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David A. Palmer, C.F.E.

June 19, 2017

Eric Bachner
MVP Health Insurance Company
625 State Street
Schenectady, NY 12305

Re: MVP Health Plan, Inc.
2018 Vermont Exchange Rate Filing
SERFF Tracking #: MVPH-131034103
Objection #3

Dear Mr. Bachner:

We have been retained by the Green Mountain Care Board (“GMCB”) to review the above referenced QHP products filing submitted on 5/12/2017. The following additional information is required for this filing and is being submitted on behalf of the GMCB based on suggested questions submitted by the Office of the Health Care Advocate.

1. How many individuals enrolled in Medicaid in 2016 enrolled in your QHPs for 2017? How did this enrollment affect your trend estimates for 2018?
2. Paragraph 6 refers to calculating the impact of cost share leveraging on the carrier’s share of medical cost. Did you incorporate the adjustments made to QHP cost sharing to keep the plans aligned with federal AV requirements? If you did not adjust for these changes, please provide calculations of how this impacts the trend assumption.
3. Please provide a more qualitative explanation to support your claim that utilization will increase in 2018. Please include your clinical team’s interpretation and justification of your statistical results.
4. PBMs are responsible for managing Rx costs and as such may have a vested interest in stating a conservative trend. Do you have any internal trend analytics to support the reasonableness of the PBM findings? Please provide historic PBM forecasts compared to actual trends for 2014-2016.
5. Please provide quantitative and qualitative support for the expected impact due to new Vermont rules on limiting opiate prescriptions.

6. Please provide quantitative and qualitative support for the expected impact due to new rules requiring generic substitution for interchangeable biological products.
7. Have you studied the impact of providers driving costs? For example:
 - a. Services moving into high cost health systems;
 - b. Services moving from PCP to specialist; or
 - c. Services moving from an office setting to a facility setting.If so, please provide the study.
8. Please explain how ACA growth in insured population creating less bad debt and growth in covered members (and in turn more FFS volume helping to ease provider overhead strain) haven't led to lower unit cost increases.
9. Please describe any vended services from the corporate for-profit parent.
10. Is any overhead from the parent passed through to the VT non-profit?
11. Please provide support for your CTR estimate.
 - a. Other carriers in the market include a detailed exhibit of their CTR needs – please provide a similar exhibit or the components required for us to replicate the other carrier's exhibit including anticipated investment income, target RBC ratio, and current and projected authorized control level.
 - b. How does your parent impact your CTR requirement?
 - c. Do you have a target RBC and/or run simulations models to validate the need for this RBC level?

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 June 23, 2017. Note that the responses can be submitted separately and do not have to be submitted all at the same time.

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

Sincerely,



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