

# Strategic Solutions Group (SSG) Report

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Prepared for the Senate Health and Welfare Committee  
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*Presented by*

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**We'll see you through.**



**BlueCross BlueShield  
of Vermont**

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# BCBSVT Statutory Role

- JFO and SSG solicited BCBSVT input and perspective, as required by the statute.
- SSG held three sessions with key BCBSVT leaders:
  - BCBSVT participants had broad operational, systems and financial experience.
  - Most have been actively involved with VHC since the original implementation.
- Primary areas of SSG inquiry:
  - Current functioning of the system - in particular enrollment, billing, data exchange; reconciliation.
  - How does VHC function in relation to our “other business”?
  - How are customers impacted by current state of VHC?

# BCBSVT Perspective and Observations

The conclusions and recommendations within the Executive Summary are not fully supported by the actual content of the report.

- There are significant risks associated with SSG’s recommendation that “*the most feasible and cost-effective path for long-term sustainability is to continue to enhance the current VHC system*”.
- These risks are well-described within the body of the report, and should be given serious consideration.

# Section 1: VHC Operational Readiness

We support SSG's conclusions within Section 1:

- *“Although VHC is technically operating, it is doing so with significant deficiencies...Urgent work must be done to address these significant deficiencies.”*
- *“The VHC system lacks automated functionality commonly used to ensure data integrity within systems...and represents a real and urgent threat to accurately servicing the constituents of Vermont.”*

## Section 2 - Long-term Feasibility

We support SSG's conclusion in Section 2:

*“While there has been marked progress, there remain significant deficiencies in needed functionality that make the current VHC system not sustainable or operationally cost effective.”*

# Section 3 - Alternatives to VHC

- We believe that SSG presents a reasonable analysis of each of 7 alternatives.
- However, we have concerns that State will be able to overcome the risks associated with the recommended alternative. As SSG has observed:

*“The next stage of the VHC/Integrated Eligibility (VHC/IE) program enhancements will be as challenging as the previous work over the last 3 years.”*

*“The more extensive scope...and the compressed time frame for completion add new levels of complexity and risk.”*

*“The program resources and inadequate governance model that was in place over the last 3 years will need to be addressed to meet the demanding requirements for the work to be performed”.*

*“This endeavor has extremely high risk given that Vermont does not currently have all the necessary staff resources or expertise that can immediately be assigned on a full time basis to support a program of this size.”*

# BCBSVT Perspective

- Action must be taken to resolve VHC issues affecting Vermonters within the commercial market.
  - We cannot allow uncertainties in Washington to divert us from initiating solutions to longstanding problems.
- We support an evaluation of the various component parts of VHC to identify those which can be successfully fixed, and those which should be replaced.
- The risks associated with SSG's recommendation should not be minimized, and alternative(s) with higher likelihood for success should be considered.