

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: MVP Health Plan, Inc.)	GMCB-007-16rr
Vermont Health Connect 2017 Rate Filing)	
)	
SERFF No. MVPH-130558905)	
)	

RULING ON MVP HEALTH PLAN, INC.’S OBJECTIONS
TO QUESTIONS ISSUED BY THE HEALTH CARE ADVOCATE

Background

On June 10, 2016, the Vermont Office of the Health Care Advocate (HCA), pursuant to GMCB Rule 2.000, Sec. 2.202(c), submitted sixteen suggested questions for MVP Health Plan, Inc. (MVPHP) in regard to the rate filing request in the above-captioned matter. On June 15, 2016, MVPHP objected to Questions 11 & 12. The HCA’s questions and a summary of MVPHP’s objections are as follows:

Question 11: Please explain how MVPHP’s business practices as a nonprofit differ from MVP Health Insurance Company and how those differences impact premiums.

MVPHP objected to this question as being vague, overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence that is relevant to the statutorily defined inquiry in this matter. MVPHP further asserted that the question does not appear to have anything to do with the rate request.

Question 12: Please describe your [MVPHP’s] quality improvement initiatives, wellness benefits, and charitable giving and the costs associated with each activity within those categories.

MVPHP objected to the use of the term “charitable giving” in Question 12 as vague, overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence that is relevant to the statutorily defined inquiry in this matter. MVPHP further asserted that its charitable activities, whether in New York or Vermont, do not appear to be relevant to this rate filing.

Ruling

1. MVPHP’s objection to Question 11 is overruled. The HCA’s question facially requests information that is relevant and admissible in a proceeding to approve health insurance rates. To the extent that the HCA’s request to explain the differing operations of for-profit and non-profit MVP entities appears overbroad, the request is reasonably narrowed by its final clause “and how those differences impact

- premiums.” MVPHP’s contention that the question does not appear to have anything to do with the rate request is conclusory and unsupported.
2. MVPHP’s objection to Question 12 is overruled. The HCA’s question regarding costs associated with charitable activities requests an itemizable component of MVPHP’s total administrative expenses (or total retention, if the company internally categorizes charitable activities as separate from administrative expenses). The appropriate amount of administrative and retention expense paid by Vermont policyholders, as measured by the statutory criteria laid out in 8 V.S.A. Sec. 4062 and GMCB Rule 2.000, is a central issue in this proceeding. MVPHP’s claim that providing this information would be unduly burdensome cannot be credited, as MVPHP is already required to report annually its charitable expenditures in Vermont to the Vermont Department of Financial Regulation in Parts IV and IX of the Annual Statement Addendum required by Act 150 (2011). This reference to MVPHP’s reporting duties under Act 150 is intended to illustrate the ready-to-hand nature of the requested information, and does not narrow the scope of the HCA’s request to charitable expenditures made solely in Vermont.
 3. Because the HCA’s suggested Questions 11 and 12 are reasonably calculated to lead to evidence that is both relevant and admissible at a hearing under 8 V.S.A. Sec. 4062 and GMCB Rule 2.000, the Hearing Officer declines to address whether MVPHP has appropriately characterized the applicable standards for the GMCB’s inquiry and examination in this proceeding.

Dated: June 22, 2016 at Montpelier, Vermont.

s/ Noel Hudson
Noel Hudson, Esq.
Hearing Officer
Health Policy Director, Green Mountain Care Board
(802) 477-2194
Noel.Hudson@vermont.gov