

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross and Blue Shield of Vermont)	GMCB-002-23rr
2024 Individual Market Rate Filing)	
)	SERFF No. BCVT-133654578
)	
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In re: Blue Cross and Blue Shield of Vermont)	GMCB-003-23rr
2024 Small Group Market Rate Filing)	
)	SERFF No.: BCVT-133654592
)	

Dear Mr. Donofrio and Ms. Asay,

The Green Mountain Care Board (GMCB) hereby requests that Blue Cross and Blue Shield of Vermont (BCBSVT) provide the following information to assist with the Board’s review of the above-referenced filings. Please provide responses to all questions by July 27, 2023.

1. Review current CDC data regarding the prevalence of COVID-19 and BCBSVT’s 2023 experience and explain how they support an assumption that BCBVT’s direct COVID-19 costs in 2024 will mirror 2022.
2. What are the ranges of actuarially reasonable medical and Rx trends calculated by BCBSVT for these filings?
3. Decompose the drop in BCBSVT’s RBC ratio over the past three years and quantify the positive and negative impacts of the various components for each year (e.g., investment gains/losses, Medicare Advantage, large group, small group, individual, and ASO).
4. Quantify the impact of BCBSVT’s Medicare Advantage business on the change in its RBC ratio from 2021 to 2022 and explain what BCBSVT’s expectations are regarding future profits or contributions to reserve from this business.
5. Provide a table showing the cumulative and annual increase in BCBSVT’s individual and small group rates over the past five years.
6. Describe the amount and timing of BCBSVT’s investments in CivicaRx. What was BCBSVT’s expected timeline for returns on these investments at the time they were made compared to now?
7. Specify the percentage of specialty drugs BCBSVT expects to not receive a rebate on in 2024 as a result of the drugs being purchased through the 340B program, as well as the total dollar value of the rebates.

8. Update the table on page 5 of Exhibit 12 to show the number of members currently attributed to existing programs (e.g., VBIC, former ACO providers), and the number of members expected to be attributed to existing program(s) in 2024. In addition, update the table to include the number of members anticipated to be attributed to the new payment reform program for community providers.
9. What was included in the 2023 rates for payment reform programs and how were these dollars distributed between each program? Of this amount, how much is included in 2024 rates and what is the additional amount included in 2024 rates?
10. What magnitude of cost savings or cost avoidance does BCBSVT expect to see from the proposed affiliation with BCBSVT of Michigan and on what timeline?
11. What percentage of members in each market currently has an established relationship with a primary care provider? What rate does BCBSVT target for this metric?
12. Provide additional detail regarding negotiations with Vermont hospitals and the role of Board-approved limits on net patient revenues, changes in charge, and commercial effective rates. What can the Board do to ensure that its hospital budget decisions are implemented through negotiations with hospitals as the Board intended?
13. In BCBSVT's experience, do hospitals target rate increases to certain service types (e.g., inpatient vs. outpatient) in a way that is consistent or inconsistent with their budget submissions? Do hospitals target rate increases to certain service lines (e.g., orthopedics) or apply them across the board?
14. How does BCBS determine "high value" and "low value" care? Please share the methodology and results of any analysis that assesses providers on quality and cost.

Dated: July 21, 2023.

Sincerely,

s/ Michael Barber

Michael Barber

General Counsel, Green Mountain Care Board

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