



August 13, 2021

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

Re: MVP Health Plan, Inc.
2022 Large Group HMO Rate Filing
SERFF Tracking #: MVPH-132824950

Dear Mr. Lombardo:

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 revise page 1 of the actuarial memorandum such that the table showing the quarterly annual increases uses the current membership and matches the 8.5% 2022Q1 rate increase consistent with SERFF.
2. Please provide the membership distribution in the experience period and the current membership distribution.
3. Please use Exhibit 4a and demonstrate the weighted average annual rate changes for each quarter based on current membership. This should reconcile to the SERFF filed 8.5% for the first quarter.
4. Please provide the average credibility percentage for the VT large group in this block of business.
5. Provide detailed quantitative support for the medical unit cost trend. For Vermont providers governed by the GMCB, support should reconcile to the most recently submitted budget changes. The support for all other providers should include the data and any adjustments that were made to the data to determine the best estimated of unit cost changes.
6. Please provide detailed quantitative and qualitative support for the pharmacy unit cost and utilization trends provided in rows 69-76 of Exhibit 2a. This should include information provided by the PBM.

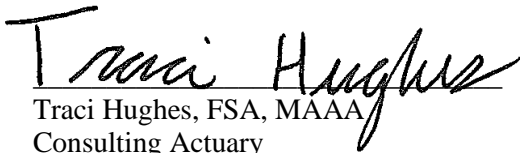
7. Please explain why the 2020 allowed Rx trends in cells D79:D81 of Exhibit 2a do not equal the formula $((1+2020 \text{ Unit Cost Trend}) * (1+2020 \text{ Utilization Trend})) - 1$, where the 2020 unit cost and utilization trends are provided in cells C72:D74. Note: this formula works for the 2021-2023 trends in cells E69:J82.
8. Please provide a historical A-to-E analysis of the actual pharmacy trends vs. the PBM/Company expected pharmacy trends. The analysis should include at least 5 years of data.
9. Please provide quantitative support for the pooling charge of 4.4% for claims above \$250,000 and discuss the historical and expected net gain or loss from pooling claims (cost vs. benefit).
10. Please provide the historical experience of claims PMPM above \$250,000 over the past five years for this block.
11. Provide quantitative and qualitative support for the each of the three capitation and/or non-FRDM claims expense items, shown on page 3 of the actuarial memorandum.
12. Please provide the historical experience of Rx rebates PMPM over the past five years for this block.
13. Please provide the cost and utilization components of the \$1.45 PMPM impact for COVID-19 booster shots. Please provide further qualitative and quantitative support for these assumptions.
14. Please provide an itemized (broker fees, bad debt, covered lives assessment, vaccine pilot, taxes, CTR, etc.) breakdown of the retention PMPM, as approved in the 2021 rate filing and as filed in the 2022 rate filing. Please provide support for any differences.
15. Please provide the projected average rate change expected for groups renewing in the first quarter of 2022 (i.e., after accounting for experience blending).
16. Please provide the 2020 loss ratio experienced for Q1 renewals groups, Q2-Q4 renewal groups, terminated groups, and all groups combined.
17. Please provide the federal loss ratio for this block of business in 2018, 2019, & 2020.
18. Please confirm that no costs were included in the rate development associated with OneCare Vermont.
19. For each month from January 2017 through May 2021, please provide the total allowed costs, member months, and any normalization factors appropriate to normalize for changes in unit costs, population age factors, and induced utilization.
20. Please provide the current distribution of large groups by the applied underwriting discretion factor.
21. What is the expected range of the underwriting discretion factor for 2022?
22. Exhibits 4b and 3c outline rate changes for medical and Rx benefit rides. Please provide a detailed description of how the rate changes for the riders are calculated and/or determined.

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 is completed before statutory deadlines, we expect you to respond as expeditiously as possible, but no later than August 20, 2021.

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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