



May 18, 2020

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

Re: MVP Health Plan, Inc.
2021 Vermont Exchange Rate Filing
SERFF Tracking #: MVPH-132371260
Objection #1

Dear Mr. Bachner:

The following additional information is required for this filing.

Notice regarding proper responses:

- A minimum-acceptable response to quantitative questions from us must include a spreadsheet calculation with retained formulas such that we can replicate the calculations therein.
- Explanatory responses are merely a supplement to the spreadsheet material and in of themselves will constitute a lack of response.

Questions:

1. Please provide detailed quantitative and qualitative support for the medical unit cost trend assumption separately for Vermont providers that are governed by the GMCB and all other providers. The support for the providers governed by GMCB should reconcile to the most recently approved budget changes (<https://gmcbboard.vermont.gov/sites/gmcb/files/documents/FY20%20Summary%20of%200Budget%20Submissions%20and%20Approvals.pdf>) and include an explanation and support for any differences. The support for all other providers should include the data and any adjustments that were made to the data to determine the best estimate of unit cost changes.
2. We acknowledge the following from page 3 of the Actuarial Memorandum, "MVP analyzed historical utilization patterns for the ACA-compliant business to determine whether there has been a utilization trend pattern in the recent past. Because of the rapid membership growth in this block in the past several years, the utilization trends produced by the model were not considered reliable." Please provide the analysis of the historical utilization patterns. This analysis should include quantitative and qualitative components.
3. Please reconcile the 11.1% of CY2018 claims that were above \$100,000 with the 10.5% shown in last year's actuarial memorandum.
4. Please provide quantitative and further qualitative support for the Rx trends in Exhibit 2a.

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5. Provide quantitative and qualitative support for the leveraged Rx trend.
 6. Provide quantitative support for the 1.041 trend factor applied to the claims for the deductible in Exhibit 2a.
 7. Please provide quantitative and qualitative support for the total administrative expenses including a projection for individual and small group separately. Please also demonstrate the impact of the projected increased membership in 2021.
 8. Please provide quantitative and qualitative support for the Benefit Actuarial Value and Induced Demand Reflected in Index Rate in Exhibit 7.
 9. Please provide an exhibit showing the membership by plan and actuarial value for 2019, 2020 and the projection for 2021.
 10. Please provide the national study performed by Wakely Consulting Group for the impact of the National High Cost Reinsurance Pool.
 11. Provide additional support for the 1.2% trend in Exhibit 6 in the projection of the CSR load.
 12. As stated in the Actuarial Memorandum, MVP has begun to allow small groups to pay their premiums via credit card. What is the current percentage of groups that are paying via credit card? Explain any differences between the current percentage and the CY2021 assumption of 10%.
 13. Please provide support for the assumed COVID-19 immunization cost of \$75.
 14. Please provide further support for the assumed COVID-19 immunization rate of 80%, considering that the flu immunization rate in Vermont is approximately 50% for adults and 60% for children.
 15. Please disclose the assumed date that the COVID-19 immunization will become available and provide support for the assumption.
 16. Please provide support for the assumption that 20% of elective services were deferred during the 2 months in which elective surgeries were restricted. Support should include actual utilization/claims data observed during the 2-month time period.
 17. Has the company considered the possibility of a second wave of COVID-19 resulting in a second period in which elective surgeries would be restricted? If that was the case how would costs be impacted?
 18. Please provide support for the assumption that providers will perform 110% of elective services from August 2020 through April 2021.
 19. What was the company's observed change in emergency department utilization due to COVID-19? Has the company considered the impact of COVID-19 on ED utilization and utilization trends?

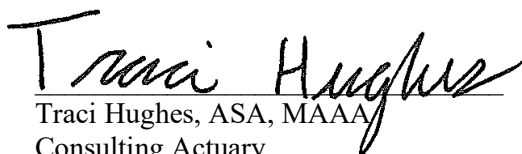
20. Please provide a reconciliation between the exhibits (i.e. Exh 3) and the URRT. Specifically, please tie to the morbidity adjustment, plan design changes, other factor, and the Market Adjusted Index Rate.

21. Please provide inforce membership by plan for February 2020.

To ensure that the review of your filing is completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than May 26, 2020.

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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