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 Wesley R. Campbell, F.C.A.S., F.S.A.  
 Xiaoxiao (Lisa) Jiang, F.S.A.  
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 Jennifer M. Allen, A.S.A.  
 Josh A. Hammerquist, A.S.A.  
 Johnathan L. O'Dell, A.S.A.  
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 Leon L. Langlitz, F.S.A.  
 D. Patrick Glenn, A.S.A., A.C.A.S.  
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 Christopher H. Davis, F.S.A.  
 Karen E. Elsom, F.S.A.  
 Jill J. Humes, F.S.A.  
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**Indianapolis**

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

**Baltimore**

David A. Palmer, C.F.E.

August 22, 2016

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

Re: MVP Health Plan, Inc.  
 1Q/2Q 2017 Vermont Small Group AR42 Rate Filing  
 SERFF Tracking #: MVPH-130681893  
 Objection #1

Dear Mr. Lombardo:

The following additional information is required for this filing.

**Trend**

1. Exhibit 5 states that the average renewal date for 2Q groups is 4.21 months later than the average renewal date for 1Q groups. Please explain why only 3 months of trend are being applied to 1Q rates to obtain rates for 2Q groups.
2. 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?

**Experience Adjustments**

3. 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.

**Non-Benefit Expenses**


4. Please support the 0.75% assumption for the Insurer Fee assessed on 2Q 2017 renewals.

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 August 30, 2016.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Ruggeberg', is written over a horizontal line.

Kevin Ruggeberg, ASA, MAAA

Associate Actuary

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