

**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

In re: MVP Health Insurance Company Third	)	Docket #:
And Fourth Quarter 2015 Large Group	)	GMCB-001-15rr
EPO/PPO Rate Filing	)	

**MVPHIC Health Care’s Memorandum in Lieu of Hearing**

MVP Health Insurance Company (MVPHIC) hereby submits this Memorandum requesting that the Green Mountain Care Board (GMCB) approve the rates as filed and as recommended by its actuary, Lewis and Ellis (L&E). MVPHIC and the Office of the Health Care Advocate (HCA) have agreed to waive the hearing before the GMCB in this proceeding.

**Description of the Filing**

This is the manual rate filing for the portfolio of MVPHIC’s large group PPO/EPO products. The PPO/EPO products are high-deductible health plans (HDHPs) and non-high deductible health plans (non-HDHPs).

The annual rate change for the HDHP plans is an increase of 3.1% for 3Q2015 and 3.5% for 4Q2015. For the non-HDHP plans, the proposed rate increase is 17.5% for 3Q2015 and 18% for 4Q2015. As a result of using a revised pricing model, MVPHIC is breaking out the rate changes by product type (HDHP vs. non-HDHP) rather than utilizing one uniform increase. That accounts for the differences in rate change as well as the separation of the two product types. Both these rate changes include both medical and Rx components.

This filing covers 6,115 members, most of whom will be renewing in the fourth quarter of 2015.

**L&E Recommendation**

L&E recommends that the rates be approved as filed. They found the rate development methodology to be reasonable and appropriate, including the revised pricing model utilized by MVPHIC. L&E also recognized and took into account MVPHIC’s loss ratios, both historical and projected, which all exceed the minimum loss ratio requirements by a significant amount, as outlined on page 4 of the March 31, 2015 L&E actuarial report.

Similarly with the medical trend, because MVPHIC used the already approved and allowed medical trend from its 2015 Exchange rate filing (GMCB 017-14rr), they found that the rate increase was reasonable and appropriate, including the Rx trend development.

**MVPHIC’s Response to the Recommendation**

MVPHIC asks the GMCB to approve the rates as filed for the reasons noted by L&E and the substance of the filing.

s/ Susan Gretkowski  
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April 15, 2015

#### **Certificate of Service**

I, Susan Gretkowski, hereby certify that I have served the above Memorandum on Michael Donofrio, General Counsel to the Green Mountain Care Board, and Lila Richardson and Kaili Kuiper, counsel of record for the Office of the Health Care Advocate, by electronic mail this 15th day of April, 2015.

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