

June 13, 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 #3

Dear Ms. Brisson-Lemieux:

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

Questions:

1. Since the filing was submitted, L&E has used information from both carriers to project final 2022 risk adjustment transfers. What is the rating impact of this updated projection?
2. Provide more detail regarding the assumed CY2023 hospital unit cost increases in any cases where they differ from the approved effective commercial rates.
3. Provide a decomposition of the "Other" factor on URRT Worksheet 1.
4. Last year's filing indicated that "it is impractical to react to enrollment shifts by immediately right-sizing staff", implying that the variable costs BCBSVT was incurring could support a higher volume of enrollment than BCBSVT actually had enrolled. However, the administrative cost projection in this filing assumes that the entire increase to enrollment from 2022 to 2024 will translate directly to proportional increases to variable costs. Please explain.

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 June 20, 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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