

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: MVP 2015 Vermont Health Connect)	
Rate Filing)	
)	GMCB-17-14-rr
)	
SERFF No. BCBSVT-129560321)	

SUGGESTIONED QUESTIONS TO PROVIDE TO BOARD ACTUARY

In regard to the rate filing request in the above-captioned matter and pursuant to Rule 2.000 §2.202(c), the Office of the Health Care Advocate respectfully submits to the Green Mountain Care Board the following suggested questions for the Board to provide to its consulting actuary, Lewis and Ellis:

1. Please provide an estimate of the 2014 financial impact of the federal changes in attachment point and percentage in the 2014 transitional reinsurance compared to the assumptions you used in your 2014 rate filing.
2. We understand the \$475.35 in the URRT and file “Actuarial Memo Dataset SERFF” was based on MVP’s small group EPO, PPO and HMO products and MVP’s individual indemnity products. We also understand that the adjustments described under the topic “Projection Factors (Worksheet1, Section 2 of Unified Rate Review Template” were applied to the base period incurred claims for those products of \$323.62 (from answer to L&E question 11 in first set of questions). Please provide qualitative and quantitative documentation starting with the utilization and cost/service by benefit category from the claims files and showing all adjustments to arrive at the projected 2015 allowed claims amount of \$475.35.
3. Please provide actual administrative expenses PMPM and member months for the individual market and from the small group market for the last three years.
4. Please provide a history of projected (as reflected in the rate filings) and actual incurred claims and earned premiums for the past three years for the individual and small group markets separately.
5. Please provide an explanation for why the charge for pediatric dental varies by plan. Exhibits 3a and 6 appear to show that it is based on actual plan experience, which is not allowed at a plan level.

6. Please provide Excel calculations that show the development of the Individual Rate matching the rate template for each plan starting with the index rate of \$503.40. This would be similar to “Actuarial Memo Dataset SERFF.xlsx” section “Consumer Adjusted Premium Rate Development,” but the final rate should match the individual rate in the rates template.
 - a. Please explain why the Gross Reinsurance Contributions do not match other documentation and the URRT.
7. Please provide the projected amounts for cells D87-D108 in file “Actuarial Memo Dataset SERFF.xlsx.”
8. A correction due to the adjustment to the Market Adjusted Index Rate: The adjustment made to the Market Adjusted Index Rate to reflect the difference between MVP Health Plan’s paid claims projections and the URRT projections is not allowable. Furthermore, the need for this adjustment indicates that the index rate is incorrect. If the URRT paid claims projection does not match MVP Health Plan’s actual expectations, then either the projected allowed claims are wrong or the projection period paid to allowed factor is wrong. The correction should be made at that step and explained in the Part III Actuarial Memorandum.
9. The Rate Information in SERFF shows a maximum increase of 10.7% and a minimum increase of 18.3%. These appear to be reversed.
10. Please provide the allowed and incurred cost by age cohort (20 and under and 5 year increments thereafter or by age, if easier) for individual and small groups in 2013.
11. Please provide the 2013 NAIC Annual Statement.

Dated at Montpelier, Vermont this 1st day of July, 2014.

s/ Kaili Kuiper

Kaili Kuiper
Staff Attorney
Office of the Health Care Advocate
7 Court Street
P.O. Box 606
Montpelier, Vt. 05601
Voice (802) 223-6377 ext. 329
Fax (802) 223-7281

CERTIFICATE OF SERVICE

I, Kaili Kuiper, hereby certify that I have served the above Suggested Questions to Provide to Board Actuary on Michael N. Donofrio, General Counsel to the Green Mountain Care Board; Judith Henkin, Health Policy Director of the Green Mountain Care Board; and Susan Gretkowski and Gary Karnedy, representatives of MVP Health Plan, by electronic mail, return receipt requested, this 1st day of July, 2014.

s/ Kaili Kuiper

Kaili Kuiper

Staff Attorney

Office of the Health Care Advocate