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Blue Cross and Blue Shield of Vermont (Blue Cross VT) would like to propose the following amendments to H.80 Section 1 changing the way that the Office of the Health Care asks questions of the health insurance plans during the rate review process.

Background

During the rate review process, the Office of the Health Care Advocate, the Green Mountain Care Board and the Board's consulting actuaries all have the opportunity to ask questions in advance of the rate hearing. Usually, the health plan has approximately 2 weeks to respond to these questions, which may overlap. This is a time of extremely intense work for the rate review team at Blue Cross VT, and staff at the GMCB, HCA, and consulting actuaries working on the rate filing. The current process has the HCA submit their questions to the GMCB and then the Board determines which questions to forward to the health plan. While we do not have direct insight into how the Board determines which questions to forward, we assume part of the process is to reduce duplicative questions and narrow the focus to issues directly related to approval of the filing.

In the past, (see examples), some of the questions have been outside of the scope of the rate hearing, extraordinarily time consuming to provide the information, or speculative in nature and well beyond the scope of normal actuarial projections. In recent years, the questions have been more focused and less time consuming to address. We ask that the language proposed be modified (yellow highlighted suggestions) to add guardrails that we believe reflect current practice.

Requested change

H.80 Office of the Health Care Advocate

Sec. 1. 8 V.S.A. § 4062

(3)(A) In addition to the public comment provisions set forth in this subsection (c), the Office of the Health Care Advocate established in 18 V.S.A. chapter 229, acting on behalf of health insurance consumers in this State, may, within 30 calendar days after the Board receives an insurer's rate request pursuant to this section, submit to the Board, in writing, ~~suggested~~ reasonable questions ~~regarding~~ directly related to the filing ~~for~~ that the Board ~~to provide to~~ shall ask the insurer, either directly or through its contracting actuary, if any.

Example questions

These were the Health Care Advocate rate review questions from 2017 with 35 questions and approximately 52 sub-questions:

https://ratereview.vermont.gov/sites/dfr/files/2017/GMCB%2008-17rr_HCA%20Suggested%20Questions%20for%20BCBSVT.pdf

In addition to the lengthy list of questions, these three questions in particular, we felt were egregious, time consuming and not relevant to the decision before the Green Mountain Care Board.

- incorporate recent trends towards long-term birth control methods into your utilization projects in that this is likely to decrease unintended pregnancies

Note: Actuarial projections about population changes do not include this type of intensely detailed and politically charged assumptions.

- provide whether every employee was getting the same salary increase and provide the last 3 years of inflationary and merit increase percent by salary decile

The level of detail requested in this question about the salary and merit increases for over 400 Blue Cross VT is excessive and not directly related to the rate filing. Our filings include all of the information about administrative costs that impact rates. We include the overall salary and merit increase costs to the health plan and we provide in the Act 152 filing with the Department of Financial Regulation detailed information about executive level compensation.

- perform a study about costs being driven by changes in services moving between provider types

There is not time in the middle of the rate review process to perform detailed and time-consuming studies of this type about the changes made by providers and that may not provide information that is useful for determining the appropriate premium rates.

Summary

Thank you for considering our concerns. We hope to work with the Office of the Health Care Advocate, the Green Mountain Care Board and other interested stakeholders to modify the language to achieve our collective goals without creating a complex process.