

Green Mountain Care Board
144 State Street
Montpelier, VT 05602

802-828-2177
www.gmcboard.vermont.gov

Kevin Mullin, Chair
Jessica Holmes, PhD
Robin Lunge, JD, MHCDs
Maureen Usifer
Tom Pelham
Susan Barrett, JD, Executive Director

DELIVERED ELECTRONICALLY

December 20, 2019

Ms. Ruth Greene, Vice President, Treasurer and CFO
Blue Cross and Blue Shield of Vermont
PO Box 186
Montpelier, VT 05601

RE: Docket No. GMCB-020-19con, Blue Cross and Blue Shield of Vermont, Intent to Write Medicare Advantage and Medicare Advantage with Prescription Drug Coverage Plans in Vermont.

Dear Ms. Greene:

Thank you for your December 9, 2019 letter requesting a "Certificate of Exemption" regarding Blue Cross and Blue Shield of Vermont's intention to write Medicare Advantage and Medicare Advantage with Prescription Drug coverage plans in Vermont. We read your letter to be a letter of intent under 18 V.S.A. § 9440(c)(2)(A), and your request to be a request for a jurisdictional determination under 18 V.S.A. § 9440(c)(3).

Your letter states that Blue Cross and Blue Shield of Vermont (BCBSVT), a Vermont nonprofit hospital and medical services corporation, and Covenant Health Partners, Inc. (CHP), a Michigan corporation and affiliate of Blue Cross Blue Shield of Michigan Mutual Insurance Company, intend to form a new health insurance company to operate in Vermont that will be wholly-owned by a to-be-formed Delaware limited liability company, Vermont Blue Advantage, LLC, which will be jointly owned by BCBSVT and CHP. It is further represented that BCBSVT and CHP submitted an application for licensure of Vermont Blue Advantage, Inc. to the Vermont Department of Financial Regulation on October 21, 2019, and that DFR is currently reviewing that application.

Your letter also states that Vermont Blue Advantage, Inc., will not develop, build, open, operate, or manage a hospital, doctor's office or medical or clinical facility of any kind, but will hire a limited number of employees to manage the health insurance plans it intends to offer.

Based on the representations in your letter, the project is not subject to certificate of need review. However, if there are future changes in the type or scope of services to be offered, please notify the Green Mountain Care Board immediately so we may determine whether the changes are subject to review.



If you have any questions, please do not hesitate to contact me at (802) 828-2918.

Sincerely,

s/ Donna Jerry

Donna Jerry

Senior Health Policy Analyst

cc. Michael Barber, General Counsel
Green Mountain Care Board

