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 Kevin Ruggeberg, A.S.A.
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 Karen E. Elsom, F.S.A.
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London/Kansas City

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Indianapolis

Kathryn R. Koch, A.C.A.S.

Baltimore

David A. Palmer, C.F.E.

August 23, 2016

Matt Lombardo
 MVP Health Insurance Company
 625 State Street
 Schenectady, NY 12305

Re: MVP Health Plan, Inc.
 1Q/2Q 2017 Vermont Large Group Rate Filing
 SERFF Tracking #: MVPH-130682523
 Objection #1

Dear Mr. Lombardo:

The following additional information is required for this filing.

Trend

1. The description provided with the Rx trends seems to suggest that the change in 2016 trend from the prior filing is due solely to the application of PBM trends to MVP data rather than a more aggregated dataset. Is this correct? Does MVP have an understanding of why the generic cost trend is so low when based on Vermont data?
2. Given the substantial Rx cost trends, why is it appropriate to hold Rx rebates per script constant? Please provide rebates per script as well as cost per script by tier for the last three years.

General

3. MVP's request for rates approximately 4% higher than is indicated by the data indicates that MVP's primary competitor in the Vermont market has markedly higher claims PMPM. Provide a demonstration of this relationship, including any consideration of market differences

Experience Adjustments

4. When were the policy duration factors last updated? We would expect that medical trends would reduce the seasonality impact of a given deductible over time.
5. The 9.16% pooling factor used in this filing appears to be higher than the catastrophic claim level observed in any recent period. Please support the use of this factor.
6. There are several riders, including Gym Membership Reimbursement, which are not receiving a proposed rate change.
 - a. Are claims and premiums for these programs included in the experience used in this filing?
 - b. What is the experience period loss ratio for these programs?

Plan-Level Adjustments

7. What is the data source (i.e. block and time period) behind MVP's current large group plan relativities? We note that the deductibles range from \$0 to \$6,550, and would expect that trend leveraging would cause noticeable changes to the benefit relativities.

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

To ensure that the review of your filing has been completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than September 2, 2016.

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

Sincerely,



Kevin Ruggeberg, ASA, MAAA
Associate Actuary
Lewis & Ellis, Inc.
KRuggeberg@LewisEllis.com
(972)-850-0850