

**BLUE CROSS BLUE SHIELD OF VERMONT
2024 LARGE GROUP UNIT COST TREND FILING
PLAIN LANGUAGE SUMMARY**

Our commitment. For more than 40 years, our nonprofit health plan has had a simple, powerful mission: make healthcare work better for all Vermonters.

Rate request summary. Blue Cross and Blue Shield of Vermont (Blue Cross VT) calculates large group premiums on a case-by-case basis. The rating process uses a formula that blends recent claims experience for each large group with a manual rate. This filing updates the medical trend factors and manual rate that will be used to create large group renewals.

- There are an estimated 3,300 contracts (5,800 members) currently enrolled in one of 40 Blue Cross VT large group plans that will be affected by this filing.
- The factors in this filing will increase premium 2.8 percent for a group that is manually-rated using none of its own experience data.

Reasons for the change in factors. The only changes to this filing are to incorporate the expected increases for Vermont and New Hampshire hospitals in the next round of cost increases and to update how historical utilization trends are applied. Specifically:

- Blue Cross VT is proposing a paid trend of 11.7 percent for medical claims, which includes hospital unit cost increases and anticipated changes in the use of services.
- The higher paid trend factors results in a manual rate increase of 2.8 percent.

Our efforts to reduce premium increases. We know that paying for health insurance is a struggle for many, and we strive to keep premiums as low as possible. The proposed factors reflect our efforts to reduce rate increases, which included the launch of Vermont Blue Rx, an innovative prescription drug benefit service that will improve the consumer experience, drive better health outcomes and lower costs for members, providers, and employers.

Our experience in this market. Over the past five years, Blue Cross VT has lost almost \$25 million on this line of business.

Public comment. Members of the public can submit comments to the Green Mountain Care Board about this rate request. For more information, please visit the Board's Public Comment page: https://ratereview.vermont.gov/public_comment