

May 23, 2023

Martine Brisson-Lemieux
Blue Cross and Blue Shield of Vermont
PO Box 186
Montpelier, VT 05601

Re: Blue Cross and Blue Shield of Vermont
2024 Vermont Exchange Rate Filing – Individual
SERFF Tracking #: BCVT-133654578
Objection #1

Dear Ms. Brisson-Lemieux:

Thank you for your previous responses. The following additional information is required for this filing.

Questions:

1. Please provide the monthly 2022 and 2023 YTD allowed PMPM for COVID-related claims.
2. We note the percentage of claims recovered as part of BCBSVT's fraud, waste, and abuse program has increased steadily over the last several years before leveling off in 2022. Does the Company anticipate any additional measures will be put into place in 2023 or 2024?
3. Regarding the generic cost trend, BCBSVT stated in their 2023 filing, "The rolling annual trends have been between 2.1 and 3.0 percent for the last thirteen 12-month periods." This year's filing states, "The rolling annual trends have been between 3.6 and 4.0 percent for the last eleven 12-month periods." Please reconcile these statements.
4. Please confirm the calculation of the credit card fees as a percent of premium are only calculated on the member portion of the premium.
5. Please clarify whether the amount paid for pharmaceuticals processed through the medical benefit are affected by hospital budget increases.
6. Explain how the recently announced agreement with BCBS of Michigan is expected to impact the RBC position of BCBSVT. Will the agreement include any sort of capital guarantee from the affiliate?
7. Explain how the recently announced agreement with BCBS of Michigan is expected to impact the projected 2024 administrative costs.

To ensure that the review of your filing is completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than May 30, 2023.

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

Sincerely,

Kevin Rugeberg, FSA, MAAA
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