



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

March 15, 2021

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

Re: MVP Health Plan, Inc.
Company NAIC # 95521; FEIN # 14-1640868
2021 Large Group POS Rider Rate Filing
SERFF Tracking # MVPH-132718695

Dear Ms. Hughes:

This letter is in response to your correspondence received 03/11/21 regarding the above-mentioned rate filing. The responses to your questions are provided below.

1. Regarding the response to question #2 of the previous objection letter – this is not enough information to gauge the reasonableness of the rider premium loads provided. Please provide a quantitative summary of the base data used and a calculation of the premium loads including adjustments applied. Support should be in Excel format with working formulas.

Response: Please see the attached excel document which shows the 2018 and 2019 MLRs of the rider premium loads for our New York PPO block which is the basis of the rider load derivation. MVP realized a 91.2% loss ratio in 2018 and a 71.6% loss ratio in 2019 for a two-year average loss ratio of 80.4%; the target loss ratio was 82.9% in 2018 and 83.9% in 2019. Based on an analysis from MVP's informatics team, out of network claims were 1.8 times more expensive than the same claim performed with an in-network provider.

Out of network claims are traditionally more severe and therefore create a wider range of potential outcomes. Due to the volatility in OON claims from year-to-year, MVP did not modify the rider loads being charged for 2021 based on the loss ratios observed in 2018/2019 relative to expectations.

2. Please provide the historically observed loss ratio for the riders in total for VT. We acknowledge that this block of business is not credible, however we are still requesting this data.

Response: MVP has had a loss ratio of 0% for these riders over the past 3 years. The annual premium MVP receives for these riders is ~\$1000 and one out of network claim incurred will likely create a loss ratio that is exceptionally high due to this block having 6 members as of the time of this filing.

3. Please provide the historically observed loss ratio for the riders in total for NY, which was the basis for developing the VT rider premium loads. Additionally, please discuss any differences between the historically observed loss ratio of this block of business and the loss ratio targeted in the development of the rider premium loads.

Response: Please see the response to Question #1.



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If you have any questions or require any additional information, please contact me at cpontiff@mvphealthcare.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Pontiff".

Chris Pontiff, ASA
Leader, Actuarial, Commercial
MVP Health Care

MVP NY OON Rider Historical Data

	2019	2018
Member Months	122,311	101,157
Non-Par Claims PMPM	\$18.65	\$26.30
Non-Par Claims Repriced at Par	\$10.36	\$14.61
Additional Cost of Non-Par	\$8.29	\$11.69
Premium PMPM Collected for LG NY with OON benefit	\$571.99	\$610.98
Avg OON Load Charged	2.0%	2.1%
OON Premium	\$11.58	\$12.82
OON Rider MLR	71.6%	91.2%

Two Year Average	
111,734	
\$22.11	
\$12.28	
\$9.83	
\$589.64	
2.1%	
\$12.14	
80.4%	