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David A. Palmer, C.F.E.

January 17, 2017

Matthew D. Danziger, FSA, MAAA  
Actuarial Director  
Cigna Health and Life Insurance Company  
900 Cottage Grove Road  
Bloomfield, CT 06002

Re: Cigna Health and Life Insurance Company  
Company NAIC # 67369; FEIN # 59-1031071  
VT - Cigna LG Major Medical Filing 2017  
SERFF Tracking # CCGP-130705386

Dear Mr. Danziger:

Lewis & Ellis, Inc (L&E) have been retained by the Green Mountain Care Board ("GMCB") to review the above referenced Large Group product filing submitted on 12/30/2016. Upon review of the actuarial memorandum and related information submitted, the following additional information is needed:

1. Please list and quantify the reasons for the overall rate impact of -3.70%, and provide an example showing the detailed calculation of a policyholder receiving the -9.7% minimum rate increase and one with the 0.1% maximum rate increase.
2. As indicated in the actuarial memorandum and evidenced in Table 1, the medical base claims have changed from the last approved filing.
  - a. Please explain in more details about the changes, including but not limited to experience period and data sources;
  - b. Quantify the impact of updating base medical claim assumptions and the CPD table respectively and their combined effect.
3. Regarding the medical trend assumptions,
  - a. Please provide detailed quantitative and qualitative support for them;

- b. Please quantify the impact of updating medical trend assumptions.
4. As indicated in the actuarial memorandum, the methodology for rating pharmacy benefits has significantly changed.
  - a. Please provide a summary of the major changes from the last approved filing, and explain the reasons for these changes;
  - b. We have noticed a few new formulary types listed in the current filing. What are the reasons for the new formulary types, and how are they mapped to the current formulary types?
  - c. How are the data for mail order drugs being reported and trended?
  - d. What are the overall pharmacy cost and utilization trend for 2016 and 2017 respectively? Please provide a comparison of the pharmacy trends to those used in the last approved filing, and explain in more details the driving forces of the changes in the pharmacy trend assumptions.
5. Provide the derivation of the projected federal MLR for 2017, starting with the target loss ratio.
6. Please explain any significant changes in the retention assumptions, and explain how the retention assumptions in this filing compare to experience. Also, please confirm that the 0.0% PPACA Fees are intended for the entire period when the new rates are implemented.

Please respond no later than January 24, 2017.

Our review of filing will be placed in suspense pending your response. Contact me if you have any questions.

Sincerely,



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