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May 25, 2018

Eric Bachner  
MVP Health Insurance Company  
625 State Street  
Schenectady, NY 12305

Re: MVP Health Plan, Inc.  
2019 Vermont Exchange Rate Filing  
SERFF Tracking #: MVPH-131497138  
Objection #2

Dear Mr. Bachner:

The following additional information is required for this filing.

**General**

1. Explain the reason for the differences between “reflective” Silver plans and On-Exchange Silver plans described in the memorandum, namely the “\$5 copay or 5% coinsurance change to the ambulance benefit” and the “modification to the deductible/maximum out of pocket for the plan which has no cost sharing after the deductible.”

**Trend**

2. Please provide the historical utilization trend analysis referenced in the memorandum.
3. The trend factor of 1.5% used to develop the CSR load is materially lower than the medical unit cost trend. Please provide quantitative support for the development of this factor and explain why it differs from the medical unit cost trend.

**Experience Adjustments**

4. Please complete the following table, illustrating the persistency of individual Vermont policies. Treat each new calendar year as a new policy (i.e. November enrollees have a max persistency of 2 months.)

Number of Members	Months of Coverage											
Effective Date	1	2	3	4	5	6	7	8	9	10	11	12+
January 2016												
February 2016												
...												
November 2017												
December 2017												

5. The increased bad debt assumption seems to implicitly assume that more members will allow their coverage to lapse mid-year than in prior years. However, the Average Policy Duration adjustment explicitly assumes that all policies will be in force for a full 12 months. Please address this potential discrepancy.
6. As with last year’s filing, please confirm that the normalization factor for Benefit Relativities and Induced Demand of 0.728 is the average of the products, rather than the product of the averages.
7. Please address whether possible VT legislative action to enforce a state-level individual mandate in 2019 or 2020 has been considered in this filing.

**Non-Benefit Expenses**

8. Provide actual bad debt as a percentage of premium since 2014.

**Risk Adjustment**

9. Demonstrate numerically how the following items in the URRT are consistent with the values found in the file “VT 2019 Exchange Rate Filing\_SERFF.xlsx”.
  - a. Projected Incurred Claims
  - b. Projection Period Index Rate
  - c. Projection Period Paid-to-Allowed factor

**Cost Sharing Reductions**

10. We note that, particularly for high-deductible plans, the portion of allowed cost which is the policyholder’s responsibility (and therefore the portion covered by CSR) decreases over the course of the calendar year. Is the 4.3% IBNR still appropriate to be used for the CSR load? It would seem that for members who already reached their deductibles, little to no future CSR payments would be expected.

**Loss Ratio**

11. Please provide a revised Federal MLR exhibit that reflects the impact of risk adjustment.

Please beware that we expect to have further questions regarding the filing as the review continues.

To ensure that the review of your filing is completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than June 4<sup>th</sup>, 2018.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,



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Kevin Ruggeberg, ASA, MAAA  
Associate Actuary  
Lewis & Ellis, Inc.  
KRuggeberg@LewisEllis.com  
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June 4, 2018

Mr. Kevin Ruggeberg, ASA, MAAA  
Lewis & Ellis, Inc.  
P.O. Box 851857  
Richardson, TX 75085

Re: 2019 Vermont Exchange Rate Filing  
SERFF Tracking #: MVPH-131497138

Dear Mr. Ruggeberg:

This letter is in response to your correspondence received 05/25/18 regarding the above mentioned rate filing. The responses to your questions are provided below.

*1. Explain the reason for the differences between “reflective” Silver plans and On-Exchange Silver plans described in the memorandum, namely the “\$5 copay or 5% coinsurance change to the ambulance benefit” and the “modification to the deductible/maximum out of pocket for the plan which has no cost sharing after the deductible.”*

Response: In February of 2018, a bill was signed into law in the state of Vermont that amended 33 V.S.A. § 1813 to include a section with the following text: “In the event that federal cost-sharing reduction payments to insurers are suspended or discontinued, registered carriers may offer to individuals and employees of small employers silver-level nonqualified health benefit plans that do not include funding to offset the loss of the federal cost-sharing reduction payments. These plans shall be similar to, but contain at least one variation from, silver-level qualified health benefit plans offered through the Vermont Health Benefit Exchange that include funding to offset the loss of the federal cost-sharing reduction payments.”

After convening stakeholders including the Green Mountain Care Board, the Department of Vermont Health Access, the Department of Financial Regulation, the Health Care Advocate and the insurers operating on the marketplace, it was determined that the ambulance benefit would be the benefit tweaked to satisfy the variation language above. The “reflective” Silver plan would increase the copay on the ambulance benefit by \$5 or the coinsurance by 5%. For a plan which does not have any cost sharing on the ambulance benefit (a plan which covers all services in full after a deductible, as an example), it was determined that an increase to the deductible and maximum out of pocket of \$25 would satisfy the variation requirement.

For examples of these changes, please see Exhibit 1 of rate filing. The Standard Silver 3 demonstrates the copay change, the Standard Silver 4 demonstrates the coinsurance change and MVP’s non-Standard Silver 2 plan demonstrates the change to the deductible/MOOP. MVP ran all four reflective Silver plans through its benefit relativity model and determined that the Silver 1, 3, and 4 plans had equivalent actuarial values to three decimal places. Silver 2’s reflective benefit design was determined to be “leaner” by 0.001 and this was reflected in its pricing.



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*2. Please provide the historical utilization trend analysis referenced in the memorandum.*

Response: Please see the attached document named "Support for L&E Objection #2\_Utilization Data.xlsx" which provides historical utilization data (normalized for age/gender changes) for all of MVP's Vermont data from January 2015 to November 2017 (paid through and completed with IBNR as of January 2018). There are separate tabs for MVP's HIC (non-Exchange) data and HP (Exchange) data as well as a combined tab. There is also a tab displaying MVP's normalization of the utilization trends for risk using the ACG model as described in the Actuarial Memorandum.

*3. The trend factor of 1.5% used to develop the CSR load is materially lower than the medical unit cost trend. Please provide quantitative support for the development of this factor and explain why it differs from the medical unit cost trend.*

Response: The expenses that were previously paid by the federal government under the CSR program were the difference between the costs incurred by a member under a full Silver plan (no cost-sharing reduction) and the costs incurred by a member under their specific cost-sharing structure. Allowed claims prior to the member-specific deductible are still the member's responsibility before and after trending, and claims above the full Silver plan deductible are already reflected in MVP's paid data (and trended at the paid medical plus pharmacy trend rate). Therefore, those claims should not be trended for purposes of this calculation. To calculate the trend for the CSR load, MVP multiplied the annual allowed medical plus pharmacy trend (4.7%) by the percentage of claims that fall between the average CSR-specific deductible (\$436 in the experience period) and the average deductible of the full silver plan (\$1,817). Based on the same claim distribution table used to calculate the paid leveraging factor, this value is 0.32 and the CSR load is trended at a rate of 1.5% annually.

*4. Please complete the following table, illustrating the persistency of individual Vermont policies. Treat each new calendar year as a new policy (i.e. November enrollees have a max persistency of 2 months.)*

Response: Please see the tab named "Question #4" in the attached Excel document.

MVP would like to note that the data presented in this file reflects a longer open enrollment period which resulted in more members enrolling after January. In 2016, MVP's individual policyholder enrollment increased by 29.1% from January to April. In 2017, individual policyholder enrollment increased by 44.9% between January and April. Beginning in 2018, the open enrollment period was shortened, and MVP has only experienced a 2.5% increase in individual policyholder enrollment between January and April.

*5. The increased bad debt assumption seems to implicitly assume that more members will allow their coverage to lapse mid-year than in prior years. However, the Average Policy Duration adjustment explicitly assumes that all policies will be in force for a full 12 months. Please address this potential discrepancy.*

Response: The Average Policy Duration adjustment addresses the dampening of the average PMPM net claim expense driven by policy holders who delay enrollment or lapse prematurely resulting in an average claim expense that represents less than a full year of coverage and therefore over valuing the impact of an annual plan deductible on premium rate setting. MVP's benefits are priced to represent a full 12-month coverage period as that is our obligation for any member who purchases our products.



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The Bad Debt adjustment addresses the fact that MVP is required to maintain coverage for members during a grace period even if the member does not pay their premium and MVP is not permitted to pend and subsequently deny claims until a certain amount of time has lapsed. The result is MVP has claim liability for members with no associated premium to support and no ability to retroactively deny the claims. In effect, MVP is required to provide insurance for free for a period. Due to the repeal of the Individual Mandate, we are anticipating an uptick in the number of members abuse this mandated grace period requirement. Without penalty, members can enroll, utilize services and stop paying premium once their health care needs have been met and ultimately lapse. This would lead to larger exposure to unpaid premiums/bad debt expense. This adjustment is simply accounting for the fact that MVP has months of member claim/coverage liability with no associated premium.

*6. As with last year's filing, please confirm that the normalization factor for Benefit Relativities and Induced Demand of 0.728 is the average of the products, rather than the product of the averages.*

Response: Please see the tab named "Question #6" in the attached Excel document.

*7. Please address whether possible VT legislative action to enforce a state-level individual mandate in 2019 or 2020 has been considered in this filing.*

Response: This filing assumes that no state-level individual mandate will be in place for 2019. An individual mandate for 2020 was not considered as that is not within the scope of this filing.

*8. Provide actual bad debt as a percentage of premium since 2014.*

Response: Please see the following table which displays actual bad debt as a percentage of premium for the past 4 years.

Bad Debt as a Percent of Premium, ACA Compliant Plans, 2014-17				
Year	Group Size	Premium	Bad Debt	Bad Debt / Premium
2014	Small Group	\$9,081,331	\$25,750	0.28%
2014	Individual	\$13,385,685	\$0	0.00%
2015	Small Group	\$11,733,664	\$85,730	0.73%
2015	Individual	\$15,632,594	\$577,451	3.69%
2016	Small Group	\$16,473,126	\$50,677	0.31%
2016	Individual	\$18,601,646	\$6,505	0.35%
2017	Small Group	\$24,851,369	\$33,195	0.13%
2017	Individual	\$35,252,605	\$231,347	0.66%



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9. Demonstrate numerically how the following items in the URRT are consistent with the values found in the file "VT 2019 Exchange Rate Filing\_SERFF.xlsx".

- a. Projected Incurred Claims
- b. Projection Period Index Rate
- c. Projection Period Paid-to-Allowed factor

Response:

- a. Projected Incurred Claims: This number represents the weighted average of the Net Claims Cost PMPM on Exhibit 7 of the rate filing, weighted on February 2018 membership by plan. Because the URRT instructions state not to include risk adjustment payments/receipts as incurred claims, MVP's risk adjustment payment assumption was removed from the Adjusted Paid Claim Cost for 2018 before calculating the Net Claims Cost. Finally, the Silver CSR Load is added to the members who are projected to buy the Silver On-Exchange plans as those will be claims incurred by MVP. Please see the tab "Question #9a" in the attached Excel workbook for this Net Claims Cost (with CSR load) calculation.
- b. Projection Period Index Rate: The Projection Period Index Rate cannot be found in the rate filing as the Index Rate is based on allowed claims while the rate filing is based on paid claims. The URRT index rate of \$513.85 equals the Projected Allowed Claims PMPM of \$513.88 adjusted for claims that are not Essential Health Benefits (EHB). Non-EHB claims represent the \$0.07 PMPM cost of MVP's wellness benefit for non-Standard plans. The percentage of member months in the projection period in non-Standard plans is approximately 44.7% (135,240 divided by 302,676) which means the non-EHB claims spread across the entire projected population is approximately \$0.03 PMPM (\$0.07 times 44.7%).
- c. Projection Period Paid-to-Allowed Factor: This value in the URRT is calculated as the Projected Incurred Claims (see section A above) divided by the Projected Allowed Claims.

10. We note that, particularly for high-deductible plans, the portion of allowed cost which is the policyholder's responsibility (and therefore the portion covered by CSR) decreases over the course of the calendar year. Is the 4.3% IBNR still appropriate to be used for the CSR load? It would seem that for members who already reached their deductibles, little to no future CSR payments would be expected.

Response: MVP has not run separate reserving models for these CSR payments historically. The IBNR factor used to complete these claims was based on a mix of members who have yet to reach their deductible, have reached their deductible but not their maximum out of pocket (and therefore are at risk for a portion of allowed claims) and that have reached their maximum out of pocket. MVP assumes that same relative mix is appropriate to apply to these CSR payments.

11. Please provide a revised Federal MLR exhibit that reflects the impact of risk adjustment.

Response: Please see the following table which provides the anticipated Federal MLR for 2017 assuming the risk adjustment results calculated by L&E. Please note that we calculated a risk adjustment payment on a PMPM basis for the merged market and applied that amount to both small group and individual lines. The Federally Adjusted Loss Ratio is calculated as [Total Claims PMPM + Risk Adjustment PMPM] / [Earned Premium PMPM – Taxes/Assessments PMPM – Quality Improvement Expense].



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VT Data Pool	Member Months	Total Claims PMPM	Risk Adjustment PMPM	Earned Premium PMPM	Taxes / Assessments PMPM	Quality Improvement Expense	Traditional Loss Ratio	Federally Adjusted Loss Ratio
ACA Compliant Small Group	55,568	\$381.77	\$42.09	\$449.01	\$2.58	\$3.51	94.4%	95.7%
ACA Compliant Individual	79,856	\$312.68	\$42.09	\$440.21	\$2.53	\$3.51	80.6%	81.9%
Small Group + Individual Single Risk Pool	135,424	\$341.03	\$42.09	\$443.82	\$2.55	\$3.51	86.3%	87.6%

If you have any questions or require any additional information, please contact me at 518-386-7213.

Sincerely,

Eric Bachner, ASA  
Senior Actuarial Analyst  
MVP Health Care



Effective Date	Months of Coverage											
	1	2	3	4	5	6	7	8	9	10	11	12
January 2016	52	54	39	46	41	32	38	39	33	25	18	1648
February 2016	3	5	3	3	6	6	8	4	2	3	91	0
March 2016	6	31	7	16	9	14	16	10	5	255	0	0
April 2016	0	9	5	7	3	3	1	0	71	0	0	0
May 2016	3	2	4	3	4	10	1	79	0	0	0	0
June 2016	4	10	14	11	11	4	138	0	0	0	0	0
July 2016	3	14	4	11	6	130	0	0	0	0	0	0
August 2016	6	7	7	5	93	0	0	0	0	0	0	0
September 2016	2	8	7	108	0	0	0	0	0	0	0	0
October 2016	1	2	142	0	0	0	0	0	0	0	0	0
November 2016	3	114	0	0	0	0	0	0	0	0	0	0
December 2016	157	0	0	0	0	0	0	0	0	0	0	0
January 2017	156	127	130	102	97	78	98	105	114	100	87	2583
February 2017	13	35	32	25	17	23	28	25	21	16	315	0
March 2017	36	53	55	22	35	65	27	45	27	548	0	0
April 2017	3	12	9	12	13	17	12	15	142	0	0	0
May 2017	6	9	17	7	15	15	11	134	0	0	0	0
June 2017	3	9	16	11	14	12	136	0	0	0	0	0
July 2017	2	9	22	11	12	168	0	0	0	0	0	0
August 2017	7	14	15	11	204	0	0	0	0	0	0	0
September 2017	11	15	18	202	0	0	0	0	0	0	0	0
October 2017	5	16	209	0	0	0	0	0	0	0	0	0
November 2017	3	152	0	0	0	0	0	0	0	0	0	0
December 2017	156	0	0	0	0	0	0	0	0	0	0	0

**Derivation of Experience Period Average AV and Induced Demand Factor**

					Weighted Average AV * ID
					<b>0.7284</b>
<b>Medical Coplan</b>	<b>Rx Coplan</b>	<b>Member Months</b>	<b>Pricing Model AV</b>	<b>Induced Demand Factor</b>	<b>AV * ID</b>
VT Non-Standard Bronze (2017)	In base	10,751	0.600	1.000	0.600
VT Standard Bronze HMO (2017)	In base	21,913	0.601	1.000	0.601
VT Catastrophic (2017)	In base	321	0.632	1.011	0.639
VT Standard Gold (2017)	In base	3,227	0.823	1.098	0.904
VT Non-Standard Gold (2017)	In base	2,228	0.812	1.092	0.887
VT Standard Bronze HDHP (2017) UPDAT	In base	17,224	0.599	1.000	0.599
VT Non-Standard Gold HDHP (2017)	In base	14,451	0.779	1.071	0.835
VT Standard Silver HDHP (2017)	In base	11,256	0.711	1.035	0.736
VT Standard Platinum (2017)	In base	11,877	0.898	1.150	1.033
VT Non-Standard Silver (2017)	In base	31,971	0.698	1.030	0.719
VT Standard Silver HMO (2017)	In base	10,205	0.745	1.054	0.785

**Exhibit 6 -- 2019 Exchange Premium Rates**

MVP Health Plan, Inc. 2019 Vermont Exchange Rate Filing  
For Effective Dates Beginning Between January 1, 2019 - December 31, 2019

Paid Index Rate PMPM Prior to Adjustments for Federal Programs (Rate Filing Exhibit 3, Line 26)	<b>\$391.40</b>
Benefit Relativity * Induced Demand Reflected in Index Rate	0.7284
Adjusted Claim Cost for Pricing	<b>\$537.36</b>

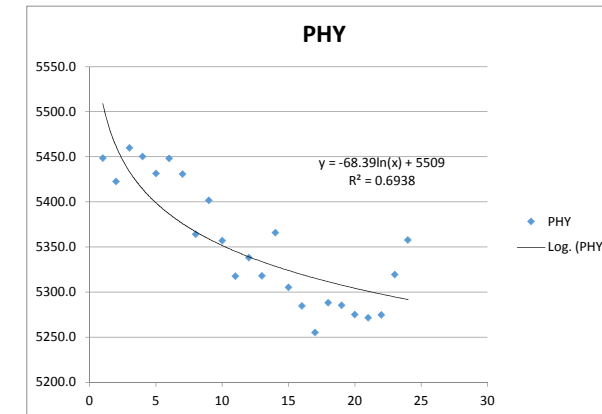
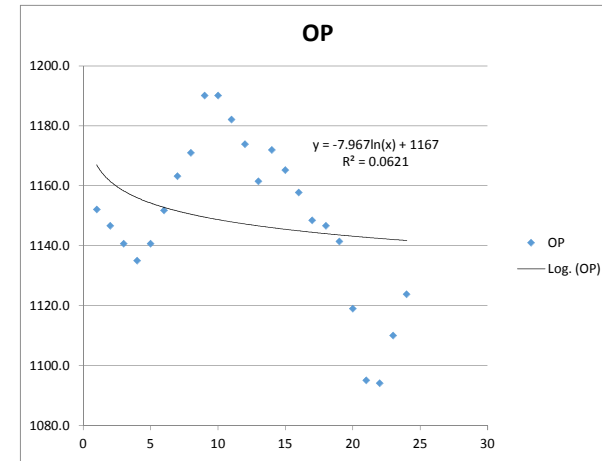
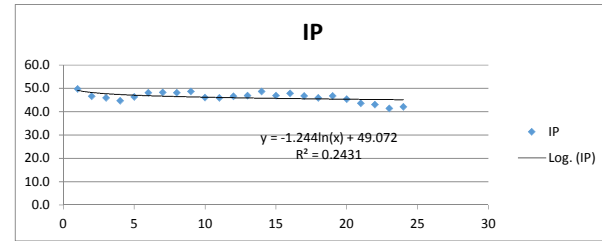
Coplan	SG HIOS ID	INDV HIOS ID	Product Type	Metal Level	Standard / Non-Standard	On / Off Exchange	Federal and State Combined Subsidy	Benefit Actuarial Value	Induced Utilization Factor*	Net Claim Cost PMPM	CSR Loading	URRT Incurred Claim Cost PMPM
FRVT-HMO-P-001-S (2019)	77566VT0050001	77566VT0040001	HyHMO	Platinum	Standard	On Exchange	Non-Subsidized	0.896	1.149	<b>\$553.25</b>	\$0.00	<b>\$553.25</b>
FRVT-HMO-G-001-S (2019)	77566VT0050002	77566VT0040002	HyHMO	Gold	Standard	On Exchange	Non-Subsidized	0.798	1.082	<b>\$464.15</b>	\$0.00	<b>\$464.15</b>
FRVT-HMO-G-002-N (2019)	77566VT0050004	77566VT0040004	HyHMO	Gold	Non-Standard	On Exchange	Non-Subsidized	0.814	1.090	<b>\$476.65</b>	\$0.00	<b>\$476.65</b>
FRVT-HMOH-G-003-N (2019)	77566VT0050023	77566VT0040023	HDHMO	Gold	Non-Standard	On Exchange	Non-Subsidized	0.773	1.069	<b>\$443.82</b>	\$0.00	<b>\$443.82</b>
FRVT-HMO-S-003-S (2019)	77566VT0050005	77566VT0040005	HyHMO	Silver	Standard	On Exchange	Non-Subsidized	0.721	1.040	<b>\$403.18</b>	\$94.66	<b>\$497.84</b>
FRVT-HMOH-S-004-S (2019)	77566VT0050006	77566VT0040006	HDHMO	Silver	Standard	On Exchange	Non-Subsidized	0.703	1.030	<b>\$389.11</b>	\$94.66	<b>\$483.77</b>
FRVT-HMOH-S-002-N (2019)	77566VT0050024	77566VT0040024	HDHMO	Silver	Non-Standard	On Exchange	Non-Subsidized	0.706	1.030	<b>\$390.67</b>	\$94.66	<b>\$485.33</b>
FRVT-HMO-S-001-N (2019)	77566VT0050007	77566VT0040007	HyHMO	Silver	Non-Standard	On Exchange	Non-Subsidized	0.674	1.020	<b>\$369.31</b>	\$94.66	<b>\$463.97</b>
VT-HMO-S-003-S II (2019)	77566VT0050030	77566VT0040030	HyHMO	Silver	Standard	Off Exchange	Non-Subsidized	0.721	1.040	<b>\$403.18</b>	\$0.00	<b>\$403.18</b>
VT-HMOH-S-004-S II (2019)	77566VT0050031	77566VT0040031	HDHMO	Silver	Standard	Off Exchange	Non-Subsidized	0.703	1.030	<b>\$389.11</b>	\$0.00	<b>\$389.11</b>
VT-HMOH-S-002-N II (2019)	77566VT0050029	77566VT0040029	HDHMO	Silver	Non-Standard	Off Exchange	Non-Subsidized	0.705	1.031	<b>\$390.67</b>	\$0.00	<b>\$390.67</b>
VT-HMO-S-001-N II (2019)	77566VT0050028	77566VT0040028	HyHMO	Silver	Non-Standard	Off Exchange	Non-Subsidized	0.674	1.020	<b>\$369.31</b>	\$0.00	<b>\$369.31</b>
FRVT-HMO-B-002-S (2019)	77566VT0050009	77566VT0040009	HyHMO	Bronze	Standard	On Exchange	Non-Subsidized	0.584	1.000	<b>\$313.98</b>	\$0.00	<b>\$313.98</b>
FRVT-HMOH-B-003-S (2019)	77566VT0050010	77566VT0040010	HDHMO	Bronze	Standard	On Exchange	Non-Subsidized	0.600	1.000	<b>\$322.40</b>	\$0.00	<b>\$322.40</b>
FRVT-HMO-B-004-S (2019)	77566VT0050025	77566VT0040025	HyHMO	Bronze	Standard	On Exchange	Non-Subsidized	0.663	1.018	<b>\$362.80</b>	\$0.00	<b>\$362.80</b>
FRVT-HMO-B-005-N (2019)	77566VT0050026	77566VT0040026	HyHMO	Bronze	Non-Standard	On Exchange	Non-Subsidized	0.607	1.001	<b>\$326.32</b>	\$0.00	<b>\$326.32</b>
FRVT-HMO-B-001-N (2019)	77566VT0050011	77566VT0040011	HyHMO	Bronze	Non-Standard	On Exchange	Non-Subsidized	0.587	1.000	<b>\$315.60</b>	\$0.00	<b>\$315.60</b>
FRVT-HMO-C-001-N (2019)	N/A	77566VT0040013	HyHMO	Catastrophic	Standard	On Exchange	Non-Subsidized	0.617	0.632	<b>\$209.49</b>	\$0.00	<b>\$209.49</b>

Raw Utilization Data				Member Months	A/G of MM
Month	IP	OP	PHY		
201501	83.0	1310.0	6386.0	14,116	15,371
201502	65.0	1325.0	5724.0	14,058	15,288
201503	56.0	1441.0	6819.0	13,934	15,179
201504	34.0	1268.0	6387.0	13,743	15,023
201505	40.0	1184.0	5988.0	13,642	14,921
201506	52.0	1165.0	6308.0	13,365	14,646
201507	62.0	1228.0	6187.0	13,335	14,630
201508	58.0	1274.0	5627.0	13,275	14,557
201509	69.0	1269.0	6157.0	13,151	14,433
201510	55.0	1336.0	6253.0	13,067	14,352
201511	50.0	1286.0	5395.0	12,610	13,839
201512	43.0	1352.0	5766.0	12,498	13,745
201601	30.0	988.0	4877.0	11,348	12,529
201602	47.0	1016.0	5110.0	11,440	12,629
201603	33.0	1184.0	5816.0	11,831	13,060
201604	47.0	1170.0	5331.1	11,787	13,060
201605	57.0	1174.0	5484.2	11,894	13,196
201606	49.0	1197.1	5573.4	12,060	13,397
201607	56.0	1224.2	4896.6	12,148	13,500
201608	61.0	1417.5	5671.0	12,148	13,532
201609	35.0	1199.6	5295.5	12,247	13,673
201610	50.1	1179.9	5505.5	12,228	13,697
201611	58.1	1181.2	5628.0	12,287	13,795
201612	46.2	1168.9	5372.2	11,886	13,381
201701	61.3	1366.2	6606.6	13,834	15,339
201702	37.2	1223.1	5679.0	14,380	15,894
201703	58.4	1422.4	7079.9	15,309	16,839
201704	46.4	1389.7	6502.6	15,380	16,944
201705	58.8	1455.3	7328.7	15,095	16,692
201706	71.2	1403.9	6817.9	14,988	16,586
201707	48.1	1198.7	6084.2	15,179	16,809
201708	48.9	1366.7	6985.3	15,290	16,921
201709	36.7	1464.3	6680.1	15,323	17,011
201710	36.7	1697.0	7523.6	15,375	17,087
201711	80.1	1660.7	7512.8	15,273	17,029

Utilization/1000 Member Months				Normalized Age Factor
Rolling 12 End Date	IP	OP	PHY	
201512	49.8	1152.1	5448.5	1.000
201601	46.6	1147.9	5428.5	1.001
201602	46.0	1143.3	5472.6	1.002
201603	44.9	1138.9	5469.1	1.003
201604	46.5	1145.8	5456.1	1.005
201605	48.4	1158.4	5479.4	1.006
201606	48.6	1171.2	5468.2	1.007
201607	48.5	1180.4	5407.1	1.008
201608	49.1	1201.3	5452.4	1.009
201609	46.6	1203.0	5415.2	1.011
201610	46.4	1197.0	5384.5	1.013
201611	47.2	1191.0	5416.0	1.015
201612	47.7	1180.7	5406.1	1.017
201701	49.4	1191.7	5456.4	1.017
201702	47.7	1184.9	5394.4	1.017
201703	48.6	1176.6	5370.8	1.016
201704	47.4	1166.4	5337.2	1.016
201705	46.6	1164.1	5368.9	1.015
201706	47.4	1158.4	5364.1	1.015
201707	46.0	1135.3	5351.9	1.015
201708	44.2	1110.4	5345.7	1.014
201709	43.6	1109.0	5346.7	1.014
201710	41.9	1124.6	5389.1	1.013
201711	42.6	1138.1	5425.9	1.013

Age Normalized Util/1000			
IP	OP	PHY	
49.8	1152.1	5448.5	
46.6	1146.6	5422.7	
45.9	1140.7	5460.0	
44.7	1135.0	5450.5	
46.3	1140.7	5431.4	
48.1	1151.8	5448.1	
48.2	1163.2	5430.8	
48.1	1171.0	5364.1	
48.6	1190.1	5401.8	
46.1	1190.1	5356.9	
45.9	1182.1	5317.5	
46.5	1173.9	5338.1	
46.9	1161.5	5317.9	
48.6	1172.0	5365.8	
46.9	1165.3	5305.1	
47.8	1157.7	5284.7	
46.7	1148.4	5255.0	
45.9	1146.6	5288.1	
46.7	1141.4	5285.2	
45.3	1119.0	5274.9	
43.6	1095.1	5271.6	
43.0	1094.1	5274.7	
41.3	1110.1	5319.3	
42.1	1123.8	5357.7	

	IP	OP	PHY
Value of Best Fit Line, Experience Period	45.2	1142.0	5294.6
Value of Best Fit Line, Rating Period	44.4	1137.0	5251.8
Total Utilization Trend	0.983	0.996	0.992
Annualized Utilization Trend	0.990	0.997	0.995

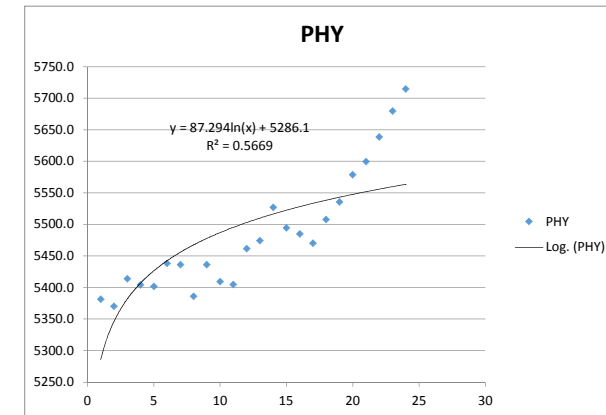
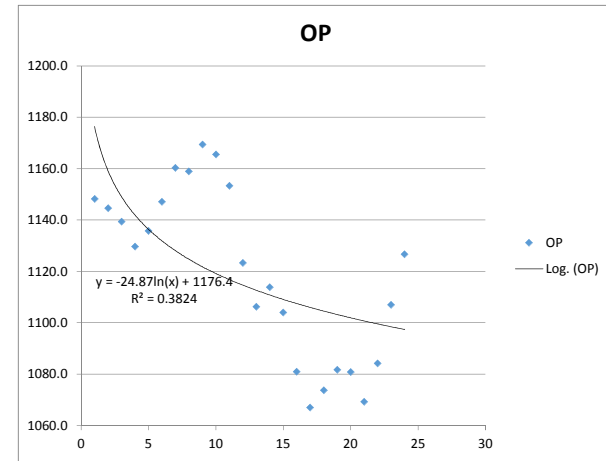
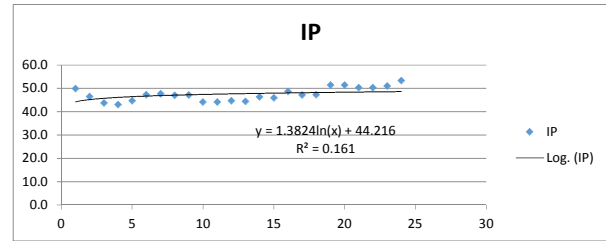


Raw Utilization Data				Member Months	A/G Normalize d MM
Month	IP	OP	PHY		
201501	52.0	768.0	3648.0	8,168	8,675
201502	42.0	807.0	3305.0	8,136	8,628
201503	31.0	878.0	3961.0	8,091	8,587
201504	20.0	765.0	3709.0	8,037	8,543
201505	23.0	671.0	3576.0	8,064	8,556
201506	30.0	645.0	3620.0	7,874	8,363
201507	34.0	693.0	3568.0	7,880	8,366
201508	36.0	735.0	3321.0	7,869	8,341
201509	43.0	734.0	3582.0	7,786	8,250
201510	26.0	787.0	3641.0	7,772	8,241
201511	30.0	795.0	3104.0	7,369	7,776
201512	25.0	747.0	3265.0	7,275	7,677
201601	15.0	495.0	2364.0	5,532	5,845
201602	11.0	510.0	2413.0	5,442	5,751
201603	16.0	546.0	2650.0	5,340	5,668
201604	21.0	534.0	2384.0	5,117	5,461
201605	29.0	461.0	2461.1	5,016	5,354
201606	22.0	461.0	2327.2	5,027	5,374
201607	18.0	413.1	1988.2	5,042	5,393
201608	26.0	527.2	2363.4	5,014	5,374
201609	15.0	451.2	2213.6	5,045	5,411
201610	16.0	458.4	2405.1	5,021	5,392
201611	25.1	421.4	2411.7	5,043	5,427
201612	13.0	397.7	2055.0	4,427	4,710
201701	19.1	385.9	1949.8	4,065	4,272
201702	4.0	334.1	1622.7	4,087	4,291
201703	24.2	314.4	1998.7	4,064	4,267
201704	9.1	367.3	1800.5	4,060	4,269
201705	24.3	372.1	2016.6	3,704	3,924
201706	34.6	361.1	1758.7	3,552	3,771
201707	11.3	276.3	1492.2	3,588	3,826
201708	15.6	347.8	1777.1	3,590	3,836
201709	8.6	380.3	1681.9	3,599	3,843
201710	12.6	419.5	1897.7	3,628	3,880
201711	28.1	365.9	1873.1	3,652	3,918

Utilization/1000 Member Months			
Rolling 12 End Date	IP	OP	PHY
201512	49.9	1148.2	5381.6
201601	46.5	1144.2	5368.3
201602	43.7	1138.8	5410.5
201603	43.0	1128.9	5400.7
201604	44.6	1135.2	5399.1
201605	47.2	1146.9	5437.5
201606	47.7	1160.6	5437.1
201607	47.0	1159.7	5389.8
201608	47.2	1171.1	5444.1
201609	44.2	1168.4	5422.4
201610	44.2	1157.4	5423.7
201611	44.9	1129.4	5491.1
201612	44.6	1113.4	5509.4
201701	46.6	1120.9	5561.6
201702	46.2	1110.7	5528.2
201703	49.0	1086.8	5514.8
201704	47.3	1071.6	5493.8
201705	47.4	1077.8	5528.1
201706	51.6	1085.1	5553.2
201707	51.5	1083.9	5594.3
201708	50.5	1071.8	5612.8
201709	50.4	1086.1	5648.4
201710	51.0	1108.2	5685.9
201711	53.3	1127.2	5717.3

Age Normalized Util/1000			
Normalized Age Factor	IP	OP	PHY
1.000	49.9	1148.2	5381.6
1.000	46.5	1144.6	5370.2
0.999	43.7	1139.4	5413.7
0.999	43.0	1129.6	5404.1
1.000	44.7	1135.8	5401.8
1.000	47.2	1147.1	5438.4
1.000	47.7	1160.3	5436.1
1.001	46.9	1158.9	5386.3
1.001	47.1	1169.4	5436.2
1.002	44.1	1165.6	5409.2
1.003	44.1	1153.4	5404.8
1.005	44.7	1123.4	5461.8
1.006	44.4	1106.3	5474.2
1.006	46.3	1113.9	5526.8
1.006	45.3	1104.0	5494.8
1.005	48.7	1081.0	5485.1
1.004	47.1	1067.0	5470.3
1.004	47.3	1073.8	5507.5
1.003	51.4	1081.7	5535.7
1.003	51.3	1080.9	5578.7
1.002	50.3	1069.3	5599.6
1.002	50.3	1084.2	5638.5
1.001	51.0	1107.0	5679.6
1.000	53.3	1126.7	5714.8

	IP	OP	PHY
Value of Best Fit Line, Experience Period	48.6	1098.4	5559.8
Value of Best Fit Line, Rating Period	49.4	1082.9	5614.4
Total Utilization Trend	1.018	0.986	1.010
Annualized Utilization Trend	1.011	0.991	1.006

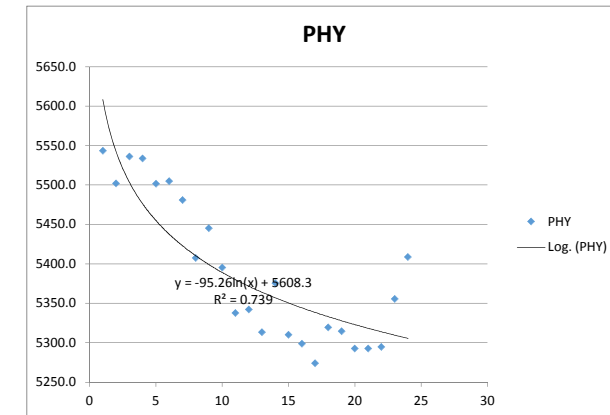
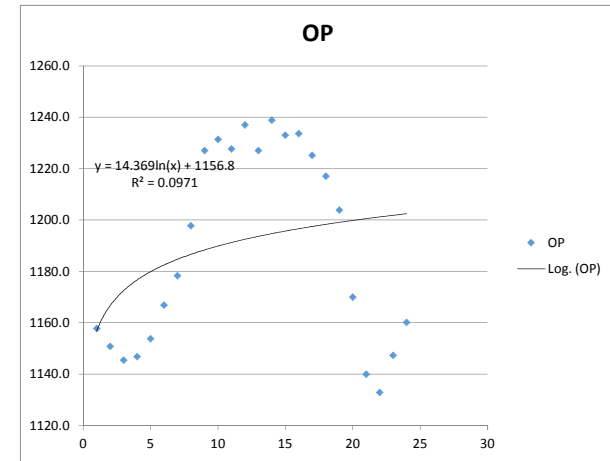
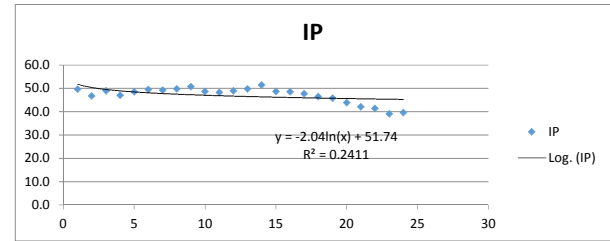


Raw Utilization Data					
Month	IP	OP	PHY	Member Months	A/G of MM
201501	31.0	542.0	2748.0	5,947	6,695
201502	23.0	518.0	2419.0	5,922	6,660
201503	25.0	563.0	2858.0	5,843	6,591
201504	14.0	503.0	2678.0	5,706	6,480
201505	17.0	513.0	2412.0	5,578	6,365
201506	22.0	520.0	2688.0	5,491	6,284
201507	28.0	535.0	2619.0	5,455	6,264
201508	22.0	539.0	2306.0	5,406	6,216
201509	26.0	535.0	2575.0	5,365	6,183
201510	29.0	549.0	2612.0	5,295	6,111
201511	20.0	491.0	2291.0	5,241	6,064
201512	18.0	605.0	2501.0	5,223	6,068
201601	15.0	503.0	2513.0	5,817	6,694
201602	36.0	506.0	2697.0	5,998	6,878
201603	17.0	638.0	3166.0	6,491	7,392
201604	26.0	636.0	2947.1	6,670	7,598
201605	28.0	713.0	3023.1	6,878	7,842
201606	27.0	736.1	3246.2	7,033	8,023
201607	38.0	811.2	2908.3	7,106	8,107
201608	35.0	890.3	3307.6	7,134	8,158
201609	20.0	748.4	3081.9	7,202	8,262
201610	34.1	721.6	3100.4	7,207	8,305
201611	33.1	759.8	3216.3	7,244	8,367
201612	33.1	771.3	3317.2	7,459	8,671
201701	42.2	980.3	4656.7	9,769	11,067
201702	33.2	899.0	4056.3	10,293	11,603
201703	34.2	1108.0	5081.1	11,245	12,572
201704	37.3	1022.4	4702.2	11,320	12,675
201705	34.4	1083.1	5312.1	11,391	12,768
201706	36.6	1042.8	5059.2	11,436	12,815
201707	36.9	922.4	4591.9	11,591	12,983
201708	33.3	1018.9	5208.2	11,700	13,085
201709	28.1	1084.0	4998.2	11,724	13,168
201710	24.1	1277.5	5625.9	11,747	13,207
201711	52.1	1294.8	5639.7	11,621	13,111

Utilization/1000 Member Months			
Rolling 12 End Date	IP	OP	PHY
201512	49.6	1157.7	5543.4
201601	46.8	1152.9	5511.8
201602	49.1	1149.4	5555.7
201603	47.2	1151.8	5557.2
201604	48.7	1158.9	5525.9
201605	49.7	1171.8	5528.0
201606	49.4	1182.9	5502.3
201607	50.0	1201.6	5424.9
201608	50.9	1230.5	5460.5
201609	48.7	1234.4	5408.6
201610	48.3	1230.7	5351.2
201611	49.1	1240.2	5356.0
201612	49.9	1230.7	5329.5
201701	51.4	1240.8	5363.6
201702	48.6	1232.6	5308.3
201703	48.4	1230.3	5284.6
201704	47.5	1219.5	5249.5
201705	46.2	1209.3	5285.6
201706	45.4	1194.2	5271.7
201707	43.4	1158.7	5241.3
201708	41.6	1126.9	5231.8
201709	40.8	1118.2	5226.4
201710	38.4	1130.8	5278.2
201711	38.9	1142.0	5323.7

Age Normalized Util/1000			
Normalized Age Factor	IP	OP	PHY
1.000	49.6	1157.7	5543.4
1.002	46.8	1150.9	5501.9
1.004	49.0	1145.4	5536.2
1.004	47.0	1146.9	5533.5
1.004	48.5	1153.8	5501.5
1.004	49.5	1166.8	5504.7
1.004	49.3	1178.3	5481.1
1.003	49.8	1197.8	5407.4
1.003	50.8	1227.1	5445.4
1.002	48.6	1231.4	5395.4
1.002	48.2	1227.6	5337.9
1.003	48.9	1237.0	5342.2
1.003	49.8	1227.0	5313.5
1.002	51.4	1238.9	5375.4
1.000	48.6	1233.1	5310.1
0.997	48.5	1233.6	5298.7
0.995	47.7	1225.2	5273.9
0.994	46.5	1217.1	5319.6
0.992	45.7	1203.9	5314.6
0.990	43.9	1170.0	5292.6
0.989	42.1	1140.0	5292.5
0.987	41.4	1132.8	5294.9
0.986	39.0	1147.3	5356.6
0.984	39.5	1160.2	5408.7

	IP	OP	PHY
Value of Best Fit Line, Experience Period	45.3	1201.9	5309.6
Value of Best Fit Line, Rating Period	44.1	1210.8	5250.0
Total Utilization Trend	0.972	1.007	0.989
Annualized Utilization Trend	0.983	1.004	0.993



**Calculation of Risk-Normalized Utilization Trends, MVPHP Only, 2015-2017**

CY 2015 Raw Util/1000			CY 2016 Raw Util/1000			Jan-Nov 2017 Raw Util/1000		
IP	OP	PHY	IP	OP	PHY	IP	OP	PHY
49.6	1157.7	5543.4	49.9	1230.7	5329.5	38.9	1142.0	5323.7

2016/2015 Annualized Raw Trend			2017/2016 Annualized Raw Trend		
IP	OP	PHY	IP	OP	PHY
0.6%	6.3%	-3.9%	-23.9%	-7.8%	-0.1%

CY 2015 ACG Risk Score	CY 2016 ACG Risk Score	Dec 2016-Nov 2017 ACG Risk Score
1.058	1.090	1.011

2016/2015 Change in Risk Score	2017/2016 Change in Risk Score
3.0%	-7.2%

2016/2015 Risk-Normalized Trend			2017/2016 Risk-Normalized Trend		
IP	OP	PHY	IP	OP	PHY
-2.3%	3.2%	-6.6%	-18.0%	-0.7%	7.6%