STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re:	Blue Cross and Blue Shield of Vermont 2025 Small Group Market Rate Filing	))))	GMCB-003-24rr SERFF No. BCVT-133654578
In re:	Blue Cross and Blue Shield of Vermont 2025 Individual Market Rate Filing	))))	GMCB-004-24rr SERFF No. BCVT-133654592

Dear Ms. Asay and Mr. Donofrio,

The Green Mountain Care Board 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 12, 2024.

1. Provide BCBSVT's Supplemental Health Care Exhibit and Annual Statement Key Pages for 2023.

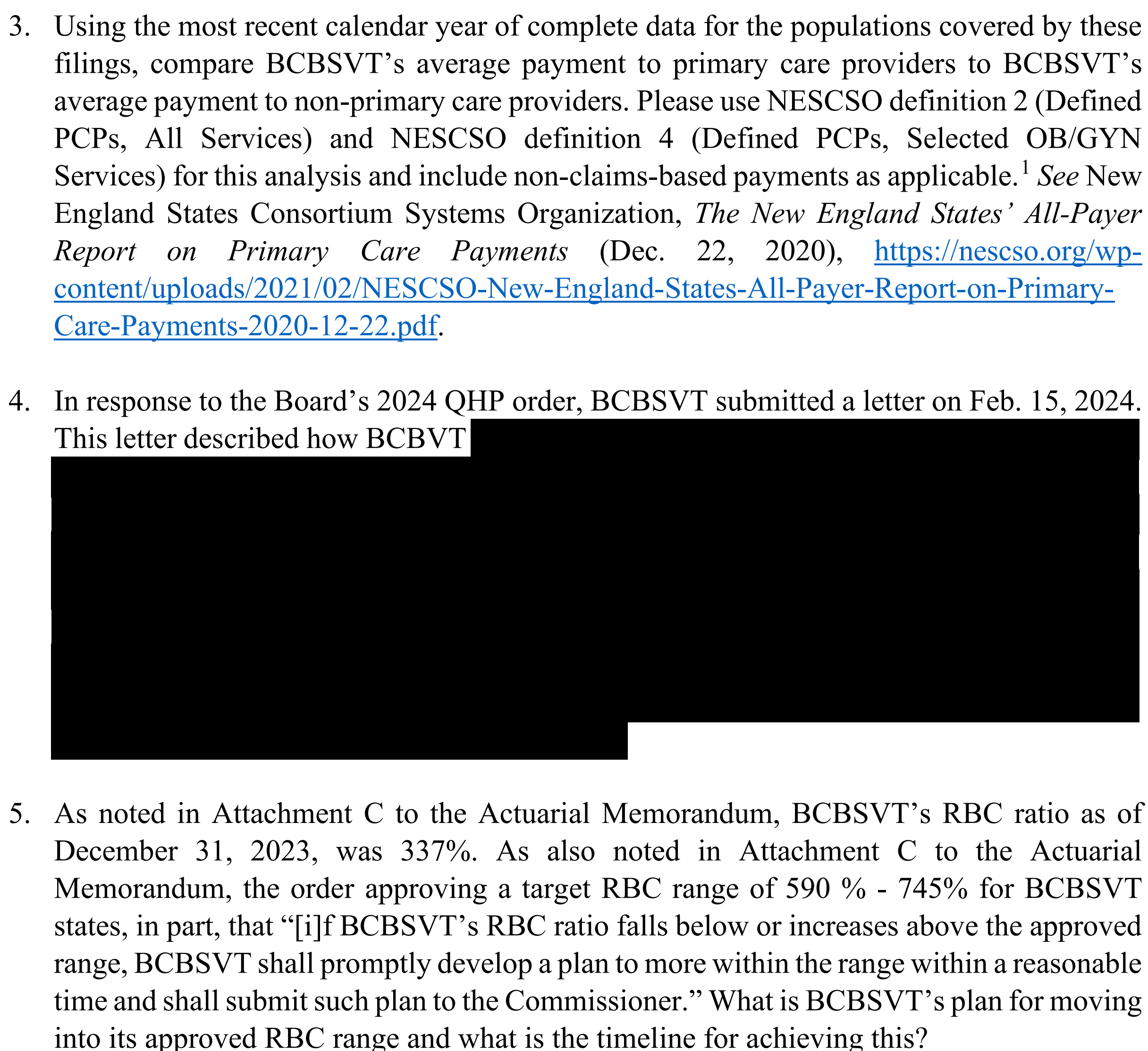
2. For the most recent year for which data are available (please specify), provide the dollar value of payments and the percentages of payments made by BCBSVT under each alternative payment model category below across BCBSVT's individual and small group plans and identify the relevant program or payment arrangement(s).

(YEAR)			
HCP-LAN Category	**Program or Payment Arrangement(s)**	**$ value**	**% of total**
Category 1: FFS-No link to Quality and Value			
1: FFS-No link to Quality & Value			
Category 2: FFS-Link to Quality and Value			
2A: Foundational payments for infrastructure & operations			
2B: Pay for reporting			
2C: Pay for performance			
Category 3: APMs Built on FFS Architecture			
3A: APMs with shared savings			
3B: APMs with shared savings and downside risk			
3N: Risk based payments NOT linked to quality			

Category 4: Population-Based Payment			
4A: Condition-specific population-based payment			
CU4B: Comprehensive population-based payment			
4B with reconciliation to FFS and ultimate accountability for TCOC			
4B with NO reconciliation to FFS			
4C: Integrated finance & delivery system			
4N: Capitated payments NOT linked to quality			

3. Using the most recent calendar year of complete data for the populations covered by these filings, compare BCBSVT's average payment to primary care providers to BCBSVT's average payment to non-primary care providers. Please use NESCSO definition 2 (Defined PCPs, All Services) and NESCSO definition 4 (Defined PCPs, Selected OB/GYN Services) for this analysis and include non-claims-based payments as applicable.[1] *See* New England States Consortium Systems Organization, *The New England States' All-Payer Report on Primary Care Payments* (Dec. 22, 2020), https://nescso.org/wp-content/uploads/2021/02/NESCSO-New-England-States-All-Payer-Report-on-Primary-Care-Payments-2020-12-22.pdf.

4. In response to the Board's 2024 QHP order, BCBSVT submitted a letter on Feb. 15, 2024. This letter described how BCBVT



5. As noted in Attachment C to the Actuarial Memorandum, BCBSVT's RBC ratio as of December 31, 2023, was 337%. As also noted in Attachment C to the Actuarial Memorandum, the order approving a target RBC range of 590 % - 745% for BCBSVT states, in part, that "[i]f BCBSVT's RBC ratio falls below or increases above the approved range, BCBSVT shall promptly develop a plan to more within the range within a reasonable time and shall submit such plan to the Commissioner." What is BCBSVT's plan for moving into its approved RBC range and what is the timeline for achieving this?

[1] Please note that this is not a request for the percentage of total claims expenditures attributable to primary care. If BCBSVT wishes to provide this analysis too, it would be welcome.

6. In a table format, show how the projected contribution to surplus from each filing and BCBSVT's projected RBC ratio at the end of 2025 would be impacted if the rates were reduced by 1%, 2%, 3%, 4%, and 5% (assuming no corresponding decrease in costs).

7. RAND recently released Round 5 of its Hospital Price Transparency Study. *See* RAND, Hospital Price Transparency Study Round 5, https://www.rand.org/health-care/projects/hospital-pricing/round5.html. The data shows Vermont being above the national benchmark on several metrics, such as outpatient facility plus physician price and total facility plus physician price. The accompanying research report also shows that Vermont had the highest State-Level Hospital-Administered Commercial Drug Price Relative to ASP of any state. *See* Christopher M. Waley, Rose Kerber, Daniel Wang, Aaron Kofner, and Brian Briscombe, Prices Paid to Hospitals by Private Health Plans: Findings from Round 5 of an Employer-Led Transparency Initiative, 22. Describe how BCBSVT interprets these findings and whether they are consistent with or vary from any similar analyses or studies BCBSVT has done or accessed. Describe how BCBSVT can leverage information in this study.

8. In the letter described in Q.4 above, BCBSVT [redacted] Explain in detail how charge increases get applied within these categories. Is it completely up to the hospital? Is it a matter that is or can be negotiated? Has BCBSVT observed any patters or trends related to how charge increases are applied at the service level?

9. Has BCBSVT seen a decrease in the number of mental health counselors that participate in BCBSVT's network in recent years? If so, please explain. As support for BCBSVT's response, provide the numbers of in-network mental health counselors for the past three years.

Sincerely,

s/ *Michael Barber*

Michael Barber
General Counsel, Green Mountain Care Board
(802) 828-1741
michael.barber@vermont.gov