



625 State Street, PO Box 2207
Schenectady, NY 12301-2207
mvphhealthcare.com

July 1, 2020

Ms. Traci Hughes, ASA, MAAA
Lewis & Ellis, Inc.
700 Central Expressway South, Suite 550
Allen, TX 75013

Re: 2021 Vermont Exchange Rate Filing
SERFF Tracking #: MvPH-132371260

Dear Ms. Hughes:

This letter is in response to your correspondence received 06/29/20 regarding the above-mentioned rate filing. The responses to your questions are provided below.

1. The projected members by plan was provided in the Rate Increase Exhibit ("Rate Increase Exhibit 2020-2021_SERFF.xlsx") in row 40 (totaling 36,980), corresponding to the URRT projected member months (443,760/12=36,980). Please provide a similar breakdown of experience period members by plan (totaling 29,960), corresponding to the URRT experience period member months (359,516/12=29,960).

Response: Please see the tab "Question #1" of the attached Excel document for a table providing a count of unique plan/member combinations for the experience period. Please note that because not all members are enrolled with MVP and enrolled in the same coplan for all 12 months, the sum of these distinct members is greater than the 29,960 quoted above.

2. We were informed that a change will need to be made prior to finalization of this rate filing for the Bronze 1 non-standard plan to be in compliance with Federal AV requirements. Please provide a very detailed outline of the expected changes. In this documentation, please point out all cells/values from any Excel Exhibits, the URRT, etc. that will change.

Response: In MVP's original Federal AV calculation for the Bronze 1 plan design, there were cost sharing items entered contrary to the filed Summary of Benefit Coverage (SBC). Once those changes were accounted for in the Federal AV calculator, the plan's AV fell outside of the permissible range for a Bronze plan. The change that was made was to offer the Tier 1 pharmacy at a copay prior to the deductible (as opposed to after the deductible as was originally filed). This allowed the plan design to qualify for the expanded Bronze AV range and allowed it to become AV-compliant.

MVP determined this plan design change increases the benefit AV by approximately 0.6%. Combined with an increase to the induced demand factor, the total premium change is approximately 0.8%. Please see below for a full listing of changes to the rate filing, the Rate Increase Exhibit and the URRT.

Rate Filing, Exhibit 7 (Rows 28, 58, 71)

-Benefit Actuarial Value: 0.6088 to 0.6124 (+0.59%)

-Induced Demand Factor: 1.0011 to 1.0032 (+0.20%)



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-Net Claim Cost PMPM, % of Premium Loads, Gross Claim PMPM, Premium Rates: Increase by 0.80%

Rate Increase Exhibit (Column H)

-Cells H10:H13: Increase by 0.80%

-Cell T25 (Overall Rate Change): Increase by 0.02%

URRT Worksheet 2 (Columns U and AM)

-Row 20: Increase from 7.21% to 7.98%

-Section III: Updated to reflect new Calibrated Plan Adjusted Index Rate

-Section IV: Updated to reflect new Allowed Claim, Member Cost Sharing, Risk Adjustment and Premium estimates.

If you have any questions or require any additional information, please contact me at 518-386-7213.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Bachner".

Eric Bachner, ASA
Leader, Actuarial, Commercial/Government Programs
MVP Health Care

Experience Period Plan	Members
VT Standard Platinum 1 (2019)	3,036
VT Standard Gold 1 (2019)	4,628
VT Non-Standard Gold 2 (2019)	504
VT Non-Standard Gold 3 (2019)	6,674
VT Non-Standard Silver 1 (2019)	7,586
VT Non-Standard Silver 1 II (2019)	1,463
VT Non-Standard Silver 2 (2019)	177
VT Non-Standard Silver 2 II (2019)	599
VT Standard Silver 3 (2019)	864
VT Standard Silver 3 II (2019)	1,406
VT Standard Silver 4 (2019)	681
VT Standard Silver 4 II (2019)	1,372
VT Non-Standard Bronze 1 (2019)	920
VT Standard Bronze 2 (2019)	3,587
VT Standard Bronze 3 (2019)	3,761
VT Standard Bronze 4 (2019)	409
VT Non-Standard Bronze 5 (2019)	1,070
VT Catastrophic (2019)	17
Total	38,754