br>as a percent of<br>Premium | Projected<br>Membership |
|-------------------------------|--------------|-------------------|-------------------------------|---------------------|----------------|----------------------------------|------------------------|--------------------------------|------------------------------|--|--|-------------------------|
| <b>NON-STANDARD<br/>PLANS</b> | GOLD         | Blue Rewards      | \$4.83                        | \$1.20              | \$2.30         | \$0.00                           | \$13.76                | \$0.17                         | \$22.25                      | 1.0375                                     | 3.56%  | 996                     |
|                               | GOLD         | Blue Rewards CDHP | \$4.79                        | \$1.19              | \$2.30         | \$0.00                           | \$13.67                | \$0.17                         | \$22.13                      | 1.0375                                     | 3.56%  | 6,181                   |
|                               | SILVER       | Blue Rewards      | \$4.77                        | \$1.19              | \$2.30         | \$0.00                           | \$13.61                | \$0.17                         | \$22.04                      | 1.0376                                     | 3.56%  | 1,526                   |
|                               | SILVER       | Blue Rewards CDHP | \$4.86                        | \$1.21              | \$2.30         | \$0.00                           | \$13.85                | \$0.17                         | \$22.38                      | 1.0375                                     | 3.56%  | 115                     |
|                               | BRONZE       | Blue Rewards      | \$3.78                        | \$0.94              | \$2.30         | \$0.00                           | \$10.74                | \$0.17                         | \$17.93                      | 1.0388                                     | 3.67%  | 449                     |
|                               | BRONZE       | Blue Rewards CDHP | \$3.78                        | \$0.94              | \$2.30         | \$0.00                           | \$10.74                | \$0.17                         | \$17.93                      | 1.0388                                     | 3.67%  | 1,870                   |
| <b>STANDARD PLANS</b>         | PLATINUM     | Deductible        | \$6.20                        | \$1.54              | \$2.30         | \$0.00                           | \$17.72                | \$0.17                         | \$27.93                      | 1.0365                                     | 3.47%  | 9,464                   |
|                               | GOLD         | Deductible        | \$5.36                        | \$1.33              | \$2.30         | \$0.00                           | \$15.31                | \$0.17                         | \$24.47                      | 1.0371                                     | 3.52%  | 6,150                   |
|                               | SILVER       | Deductible        | \$4.99                        | \$1.24              | \$2.30         | \$0.00                           | \$14.24                | \$0.17                         | \$22.94                      | 1.0374                                     | 3.54%  | 4,647                   |
|                               | SILVER       | CDHP              | \$5.02                        | \$1.25              | \$2.30         | \$0.00                           | \$14.31                | \$0.17                         | \$23.05                      | 1.0373                                     | 3.54%  | 1,135                   |
|                               | BRONZE       | Deductible        | \$3.81                        | \$0.95              | \$2.30         | \$0.00                           | \$10.82                | \$0.17                         | \$18.04                      | 1.0387                                     | 3.67%  | 2,023                   |
|                               | BRONZE       | CDHP              | \$3.87                        | \$0.96              | \$2.30         | \$0.00                           | \$11.01                | \$0.17                         | \$18.32                      | 1.0386                                     | 3.66%  | 1,518                   |
|                               | BRONZE       | Integrated        | \$3.88                        | \$0.97              | \$2.30         | \$0.00                           | \$11.03                | \$0.17                         | \$18.35                      | 1.0386                                     | 3.66%  | 296                     |
|                               | Catastrophic | Blue Rewards      | \$2.08                        | \$0.52              | \$2.30         | \$0.00                           | \$5.84                 | \$0.17                         | \$10.91                      | 1.0436                                     | 4.11%  | 293                     |
| <b>REFLECTIV<br/>E PLANS</b>  | SILVER       | Blue Rewards      | \$4.20                        | \$1.05              | \$2.30         | \$0.00                           | \$11.96                | \$0.17                         | \$19.67                      | 1.0382                                     | 3.62%  | 722                     |
|                               | SILVER       | Blue Rewards CDHP | \$4.36                        | \$1.08              | \$2.30         | \$0.00                           | \$12.40                | \$0.17                         | \$20.31                      | 1.0380                                     | 3.60%  | 378                     |
|                               | SILVER       | Deductible        | \$4.46                        | \$1.11              | \$2.30         | \$0.00                           | \$12.69                | \$0.17                         | \$20.73                      | 1.0379                                     | 3.59%  | 5,523                   |
|                               | SILVER       | CDHP              | \$4.59                        | \$1.14              | \$2.30         | \$0.00                           | \$13.07                | \$0.17                         | \$21.27                      | 1.0378                                     | 3.58%  | 2,726                   |
| <b>Total</b>                  |              |                   | <b>\$4.97</b>                 | <b>\$1.24</b>       | <b>\$2.30</b>  | <b>\$0.00</b>                    | <b>\$14.18</b>         | <b>\$0.17</b>                  | <b>\$22.85</b>               | <b>1.0374</b>                              | <b>3.55%</b>                                 | <b>46,012</b>           |

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

Amended per GMCB Order  
Exhibit 8

**FEDERAL MINIMUM LOSS RATIO for COMBINED MARKET  
(PROJECTION)**

|                       |              |                   | Expected<br>Direct Claims<br>PMPM | Risk<br>Adjustment<br>Transfer<br>Payments<br>PMPM | Adjustments<br>for Health Care<br>Quality PMPM* | MLR Claims      | Premium PMPM    | Taxes & Fees<br>PMPM | MLR Premium     | Expected Loss<br>Ratio | Projected<br>Membership |
|-----------------------|--------------|-------------------|-----------------------------------|--|---|-----------------|-----------------|----------------------|-----------------|------------------------|-------------------------|
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | \$587.39                          | -\$39.42   | \$3.61  | \$551.58        | \$625.40        | -\$17.43             | \$607.97        | 90.7%                  | 996                     |
|                       | GOLD         | Blue Rewards CDHP | \$583.39                          | -\$39.42   | \$3.63  | \$547.61        | \$621.50        | -\$17.33             | \$604.16        | 90.6%                  | 6,181                   |
|                       | SILVER       | Blue Rewards      | \$581.01                          | -\$39.42   | \$3.60  | \$545.19        | \$618.55        | -\$17.26             | \$601.29        | 90.7%                  | 1,526                   |
|                       | SILVER       | Blue Rewards CDHP | \$591.29                          | -\$39.42   | \$3.62  | \$555.49        | \$629.54        | -\$17.53             | \$612.01        | 90.8%                  | 115                     |
|                       | BRONZE       | Blue Rewards      | \$455.67                          | -\$39.42   | \$3.60  | \$419.85        | \$488.04        | -\$14.15             | \$473.89        | 88.6%                  | 449                     |
|                       | BRONZE       | Blue Rewards CDHP | \$455.56                          | -\$39.42   | \$3.62  | \$419.76        | \$488.18        | -\$14.15             | \$474.03        | 88.6%                  | 1,870                   |
| STANDARD PLANS        | PLATINUM     | Deductible        | \$760.32                          | -\$39.42   | \$3.61  | \$724.51        | \$805.41        | -\$21.73             | \$783.68        | 92.4%                  | 9,464                   |
|                       | GOLD         | Deductible        | \$655.12                          | -\$39.42   | \$3.60  | \$619.31        | \$695.78        | -\$19.11             | \$676.67        | 91.5%                  | 6,150                   |
|                       | SILVER       | Deductible        | \$608.43                          | -\$39.42   | \$3.60  | \$572.61        | \$647.12        | -\$17.95             | \$629.17        | 91.0%                  | 4,647                   |
|                       | SILVER       | CDHP              | \$611.68                          | -\$39.42   | \$3.60  | \$575.86        | \$650.50        | -\$18.03             | \$632.47        | 91.0%                  | 1,135                   |
|                       | BRONZE       | Deductible        | \$459.08                          | -\$39.42   | \$3.61  | \$423.26        | \$491.66        | -\$14.23             | \$477.43        | 88.7%                  | 2,023                   |
|                       | BRONZE       | CDHP              | \$467.50                          | -\$39.42   | \$3.61  | \$431.69        | \$500.42        | -\$14.44             | \$485.98        | 88.8%                  | 1,518                   |
|                       | BRONZE       | Integrated        | \$468.60                          | -\$39.42   | \$3.60  | \$432.78        | \$501.48        | -\$14.47             | \$487.01        | 88.9%                  | 296                     |
|                       | Catastrophic | Blue Rewards      | \$241.85                          | -\$39.42   | \$3.60  | \$206.03        | \$265.36        | -\$8.82              | \$256.54        | 80.3%                  | 293                     |
| REFLECTIV<br>E PLANS  | SILVER       | Blue Rewards      | \$508.82                          | -\$39.42   | \$3.60  | \$473.01        | \$543.38        | -\$15.47             | \$527.91        | 89.6%                  | 722                     |
|                       | SILVER       | Blue Rewards CDHP | \$528.15                          | -\$39.42   | \$3.62  | \$492.35        | \$563.78        | -\$15.96             | \$547.83        | 89.9%                  | 378                     |
|                       | SILVER       | Deductible        | \$541.02                          | -\$39.42   | \$3.60  | \$505.20        | \$576.91        | -\$16.27             | \$560.64        | 90.1%                  | 5,523                   |
|                       | SILVER       | CDHP              | \$557.48                          | -\$39.42   | \$3.60  | \$521.66        | \$594.05        | -\$16.68             | \$577.37        | 90.4%                  | 2,726                   |
| <b>Total</b>          |              |                   | <b>\$605.74</b>                   | <b>-\$39.42</b>                                    | <b>\$3.61</b>                                   | <b>\$569.93</b> | <b>\$644.42</b> | <b>-\$17.88</b>      | <b>\$626.54</b> | <b>91.0%</b>           | <b>46,012</b>           |

\*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**

Amended per GMCB Order  
Exhibit 9A

**CONTRACT CONVERSION FACTOR**

|                    |              |                   |                    |                                |                                 |                     |   | Preliminary Rates |             |                           |             | Inforce Contracts |             |                           |             |
|--------------------|--------------|-------------------|--------------------|--------------------------------|---------------------------------|---------------------|---|-------------------|-------------|---------------------------|-------------|-------------------|-------------|---------------------------|-------------|
|                    |              |                   | Inforce Membership | Plan Level Adjusted Index Rate | Average Members per Subscribers | Average Tier Factor | Ratio of Members per Subscribers 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                | \$625.40                       | 1.6349                          | 1.4646              | 1.1163  | \$698.13          | \$1,396.26  | \$1,347.39                | \$1,961.75  | 413               | 100         | 19                        | 70          |
|                    | GOLD         | Blue Rewards CDHP | 5,179              | \$621.50                       | 1.6349                          | 1.4646              | 1.1163  | \$693.78          | \$1,387.56  | \$1,339.00                | \$1,949.52  | 1,390             | 520         | 152                       | 593         |
|                    | SILVER       | Blue Rewards      | 1,527              | \$618.55                       | 1.6349                          | 1.4646              | 1.1163  | \$690.49          | \$1,380.98  | \$1,332.65                | \$1,940.28  | 818               | 251         | 35                        | 37          |
|                    | SILVER       | Blue Rewards CDHP | 115                | \$629.54                       | 1.6349                          | 1.4646              | 1.1163  | \$702.76          | \$1,405.52  | \$1,356.33                | \$1,974.76  | 73                | 15          | 2                         | 2           |
|                    | BRONZE       | Blue Rewards      | 433                | \$488.04                       | 1.6349                          | 1.4646              | 1.1163  | \$544.80          | \$1,089.60  | \$1,051.46                | \$1,530.89  | 221               | 33          | 16                        | 30          |
|                    | BRONZE       | Blue Rewards CDHP | 1,783              | \$488.18                       | 1.6349                          | 1.4646              | 1.1163  | \$544.96          | \$1,089.92  | \$1,051.77                | \$1,531.34  | 748               | 160         | 37                        | 160         |
| STANDARD PLANS     | PLATINUM     | Deductible        | 9,049              | \$805.41                       | 1.6349                          | 1.4646              | 1.1163  | \$899.08          | \$1,798.16  | \$1,735.22                | \$2,526.41  | 2,985             | 1,065       | 271                       | 822         |
|                    | GOLD         | Deductible        | 5,976              | \$695.78                       | 1.6349                          | 1.4646              | 1.1163  | \$776.70          | \$1,553.40  | \$1,499.03                | \$2,182.53  | 2,291             | 631         | 143                       | 516         |
|                    | SILVER       | Deductible        | 4,651              | \$647.12                       | 1.6349                          | 1.4646              | 1.1163  | \$722.38          | \$1,444.76  | \$1,394.19                | \$2,029.89  | 2,376             | 718         | 96                        | 179         |
|                    | SILVER       | CDHP              | 1,137              | \$650.50                       | 1.6349                          | 1.4646              | 1.1163  | \$726.15          | \$1,452.30  | \$1,401.47                | \$2,040.48  | 517               | 171         | 20                        | 63          |
|                    | BRONZE       | Deductible        | 1,929              | \$491.66                       | 1.6349                          | 1.4646              | 1.1163  | \$548.84          | \$1,097.68  | \$1,059.26                | \$1,542.24  | 941               | 198         | 41                        | 134         |
|                    | BRONZE       | CDHP              | 1,518              | \$500.42                       | 1.6349                          | 1.4646              | 1.1163  | \$558.62          | \$1,117.24  | \$1,078.14                | \$1,569.72  | 612               | 134         | 32                        | 146         |
|                    | BRONZE       | Integrated        | 287                | \$501.48                       | 1.6349                          | 1.4646              | 1.1163  | \$559.80          | \$1,119.60  | \$1,080.41                | \$1,573.04  | 140               | 24          | 9                         | 19          |
|                    | Catastrophic | Blue Rewards      | 293                | \$265.36                       | 1.0281                          | 1.0236              | 1.0043  | \$266.50          | \$533.00    | \$514.35                  | \$748.87    | 279               | 4           | 1                         | 1           |
|                    |              |                   |                    |                                |                                 |                     |   |                   |             |                           |             |                   |             |                           |             |
| REFLECTIVE PLANS   | SILVER       | Blue Rewards      | 708                | \$543.38                       | 1.6349                          | 1.4646              | 1.1163  | \$606.58          | \$1,213.16  | \$1,170.70                | \$1,704.49  | 332               | 49          | 17                        | 58          |
|                    | SILVER       | Blue Rewards CDHP | 373                | \$563.78                       | 1.6349                          | 1.4646              | 1.1163  | \$629.35          | \$1,258.70  | \$1,214.65                | \$1,768.47  | 131               | 20          | 9                         | 47          |
|                    | SILVER       | Deductible        | 5,396              | \$576.91                       | 1.6349                          | 1.4646              | 1.1163  | \$644.00          | \$1,288.00  | \$1,242.92                | \$1,809.64  | 2,290             | 507         | 134                       | 448         |
|                    | SILVER       | CDHP              | 2,658              | \$594.05                       | 1.6349                          | 1.4646              | 1.1163  | \$663.14          | \$1,326.28  | \$1,279.86                | \$1,863.42  | 861               | 249         | 71                        | 284         |
| Total              |              |                   | 43,939             | \$644.29                       |                                 |                     |   |                   |             |                           | \$643.55    |                   |             |                           |             |

|  |         |
|--|---------|
| Additional Factor for Contract Conversion Factor | 100.12% |
|--|---------|

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

Amended per GMCB Order  
Exhibit 9B  
Page 1

**CONSUMER ADJUSTED PREMIUM RATES**

|                       |              |                   |                                      |  | 2020 Proposed Rates  |             |                              |             | 2019 Approved Rates  |             |                              |             | 2020 Proposed Rate Increases |                |                                 |             |
|-----------------------|--------------|-------------------|--------------------------------------|--|----------------------|-------------|------------------------------|-------------|----------------------|-------------|------------------------------|-------------|------------------------------|----------------|---------------------------------|-------------|
|                       |              |                   | Plan Level<br>Adjusted Index<br>Rate | PMPM to Single<br>Contract<br>Conversion<br>Factor | Single Rate          | Couple Rate | Adult and<br>Child(ren) Rate | Family Rate | Single Rate          | Couple Rate | Adult and<br>Child(ren) Rate | Family Rate | Single Rate                  | Couple<br>Rate | Adult and<br>Child(ren)<br>Rate | Family Rate |
| NON-STANDARD<br>PLANS | GOLD         | Blue Rewards      | \$625.40                             | 1.1176   | \$698.95             | \$1,397.90  | \$1,348.97                   | \$1,964.05  | \$657.64             | \$1,315.28  | \$1,269.25                   | \$1,847.97  | 6.3%                         | 6.3%           | 6.3%                            | 6.3%        |
|                       | GOLD         | Blue Rewards CDHP | \$621.50                             | 1.1176   | \$694.59             | \$1,389.18  | \$1,340.56                   | \$1,951.80  | \$625.62             | \$1,251.24  | \$1,207.45                   | \$1,757.99  | 11.0%                        | 11.0%          | 11.0%                           | 11.0%       |
|                       | SILVER       | Blue Rewards      | \$618.55                             | 1.1176   | \$691.29             | \$1,382.58  | \$1,334.19                   | \$1,942.52  | \$651.71             | \$1,303.42  | \$1,257.80                   | \$1,831.31  | 6.1%                         | 6.1%           | 6.1%                            | 6.1%        |
|                       | SILVER       | Blue Rewards CDHP | \$629.54                             | 1.1176   | \$703.57             | \$1,407.14  | \$1,357.89                   | \$1,977.03  | \$639.80             | \$1,279.60  | \$1,234.81                   | \$1,797.84  | 10.0%                        | 10.0%          | 10.0%                           | 10.0%       |
|                       | BRONZE       | Blue Rewards      | \$488.04                             | 1.1176   | \$545.43             | \$1,090.86  | \$1,052.68                   | \$1,532.66  | \$499.40             | \$998.80    | \$963.84                     | \$1,403.31  | 9.2%                         | 9.2%           | 9.2%                            | 9.2%        |
|                       | BRONZE       | Blue Rewards CDHP | \$488.18                             | 1.1176   | \$545.59             | \$1,091.18  | \$1,052.99                   | \$1,533.11  | \$504.10             | \$1,008.20  | \$972.91                     | \$1,416.52  | 8.2%                         | 8.2%           | 8.2%                            | 8.2%        |
| STANDARD PLANS        | PLATINUM     | Deductible        | \$805.41                             | 1.1176   | \$900.13             | \$1,800.26  | \$1,737.25                   | \$2,529.37  | \$786.86             | \$1,573.72  | \$1,518.64                   | \$2,211.08  | 14.4%                        | 14.4%          | 14.4%                           | 14.4%       |
|                       | GOLD         | Deductible        | \$695.78                             | 1.1176   | \$777.60             | \$1,555.20  | \$1,500.77                   | \$2,185.06  | \$674.23             | \$1,348.46  | \$1,301.26                   | \$1,894.59  | 15.3%                        | 15.3%          | 15.3%                           | 15.3%       |
|                       | SILVER       | Deductible        | \$647.12                             | 1.1176   | \$723.22             | \$1,446.44  | \$1,395.81                   | \$2,032.25  | \$645.34             | \$1,290.68  | \$1,245.51                   | \$1,813.41  | 12.1%                        | 12.1%          | 12.1%                           | 12.1%       |
|                       | SILVER       | CDHP              | \$650.50                             | 1.1176   | \$727.00             | \$1,454.00  | \$1,403.11                   | \$2,042.87  | \$650.23             | \$1,300.46  | \$1,254.94                   | \$1,827.15  | 11.8%                        | 11.8%          | 11.8%                           | 11.8%       |
|                       | BRONZE       | Deductible        | \$491.66                             | 1.1176   | \$549.48             | \$1,098.96  | \$1,060.50                   | \$1,544.04  | \$496.39             | \$992.78    | \$958.03                     | \$1,394.86  | 10.7%                        | 10.7%          | 10.7%                           | 10.7%       |
|                       | BRONZE       | CDHP              | \$500.42                             | 1.1176   | \$559.27             | \$1,118.54  | \$1,079.39                   | \$1,571.55  | \$507.44             | \$1,014.88  | \$979.36                     | \$1,425.91  | 10.2%                        | 10.2%          | 10.2%                           | 10.2%       |
|                       | BRONZE       | Integrated        | \$501.48                             | 1.1176   | \$560.45             | \$1,120.90  | \$1,081.67                   | \$1,574.86  | \$512.57             | \$1,025.14  | \$989.26                     | \$1,440.32  | 9.3%                         | 9.3%           | 9.3%                            | 9.3%        |
|                       | Catastrophic | Blue Rewards      | \$265.36                             | 1.0055   | \$266.82             | \$533.64    | \$514.96                     | \$749.76    | \$244.60             | \$489.20    | \$472.08                     | \$687.33    | 9.1%                         | 9.1%           | 9.1%                            | 9.1%        |
| REFLECTIVE<br>PLANS   | SILVER       | Blue Rewards      | \$543.38                             | 1.1176   | \$607.28             | \$1,214.56  | \$1,172.05                   | \$1,706.46  | \$568.63             | \$1,137.26  | \$1,097.46                   | \$1,597.85  | 6.8%                         | 6.8%           | 6.8%                            | 6.8%        |
|                       | SILVER       | Blue Rewards CDHP | \$563.78                             | 1.1176   | \$630.08             | \$1,260.16  | \$1,216.05                   | \$1,770.52  | \$566.47             | \$1,132.94  | \$1,093.29                   | \$1,591.78  | 11.2%                        | 11.2%          | 11.2%                           | 11.2%       |
|                       | SILVER       | Deductible        | \$576.91                             | 1.1176   | \$644.75             | \$1,289.50  | \$1,244.37                   | \$1,811.75  | \$570.96             | \$1,141.92  | \$1,101.95                   | \$1,604.40  | 12.9%                        | 12.9%          | 12.9%                           | 12.9%       |
|                       | SILVER       | CDHP              | \$594.05                             | 1.1176   | \$663.91             | \$1,327.82  | \$1,281.35                   | \$1,865.59  | \$585.80             | \$1,171.60  | \$1,130.59                   | \$1,646.10  | 13.3%                        | 13.3%          | 13.3%                           | 13.3%       |
| <b>Total</b>          |              |                   |                                      |  | <b>\$339,717,375</b> |             |                              |             | <b>\$302,145,995</b> |             |                              |             | <b>12.43%</b>                |                |                                 |             |

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

Amended per GMCB Order  
Exhibit 9B  
Page 2

**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          | 444                 | 106         | 20                        | 77          |
|                    | GOLD         | Blue Rewards CDHP | 1,390             | 520         | 152                       | 593         | 1,622               | 614         | 182                       | 721         |
|                    | SILVER       | Blue Rewards      | 818               | 251         | 35                        | 37          | 820                 | 251         | 35                        | 37          |
|                    | SILVER       | Blue Rewards CDHP | 73                | 15          | 2                         | 2           | 74                  | 15          | 2                         | 2           |
|                    | BRONZE       | Blue Rewards      | 221               | 33          | 16                        | 30          | 232                 | 34          | 16                        | 31          |
|                    | BRONZE       | Blue Rewards CDHP | 748               | 160         | 37                        | 160         | 778                 | 167         | 39                        | 170         |
| STANDARD PLANS     | PLATINUM     | Deductible        | 2,985             | 1,065       | 271                       | 822         | 3,118               | 1,115       | 282                       | 864         |
|                    | GOLD         | Deductible        | 2,291             | 631         | 143                       | 516         | 2,359               | 646         | 147                       | 533         |
|                    | SILVER       | Deductible        | 2,376             | 718         | 96                        | 179         | 2,376               | 718         | 96                        | 179         |
|                    | SILVER       | CDHP              | 517               | 171         | 20                        | 63          | 516                 | 171         | 20                        | 63          |
|                    | BRONZE       | Deductible        | 941               | 198         | 41                        | 134         | 985                 | 206         | 42                        | 142         |
|                    | BRONZE       | CDHP              | 612               | 134         | 32                        | 146         | 613                 | 135         | 31                        | 146         |
|                    | BRONZE       | Integrated        | 140               | 24          | 9                         | 19          | 145                 | 24          | 8                         | 20          |
| REFLECTIVE PLANS   | Catastrophic | Blue Rewards      | 279               | 4           | 1                         | 1           | 280                 | 4           | 1                         | 1           |
|                    | SILVER       | Blue Rewards      | 332               | 49          | 17                        | 58          | 340                 | 50          | 19                        | 59          |
|                    | SILVER       | Blue Rewards CDHP | 131               | 20          | 9                         | 47          | 134                 | 20          | 9                         | 47          |
|                    | SILVER       | Deductible        | 2,290             | 507         | 134                       | 448         | 2,348               | 521         | 141                       | 458         |
|                    | SILVER       | CDHP              | 861               | 249         | 71                        | 284         | 885                 | 256         | 74                        | 291         |
| <b>Total</b>       |              |                   | <b>26,981</b>     |             |                           |             | <b>28,124</b>       |             |                           |             |

|  |  |  |   |   |  |  |  |   |   |  |
|--|--|--|---|---|--|--|--|---|---|--|
| 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*<br>Federal TIN*<br>Rate Effective Date*<br>Rate Expiration Date*<br>Rating Method* | 13627                                  |  |   |   |  |  |  |   |   |  |
|  | 03-0277307                             |  |   |   |  |  |  |   |   |  |
|  | 1/1/2020                               |  |   |   |  |  |  |   |   |  |
|  | 12/31/2020                             |  |   |   |  |  |  |   |   |  |
|  | Family-Tier Rates                      |  |   |   |  |  |  |   |   |  |
|  |  |  |   |   |  |  |  |   |   |  |
| Family Tier  |  |  |   |   |  |  |  |   |   |  |
| Plan ID*   | Rating Area ID*                        | Individual Rate*   | Couple*   | Primary Subscriber and One Dependent*   | Primary Subscriber and Two Dependents*   | Primary Subscriber and Three or More Dependents*   | Couple and One Dependent*  | Couple and Two Dependents*  | Couple and Three or More Dependents*  |  |
| Required:<br>Enter the 14-character Plan ID  | Required:<br>Select the Rating Area ID | Required:<br>Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan   | Required:<br>Enter the rate of a couple based on the pairing of a primary enrollee and a secondary subscriber (e.g. husband and spouse) | Required:<br>Enter the rate of a family based on a single parent with one dependent | Required:<br>Enter the rate of a family based on a single parent with two dependents | Required:<br>Enter the rate of a family based on a single parent with three or more dependents | Required:<br>Enter the rate of a family based on a couple with one dependent | Required:<br>Enter the rate of a family based on a couple with two dependents | Required:<br>Enter the rate of a family based on a couple with three or more dependents |  |
| 13627VT0320001   | Rating Area 1                          | 900.13   | 1800.26   | 1737.25   | 1737.25  | 1737.25  | 2529.37  | 2529.37   | 2529.37   |  |
| 13627VT0320002   | Rating Area 1                          | 777.60   | 1555.20   | 1500.77   | 1500.77  | 1500.77  | 2185.06  | 2185.06   | 2185.06   |  |
| 13627VT0320003   | Rating Area 1                          | 723.22   | 1446.44   | 1395.81   | 1395.81  | 1395.81  | 2032.25  | 2032.25   | 2032.25   |  |
| 13627VT0320006   | Rating Area 1                          | 644.75   | 1289.50   | 1244.37   | 1244.37  | 1244.37  | 1811.75  | 1811.75   | 1811.75   |  |
| 13627VT0320004   | Rating Area 1                          | 549.48   | 1098.96   | 1060.50   | 1060.50  | 1060.50  | 1544.04  | 1544.04   | 1544.04   |  |
| 13627VT0320005   | Rating Area 1                          | 560.45   | 1120.90   | 1081.67   | 1081.67  | 1081.67  | 1574.86  | 1574.86   | 1574.86   |  |
| 13627VT0330001   | Rating Area 1                          | 727.00   | 1454.00   | 1403.11   | 1403.11  | 1403.11  | 2042.87  | 2042.87   | 2042.87   |  |
| 13627VT0330003   | Rating Area 1                          | 663.91   | 1327.82   | 1281.35   | 1281.35  | 1281.35  | 1865.59  | 1865.59   | 1865.59   |  |
| 13627VT0330002   | Rating Area 1                          | 559.27   | 1118.54   | 1079.39   | 1079.39  | 1079.39  | 1571.55  | 1571.55   | 1571.55   |  |
| 13627VT0340001   | Rating Area 1                          | 266.82   | 533.64  | 514.96  | 514.96   | 514.96   | 749.76   | 749.76  | 749.76  |  |
| 13627VT0340002   | Rating Area 1                          | 900.13   | 1800.26   | 1737.25   | 1737.25  | 1737.25  | 2529.37  | 2529.37   | 2529.37   |  |
| 13627VT0340003   | Rating Area 1                          | 777.60   | 1555.20   | 1500.77   | 1500.77  | 1500.77  | 2185.06  | 2185.06   | 2185.06   |  |
| 13627VT0340004   | Rating Area 1                          | 723.22   | 1446.44   | 1395.81   | 1395.81  | 1395.81  | 2032.25  | 2032.25   | 2032.25   |  |
| 13627VT0340007   | Rating Area 1                          | 644.75   | 1289.50   | 1244.37   | 1244.37  | 1244.37  | 1811.75  | 1811.75   | 1811.75   |  |
| 13627VT0340005   | Rating Area 1                          | 549.48   | 1098.96   | 1060.50   | 1060.50  | 1060.50  | 1544.04  | 1544.04   | 1544.04   |  |
| 13627VT0340006   | Rating Area 1                          | 560.45   | 1120.90   | 1081.67   | 1081.67  | 1081.67  | 1574.86  | 1574.86   | 1574.86   |  |
| 13627VT0350001   | Rating Area 1                          | 727.00   | 1454.00   | 1403.11   | 1403.11  | 1403.11  | 2042.87  | 2042.87   | 2042.87   |  |
| 13627VT0350003   | Rating Area 1                          | 663.91   | 1327.82   | 1281.35   | 1281.35  | 1281.35  | 1865.59  | 1865.59   | 1865.59   |  |
| 13627VT0350002   | Rating Area 1                          | 559.27   | 1118.54   | 1079.39   | 1079.39  | 1079.39  | 1571.55  | 1571.55   | 1571.55   |  |
| 13627VT0360001   | Rating Area 1                          | 698.95   | 1397.90   | 1348.97   | 1348.97  | 1348.97  | 1964.05  | 1964.05   | 1964.05   |  |
| 13627VT0360002   | Rating Area 1                          | 691.29   | 1382.58   | 1334.19   | 1334.19  | 1334.19  | 1942.52  | 1942.52   | 1942.52   |  |
| 13627VT0360004   | Rating Area 1                          | 607.28   | 1214.56   | 1172.05   | 1172.05  | 1172.05  | 1706.46  | 1706.46   | 1706.46   |  |
| 13627VT0360003   | Rating Area 1                          | 545.43   | 1090.86   | 1052.68   | 1052.68  | 1052.68  | 1532.66  | 1532.66   | 1532.66   |  |
| 13627VT0370001   | Rating Area 1                          | 694.59   | 1389.18   | 1340.56   | 1340.56  | 1340.56  | 1951.80  | 1951.80   | 1951.80   |  |
| 13627VT0370002   | Rating Area 1                          | 703.57   | 1407.14   | 1357.89   | 1357.89  | 1357.89  | 1977.03  | 1977.03   | 1977.03   |  |
| 13627VT0370004   | Rating Area 1                          | 630.08   | 1260.16   | 1216.05   | 1216.05  | 1216.05  | 1770.52  | 1770.52   | 1770.52   |  |
| 13627VT0370003   | Rating Area 1                          | 545.59   | 1091.18   | 1052.99   | 1052.99  | 1052.99  | 1533.11  | 1533.11   | 1533.11   |  |
| 13627VT0380001   | Rating Area 1                          | 698.95   | 1397.90   | 1348.97   | 1348.97  | 1348.97  | 1964.05  | 1964.05   | 1964.05   |  |
| 13627VT0380002   | Rating Area 1                          | 691.29   | 1382.58   | 1334.19   | 1334.19  | 1334.19  | 1942.52  | 1942.52   | 1942.52   |  |
| 13627VT0380004   | Rating Area 1                          | 607.28   | 1214.56   | 1172.05   | 1172.05  | 1172.05  | 1706.46  | 1706.46   | 1706.46   |  |
| 13627VT0380003   | Rating Area 1                          | 545.43   | 1090.86   | 1052.68   | 1052.68  | 1052.68  | 1532.66  | 1532.66   | 1532.66   |  |
| 13627VT0390001   | Rating Area 1                          | 694.59   | 1389.18   | 1340.56   | 1340.56  | 1340.56  | 1951.80  | 1951.80   | 1951.80   |  |
| 13627VT0390002   | Rating Area 1                          | 703.57   | 1407.14   | 1357.89   | 1357.89  | 1357.89  | 1977.03  | 1977.03   | 1977.03   |  |
| 13627VT0390004   | Rating Area 1                          | 630.08   | 1260.16   | 1216.05   | 1216.05  | 1216.05  | 1770.52  | 1770.52   | 1770.52   |  |
| 13627VT0390003   | Rating Area 1                          | 545.59   | 1091.18   | 1052.99   | 1052.99  | 1052.99  | 1533.11  | 1533.11   | 1533.11   |  |

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Unified Rate Review v5.0

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.

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period:1/1/2018to12/31/2018

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<br>Rate PMPM | Year 1 Trend |             | Year 2 Trend |             | Trended EHB Allowed Claims<br>PMPM |
|---------------------|--------------------------------------|--------------|-------------|--------------|-------------|------------------------------------|
|                     |                                      | Cost         | Utilization | Cost         | Utilization |                                    |
| Inpatient Hospital  | \$104.55                             | 1.023        | 1.022       | 1.033        | 1.028       | \$116.08                           |
| Outpatient Hospital | \$244.43                             | 1.023        | 1.022       | 1.033        | 1.028       | \$271.38                           |
| Professional        | \$130.67                             | 1.023        | 1.022       | 1.033        | 1.028       | \$145.08                           |
| Other Medical       | \$28.12                              | 1.021        | 1.022       | 1.031        | 1.027       | \$31.07                            |
| Capitation          | \$8.08                               | 1.023        | 1.022       | 1.033        | 1.028       | \$8.97                             |
| Prescription Drug   | \$100.37                             | 1.116        | 1.012       | 1.116        | 1.012       | \$128.02                           |
| Total               | \$616.22                             |              |             |              |             | \$700.59                           |

|   |          |
|---|----------|
| Morbidity Adjustment                                  | 0.992    |
| Demographic Shift                                     | 1.035    |
| Plan Design Changes                                   | 1.006    |
| Other   | 1.001    |
| Adjusted Trended EHB Allowed Claims PMPM for 1/1/2020 | \$724.35 |

|                                |         |
|--------------------------------|---------|
| Manual EHB Allowed Claims PMPM | \$0.00  |
| Applied Credibility %          | 100.00% |

Projected Period Totals

|                                   |          |                  |
|-----------------------------------|----------|------------------|
| Projected Index Rate for 1/1/2020 | \$724.35 | \$399,945,506.40 |
| Reinsurance                       | \$0.00   | \$0.00           |
| Risk Adjustment Payment/Charge    | \$51.42  | \$28,391,244.48  |
| Exchange User Fees                | 0.00%    | \$0.00           |
| Market Adjusted Index Rate        | \$672.93 | \$371,554,261.92 |

|                         |         |
|-------------------------|---------|
| Projected Member Months | 552,144 |
|-------------------------|---------|

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 + I  
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 # Section I: General Product and Plan Information

| 1.1 Product Name                                  |  | BCBSVT EPO (Small Group) |                  |                    |                               |                    |                               |                         |                                    |                         |                                       | BCBSVT EPO CDPH (Small Group) |                  |                    |                               |                    |                               |  |  |  |  | BCBSVT EPO (Individual) |  |  |  |  |  |  |  |  |  |
|---|--|--------------------------|------------------|--------------------|-------------------------------|--------------------|-------------------------------|-------------------------|------------------------------------|-------------------------|---------------------------------------|-------------------------------|------------------|--------------------|-------------------------------|--------------------|-------------------------------|--|--|--|--|-------------------------|--|--|--|--|--|--|--|--|--|
| 1.2 Product ID                                    |  | 13627VT032               |                  |                    |                               |                    |                               |                         |                                    |                         |                                       | 13627VT033                    |                  |                    |                               |                    |                               |  |  |  |  | 13627VT034              |  |  |  |  |  |  |  |  |  |
|   |  | BCBSVT Platinum Plan     | BCBSVT Gold Plan | BCBSVT Silver Plan | BCBSVT Silver Reflective Plan | BCBSVT Bronze Plan | BCBSVT Bronze Plan Integrated | BCBSVT Silver CDPH Plan | BCBSVT Silver Reflective CDPH Plan | BCBSVT Bronze CDPH Plan | BCBSVT Blue Rewards Catastrophic Plan | BCBSVT Platinum Plan          | BCBSVT Gold Plan | BCBSVT Silver Plan | BCBSVT Silver Reflective Plan | BCBSVT Bronze Plan | BCBSVT Bronze Plan Integrated |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.3 Plan ID (Standard Component ID)               |  | 13627VT0320001           | 13627VT0320002   | 13627VT0320003     | 13627VT0320006                | 13627VT0320004     | 13627VT0320005                | 13627VT0330001          | 13627VT0330003                     | 13627VT0330002          | 13627VT0340001                        | 13627VT0340002                | 13627VT0340003   | 13627VT0340004     | 13627VT0340007                | 13627VT0340005     | 13627VT0340006                |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.5 Metal   |  | Platinum                 | Gold             | Silver             | Silver                        | Bronze             | Bronze                        | Silver                  | Silver                             | Bronze                  | Catastrophic                          | Platinum                      | Gold             | Silver             | Silver                        | Bronze             | Bronze                        |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.6 AV Metal Value                                |  | 0.901                    | 0.819            | 0.718              | 0.718                         | 0.620              | 0.640                         | 0.709                   | 0.709                              | 0.614                   | 0.570                                 | 0.901                         | 0.819            | 0.718              | 0.718                         | 0.620              | 0.640                         |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.7 Plan Category                                 |  | Renewing                 | Renewing         | Renewing           | Renewing                      | Renewing           | Renewing                      | Renewing                | Renewing                           | Renewing                | Renewing                              | Renewing                      | Renewing         | Renewing           | Renewing                      | Renewing           | Renewing                      |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.8 Plan Type                                     |  | EPO                      | EPO              | EPO                | EPO                           | EPO                | EPO                           | EPO                     | EPO                                | EPO                     | EPO                                   | EPO                           | EPO              | EPO                | EPO                           | EPO                | EPO                           |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.9 Exchange Plan?                                |  | Yes                      | Yes              | Yes                | No                            | Yes                | Yes                           | Yes                     | No                                 | Yes                     | Yes                                   | Yes                           | Yes              | No                 | Yes                           | Yes                | Yes                           |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.10 Effective Date of Proposed Rates             |  | 1/1/2020                 | 1/1/2020         | 1/1/2020           | 1/1/2020                      | 1/1/2020           | 1/1/2020                      | 1/1/2020                | 1/1/2020                           | 1/1/2020                | 1/1/2020                              | 1/1/2020                      | 1/1/2020         | 1/1/2020           | 1/1/2020                      | 1/1/2020           | 1/1/2020                      |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.11 Cumulative Rate Change % (over 12 mos prior) |  | 14.40%                   | 15.33%           | 12.07%             | 12.92%                        | 10.70%             | 9.34%                         | 11.81%                  | 13.33%                             | 10.21%                  | 9.08%                                 | 14.40%                        | 15.33%           | 12.07%             | 12.92%                        | 10.70%             | 9.34%                         |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.12 Product Rate Increase %                      |  | 14.09%                   |                  |                    |                               |                    |                               |                         |                                    |                         |                                       | 12.62%                        |                  |                    |                               |                    |                               |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |
| 1.13 Submission Level Rate Increase %             |  |                          |                  |                    |                               |                    |                               |                         |                                    |                         |                                       | 13.20%                        |                  |                    |                               |                    |                               |  |  |  |  |                         |  |  |  |  |  |  |  |  |  |

Worksheet 1 Totals

Section II: Experience Period and Current Plan Level Information

|                      | 2.1 Plan ID (Standard Component ID)  | Total         | 13627VT0320001 | 13627VT0320002 | 13627VT0320003 | 13627VT0320006 | 13627VT0320004 | 13627VT0320005 | 13627VT0330001 | 13627VT0330003 | 13627VT0330002 | 13627VT0340001 | 13627VT0340002 | 13627VT0340003 | 13627VT0340004 | 13627VT0340007 | 13627VT0340005 | 13627VT0340006 |
|----------------------|--------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| \$388,253,553        | 2.1 Allowed Claims                   | \$388,253,553 | \$68,197,711   | \$30,095,756   | \$24,859,540   | \$0            | \$6,375,313    | \$329,112      | \$14,409,462   | \$0            | \$5,223,916    | \$416,927      | \$41,049,713   | \$14,368,492   | \$62,239,803   | \$0            | \$3,284,920    | \$365,144      |
| \$0                  | 2.3 Reinsurance                      | \$0           | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
|                      | 2.4 Member Cost Sharing              | \$61,853,018  | \$4,656,184    | \$4,744,678    | \$6,929,080    | \$0            | \$1,788,558    | \$134,432      | \$3,628,721    | \$0            | \$1,622,767    | \$192,014      | \$2,301,603    | \$2,210,718    | \$10,065,613   | \$0            | \$1,202,952    | \$113,343      |
|                      | 2.5 Cost Sharing Reduction           | \$0           | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$326,400,534        | 2.6 Incurred Claims                  | \$326,400,534 | \$63,541,527   | \$25,351,079   | \$17,930,460   | \$0            | \$4,586,755    | \$194,680      | \$10,780,740   | \$0            | \$3,601,150    | \$224,912      | \$38,748,110   | \$12,157,774   | \$52,174,190   | \$0            | \$2,081,967    | \$251,801      |
| \$13,016,547         | 2.7 Risk Adjustment Transfer Amount  | \$13,016,547  | \$8,991,214    | \$239,761      | \$5,086,386    | \$0            | \$876,348      | \$160,264      | \$2,710,261    | \$0            | \$1,623,632    | \$315          | \$14,093,717   | \$996,549      | \$5,576,911    | \$0            | \$1,555,361    | \$206,331      |
| \$342,711,239        | 2.8 Premium                          | \$342,711,239 | \$58,956,939   | \$29,208,642   | \$30,865,541   | \$0            | \$6,440,783    | \$543,376      | \$16,630,869   | \$0            | \$6,172,795    | \$779,759      | \$21,839,569   | \$11,475,037   | \$51,371,489   | \$0            | \$4,944,303    | \$427,742      |
| 629,988              | 2.9 Experience Period Member Months  | 629,988       | 90,244         | 50,815         | 60,612         | 0              | 14,481         | 1,247          | 33,606         | 0              | 14,355         | 3,154          | 32,291         | 19,690         | 96,404         | 0              | 10,802         | 947            |
|                      | 2.10 Current Enrollment              | 43,939        | 6,639          | 3,675          | 0              | 4,265          | 932            | 90             | 0              | 2,271          | 768            | 293            | 2,410          | 2,301          | 4,647          | 1,135          | 997            | 197            |
|                      | 2.11 Current Premium PMPM            | \$571.77      | \$702.74       | \$602.15       | \$576.35       | \$509.92       | \$443.32       | \$457.77       | \$580.72       | \$523.18       | \$453.19       | \$244.04       | \$702.74       | \$602.15       | \$576.35       | \$509.92       | \$443.32       | \$457.77       |
|                      | 2.12 Loss Ratio                      | 91.76%        | 93.51%         | 86.09%         | 89.55%         | #DIV/0!        | 82.43%         | 90.82%         | 77.44%         | #DIV/0!        | 79.16%         | 107.83%        | 97.48%         | 91.62%         | #DIV/0!        | 61.43%         | 113.73%        |                |
| Per Member Per Month |                                      |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|                      | 2.13 Allowed Claims                  | \$616.29      | \$755.70       | \$592.26       | \$410.14       | #DIV/0!        | \$440.25       | \$263.92       | \$435.86       | #DIV/0!        | \$363.91       | \$132.19       | \$1,271.24     | \$729.74       | \$645.61       | #DIV/0!        | \$304.10       | \$385.58       |
|                      | 2.14 Reinsurance                     | \$0.00        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         |
|                      | 2.15 Member Cost Sharing             | \$98.18       | \$51.60        | \$93.37        | \$114.32       | #DIV/0!        | \$123.51       | \$107.80       | \$109.76       | #DIV/0!        | \$113.05       | \$60.88        | \$71.28        | \$112.28       | \$104.41       | #DIV/0!        | \$111.36       | \$119.69       |
|                      | 2.16 Cost Sharing Reduction          | \$0.00        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         |
|                      | 2.17 Incurred Claims                 | \$518.11      | \$704.11       | \$498.89       | \$295.82       | #DIV/0!        | \$316.74       | \$156.12       | \$326.10       | #DIV/0!        | \$250.86       | \$71.31        | \$1,199.97     | \$617.46       | \$541.20       | #DIV/0!        | \$192.74       | \$265.89       |
|                      | 2.18 Risk Adjustment Transfer Amount | \$30.66       | \$99.63        | \$4.72         | \$83.92        | #DIV/0!        | \$60.52        | \$128.52       | \$81.98        | #DIV/0!        | \$113.11       | \$0.10         | \$436.46       | \$50.61        | \$57.85        | #DIV/0!        | \$143.99       | \$21.88        |
|                      | 2.19 Premium                         | \$544.00      | \$653.31       | \$574.80       | \$509.23       | #DIV/0!        | \$444.77       | \$435.75       | \$503.05       | #DIV/0!        | \$430.01       | \$247.23       | \$676.34       | \$582.79       | \$532.88       | #DIV/0!        | \$457.72       | \$451.68       |

Section III: Plan Adjustment Factors

|  |  |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|--|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 3.1 Plan ID (Standard Component ID)      |  | 13627VT0320001 | 13627VT0320002 | 13627VT0320003 | 13627VT0320006 | 13627VT0320004 | 13627VT0320005 | 13627VT0330001 | 13627VT0330003 | 13627VT0330002 | 13627VT0340001 | 13627VT0340002 | 13627VT0340003 | 13627VT0340004 | 13627VT0340007 | 13627VT0340005 | 13627VT0340006 |
| 3.2 Market Adjusted Index Rate           |  |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3.3 AV and Cost Sharing Design of Plan   |  | 1.0667         | 0.9116         | 0.8428         | 0.7434         | 0.6226         | 0.6367         | 0.8476         | 0.7677         | 0.6350         | 0.6945         | 1.0667         | 0.9116         | 0.8428         | 0.7434         | 0.6226         | 0.6367         |
| 3.4 Provider Network Adjustment          |  | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 3.5 Benefits in Addition to EHB          |  | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| Administrative Costs                     |  |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3.6 Administrative Expense               |  |                | 5.81%          | 6.71%          | 7.21%          | 8.09%          | 9.51%          | 9.31%          | 7.18%          | 7.86%          | 9.34%          | 17.59%         | 5.81%          | 6.71%          | 7.21%          | 8.09%          | 9.51%          |
| 3.7 Taxes and Fees                       |  |                | 3.47%          | 3.52%          | 3.54%          | 3.59%          | 3.67%          | 3.66%          | 3.54%          | 3.58%          | 3.66%          | 4.11%          | 3.47%          | 3.52%          | 3.54%          | 3.59%          | 3.67%          |
| 3.8 Profit & Risk Load                   |  |                | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          |
| 3.9 Catastrophic Adjustment              |  |                | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 0.4355         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 3.10 Plan Adjusted Index Rate            |  |                | \$805.45       | \$695.75       | \$647.06       | \$576.86       | \$491.63       | \$501.53       | \$650.52       | \$594.08       | \$500.36       | \$265.36       | \$805.45       | \$695.75       | \$647.06       | \$576.86       | \$491.63       |
| 3.11 Age Calibration Factor              |  |                | 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3.12 Geographic Calibration Factor       |  |                | 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3.13 Tobacco Calibration Factor          |  |                | 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 3.14 Calibrated Plan Adjusted Index Rate |  |                | \$805.45       | \$695.75       | \$647.06       | \$576.86       | \$491.63       | \$501.53       | \$650.52       | \$594.08       | \$500.36       | \$265.36       | \$805.45       | \$695.75       | \$647.06       | \$576.86       | \$491.63       |

Section IV: Projected Plan Level Information

| 4.1 Plan ID (Standard Component ID)  | Total         | 13627VT0320001 | 13627VT0320002 | 13627VT0320003 | 13627VT0320006 | 13627VT0320004 | 13627VT0320005 | 13627VT0330001 | 13627VT0330003 | 13627VT0330002 | 13627VT0340001 | 13627VT0340002 | 13627VT0340003 | 13627VT0340004 | 13627VT0340007 | 13627VT0340005 | 13627VT0340006 |
|--------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 4.2 Allowed Claims                   | \$371,554,019 | \$56,962,141   | \$31,081,271   | \$0            | \$35,433,779   | \$8,285,109    | \$799,440      | \$0            | \$18,871,637   | \$6,201,719    | \$2,366,020    | \$19,461,123   | \$18,580,931   | \$37,525,244   | \$9,165,301    | \$8,050,929    | \$1,590,805    |
| 4.3 Reinsurance                      | \$0           | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| 4.4 Member Cost Sharing              | \$81,087,552  | \$4,554,326    | \$5,470,182    | \$0            | \$10,158,315   | \$3,104,391    | \$290,934      | \$0            | \$5,096,388    | \$2,264,568    | \$412,299      | \$1,555,986    | \$3,270,171    | \$7,041,955    | \$2,627,550    | \$3,016,645    | \$578,930      |
| 4.5 Cost Sharing Reduction           | \$595         | \$0            | \$1            | \$2            | \$3            | \$4            | \$5            | \$6            | \$7            | \$8            | \$9            | \$10           | \$11           | \$12           | \$13           | \$14           | \$15           |
| 4.6 Incurred Claims                  | \$290,465,872 | \$52,407,815   | \$25,611,087   | \$2            | \$25,275,461   | \$5,180,714    | \$508,501      | \$6            | \$13,775,242   | \$3,937,142    | \$1,953,713    | \$17,905,127   | \$15,310,749   | \$30,483,277   | \$6,537,738    | \$5,034,270    | \$1,011,861    |
| 4.7 Risk Adjustment Transfer Amount  | \$22,653,258  | \$11,815,552   | \$963,657      | \$0            | \$4,707,021    | \$774,956      | \$174,035      | \$0            | \$2,451,856    | \$1,175,626    | \$11,370       | \$15,945,582   | \$2,128,791    | \$4,899,478    | \$1,147,816    | \$1,969,258    | \$601,950      |
| 4.8 Premium                          | \$355,814,280 | \$68,176,346   | \$32,136,687   | \$0            | \$30,377,773   | \$6,053,318    | \$595,758      | \$0            | \$16,659,538   | \$4,611,871    | \$933,006      | \$23,292,457   | \$19,211,877   | \$36,086,000   | \$7,857,514    | \$5,882,220    | \$1,185,499    |
| 4.9 Projected Member Months          | 552,144       | 84,648         | 46,188         | 0              | 52,656         | 12,312         | 1,188          | 0              | 28,044         | 9,216          | 3,516          | 28,920         | 27,612         | 55,764         | 13,620         | 11,964         | 2,364          |
| 4.10 Loss Ratio                      | 76.75%        | 65.52%         | 77.37%         | #DIV/0!        | 98.46%         | 98.15%         | 120.58%        | #DIV/0!        | 96.96%         | 114.58%        | 209.09%        | 45.63%         | 71.74%         | 74.74%         | 72.60%         | 128.66%        | 173.40%        |
| Per Member Per Month                 |               |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 4.11 Allowed Claims                  | \$672.93      | \$672.93       | \$672.93       | #DIV/0!        | \$672.93       | \$672.93       | \$672.93       | #DIV/0!        | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       |
| 4.12 Reinsurance                     | \$0.00        | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.13 Member Cost Sharing             | \$146.86      | \$53.862       | \$118.43       | #DIV/0!        | \$192.92       | \$252.14       | \$244.89       | #DIV/0!        | \$181.73       | \$245.72       | \$117.26       | \$53.86        | \$126.28       | \$192.92       | \$252.14       | \$244.89       | \$244.89       |
| 4.14 Cost Sharing Reduction          | \$0.00        | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.15 Incurred Claims                 | \$526.07      | \$619.13       | \$554.50       | #DIV/0!        | \$480.01       | \$420.79       | \$428.03       | #DIV/0!        | \$491.20       | \$427.21       | \$555.66       | \$619.13       | \$554.50       | \$546.65       | \$480.01       | \$420.78       | \$428.03       |
| 4.16 Risk Adjustment Transfer Amount | \$41.03       | \$139.58       | \$20.86        | #DIV/0!        | \$89.39        | \$62.94        | \$146.49       | #DIV/0!        | \$87.43        | \$127.56       | \$0.39         | \$551.37       | \$77.13        | \$84.27        | \$84.27        | \$164.60       | \$254.63       |
| 4.17 Premium                         | \$644.42      | \$805.41       | \$695.78       | #DIV/0!        | \$576.91       | \$491.66       | \$501.48       | #DIV/0!        | \$594.05       | \$500.42       | \$265.36       | \$805.41       | \$695.78       | \$647.12       | \$576.91       | \$491.66       | \$501.48       |



| BCBSVT EPO CDHP (Individual) |  |                            |                                  | BCBSVT EPO Blue Rewards (Small Group) |  |                             |  | BCBSVT EPO CDHP Blue Rewards (Small Group) |   |                            |                                  | BCBSVT EPO Blue Rewards (Individual) |  |                             |  | BCBSVT EPO CDHP Blue Rewards (Individual)  |   |                            |  |
|------------------------------|--|----------------------------|----------------------------------|---------------------------------------|--|-----------------------------|--|--|---|----------------------------|----------------------------------|--------------------------------------|--|-----------------------------|--|--|---|----------------------------|--|
| 13627VT035                   |  |                            |                                  | 13627VT036                            |  |                             |  | 13627VT037                                 |   |                            |                                  | 13627VT038                           |  |                             |  | 13627VT039                                 |   |                            |  |
| BCBSVT Silver<br>CDHP Plan   | BCBSVT Silver<br>Reflective CDHP<br>Plan | BCBSVT Bronze<br>CDHP Plan | BCBSVT Blue<br>Rewards Gold Plan | BCBSVT Blue<br>Rewards Silver Plan    | BCBSVT Blue<br>Rewards Silver<br>Reflective Plan | Blue Rewards<br>Bronze Plan | BCBSVT Blue<br>Rewards Gold<br>CDHP Plan | BCBSVT Blue<br>Rewards Silver<br>CDHP Plan | BCBSVT Blue<br>Rewards Silver<br>CDHP Reflective Plan | BCBSVT Bronze<br>CDHP Plan | BCBSVT Blue<br>Rewards Gold Plan | BCBSVT Blue<br>Rewards Silver Plan   | BCBSVT Blue<br>Rewards Silver<br>Reflective Plan | Blue Rewards<br>Bronze Plan | BCBSVT Blue<br>Rewards Gold<br>CDHP Plan | BCBSVT Blue<br>Rewards Silver<br>CDHP Plan | BCBSVT Blue<br>Rewards Silver<br>CDHP Reflective Plan | BCBSVT Bronze<br>CDHP Plan | BCBSVT Blue<br>Rewards Bronze<br>CDHP Plan |
| 13627VT0350001               | 13627VT0350003                           | 13627VT0350002             | 13627VT0360001                   | 13627VT0360002                        | 13627VT0360004                                   | 13627VT0360003              | 13627VT0370001                           | 13627VT0370002                             | 13627VT0370004  | 13627VT0380001             | 13627VT0380002                   | 13627VT0380004                       | 13627VT0380003                                   | 13627VT0380000              | 13627VT0390001                           | 13627VT0390002                             | 13627VT0390004  | 13627VT0390003             | 13627VT0390005                             |
| Silver                       | Silver                                   | Bronze                     | Gold                             | Silver                                | Silver   | Bronze                      | Gold                                     | Silver                                     | Silver  | Bronze                     | Gold                             | Silver                               | Silver   | Bronze                      | Gold                                     | Silver                                     | Silver  | Gold                       | Bronze                                     |
| 0.709                        | 0.709                                    | 0.614                      | 0.770                            | 0.690                                 | 0.690  | 0.630                       | 0.770                                    | 0.720                                      | 0.720   | 0.630                      | 0.770                            | 0.690                                | 0.690  | 0.630                       | 0.770                                    | 0.720                                      | 0.720   | 0.630                      | 0.630                                      |
| Renewing                     | Renewing                                 | Renewing                   | Renewing                         | Renewing                              | Renewing   | Renewing                    | Renewing                                 | Renewing                                   | Renewing  | Renewing                   | Renewing                         | Renewing                             | Renewing   | Renewing                    | Renewing                                 | Renewing                                   | Renewing  | Renewing                   | Renewing                                   |
| EPO                          | EPO                                      | EPO                        | EPO                              | EPO                                   | EPO  | EPO                         | EPO                                      | EPO  | EPO   | EPO                        | EPO                              | EPO                                  | EPO  | EPO                         | EPO                                      | EPO  | EPO   | EPO                        | EPO  |
| Yes                          | No                                       | Yes                        | Yes                              | Yes                                   | Yes  | No                          | Yes                                      | Yes  | No  | Yes                        | Yes                              | Yes                                  | Yes  | No                          | Yes                                      | Yes  | Yes   | No                         | Yes  |
| 1/1/2020                     | 1/1/2020                                 | 1/1/2020                   | 1/1/2020                         | 1/1/2020                              | 1/1/2020   | 1/1/2020                    | 1/1/2020                                 | 1/1/2020                                   | 1/1/2020  | 1/1/2020                   | 1/1/2020                         | 1/1/2020                             | 1/1/2020   | 1/1/2020                    | 1/1/2020                                 | 1/1/2020                                   | 1/1/2020  | 1/1/2020                   | 1/1/2020                                   |
| 11.81%                       | 13.33%                                   | 10.21%                     | 6.28%                            | 6.87%                                 | 6.80%  | 9.22%                       | 11.02%                                   | 9.97%                                      | 11.23%  | 8.23%                      | 6.28%                            | 6.07%                                | 6.80%  | 11.02%                      | 9.97%                                    | 11.23%                                     | 8.23%   | 11.81%                     | 13.33%                                     |
| 11.61%                       |  |                            |                                  | 6.87%                                 |  |                             |  | 10.60%                                     |   |                            |                                  | 6.44%                                |  |                             |  | 10.13%                                     |   |                            |  |
| 12.47%                       |  |                            |                                  |                                       |  |                             |  |  |   |                            |                                  |                                      |  |                             |  |  |   |                            |  |

|                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 13627VT0350001 | 13627VT0350003 | 13627VT0350002 | 13627VT0360001 | 13627VT0360002 | 13627VT0360004 | 13627VT0360003 | 13627VT0370001 | 13627VT0370002 | 13627VT0370004 | 13627VT0370003 | 13627VT0380001 | 13627VT0380002 | 13627VT0380004 | 13627VT0380003 | 13627VT0390001 | 13627VT0390002 | 13627VT0390004 | 13627VT0390003 | 13627VT0390005 |
| \$17,519,140   | \$0            | \$3,507,706    | \$4,390,036    | \$2,142,992    | \$0            | \$306,015      | \$46,954,902   | \$0            | \$0            | \$5,353,816    | \$4,092,227    | \$14,709,288   | \$0            | \$369,222      | \$14,292,381   | \$0            | \$0            | \$3,400,019    | \$0            |
| \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$3,015,675    | \$0            | \$1,261,106    | \$809,486      | \$689,168      | \$0            | \$139,950      | \$8,364,500    | \$0            | \$0            | \$1,662,863    | \$577,322      | \$2,542,696    | \$0            | \$188,089      | \$1,749,086    | \$0            | \$0            | \$1,262,416    | \$0            |
| \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$14,503,465   | \$0            | \$2,246,600    | \$3,580,550    | \$1,453,823    | \$0            | \$166,066      | \$38,590,403   | \$0            | \$0            | \$3,690,953    | \$3,514,905    | \$12,166,593   | \$0            | \$181,133      | \$12,543,294   | \$0            | \$0            | \$2,137,604    | \$0            |
| \$499,047      | \$0            | \$1,444,057    | \$489,468      | \$1,154,302    | \$0            | \$341,890      | \$1,699,551    | \$0            | \$0            | \$910,926      | \$102,421      | \$2,390,000    | \$0            | \$428,561      | \$2,573,454    | \$0            | \$0            | \$2,173,133    | \$0            |
| \$15,055,718   | \$0            | \$4,704,374    | \$4,951,863    | \$3,652,075    | \$0            | \$651,321      | \$36,344,307   | \$0            | \$0            | \$4,809,413    | \$2,903,136    | \$16,727,119   | \$0            | \$840,361      | \$6,769,170    | \$0            | \$0            | \$5,645,537    | \$0            |
| 28,418         | 0              | 10,667         | 8,776          | 7,311          | 0              | 1,462          | 70,205         | 0              | 0              | 11,329         | 5,132          | 31,439         | 0              | 1,945          | 12,700         | 0              | 0              | 12,502         | 0              |
| 1,135          | 389            | 750            | 438            | 0              | 464            | 161            | 3,781          | 0              | 163            | 861            | 489            | 1,526          | 245            | 272            | 1,398          | 115            | 210            | 922            | 0              |
| \$580.72       | \$523.18       | \$453.19       | \$587.34       | \$582.04       | \$507.84       | \$446.01       | \$558.74       | \$571.40       | \$505.91       | \$450.21       | \$587.34       | \$582.04       | \$507.84       | \$446.01       | \$558.74       | \$571.40       | \$505.91       | \$450.21       | \$580.72       |
| 93.24%         | #DIV/0!        | 68.91%         | 80.24%         | 58.20%         | #DIV/0!        | 53.67%         | 101.44%        | #DIV/0!        | #DIV/0!        | 94.68%         | 125.50%        | 84.86%         | #DIV/0!        | 43.99%         | 134.26%        | #DIV/0!        | #DIV/0!        | 61.56%         | 93.24%         |
| \$616.48       | #DIV/0!        | \$328.84       | \$500.23       | \$293.12       | #DIV/0!        | \$209.31       | \$668.83       | #DIV/0!        | #DIV/0!        | \$472.58       | \$797.39       | \$467.87       | #DIV/0!        | \$189.83       | \$1,125.38     | #DIV/0!        | #DIV/0!        | \$271.96       | \$616.48       |
| \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | #DIV/0!        | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | #DIV/0!        | #DIV/0!        | \$0.00         | \$0.00         |
| \$106.12       | #DIV/0!        | \$118.22       | \$92.24        | \$94.26        | #DIV/0!        | \$95.72        | \$119.14       | #DIV/0!        | #DIV/0!        | \$146.78       | \$112.49       | \$80.88        | #DIV/0!        | \$96.70        | \$137.72       | #DIV/0!        | #DIV/0!        | \$100.98       | \$106.12       |
| \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | #DIV/0!        | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | #DIV/0!        | #DIV/0!        | \$0.00         | \$0.00         |
| \$510.36       | #DIV/0!        | \$210.61       | \$407.99       | \$198.85       | #DIV/0!        | \$113.59       | \$549.68       | #DIV/0!        | #DIV/0!        | \$325.80       | \$684.50       | \$386.99       | #DIV/0!        | \$93.13        | \$987.66       | #DIV/0!        | #DIV/0!        | \$170.98       | \$510.36       |
| \$17.56        | #DIV/0!        | \$115.38       | \$55.77        | \$157.89       | #DIV/0!        | \$233.85       | \$24.21        | #DIV/0!        | #DIV/0!        | \$80.41        | \$19.96        | \$76.02        | #DIV/0!        | \$220.34       | \$202.63       | #DIV/0!        | #DIV/0!        | \$173.82       | \$17.56        |
| \$529.80       | #DIV/0!        | \$441.02       | \$564.25       | \$499.53       | #DIV/0!        | \$445.50       | \$517.69       | #DIV/0!        | #DIV/0!        | \$424.52       | \$565.69       | \$532.05       | #DIV/0!        | \$432.06       | \$533.01       | #DIV/0!        | #DIV/0!        | \$451.57       | \$529.80       |

|                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 13627VT0350001 | 13627VT0350003 | 13627VT0350002 | 13627VT0360001 | 13627VT0360002 | 13627VT0360004 | 13627VT0360003 | 13627VT0370001 | 13627VT0370002 | 13627VT0370004 | 13627VT0370003 | 13627VT0380001 | 13627VT0380002 | 13627VT0380004 | 13627VT0380003 | 13627VT0390001 | 13627VT0390002 | 13627VT0390004 | 13627VT0390003 | 13627VT0390005 |
| \$672.93       |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 0.8476         | 0.7677         | 0.6350         | 0.8118         | 0.8024         | 0.6960         | 0.6176         | 0.8059         | 0.8175         | 0.7244         | 0.6174         | 0.8118         | 0.8024         | 0.6960         | 0.6176         | 0.8059         | 0.8175         | 0.7244         | 0.6174         | 0.6174         |
| 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 7.18%          | 7.86%          | 9.34%          | 7.50%          | 7.55%          | 8.59%          | 9.57%          | 7.58%          | 7.46%          | 8.33%          | 9.62%          | 7.50%          | 7.55%          | 8.59%          | 9.57%          | 7.58%          | 7.46%          | 8.33%          | 9.62%          | 7.18%          |
| 3.54%          | 3.58%          | 3.66%          | 3.56%          | 3.56%          | 3.62%          | 3.67%          | 3.56%          | 3.56%          | 3.60%          | 3.67%          | 3.56%          | 3.56%          | 3.62%          | 3.67%          | 3.56%          | 3.56%          | 3.60%          | 3.67%          | 3.54%          |
| 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          | 1.60%          |
| 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| \$650.52       | \$594.08       | \$500.36       | \$625.47       | \$618.58       | \$543.40       | \$488.02       | \$621.49       | \$629.57       | \$563.75       | \$488.15       | \$625.47       | \$618.58       | \$543.40       | \$488.02       | \$621.49       | \$629.57       | \$563.75       | \$488.15       | \$650.52       |
| 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1.0000         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| \$650.52       | \$594.08       | \$500.36       | \$625.47       | \$618.58       | \$543.40       | \$488.02       | \$621.49       | \$629.57       | \$563.75       | \$488.15       | \$625.47       | \$618.58       | \$543.40       | \$488.02       | \$621.49       | \$629.57       | \$563.75       | \$488.15       | \$650.52       |

|                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 13627VT0350001 | 13627VT0350003 | 13627VT0350002 | 13627VT0360001 | 13627VT0360002 | 13627VT0360004 | 13627VT0360003 | 13627VT0370001 | 13627VT0370002 | 13627VT0370004 | 13627VT0370003 | 13627VT0380001 | 13627VT0380002 | 13627VT0380004 | 13627VT0380003 | 13627VT0390001 | 13627VT0390002 | 13627VT0390004 | 13627VT0390003 | 13627VT0390005 |
| \$9,165,301    | \$3,141,235    | \$6,056,366    | \$4,094,103    | \$0            | \$3,851,849    | \$1,429,302    | \$38,623,465   | \$0            | \$1,356,626    | \$7,655,247    | \$3,948,751    | \$12,322,686   | \$0            | \$1,978,413    | \$2,196,442    | \$11,289,066   | \$928,643      | \$1,695,782    | \$7,445,293    |
| \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$1,744,933    | \$848,308      | \$2,211,493    | \$984,658      | \$0            | \$1,232,988    | \$541,122      | \$9,439,962    | \$0            | \$406,840      | \$2,899,207    | \$949,700      | \$2,640,698    | \$633,296      | \$831,555      | \$2,759,161    | \$192,750      | \$508,550      | \$2,819,693    | \$1,744,933    |
| \$16           | \$17           | \$18           | \$19           | \$20           | \$21           | \$22           | \$23           | \$24           | \$25           | \$26           | \$27           | \$28           | \$29           | \$30           | \$31           | \$32           | \$33           | \$34           | \$16           |
| \$7,420,352    | \$2,292,911    | \$3,844,855    | \$3,109,426    | \$-20          | \$2,618,839    | \$888,158      | \$29,183,480   | \$-24          | \$949,761      | \$4,756,014    | \$2,999,024    | \$9,681,961    | \$1,345,088    | \$1,364,857    | \$8,529,874    | \$735,861      | \$1,187,200    | \$4,625,566    | \$7,420,352    |
| \$474,662      | \$160,882      | \$1,389,044    | \$320,596      | \$0            | \$1,028,904    | \$583,002      | \$2,542,971    | \$0            | \$36,281       | \$996,761      | \$51,993       | \$1,441,315    | \$-231,404     | \$842,872      | \$4,402,700    | \$198,346      | \$198,346      | \$-222,462     | \$474,662      |
| \$8,859,810    | \$2,773,025    | \$4,593,780    | \$3,804,934    | \$0            | \$3,110,307    | \$1,036,597    | \$35,671,614   | \$0            | \$1,136,580    | \$5,553,536    | \$3,669,847    | \$11,326,888   | \$1,597,537    | \$1,592,963    | \$10,426,284   | \$868,765      | \$1,420,726    | \$5,401,224    | \$8,859,810    |
| 13,620         | 4,668          | 9,000          | 6,084          | 0              | 5,724          | 2,124          | 57,396         | 0              | 2,016          | 11,376         | 5,868          | 18,312         | 2,940          | 3,264          | 16,776         | 1,380          | 2,520          | 11,064         | 13,620         |
| 79.49%         | 78.10%         | 123.44%        | 89.24%         | #DIV/0!        | 125.82%        | 195.80%        | 76.37%         | #DIV/0!        | 122.68%        | 104.37%        | 82.90%         | 97.94%         | 98.46%         | 181.96%        | 57.52%         | 96.81%         | 97.12%         | 145.51%        | 79.49%         |
| \$672.93       | \$672.93       | \$672.93       | \$672.93       | #DIV/0!        | \$672.93       | \$672.93       | \$672.93       | #DIV/0!        | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       | \$672.93       |
| \$0.00         | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| \$128.12       | \$181.73       | \$245.72       | \$254.77       | #DIV/0!        | \$201.81       | \$215.41       | \$164.47       | #DIV/0!        | \$201.81       | \$215.41       | \$164.47       | \$151.81       | \$144.21       | \$254.77       | \$181.73       | \$245.72       | \$254.77       | \$201.81       | \$128.12       |
| \$0.00         | \$0.00         | \$0.00         | \$0.00         | #DIV/0!        | \$0.00         | \$0.01         | \$0.00         | #DIV/0!        | \$0.00         | \$0.01         | \$0.00         | \$0.00         | \$0.00         | \$0.01         | \$0.00         | \$0.02         | \$0.00         | \$0.00         | \$0.00         |
| \$544.81       | \$491.20       | \$427.21       | \$511.08       | #DIV/0!        | \$457.52       | \$418.15       | \$508.46       | #DIV/0!        | \$279.11       | \$418.07       | \$551.18       | \$528.72       | \$457.51       | \$418.15       | \$508.46       | \$533.23       | \$471.11       | \$418.07       | \$544.81       |
| \$34.85        | \$34.85        | \$-154.34      | \$-52.69       | #DIV/0!        | \$-179.75      | \$-274.48      | \$44.30        | #DIV/0!        | \$-179.75      | \$-87.62       | \$-86.56       | \$-57.71       | \$-57.71       | \$-57.71       | \$-258.23      | \$262.44       | \$-57.71       | \$-57.71       | \$-200.87      |
| \$650.50       | \$594.05       | \$510.42       | \$625.40       | #DIV/0!        | \$543.38       | \$488.04       | \$621.50       | #DIV/0!        | \$563.78       | \$488.18       | \$625.40       | \$618.55       | \$543.38       | \$488.04       | \$621.50       | \$629.54       | \$563.78       | \$488.18       | \$650.50       |

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        |

SERFF Tracking #:

BCVT-131936226

State Tracking #:

Company Tracking #:

**State:** VermontGMCB  
**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:** /

**Filing Company:** BCBSVT

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

| Creation Date | Schedule Item Status | Schedule            | Schedule Item Name  | Replacement Creation Date | Attached Document(s)  |
|---------------|----------------------|---------------------|---------------------|---------------------------|---|
| 05/10/2019    |                      | Supporting Document | Attachments A, B, C | 05/14/2019                | Attachment A - Standard Plans AV Certification - 2020.pdf (Superseded)<br>Attachment B - Blue Rewards AV Certification 2020.pdf<br>Attachment C - Memorandum from Senior Management for CTR.pdf |



March 14, 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:

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

The State contracted with Wakely Consulting Group, LLC (Wakely) to assist in the development of the 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 draft 2020 Actuarial Value Calculator (AVC)<sup>1</sup> that issuers must use to determine the AV of a plan. The final AVC has not yet been released. If there are changes between the draft and final versions of the federal AVC, changes to the 2020 plan designs may be required.

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. Should the federal HDHP minimum deductible for 2020 increase from \$1,350, both the Silver and Bronze HDHPs and associated CSR plan designs will require changes to meet this requirement.

Additionally, the 2020 Notice of Benefits and Payment Parameters (NBPP)<sup>2</sup> is still in draft form. Based on the draft regulations, the single annual limit, or MOOP, is expected to be \$8,200, up from \$7,900 in 2019. The proposed limit of \$8,200 is based on a new calculation used to determine the annual increase from 2019 to 2020. The draft NBPP indicates that under the previous calculation, the limit would be \$8,000. Should the new calculation not be finalized as proposed and the regulations finalize the lower limit of \$8,000, both the Silver and Bronze HDHPs and the Bronze Deductible Plan (with drug limit) shown in this report will require changes in order 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

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<sup>1</sup> <http://www.cms.gov/CCIIO/Resources/Regulations-and-guidance/index.html>

<sup>2</sup> <https://www.federalregister.gov/documents/2019/01/24/2019-00077/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2020>

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 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<sup>3</sup>. 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

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<sup>3</sup> 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.

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 \$8,200, the MOOP must either be stacked or there must be an embedded individual MOOP of \$8,200. 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 (\$1,350 and \$2,700 for individual and family coverage in 2019, 2020 amounts are not yet known). The requirement also states that for HDHPs the cost sharing benefit for prescription drugs must start after the minimum deductible amount for HDHPs (same \$1,350 and \$2,700 for individual and family coverage in 2019) is met, but the amount may be met with either medical or prescription drug claims. This means that for all HDHPs, for purposes of prescription drug coverage, the deductible is considered met when accumulated medical and drug claims reach \$1,350 for individual or \$2,700 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 \$1,350 or \$2,700, 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 | Deductible   | Costs that Accumulate                   |              | Deductible / MOOP Type  |
|---------|--------------|---|--------------|---|
|         |              | Maximum Out-of-Pocket (MOOP)<br>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 \$8,200.
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<sup>4</sup> 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

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<sup>4</sup> 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.



the model as in the AVC but the model selection indicated that both medical and drug claims accumulated to the deductible amounts.

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

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

Appendix 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.

- Draft 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:

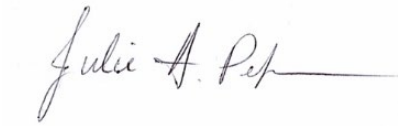
1. The federal HDHP minimum deductible and Maximum Out of Pocket (MOOP) limits are not yet released for 2020. The 2019 minimum deductible and MOOP are \$1,350 and \$6,750, respectively. Historically, the deductible has increased \$50 every two to three years and the MOOP increases around \$100 a year on average, though neither changed from 2016 to 2017. The plan designs presented are compliant with the 2019 HDHP limits and may need to change once the 2020 HDHP limits are released, primarily if the minimum deductible is increased.
2. The 2020 Notice of Benefits and Payment Parameters (NBPP) are still in draft form. Based on the draft regulations, the single annual limit is expected to be \$8,200, up from \$7,900 in 2019. The plan designs presented are compliant with the 2020 draft NBPP and may need to change if the final NBPP lowers the annual limit from the draft notice.
3. 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,

A handwritten signature in black ink, reading "Julie A. Peper" followed by a horizontal line.

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

A handwritten signature in black ink, reading "Brittney Phillips" in a cursive style.

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 draft 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.

A handwritten signature in black ink that reads "Brittney Phillips".

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Brittney Phillips, ASA, MAAA  
March 7, 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 \$8,200        |
|                  | 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 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 \$8,200     | Increase embedded single OOPM from \$7,900 to \$8,200     |



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

| Deductible/OOP Max                      | 2020 Plan Designs - Silver Deductible Plans |                        |
|---|---|------------------------|
|   | On-Exchange                                 | Off-Exchange           |
| Type of Plan                            | Deductible                                  | Deductible             |
| Medical Ded                             | \$3,200                                     | \$3,200                |
| Rx Ded                                  | \$350                                       | \$350                  |
| Integrated Ded                          | No  | No                     |
| Medical MOOP                            | \$7,900                                     | \$7,900                |
| Rx MOOP                                 | \$1,350                                     | \$1,350                |
| Integrated MOOP                         | Rx -No, Medical - Yes                       | Rx -No, Medical - Yes  |
| Family Deductible / OOP                 | Stacked, 2x Individual                      | Stacked, 2x Individual |
| Medical Deductible waived for:          | Prev, OV, UC, Amb                           | Prev, OV, UC, Amb      |
| Drug Deductible waived for:             | Generic scripts                             | Generic scripts        |
| Service Category                        | Copay / Coinsurance                         | Copay / Coinsurance    |
| Inpatient                               | 50%   | 50%                    |
| Outpatient                              | 50%   | 50%                    |
| ER                                      | \$250                                       | \$250                  |
| Radiology (MRI, CT, PET)                | 50%   | 50%                    |
| Preventive                              | \$0   | \$0                    |
| PCP Office Visit                        | \$35  | \$35                   |
| MH/SA Office Visit                      | \$35  | \$35                   |
| Chiropractic                            | \$45  | \$45                   |
| Physical Therapy                        | \$45  | \$45                   |
| Specialist Office Visit                 | \$80  | \$80                   |
| Urgent Care                             | \$90  | \$90                   |
| Ambulance                               | \$100                                       | <b>\$105</b>           |
| Rx Generic                              | \$15  | \$15                   |
| Rx Preferred Brand                      | \$60  | \$60                   |
| Rx Non-Preferred Brand                  | 50%   | 50%                    |
| Rx Specialty                            | 50%   | 50%                    |
| Actuarial Value                         |   |                        |
| 2020 Federal AVC, Adjusted if Necessary | 71.8%                                       | 71.8%                  |

| 2020 Plan Designs - Silver HDHP Plans  |  |
|--|--|
| On-Exchange  | Off-Exchange   |
| HSA Q/HDHP   | HSA Q/HDHP   |
| \$1,700  | \$1,700  |
| \$1,350  | \$1,350  |
| Yes  | Yes  |
| \$6,750  | \$6,750  |
| \$1,350  | \$1,350  |
| Yes  | Yes  |
| Aggregate with Combined Medical/Rx embedded \$8,200 Single OOPM; 2x Individual | Aggregate with Combined Medical/Rx embedded \$8,200 Single OOPM; 2x Individual |
| Preventive   | Preventive   |
| Wellness scripts   | Wellness scripts   |
| Copay / Coinsurance  | Copay / Coinsurance  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 0%   | 0%   |
| 10%  | 10%  |
| 10%  | 10%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | 30%  |
| 30%  | <b>35%</b>   |
| \$10   | \$10   |
| \$40   | \$40   |
| 50%  | 50%  |
| 50%  | 50%  |
| 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 appropriately 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                | \$8,200                | \$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%                  | 61.9%                  | 64.0%                  |

# Deductible Plan Designs – Cost Sharing Reduction Plans

| 2020 Plan Designs - Deductible Plans    |                           |                           |                           |                           |                           |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Deductible/OOP Max                      | 70% AV Silver             | 250-300% FPL<br>(73% AV)  | 200-250% FPL<br>(77% AV)  | 150-200% FPL<br>(87% AV)  | 133-150% FPL<br>(94% AV)  |
| Type of Plan                            | Deductible                | Deductible                | Deductible                | Deductible                | Deductible                |
| Medical Ded                             | \$3,200                   | \$3,000                   | \$2,300                   | \$900                     | \$200                     |
| Rx Ded                                  | \$350                     | \$350                     | \$250                     | \$150                     | \$0                       |
| Integrated Ded                          | No                        | No                        | No                        | No                        | No                        |
| Medical MOOP                            | \$7,900                   | \$6,550                   | \$5,000                   | \$1,900                   | \$900                     |
| Rx MOOP                                 | \$1,350                   | \$1,200                   | \$1,000                   | \$400                     | \$200                     |
| Integrated MOOP                         | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  | Rx -No, Medical -<br>Yes  |
| Family Deductible / OOP                 | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>Individual | Stacked, 2x<br>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 /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>Coinsurance    | Copay /<br>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%                       |
| <b>Actuarial Value</b>                  |                           |                           |                           |                           |                           |
| 2020 Federal AVC, Adjusted if Necessary | 71.8%                     | 73.9%                     | 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                                  | \$1,350                                     | \$1,350                                     |
| Integrated Ded                          | Yes   | Yes   |
| Medical MOOP                            | \$6,750                                     | \$6,750                                     |
| Rx MOOP                                 | \$1,350                                     | \$1,350                                     |
| Integrated MOOP                         | Yes   | Rx -No, Medical - Yes                       |
| Family Deductible / OOP                 | Aggregate with Combined Medical/Rx embedded | Aggregate with Combined Medical/Rx embedded |
|   | \$8,200 Single OOPM; 2x Individual          | \$8,200 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%                                       | 61.5%                                       |

# HDHP Plan Designs – Cost Sharing Reduction Plans

| 2020 Plan Designs - HDHP Plan CSR Variations |   |   |                             |                             |                             |
|--|---|---|-----------------------------|-----------------------------|-----------------------------|
| Deductible/OOP Max                           | 70% AV Silver   | 250-300% FPL<br>(73% AV)  | 200-250% FPL<br>(77% AV)    | 150-200% FPL<br>(87% AV)    | 133-150% FPL<br>(94% AV)    |
| Type of Plan                                 | HSA Q/HDHP  | HSA Q/HDHP  | HSA Q/HDHP                  | Deductible<br>(NOT HSAQ)    | Deductible<br>(NOT HSAQ)    |
| Medical Ded                                  | \$1,700   | \$1,700   | \$1,450                     | \$1,250                     | \$550                       |
| Rx Ded                                       | \$1,350   | \$1,350   | \$1,350                     | N/A                         | N/A                         |
| Integrated Ded                               | Yes   | Yes   | Yes                         | Yes                         | Yes                         |
| Medical MOOP                                 | \$6,750   | \$5,000   | \$3,400                     | \$1,250                     | \$550                       |
| Rx MOOP                                      | \$1,350   | \$1,350   | \$1,350                     | 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<br>Medical/Rx embedded<br>\$8,200 Single OOPM; 2x<br>Individual | Aggregate with Combined<br>Medical/Rx embedded<br>\$8,200 Single OOPM; 2x<br>Individual | Aggregate, 2x<br>Individual | Aggregate, 2x<br>Individual | Aggregate, 2x<br>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 /<br>Coinsurance      | Copay /<br>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%                          |
| <b>Actuarial Value</b>                       |   |   |                             |                             |                             |
| 2020 Federal AVC, Adjusted if Necessary      | 70.9%   | 73.4%   | 77.4%                       | 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 bicuspid\*  
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 \$8,200 | Stacked MOOP | Drug Regulation | Preventive Drugs | AV from AVC | Final Adjusted AV |
|---|---------------|----------------------------------|--------------|-----------------|------------------|-------------|-------------------|
| <b>Silver HDHP – Embedded \$8,200 Individual MOOP</b>         | Yes           | Yes                              | No           | Yes             | Yes              | 73.1%       | 70.9%             |
| <b>Bronze HDHP– Embedded \$8,200 Individual MOOP</b>          | Yes           | Yes                              | No           | Yes             | Yes              | 62.9%       | 61.5%             |
| <b>Silver Deductible</b>                                      | No            | No                               | No           | Yes             | No               | 70.7%       | 71.8%             |
| <b>Bronze Deductible (with pharmacy limit)</b>                | No            | No                               | Yes          | Yes             | No               | 61.0%       | 61.9%             |
| <b>Silver HDHP - Embedded \$8,200 Individual MOOP CSR 73%</b> | Yes           | Yes                              | No           | Yes             | Yes              | 75.6%       | 73.4%             |
| <b>Silver HDHP - Embedded \$8,200 Individual MOOP CSR 77%</b> | Yes           | Yes                              | No           | Yes             | Yes              | 79.4%       | 77.4%             |
| <b>Silver HDHP - Embedded \$8,200 Individual MOOP CSR 87%</b> | Yes           | Yes                              | No           | No              | Yes              | 87.7%       | 87.2%             |
| <b>Silver HDHP - Embedded \$8,200 Individual MOOP CSR 94%</b> | Yes           | Yes                              | No           | No              | Yes              | 94.0%       | 94.0%             |
| <b>Silver Deductible CSR – 73%</b>                            | No            | No                               | Yes          | Yes             | No               | 73.1%       | 73.9%             |
| <b>Silver Deductible CSR – 77%</b>                            | No            | No                               | Yes          | Yes             | No               | 77.3%       | 77.9%             |
| <b>Silver Deductible CSR – 87%</b>                            | No            | No                               | Yes          | Yes             | No               | 87.8%       | 88.0%             |
| <b>Silver Deductible CSR – 94%</b>                            | 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design            |      |            |
|---------------------------------------|------|------------|
| Medical                               | Drug | Combined   |
| Deductible (\$)                       |      | \$1,700.00 |
| Coinsurance (%; Insurer's Cost Share) |      | 70.00%     |
| MOOP (\$)                             |      | \$6,750.00 |
| MOOP if Separate (\$)                 |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

### Plan Description:

Name: 2020 Silver HDHP Plan  
 Plan HIOS ID:  
 Issuer HIOS ID:

### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of [-4, +2] percent de minimis variation.

73.10%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

Calculation Time:

0.1133 seconds

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## 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:  |                 | 8,200                 |              |              |              |
|  |                 | Costs that Accumulate |              |              |              |
|  |                 |                       | OOP          |              | Deductible / |
|  |                 | Deductible            | Medical      | Rx           | OOP Type     |
| Settings   | Medical & Rx    | 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        | 1,350   |                |              |
| Family Deductible  |              | 3,400        | 2,700   |                |              |
| Individual Out-of-Pocket   |              | 6,750        | 1,350   |                |              |
| Family Out-of-Pocket   |              | 13,500       | 2,700   |                |              |
| Coinsurance (50% or Less)  |              | 27%          | 28%     |                |              |
| Individual Embedded Moop:  |              | 8,200        |         |                |              |
| Costs that Accumulate  |              |              |         |                |              |
|  |              |              | OOP     |                |              |
|  |              | Deductible   | Medical | Rx             | Deductible / |
|  |              |              |         |                | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Rx Only | Aggregate Plus | 6            |
| <div>Calculate</div>   |              |              |         |                |              |
| Results  |              |              |         |                |              |
|  |              | Medical      | Rx      | Total          |              |
| Allowed PMPM   |              | \$407.84     | \$97.79 | \$505.64       |              |
| Plan PMPM  |              | \$281.39     | \$77.20 | \$358.59       |              |
| Actuarial Value  |              | 69.0%        | 78.9%   | 70.92%         |              |

## 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? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>          |
| Annual Contribution Amount: \$0.00                      | 1st Tier Utilization: 100%<br>2nd Tier Utilization: 0% |

| Tier 1 Plan Benefit Design            |      |            |
|---------------------------------------|------|------------|
| Medical                               | Drug | Combined   |
| Deductible (\$)                       |      | \$5,500.00 |
| Coinsurance (%; Insurer's Cost Share) |      | 50.00%     |
| MOOP (\$)                             |      | \$6,750.00 |
| MOOP if Separate (\$)                 |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # 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.  
62.90%

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

0.1328 seconds

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## 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:  |                 | 8,200                 |              |              |              |
|  |                 | Costs that Accumulate |              |              |              |
|  |                 |                       | OOP          |              |              |
|  |                 | Deductible            | Medical      | Rx           | Deductible / |
|  |                 |                       |              |              | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 |                       |              |              | 5            |
|  |                 | <div>Calculate</div>  |              |              |              |
| 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                 | 1,350    |                |              |
| Family Deductible   |              | 11,000                | 2,700    |                |              |
| Individual Out-of-Pocket  |              | 6,750                 | 1,350    |                |              |
| Family Out-of-Pocket  |              | 13,500                | 2,700    |                |              |
| Coinsurance (50% or Less)   |              | 48%                   | 46%      |                |              |
| Individual Embedded Moop:   |              | 8,200                 |          |                |              |
|   |              | Costs that Accumulate |          |                |              |
|   |              |                       | OOP      |                |              |
|   |              | Deductible            | Medical  | Rx             | Deductible / |
|   |              |                       |          |                | OOP Type     |
| Settings  | Medical & Rx | Medical & Rx          | Rx Only  | Aggregate Plus | 6            |
| <div style="border: 1px solid black; background-color: #4a86e8; color: white; padding: 10px 20px; display: inline-block; border-radius: 5px;">Calculate</div> |              |                       |          |                |              |
| Results   |              |                       |          |                |              |
|   |              | Medical               | Rx       | Total          |              |
| Allowed PMPM  |              | \$448.95              | \$107.65 | \$556.60       |              |
| Plan PMPM   |              | \$262.72              | \$79.36  | \$342.08       |              |
| Actuarial Value   |              | 58.5%                 | 73.7%    | 61.46%         |              |

### 3. Silver Deductible

AV from AVC = 70.7%

#### Adjustments

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

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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                       | \$3,200.00 | \$350.00 |                            |      |          |
| Coinsurance (%; Insurer's Cost Share) | 50.00%     | 50.00%   |                            |      |          |
| MOOP (\$)                             | \$7,900.00 |          |                            |      |          |
| MOOP if Separate (\$)                 |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$80.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$80.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**Options for Additional Benefit Design Limits:**

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

**Plan Description:**

Name: 2020 Silver Deductible Plan

Plan HIOS ID:

Issuer HIOS ID:

**Output**

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Draft 2020 AV Calculator

Calculation Successful.  
70.74%  
Silver  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.  
0.1211 seconds



### 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   | Medical      | Rx           | Deductible / |
|  |              |              |              |              | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Medical & Rx | Medical & Rx | Stacked      |
| <div>Calculate</div>   |              |              |              |              |              |
| 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   | Medical | Rx       | Deductible / |
|  |              |              |         |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Rx Only | Stacked  | 2            |
| <div>Calculate</div>   |              |              |         |          |              |
| 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 = 61.0%

#### Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments =  $61.63\%/60.68\% = 1.016 \times .610 = 61.9\%$

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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 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 (\$)                             | \$8,200.00 |            |
| MOOP if Separate (\$)                 |            |            |

**Tier 2 Plan Benefit Design**

| Medical | Drug | Combined |
|---------|------|----------|
|         |      |          |
|         |      |          |
|         |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$90.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$90.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$20.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$85.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**Options for Additional Benefit Design Limits:**

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

**Plan Description:**  
Name: 2020 Bronze Deductible Plan - with Rx Limit  
Plan HIOS ID:  
Issuer HIOS ID:

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:  
Additional Notes:  
Calculation Time:  
Draft 2020 AV Calculator

Calculation Successful.  
60.98%  
Bronze  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.  
0.0781 seconds

#### 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   |              | 8,200        | 8,200        |              |              |
| Family Out-of-Pocket   |              | 16,400       | 16,400       |              |              |
| Coinsurance (50% or Less)  |              | 47%          | 43%          |              |              |
| Individual Embedded Moop:  |              | 8,200        |              |              |              |
| Costs that Accumulate  |              |              |              |              |              |
|  |              |              | OOP          |              | Deductible / |
|  |              | Deductible   | Medical      | Rx           | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Medical & Rx | Medical & Rx | Stacked      |
| <div>Calculate</div>   |              |              |              |              |              |
| Results  |              |              |              |              |              |
|  |              | Medical      | Rx           | Total        |              |
| Allowed PMPM   |              | \$448.26     | \$107.48     | \$555.74     |              |
| Plan PMPM  |              | \$259.26     | \$77.97      | \$337.23     |              |
| Actuarial Value  |              | 57.8%        | 72.5%        | 60.68%       |              |

#### 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   |              | 8,200                 | 1,350    |          |              |
| Family Out-of-Pocket   |              | 16,400                | 2,700    |          |              |
| Coinsurance (50% or Less)  |              | 47%                   | 43%      |          |              |
| Individual Embedded Moop:  |              | 8,200                 |          |          |              |
|  |              | Costs that Accumulate |          |          |              |
|  |              |                       | OOP      |          |              |
|  |              | Deductible            | Medical  | Rx       | Deductible / |
|  |              |                       |          |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx          | Rx Only  | Stacked  | 2            |
|  |              |                       |          |          |              |
|  |              | Calculate             |          |          |              |
|  |              |                       |          |          |              |
| Results  |              |                       |          |          |              |
|  |              | Medical               | Rx       | Total    |              |
| Allowed PMPM   |              | \$448.26              | \$107.48 | \$555.74 |              |
| Plan PMPM  |              | \$255.02              | \$87.49  | \$342.52 |              |
| Actuarial Value  |              | 56.9%                 | 81.4%    | 61.63%   |              |

## 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design           |      |            |
|--------------------------------------|------|------------|
| Medical                              | Drug | Combined   |
| Deductible (\$)                      |      | \$1,700.00 |
| Coinsurance (% Insurer's Cost Share) |      | 75.00%     |
| MOOP (\$)                            |      | \$5,000.00 |
| MOOP if Separate (\$)                |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

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

Name:  
 Plan HIOS ID:  
 Issuer HIOS ID:

#### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Draft 2020 AV Calculator

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
 75.61%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

0.2227 seconds

## 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:  |                 | 8,200                 |              |              |              |
|  |                 | Costs that Accumulate |              |              |              |
|  |                 |                       | OOP          |              | Deductible / |
|  |                 | Deductible            | Medical      | Rx           | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 |                       |              |              | 5            |
|  |                 | <div>Calculate</div>  |              |              |              |
| 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        | 1,350    |                |                       |
| Family Deductible  |              | 3,400        | 2,700    |                |                       |
| Individual Out-of-Pocket   |              | 5,000        | 1,350    |                |                       |
| Family Out-of-Pocket   |              | 10,000       | 2,700    |                |                       |
| Coinsurance (50% or Less)  |              | 23%          | 28%      |                |                       |
| Individual Embedded Moop:  |              | 8,200        |          |                |                       |
| Costs that Accumulate  |              |              |          |                |                       |
|  |              |              | OOP      |                |                       |
|  |              | Deductible   | Medical  | Rx             | Deductible / OOP Type |
| Settings   | Medical & Rx | Medical & Rx | Rx Only  | Aggregate Plus | 6                     |
| <div>Calculate</div>   |              |              |          |                |                       |
| Results  |              |              |          |                |                       |
|  |              | Medical      | Rx       | Total          |                       |
| Allowed PMPM   |              | \$419.39     | \$100.56 | \$519.95       |                       |
| Plan PMPM  |              | \$302.06     | \$79.70  | \$381.76       |                       |
| Actuarial Value  |              | 72.0%        | 79.3%    | 73.42%         |                       |



## 6. Silver HDHP – Embedded MOOP CSR – 77%

AV from AVC = 79.4%

Adjusted AV = 77.4%

### 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: Gold

| HSA/HRA Options                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design             |      |            |
|--|------|------------|
| Medical                                | Drug | Combined   |
| Deductible (\$)                        |      | \$1,450.00 |
| Coinsurance (% , Insurer's Cost Share) |      | 75.00%     |
| MOOP (\$)                              |      | \$3,400.00 |
| MOOP if Separate (\$)                  |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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

#### 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 HDHP Plan  
 CSR Variations -  
 200-250% FPL  
 (77% AV)  
**Name:**  
**Plan HIOS ID:**  
**Issuer HIOS ID:**

#### Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Draft 2020 AV Calculator

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
79.45%

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

0.1562 seconds

## 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:  |                 | 8,200                 |              |              |              |
|  |                 | Costs that Accumulate |              |              |              |
|  |                 |                       | OOP          |              | Deductible / |
|  |                 | Deductible            | Medical      | Rx           | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx          | Medical & Rx | Medical & Rx | Stacked      |
|  |                 |                       |              |              |              |
|  |                 | 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                 | 1,350    |                |              |
| Family Deductible  |              | 2,900                 | 2,700    |                |              |
| Individual Out-of-Pocket   |              | 3,400                 | 1,350    |                |              |
| Family Out-of-Pocket   |              | 6,800                 | 2,700    |                |              |
| Coinsurance (50% or Less)  |              | 23%                   | 26%      |                |              |
| 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            |
| <div>Calculate</div>   |              |                       |          |                |              |
| Results  |              |                       |          |                |              |
|  |              | Medical               | Rx       | Total          |              |
| Allowed PMPM   |              | \$434.86              | \$104.27 | \$539.13       |              |
| Plan PMPM  |              | \$333.19              | \$83.83  | \$417.02       |              |
| Actuarial Value  |              | 76.6%                 | 80.4%    | 77.35%         |              |

## 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                |                          | Tiered Network Option |                          |
|--------------------------------|--------------------------|-----------------------|--------------------------|
| HSA/HRA Employer Contribution? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

**Tier 1 Plan Benefit Design**

| Medical                              | Drug | Combined   |
|--------------------------------------|------|------------|
| Deductible (\$)                      |      | \$1,250.00 |
| Coinsurance (% Insurer's Cost Share) |      | 100.00%    |
| MOOP (\$)                            |      | \$1,250.00 |
| MOOP if Separate (\$)                |      |            |

**Tier 2 Plan Benefit Design**

| Medical | Drug | Combined |
|---------|------|----------|
|         |      |          |
|         |      |          |
|         |      |          |

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

**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 HDHP Plan  
CSR Variations -  
150-200% FPL  
(87% AV)  
**Name:**  
**Plan HIOS ID:**  
**Issuer HIOS ID:**

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:  
Additional Notes:  
Calculation Time:  
Draft 2020 AV Calculator

CSR Level of 87% (150-200% FPL), Calculation Successful.  
87.68%  
Gold  
0.1328 seconds

## 7. Silver HDHP – Embedded MOOP CSR – 87%, Continued

### HDHP Model – Normalization:

| Inputs  |              |                       |              |              |          |
|---|--------------|-----------------------|--------------|--------------|----------|
| <i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i> |              |                       |              |              |          |
| <i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>   |              |                       |              |              |          |
| <i>Note that the model run-time will vary based on the computers processing speed.</i>                              |              |                       |              |              |          |
| <i>A message box will appear to indicate that the calculations are done.</i>  |              |                       |              |              |          |
|   |              |                       |              |              |          |
|   |              | 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 |
|  |  | <div>Calculate</div>  |              |          |                |
| 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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                |                            |      |          |  |                            |      |          |

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

#### Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # 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:

Actuarial Value:

Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.

94.04%

Platinum

Additional Notes:

Calculation Time:

0.1016 seconds

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## 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 | Medical & Rx | Stacked      | 5 |
| <div>Calculate</div>   |              |              |              |              |              |   |
| 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        |
| <div>Calculate</div>   |              |              |          |                |          |
| 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 = 73.13%

### Adjustments

- HDHP Model with drug adjustments / HDHP Model without drug adjustments =  $67.87\%/67.13\% = 1.011 \times 73.13\% = 73.9\%$

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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| 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 (\$)                      | \$3,000.00 | \$350.00 |                            |      |          |
| Coinsurance (% Insurer's Cost Share) | 50.00%     | 50.00%   |                            |      |          |
| MOOP (\$)                            | \$6,550.00 |          |                            |      |          |
| MOOP if Separate (\$)                |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1 / Tier 2                      |                              |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$70.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$70.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$45.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$12.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

**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  
(73% AV)

**Name:** \_\_\_\_\_  
**Plan HIOS ID:** \_\_\_\_\_  
**Issuer HIOS ID:** \_\_\_\_\_

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:

CSR Level of 73% (200-250% FPL), Calculation Successful.  
73.13%  
Silver  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.

Additional Notes:

Calculation Time: 0.0938 seconds

Draft 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  |              | 3,000        | 350          |              |              |   |
| Family Deductible  |              | 6,000        | 700          |              |              |   |
| Individual Out-of-Pocket   |              | 6,550        | 6,550        |              |              |   |
| Family Out-of-Pocket   |              | 13,100       | 13,100       |              |              |   |
| Coinsurance (50% or Less)  |              | 43%          | 32%          |              |              |   |
| Individual Embedded Moop:  |              | 8,200        |              |              |              |   |
| Costs that Accumulate  |              |              |              |              |              |   |
|  |              |              | OOP          |              | Deductible / |   |
|  |              | Deductible   | Medical      | Rx           | OOP Type     |   |
| Settings   | Medical & Rx | Medical & Rx | Medical & Rx | Medical & Rx | Stacked      | 5 |
| <div>Calculate</div>   |              |              |              |              |              |   |
| Results  |              |              |              |              |              |   |
|  |              | Medical      | Rx           | Total        |              |   |
| Allowed PMPM   |              | \$419.39     | \$100.56     | \$519.95     |              |   |
| Plan PMPM  |              | \$270.09     | \$78.94      | \$349.02     |              |   |
| Actuarial Value  |              | 64.4%        | 78.5%        | 67.13%       |              |   |

## 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  |                 | 3,000                 | 350          |          |              |
| Family Deductible  |                 | 6,000                 | 700          |          |              |
| Individual Out-of-Pocket   |                 | 6,550                 | 1,200        |          |              |
| Family Out-of-Pocket   |                 | 13,100                | 2,400        |          |              |
| Coinsurance (50% or Less)  |                 | 43%                   | 32%          |          |              |
| Individual Embedded Moop:  |                 | 8,200                 |              |          |              |
|  |                 | Costs that Accumulate |              |          |              |
|  |                 |                       | OOP          |          |              |
|  |                 | Deductible            | Medical      | Rx       | Deductible / |
|  | Settings        | Medical & Rx          | Medical & Rx | Rx Only  | OOP Type     |
|  |                 |                       |              |          | Stacked      |
|  |                 | <div>Calculate</div>  |              |          |              |
| Results  |                 |                       |              |          |              |
|  |                 | Medical               | Rx           | Total    |              |
|  | Allowed PMPM    | \$418.00              | \$100.23     | \$518.23 |              |
|  | Plan PMPM       | \$266.09              | \$85.65      | \$351.74 |              |
|  | Actuarial Value | 63.7%                 | 85.5%        | 67.87%   |              |

## 10. Silver Deductible CSR – 77%

AV from AVC = 77.3%

### Adjustments

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

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? | <input type="checkbox"/> | Tiered Network Plan?  | <input type="checkbox"/> |
| Annual Contribution Amount:    | \$0.00                   | 1st Tier Utilization: | 100%                     |
|                                |                          | 2nd Tier Utilization: | 0%                       |

| Tier 1 Plan Benefit Design           |            |          |
|--------------------------------------|------------|----------|
| 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 (\$)                |            |          |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$25.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$25.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$35.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$12.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$60.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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 - 200-  
250% FPL (77%  
AV)

**Name:** \_\_\_\_\_  
**Plan HIOS ID:** \_\_\_\_\_  
**Issuer HIOS ID:** \_\_\_\_\_

**Output**

Calculate

Status/Error Messages: Error: Result is outside of +/- 1 percent de minimis variation for CSRs.  
77.32%

Actuarial Value: 77.32%

Metal Tier: Silver

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   | Medical      | Rx           | Deductible / |
|  |                           |              |              |              | OOP Type     |
|  | Settings                  | Medical & Rx | Medical & Rx | Medical & Rx | Stacked      |
| <div>Calculate</div>   |                           |              |              |              |              |
| 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   | Medical  | Rx       | Deductible / |
|  |              |              |          |          | OOP Type     |
| Settings   | Medical & Rx | Medical & Rx | Rx Only  | Stacked  | 2            |
| <div>Calculate</div>   |              |              |          |          |              |
| 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 =  $85.25\%/85.06\% = 1.002 \times .878 = 88.0\%$

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

| 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 (\$)                |            |          |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                       |                              |                           |                    | Tier 1                               |                              | Tier 2 |  |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|------------------------------|------------------------------|---------------------------|--------------------|--------------------------------------|------------------------------|--------|--|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |        |  |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$250.00           | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$30.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$30.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |        |  |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$10.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$50.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |        |  |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |        |  |

**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 - 150  
200% FPL  
(87% AV)

**Name:**

**Plan HIOS ID:**

**Issuer HIOS ID:**

**Output**

Status/Error Messages:

Actuarial Value: 87.76%

Metal Tier: Gold

Additional Notes:

Calculation Time: 0.0898 seconds

Draft 2020 AV Calculator

CSR Level of 87% (150-200% FPL), Calculation Successful.

NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.



### 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   | Medical      | Rx           | Deductible / |
|  |                 |              |              |              | OOP Type     |
| Settings   | Medical & Rx    | Medical & Rx | Medical & Rx | Medical & Rx | Stacked      |
| <div>Calculate</div>   |                 |              |              |              |              |
| 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      |
|  |                 | <div>Calculate</div>  |              |          |              |
| 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

**Tier 1 Plan Benefit Design**

| Medical                              | Drug     | Combined |
|--------------------------------------|----------|----------|
| Deductible (\$)                      | \$200.00 | \$0.00   |
| Coinurance (%; Insurer's Cost Share) | 90.00%   | 70.00%   |
| MOOP (\$)                            | \$900.00 |          |
| MOOP if Separate (\$)                |          |          |

**Tier 2 Plan Benefit Design**

| Medical | Drug | Combined |
|---------|------|----------|
|         |      |          |
|         |      |          |
|         |      |          |
|         |      |          |

**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%

[Click Here for Important Instructions](#)

| Type of Benefit  | Tier 1                              |                                     |                          |                    | Tier 2                       |                              |                          |                    | Tier 1                               | Tier 2                       |
|--|-------------------------------------|-------------------------------------|--------------------------|--------------------|------------------------------|------------------------------|--------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinurance, if different | Copay, if separate | Subject to Deductible?       | Subject to Coinsurance?      | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                          |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          | \$75.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          | \$15.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$7.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                     | \$0.00             | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                     | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                          |                    | <input type="checkbox"/> All | <input type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$5.00             | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$20.00            | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |                    | <input type="checkbox"/>     | <input type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

**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/Coinurance After a Set Number of Copays? ☐  
# Copays (1-10):

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

**Output**

Status/Error Messages:  
Actuarial Value:  
Metal Tier:  
Additional Notes:  
Calculation Time:  
Draft 2020 AV Calculator

CSR Level of 94% (100-150% FPL), Calculation Successful.  
94.84%  
Platinum  
NOTE: Office-visit-specific cost-sharing is applying to x-rays in office settings.  
0.0938 seconds

## 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 | 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            |
| <div style="border: 1px solid black; background-color: #4a7ebb; color: white; padding: 10px 40px; display: inline-block; border-radius: 5px;">Calculate</div> |                 |                       |          |          |              |
| 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%   |              |