



February 15, 2019

Paul Schaeffer, FSA, MAAA  
Actuarial Senior 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 2020  
SERFF Tracking # CCGP-132206853

Dear Mr. Schaeffer:

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 03/18/2020. Upon review of the actuarial memorandum and related information submitted, the following additional information is needed:

1. As shown under "Rate Review Detail" of SERFF submission, the weighted average prior rate is \$582.33 PMPM. Please illustrate how this amount reconciled to the approved rate from the prior filing.
2. We have noted some changes in the pharmacy rating methodology. Please outline the changes made from the previously approved filing.
3. Regarding the breakdown of the requested rate increase on page 3 of the actuarial memorandum, please provide the following:
  - a. A further breakdown of the 'Rating Variable' line item to show the percent change attributed to updated experience base claims vs updating each of the other rating variables that were changed from the previously approved filing. Please explain the reason(s) behind why each rating variable is changing.
  - b. A further breakdown of the '% Expense Change' line item to show the percent change attributed to updating profit margin vs updating HIF and each of the expense items that were changed from the previously approved filing. Excluding profit margin and HIF, please explain the reason(s) behind why each expense line item is changing.
4. Please provide additional support for each of the components identified in breakdown of the requested rate increase, including the additional breakdowns requested in question #3, with detailed sources of the referenced figures and/or derivation, as well as any other information that may be helpful with our review. For example, if there is

any impact from neutralizing the methodology impact between national and Vermont rating, or if the baseline has changed, please specify.

5. Please provide at least 3 years of historical actual-to-expected retention, separately for profit vs. all other retention. Actual profit should be as reported in the Supplemental Health Care Exhibit.
6. Please provide the derivation of the projected federal MLR for 2020, starting with the target loss ratio.
7. Please provide a comparison of the Medical, Rx, and Combined trends (separately by cost trend, utilization trend, and total trend) as filed in this filing versus the previously approved filing. Please provide quantitative and qualitative support for the changes.

Please respond as soon as possible, but no later than March 31, 2020.

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

Sincerely,



Traci Hughes, ASA, MAAA  
Vice President & Consulting Actuary



**LEWIS & ELLIS, INC. – ACTUARIES AND CONSULTANTS**

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