Rate Review RFP Questions and Answers

1. Are major medical health insurance rate filings submitted and reviewed for all market segments in VT (Individual, Small Group and Large Group?)

Major medical insurance filings are submitted for all three markets. The large group filings are treated differently than the individual and small group filings in that the approved rate is then combined with the experience of a given large group.

2. Is this RFP meant to include just the Individual & Small Group segments or also the Large Group segment?

This RFP is meant to include all filings the Board reviews, which includes Individual, Small and Large Group.

3. How many major medical health insurance rate filings are typically submitted each quarter for each market segment in VT?

The carriers are on a schedule where most filings are done twice a year for two quarters at a time. We anticipate approximately 80 filings each year, but this may change as new products are offered for the Health Benefits Exchange.

4. Could you please provide some background on the size and professional experience of the GMCB staff? For example, are there actuaries part of the GMCB staff?

The GMCB has a staff of 16. The staff includes health policy analysts, lawyers, financial analysts, but does not include actuaries. We do have an actuarial firm on contract:
http://gmcboard.vermont.gov/sites/gmcboard/files/Wakely.pdf

*5. Our question is in connection with **5.6 Section 3 - Cost Bid**. Our analysis of the proposal indicates that for an effective rate review:*
a. Data will be submitted by the companies
b. Data from other sources will also be utilized
c. Sophisticated Software tools will be needed to analyze the data to determine the reasonableness of the premiums and other purposes
d. Said software tools should be able to recognize and process this data 'as-is'

We believe that we could not recommend an effective solution without the department personnel using these tools in-house.

So our questions are:

1. Can we recommend these software tools in our proposal?
and. if so,

2. Should we include the cost of using these tools?

Vendors should recommend any software tools in their proposal and include costs (acquisition and ongoing) in the bid.