

**Green Mountain Care Board**  
89 Main Street  
Montpelier, VT 05620

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www.gmcboard.vermont.gov

*Kevin Mullin, Chair*  
*Cornelius Hogan*  
*Jessica Holmes, PhD*  
*Robin Lunge, JD, MHCDS*  
*Maureen Usifer*  
*Susan Barrett, JD, Executive Director*

July 19, 2017

**DELIVERED ELECTRONICALLY**

Mr. Gary F. Karnedy, Esq.  
Primmer Piper Eggleston & Cramer  
30 Main Street, Suite 500  
P.O. Box 1489  
Burlington, Vermont 05402-1489

Dear Mr. Karnedy:

The Board requests the following information based on questions raised during today's hearing:

1. Provide additional information about MVP's consumer website, including what information can be accessed via the website. Describe methods used by MVP to direct consumers to the website, and how the company measures user traffic. In addition to discussing the information MVP members can access through the site, discuss information that is available to non-members who may want to purchase an MVP plan, including information regarding cost-sharing and benefits.
2. Calculate the impact of hospital budget information on the proposed rate, taking into consideration: (a) the FY 2018 hospital budget submissions, filed July 1 and available on the Board's website, *see* <http://gmcboard.vermont.gov/content/fy18-individual-hospital-budget-information>; and (b) the approved FY 2017 hospital budget information, including any orders made by the Board to a hospital (*e.g.*, Copley) to reduce its rate. *See* <http://gmcboard.vermont.gov/hospital-budget/2017/Narratives>. When providing this information, note that the Board requested that several hospitals adjust their budgets based on their 2016 actual budget performance, and that these adjustments can affect your calculations.\*
3. Describe the contractual arrangement between MVP and its pharmacy benefit manager, including allocation of payments/profits between MVP and the PBM.
4. Is credit for expected pharmacy rebates included in the charge customers pay for medications? Please explain.

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\* More specific information can be found on the Board's website at <http://gmcboard.vermont.gov/content/fy-2016-actuals>, or by calling Lori Perry at 828 6971 or Andy Pallito at 522 7873.



5. Recalculate the CSR scenarios assuming that only federal CSR amounts will be discontinued, and that Vermont CSR payments will be unaffected.
6. Provide the breakdown of fixed vs. variable administrative costs, by percent and by dollar amounts, for 2014 through current, using the projected costs where actual are not available. Provide the Vermont membership numbers for each respective year.
7. Provide the geographic distribution of services in Vermont.
8. If the Board were to reduce the CTR for this specific filing from 2.0% to 1.0%, would the company remain in compliance with New York State's solvency requirement?

Please provide this information to the Board, copying the Office of Health Care Advocate, by Monday, July 24 at noon. If you have additional questions, please contact me at 828-1968 or Noel Hudson at 828-5322.

Thank you,

s/ Judy Henkin, Esq.

General Counsel, Green Mountain Care Board

cc: Kaili Kuiper, Office of the Health Care Advocate  
Jackie Lee, L&E  
David Dillon, L&E

